
NOTICE OF MEETING

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

FRIDAY, 2 NOVEMBER 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 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 Ben 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

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 14 September 2018 (Pages 7 - 20)

RECOMMENDED that the Minutes of the meeting held on 14 September 2018 be confirmed and signed by the Chair as a correct record.

4 Audit Performance Status Report to 10 October 2018 (Pages 21 - 30)

The purpose of the report is to update the Governance and Audit and Standards Committee on the Internal Audit Performance for 2018/19 to 10th October 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 2018/19 to 10th October 2018**
- (2) That Members note the highlighted areas of control weakness from the 2018/19 Audit Plan**

5 Treasury Management Mid-Year Review 2018/19 (Pages 31 - 42)

The purpose of the report is to recommend some minor updates to the Council's MRP policy following discussions with the Council's external auditors, and to inform members and the wider community of the Council's Treasury Management position at 30 September 2018.

RECOMMENDED that

- (1) If the carrying (market) value of an investment property falls below the original value of unsupported borrowing incurred to acquire the investment property excluding fees and other associated costs, minimum revenue provision (MRP) will be charged over the residual life of the property on the shortfall between the current property value and the value of borrowing.**
- (2) Minimum revenue provision (MRP) be provided on equity shares over 25 years on an annuity basis.**
- (3) It be noted that there have been no breaches of the Treasury Management Policy 2018/19 in the period up to 30 September 2018.**
- (4) The actual Treasury Management indicators for September 2018 in Appendix A be noted.**

6 Data Security Breach Report (Pages 43 - 48)

The purpose of the report is to inform the Committee of any Data Security Breaches and actions agreed/taken since the last meeting.

RECOMMENDED that Members of the Governance & Audit & Standards Committee note the breaches (by reference to Appendix A) that have arisen and the action determined by the Corporate Information Governance Panel (CIGP).

7 Compliance with the Gifts and Hospitality Protocol (Pages 49 - 66)

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

RECOMMENDED that

- (1) The Committee considers whether or not to make any recommendations for change**
- (2) In the absence of any changes, the report is noted**

8 Consideration of the Political Balance Rules in relation to the Constitution of Sub-Committees considering complaints against members (Pages 67 - 68)

The purpose of the report is to ask the Committee to consider whether it wishes to disapply the political balance rules in respect of its Sub-Committees which consider complaints against Members and to agree that the same rule shall apply to the Initial Filtering Panel.

RECOMMENDED that the political balance rules are disapplied in respect of Governance and Audit and Standards Sub-Committees which are considering complaints against Members and also the same arrangement should apply in respect of Initial Filtering Panel membership.

9 Proposed Changes to Constitution Part 3: Rules of Procedure - Policy and Review Panels (Pages 69 - 70)

The purpose of the report is to ask Members to consider a proposed change to the Call In Procedure, as set out in section 15 of the Constitution Part 3: Rules of Procedure - Policy and Review Panels (Overview and Scrutiny) Procedure Rules.

RECOMMENDED that Governance & Audit & Standards Committee

1. Consider and agree the proposed amendment set out below:-

That under the heading "Process of call-in" in section 15 of the Constitution Part 3; Rules of Procedure, bullet point 7 be amended to read

"The lead call-in member would not be allowed to vote on the item even if they are a member of the management panel."

2. Recommend to Council that the Constitution be amended to reflect this change

10 Revisions to the Statutory appointments section in the Constitution (Pages 71 - 74)

The purpose of the report is to address the need to make revisions to the statutory appointments section in the constitution.

RECOMMENDED that Governance & Audit & Standards Committee

1. Consider and agree the proposed amendment to the Constitution by the following inclusion relating to part 2 responsibility for functions (Section 5c Proper Officer/Statutory Appointments Section):

Section	Function	Responsible Officer
86	Declare vacancy in office	CX
87	Give public notice of a casual vacancy	CX

2. Recommend to Council that the Constitution be amended to reflect the above revision.

11 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 contains 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.)

Item	Exemption Para No.*
12. Procurement Management Information (Exempt Appendices 1, 4 and 5 only)	3

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

12 Procurement Management Information report (Pages 75 - 104)

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.

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Agenda Item 3

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

MINUTES OF THE MEETING of the Governance & Audit & Standards Committee held on Friday, 14 September 2018 at 10.30 am in 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 Will Purvis (in the chair)

Councillor Ian Lyon
Councillor Hugh Mason

Officers

Julian Pike, Deputy Head of Finance & Deputy S151 Officer
Charlotte Smith, Assistant Director of Community & Communication
Karen Fitzgerald, Corporate Complaints Officer
Michael Lawther Deputy Chief Executive, City Solicitor and Monitoring Officer
Jon Bell, Director of HR Legal and Performance
Elizabeth Goodwin, Chief Internal Auditor
Paul Somerset, Deputy Chief Internal Auditor

External Auditor

David White, Manager, Assurance - Government and Public Sector, EY.

54. Apologies for Absence (AI 1)

The Chair, Councillor Will Purvis, welcomed everyone to the meeting and advised that it is being livestreamed and would be available on the website. The Chair then read out the housekeeping rules relating to evacuation procedures in the event of an emergency. Introductions were then made round the table.

Apologies for absence were received from Councillors Ken Ellcome, Simon Boshier and John Ferrett and from Helen Thompson, Associate Partner, Ernst & Young.

55. Declarations of Members' Interests (AI 2)

Councillor Hugh Mason declared a non-pecuniary interest in agenda item 7 in that he seconded a proposal to invest in the Hampshire Community Bank in

2014 and is also a director of the Hampshire Credit Union, currently trading as Wessex Community Bank.

DEPUTATIONS were made at this point in the meeting.

Mr Jerry Brown made a deputation on agenda Item 6 - Quarterly Performance Management Update

Mr Jerry Brown also made a deputation on agenda item 7 - Hampshire Community Bank.

These have been referred to at the beginning of each item concerned and can be heard in full using the following link

<https://livestream.com/accounts/14063785/GAS-14Sep2018>

56. Draft Minutes from 27 July 2018 meeting (AI 3)

RESOLVED that the Minutes of the meeting held on 27 July 2018 be confirmed and signed by the Chair as a correct record.

UPDATES on matters referred to in the minutes.

- Members asked that updates on actions agreed at the previous meeting should be made available to committee members at a reasonable time before the briefing meetings
- Page 9 of the previous minutes referred to a new IT Policy being about to go live and members of the Committee asked that a copy of the policy be sent to them.
- Members asked that a special meeting be convened before the next scheduled meeting to receive a report on MMD to cover all the outstanding issues. Members agreed to send their questions to Mr Pike to ensure that the report addressed their concerns.
- Members asked that at the same special meeting a report on the Victory Energy Company be brought. Members wanted it to provide background information on how it had been established, whether officers believed that everything that should have been done to inform councillors and provide information had been done, whether there should have been more political input and to cover lessons learned. The City Solicitor agreed that this could be done.

57. LGO Complaints annual report- (Information only) (AI 4)

(TAKE IN REPORT)

The Assistant Director of Community and Communications, Charlotte Smith summarised the report that brings to the attention of the Governance & Audit & Standards Committee the Annual Review of Complaints by the Local Government and Social Care Ombudsman dated July 2018, regarding the complaints it has considered against Portsmouth City Council for the year 2017/2018.

Section 3 of the report details the corporate complaints received and section 4 details complaints received in Adult Social Care and Children's Social Care.

Ms Smith advised that for corporate complaints the vast majority were resolved at stage 1. 46 were sent to the Local Government Ombudsman and this figure has remained reasonably static compared with recent years. PCC compares well with comparable authorities. Only 9 complaints were upheld - 6 related to social care and 3 to Planning matters. Advice from the LGO on how PCC should improve in future mainly related to improving processes and providing advice on remedies.

Following discussion

- It was agreed that in future Plymouth should be included as a comparator authority as it is very similar to Portsmouth . Plymouth's figures would be circulated to committee members after the meeting.
- It was confirmed that PCC is reasonably confident that its complaints process is easy to access as comparisons had been carried out with other local authorities and the process has been approved by the LGO. There are multiple ways in which residents/customers can complain
- Complaints figures for the last few years are not included in the report and would be circulated to committee members after the meeting.
- It was confirmed that complaints that are sent direct to the LGO by individuals would be referred to PCC for local resolution before being looked at by the LGO and this accounted for the 15 referrals for local resolution.
- It was agreed that a register would be kept showing the amounts paid out and by which service in the authority.

The City Solicitor advised that the payments made by way of compensation were generally low - in the hundreds of pounds. Complaints are dealt with on merit so if it is more cost effective to make a payment rather than escalate the matter to the Ombudsman then that is done. However some complaints coming into the system are without foundation and public money should not be used in these circumstances.

The report was noted.

58. External Auditor's Annual Audit Letter update (AI 5)

David White, Manager, Assurance - Government and Public Sector, EY. introduced this item which essentially repeats the audit results report brought to the last meeting. He confirmed that the Audit Opinion was issued on 30 July - ahead of the deadline.

He advised that the Whole of Government Accounts was completed and signed off on 10 August ahead of the. deadline of 31 August.

The Audit Opinion was unqualified as was the VfM conclusion.

The Committee thanked the External Auditors for their work.

Queries were raised about IRFS 9 and IRFS 16 and the impact on leases and where the items are shown on the balance sheets.. Owing to the complexity of this area Members asked that this should be fully explained as part of the

MMD special meeting to be arranged in October. Julian Pike advised that he would re-circulate a note about this.

The Committee noted the External Auditor's Letter.

59. Quarterly Performance Management Update (AI 6)

Jon Bell introduced the report advising that Appendix 1 summarises the performance issues in respect of each directorate which should be helpful given the detailed nature of the report. The detailed performance report is given in Appendix 2, Projects in Appendix 3 and Risks in Appendix 4.

Mr Bell explained that there is nobody available today from Adult Social Care or Children's Services (where an Ofsted inspection is taking place) to help the Committee with detailed questions. He suggested that instead, members should raise their queries and he would endeavour to obtain written responses.

Mr Bell said he would like to draw members' attention to some recurring themes as outlined in sections 3.5 to 3.7 which are that increasing demands are being made on services at a time when there is reducing capacity exacerbated to a large extent by the ongoing financial pressures faced by the authority.

Members raised a large number of queries and observations.

These included concern

- that there was nothing to suggest that the Chief Executive had input concerning matters raised in the directorates performance management
- about the lack of independent assessment of how officers perform
- about the absence of financial implications
- that nothing in the report allocates the way that the council produces services into the categories of demand, capacity and financial challenge
- that contingency plans in the event that Children's and Adults' Services continue to overspend without funding being received from elsewhere is absent
- that there is nothing in the report about infants and the effect on infants of bad parenting or anything about early intervention
- that there is nothing in the report about a strategy to deal with mental health at a very early age nor anything about what we are doing from 0 - 5 in mental health services.
- that there is nothing in the report to say whether these matters a)are being considered or b)whether they have been considered and a decision has been taken that there is no money to deal with them

The Chair said that the priorities for infant spend or otherwise is straying into policy decisions on how spending is targeted which is not for this committee. He asked the deputy s151 officer to answer the query about financial risk. Julian Pike, deputy s151 officer advised that the overspend is £5m within Children's and £3m within Adult Social Care, so a combined forecast overspend of the two at the moment is £8m at the end of June. There is a report going to Cabinet on 9th October which is reporting the Quarter 1 forecast outturn position which is where the adults and children's positions will be formally reported. The report does say that this is a significant area of concern for the council and will need to be addressed in the medium term. Adults have a medium term plan in place which provided they deliver the savings that they're expecting to generate under that savings plan will bring their budget back into balance by 2021 and there is a plan in place to manage that through the use of Adult Social Care reserves. Children's are in the process of formulating their plan but the children's deficit recovery plan is not as well developed as the Adult Social Care plan. In the event that Children's Services recovery plan is unable to achieve the level of savings that are required he advised that they would be looking to increase the council's three year savings target that will come forward as part of the medium term financial strategy review which will be considered by the City Council in February.

The Chair thanked Mr Pike for his explanation.

Michael Lawther suggested that a briefing could be arranged for members with Adults and Children's Services about the particular difficulties which they've had this year. He said that the council does produce balanced budgets and is not running into a deficit situation. It is in a healthy financial state but it is difficult. There is a massive growth in the need for adult social care. He suggested that a paper or a presentation from adults and children would be extremely helpful for members.

The Chair said that considering the fact that for very justifiable reasons Children's and Adult Social Services officers can't be here today, he considered it would be sensible to invite them to provide a briefing on 19th October - the date of the next G&A&S briefing meeting and this was agreed.

One Member commented that it seems that estimated budgets never seem to be realistic observing that the authority had never under-budgeted for Adult Social Services or Children's. Mr Pike explained that there has been an underlying pressure within Children's Social Care for a number of years which has been carried in contingency and for a number of years there has been a release from contingency at year end in order to address the overspending within Children's Social Care. One of the reasons why that hasn't been mainstreamed into the Children's Social Care budget is to ensure that every opportunity to reduce expenditure in Children's Social Care is first explored before increasing their base budget.

The Chair suggested that as a separate briefing would be arranged on Adult and Children's Social Care sections of the report, that other queries on those issues should be addressed then.

Members asked for the following additional information

- Explanation of acronyms in reports coming to Committee

- concerning page 63, Appendix 1 about IT "now starting to transform the network and application architecture for the whole Council" ie details of how much it is expected to cost and what it is expected to do.
- Financial implications to be included in the report going forward to assist members on what they should be focusing on.
- Re page 68 the reduced care periods - the trend is deteriorating. Members wanted future reports to include information such as the cost implications of a deteriorating trend and mitigation costs plus matters such as care periods, average days in care, increasing number of children returning home from care and is that benefiting us financially?

Following a long discussion about percentages included in the report, it was agreed that where the report currently states for example "54% of staff", in future the actual number of staff is to be included in brackets after the percentage.

In response to a query about retention rates in social workers being on amber, members were surprised at the RAG rating as it seemed a poor statistic.

Mr Bell said that this has been targeted as a priority for the service but there is a national shortage of social workers in an extremely competitive market. The situation in Portsmouth used to be much worse and used to be on red. Retention is a problem which we have across the council in many areas because we do tend to pay in the lower quartile.

A query was raised about Appendix 1, page 59, Waste Management, Given that the waste management in the city is giving great cause for concern with general deterioration, fly tipping and the costs being passed onto the public, why we as the governing body for this city are not pushing the county council to expedite plans despite the continuing delay in the long awaited national policy?

The City Solicitor said he was unable to provide that information today but would arrange for a note to be provided to members.

A query was raised on page 75 concerning whether the number of fixed term exclusions was exam related, the City Solicitor said he would arrange to find out. It was confirmed that the data related to all Portsmouth schools including Academies.

The Chair drew members' attention to a scrutiny review on school attendance that would be concluding in a few weeks' time.

In response to a query, the deputy section 151 explained how the school sufficiency programme worked in practice. The educational team will make submissions to the Department of Education's forecast of what they think their pupil numbers will be. That will start to implement grants that PCC then receives from the Department of Education. They put together a broad outline proposal of what they would like to do in order to meet the school places that they think will be needed at primary level or secondary level. A scheme of cost is then produced by the design team in Property Services. That indicative cost feeds into the overall capital bid process. When the authority

knows what its total capital resources are, members are engaged in setting what priorities they would like to spend their capital resources on and an allocation is made to Education in context of all the other priorities that the council has. That initial allocation is then approved by the City Council in February and then detailed schemes are worked up from there and there is then portfolio holder engagement before implementation.

In response to a query about whether PCC considers out sourcing some of this work, Mr Bell said that as with all capital projects there is a mix in terms of in-house/ external provision. Most of the construction work is outsourced in effect after going through a procurement process. PCC has some internal design capacity which is used where that is cheaper than going externally.

The City Solicitor said that to have an informed discussion about this we need some assistance from our Education colleagues.

Further information was requested on page 83 as there appears to be an entire year group missing and the figures do not add up. The City Solicitor said he would arrange for an explanation to be provided.

The Chair asked that members provide written questions to be considered at the briefing meeting in relation to Adults and Children's Social Care rather than putting them at this meeting when nobody was available to provide answers.

Members commented

- that with regard to page 89 there should be a comparison with Q4 2017 in order to make sense of the information
- that the report does not include enough detail around context in terms of expected need or capacity
- that the report does not say whether Portsmouth community social work and Occupational Therapy teams are able to assess and deliver services to ASC clients within a timely manner.

In response to a concern raised about the time taken for hospital discharge, The City Solicitor advised that a significant amount of work had been undertaken to try to reduce and actually improve the co-operation between PCC and colleagues in the NHS to get people out of hospital more quickly. There have been a number of interventions which have taken place where PCC has tried to reduce the waiting time and we are swimming against the stream when we're working with the NHS in some of these areas. It was confirmed that DST meant Decision Support Tool.

The City Solicitor said the whole process is particularly complex and suggested it would be really worthwhile to raise this in the briefing session with colleagues in Adult Social Care to explain what they are trying to do and the difficulties which they have.

Further queries were raised as listed below

- page 94 states that there were delays due to procurement issues, for information and advice. Members asked that reports should include more meaningful information such as how long the delays are and the financial implications.
- On page 96 there is mention of support for ASC Day centres and Residential Units and that objectives were achieved. But there is no mention of what the objectives were which should be included as this would be a measure of success.

In response to queries about air quality management, the City Solicitor advised that a report was being prepared and it covered the traffic aspects as well as environmental health issues. It is expected that this will be considered at a Cabinet meeting shortly.

Members hoped that a report on the governance and management of this matter would be brought to a future meeting of this Committee.

Further questions were raised as follows

- On page 125, members said it would be useful to be told about the cost implications concerning the deteriorating situation in legally required homeless decisions
- On page 176, given that from the point of view of the individual citizens of this city, there is a move to a much more complex area of benefits that we administer and also that the introduction of universal credit will impinge upon the way in which we deliver our services, Members asked that a report should come to this committee on that subject.
- On page 188, the average sickness absence is not given in quartiles and Mr Bell said he would provide that information - although more detailed information already goes to Employment Committee.
- With regard to page 200, there is reference to 533 IT incidents. Members asked how many people are employed in our IT department and, specifically, how many first-line, second-line and third-line engineers are in the team. The City Solicitor said he would find out.
- With regard to page 202 - Berth 3 linkspan purchase, it was explained that this is a piece of bridging work that allows vehicles to drive from the land onto the vessels. Negotiations are underway to buy an existing linkspan that has come to the end of its lease as this is significantly cheaper than buying a new one. It is in place at the moment and PCC has been leasing it for the last 5 to 6 years.
- With regard to page 210, members were advised that Swift is the existing software system and System1 is the system they are moving to. AIS is a system used by Adult Social Care which is used in commonality with the NHS and with the majority of GPs within the city.

There followed a discussion about contingency planning. Mr Pike said that every year the level of contingency is set at a level to ensure that PCC can set a robust and resilient budget. Because PCC's budget is currently in balance, the money PCC expects to spend is equal to the income PCC expects to get

so if PCC is looking to increase contingency PCC will be looking for commensurate savings elsewhere within the council.

Mr Pike said that the report coming to this Committee on MMD will explain the financial relationship between PCC and MMD that will show that there is a net benefit to PCC as a result of operating MMD.

In response to a query raised in relation to page 215 relating to Oakdene - accommodation provision for people with mental health needs which is rated red throughout, the City Solicitor said that a note would be sent to Committee members to cover how the responsibility for this is balanced between NHS and Portsmouth City Council and to advise what is happening from an auditing position. The note would also include information about the practicalities about whether PCC is going to be landlord with Solent providing the services or if not, how exactly it was intended to work.

He advised that from a legal point of view his understanding is that there were problems with the purchase of the property in terms of funding which had since been resolved and PCC is in the process of completing the purchase of the property from Solent.

In response to a query on page 241 concerning GDPR (General Data Protection Regulations) the City Solicitor confirmed the importance of setting up a proper asset register and ensuring that only those people who need to access it can do so. He said that the difficulty in being fully compliant with GDPR (probably shared with many organisations) is that although we have a very high level of knowledge and training has been undertaken for all staff to ensure that they know their roles and responsibilities, a number of the systems which we have are not GDPR compliant and the systems providers are either (a) asking for astronomical sums to make them compliant or (b) saying they won't make them compliant in which case we're having to change to alternative systems. We therefore have a number of systems which we need to work our way through to make them compliant but we can't do that until the providers actually rewrite the software or provide the updates to make them compliant.

Mr Pike confirmed that ORACLE have provided some tools that can obfuscate HR related data and these are currently being tested. Obfuscation in this context means being able to search and identify a field that has a person's name in it and it would just replace that with a series of XXs so it would actually overwrite the information that is there, When it comes to accounts payable and accounts receivable, it is slightly harder to obfuscate the data. Currently PCC is changing systems where they are not compliant with a view to changing to a cloud based system in the future.

With regards to Appendix 4 - Risk Register, Members commented that much of it is red and high risk. It seems that there is a serious management issue and that we may be reaching a stage where it is beyond our ability to manage within the resources which we have available because of these very high risks which have been noted. These include obtaining staff, obtaining teachers and people being overworked.. Members asked that for the briefing meeting on 19 October, a full report should be brought on the mitigation strategy and how

far that mitigation strategy will work and whether there is a point at which we can no longer mitigate and where our services will seriously deteriorate..

In response to a query about funding in Children's Services, the City Solicitor confirmed that where the report mentions that strategies are being developed, the full funding implications have not yet been established. so more money may well be required.

With regard to a query about capacity in the Audit Team, Jon Bell advised that over time the team has been strengthened both in terms of size and skills in order to be able to deal with an ever increasing range of external clients.

With regard to queries relating to insurance on Page 281, it was confirmed that insurance is in place but are included on the risk register as there is still potential for disruption to the service which will result in risks and the results of paying the excess on any insurance claim because the first £50,000 of any claim is our liability. Claiming against a policy would put up future premiums so items in here which are fully insured may still be considered risks.

RESOLVED that the Committee

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

60. Report on Hampshire Community Bank (AI 7)

(TAKE IN REPORT)

Julian Pike introduced the report which informs the Committee on progress relating to the Hampshire Community Bank project.

He advised that this was originally approved by Cabinet on 10 July 2014 and City Council on 14 July 2014 (minute 72/2014) and contained the following recommendation:

3) Authority to approve a Capital Investment of up to £5 million in in the creation of Hampshire Community Bank and incur any necessary costs relating to the Due Diligence process is delegated to the Head of Financial Services and Section 151 Officer in consultation with the Strategic Director Regeneration.

Section 3.2 of the report outlines some of the key benefits of investing in a Community Bank along the lines of the German Sparkassen community banks.

Section 4 outlines the three level corporate structure of the Bank.

Section 5 sets out the contractual position and due diligence and progress on key items is set out in section 6.

During discussion, the following matters were clarified

- HCB itself has not made any loans - these have been made by Local First. Community Interest Company as set out in 6.8 of the report.
- It was confirmed that Local First CIC is an organisation in its own right and has borne the £46k loss.
- Mr Pike advised that he did not know why it had taken so long for HCB to get a banking licence - given that a similar enterprise - Redwood- had only taken 2 years to get theirs - but he would try to find out.

Members expressed concern

- that the voting rights are not weighted to reflect the investment provision put in
- that the original report said that Members would be kept informed about progress but this has not happened.
- that the original report stated that HBC would recruit local staff - but although there had been recruitment advertisements in Germany, nothing had been seen locally.
- About whether a succession plan exists in respect of Professor Werner.

Members asked about how the bank would actually work as it seemed to be different from what was set out in the 2014 report and asked to see a spreadsheet showing shareholders how this is going to work

In response to queries,

- It was confirmed that PCC has allowed up to £10m to be available to purchase bonds.- with a 6% return and these would have to be purchased immediately on getting the banking licence.
- With regard to loans in the PCC local area, none had been made to date. Funding was made specifically available to Eastleigh Council as accountable body and loans were made in Eastleigh and Winchester areas

Members commented

- that the margins seem very tight for the return mentioned in 3.2.6.
- that what was originally envisaged was to allow PCC to invest in the local community to benefit our own area, but PCC seems to have bought a loan book, without asset backed lending.
- that they were concerned about whether PCC has the necessary expertise to enter this sector.

Mr Pike said that In order for PCC to loan £10m to HBC, security would be required or the loan would not be made

Mr Pike asked that members submit to him in writing any queries not answered during the meeting.

The Chair, Cllr Purvis had to leave at this point and Cllr Hugh Mason took over as Chair for the remainder of the meeting.

The City Solicitor advised that the update report has been brought to the Committee today as requested by Members and not much more progress can

be made at this meeting. Members' concerns and observations will be recorded but this is not a matter for this Committee to decide. It may be possible for individual Members to bring the matter to the attention of Cabinet for them to make a decision.

Members noted the update report alongside very serious concerns about governance arrangements and the potential operation of this entity.

61. Audit Performance Status Report for Audit Plan (AI 8)

(TAKE IN REPORT)

The Chief Internal Auditor introduced the report and apologised for omitting dates in Appendix A when actions are expected to be completed. These are:-

Children's Residential Units - by June 2018

Registrars - by October 2018

Purchase Cards - by August 2018

Land Charges - by October 2018

Contaminated Land- by December 2018

She also said that in paragraph 5.3 of the report all years in the column headed "Expected reporting date" should be 2019 not 2018.

The Chief Internal Auditor referred to section 1 of the progress report that summarises the 2018-19 planned audit activities.

At the last meeting, members had expressed concern about the number of agreed actions that had not been carried out. The pie chart included in section 5.2 of the report shows that the situation has since improved, with 64% of actions closed and verified. This would be included in all future reports.

With regard to the reference to City Helpdesk listed in section 5.2 "Closed - management accepts risk", the Deputy Chief Auditor explained that this related to a situation where it is possible for an officer to access more of the information in the database than is needed. However, the system is audited regularly to check what is being accessed and no concerns have been raised. The Corporate Governance Group are aware and consider it reasonable to accept this risk for the time being as PCC will soon be moving to "system one" which will resolve this issue.

Members were concerned that it did not appear to be possible to password the current system to prevent access but the Deputy Chief Internal Auditor said this was very low risk and would in any event be resolved soon.

With regard to Parking space & Garage Management, also listed in section 5.2, this had been started but not yet completed as there is a need to implement new processes across a number of sites. Regular updates are now in place to check actions are implemented going forward.

At the last committee meeting members requested a breakdown of the audit resources available and how those resources were currently deployed and that information is provided in section 5.4 and 5.5 of the report but shows the situation at that time.

Regarding purchase cards, mentioned in Appendix A, the Chief Internal Auditor said she would continue to work with directors and will check any issues regularly.

There followed a general discussion around purchase cards during which officers explained that a great deal of work had been done to ensure that the most efficient and safe way for staff to purchase goods/services is used and that this is via purchase cards. It is also easier to check for misuse as PCC can obtain extracts from the card provider. Internal audit had confidence in the purchase card system.

RESOLVED that Members

(1) Noted the Audit Performance for 2018/19 to 24 August 2018.

(2) Noted the highlighted areas of control weakness from the 2017/18 Audit Plan

(3) Noted the level of resources currently available and how they are currently utilised between Internal and External Clients.

62. Data Security Breaches (AI 9)

(TAKE IN REPORT)

The City Solicitor introduced the report which informs the Committee of any Data Security Breaches and actions agreed/taken since the last meeting. He said that the vast majority of incidents are unintentional breaches involving human error. Educating staff is ongoing and PCC continues to look at procedures to see if improvements can be made.

Very occasionally there is a deliberate breach and in all such cases, disciplinary proceedings will follow.

In response to a query, the City Solicitor said he would find out whether any action has been taken against any employee who has unintentionally caused a data breach or whether the person concerned is just given advice and training.

In response to a query about how the data breach involving Facebook would be remedied, the City Solicitor advised that the ICO will decide whether or not to prosecute and will contact the victim as part of that process.

He confirmed that the ICO can impose fines of up to 20m Euros. So far no fines have been imposed on PCC by the ICO.

RESOLVED that Members of the Committee note the breaches (by reference to Appendix A) that have arisen and the action determined by the Corporate Information Governance Panel (CIGP).

63. Consideration of the political balance rules in relation to the constitution of Sub-Committees considering complaints against Members. (AI 10)

(TAKE IN REPORT)

Councillor Hugh Mason proposed that the recommendation contained in the report be agreed by all members of the committee in attendance, which it was.

RESOLVED that the political balance rules are disapplied in respect of Governance and Audit and Standards Sub-Committees which are considering complaints against Members and also the same arrangement should apply in respect of Initial Filtering Panel membership.

64. Scrutiny update (AI 11)

A Member said that the Governance & Audit & Standards Committee should be auditing whether or not Scrutiny Management Panel is carrying out its role in terms of scrutinising decisions made by Cabinet and asked that a discussion should take place about this at the next meeting.

The meeting concluded at 2.15 pm.

Councillor Will Purvis
Chair



Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	2 nd November 2018
Subject:	Audit Performance Status Report to 10 th October 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 2018-19 planned audit activities. To date there are no 'No Assurance' audits and no critical risks exceptions raised.
- 1.2 There are 77 Full Audits and 25 Follow ups, in the revised planned for 2018/19, totalling 102 reviews.
- 1.3 To date, 48 (47%) have been completed or are in progress as at 10th October 2018. This represents 31 (30%) audits where the report has been finalised 5 (5%) where the report is in draft and 12 (12%) 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 2018/19 to 10th October 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 2018/19 to 10th October 2018.
- 3.2 That Members note the highlighted areas of control weakness from the 2018/19 Audit Plan.

4. Background

- 4.1 The Annual Audit Plan for 2018/19 has been drawn up in accordance with the agreed Audit Strategy approved by this Committee on 8th June 2018 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 2018/19 Internal Audit will conduct 1011 days of audit work for external clients.

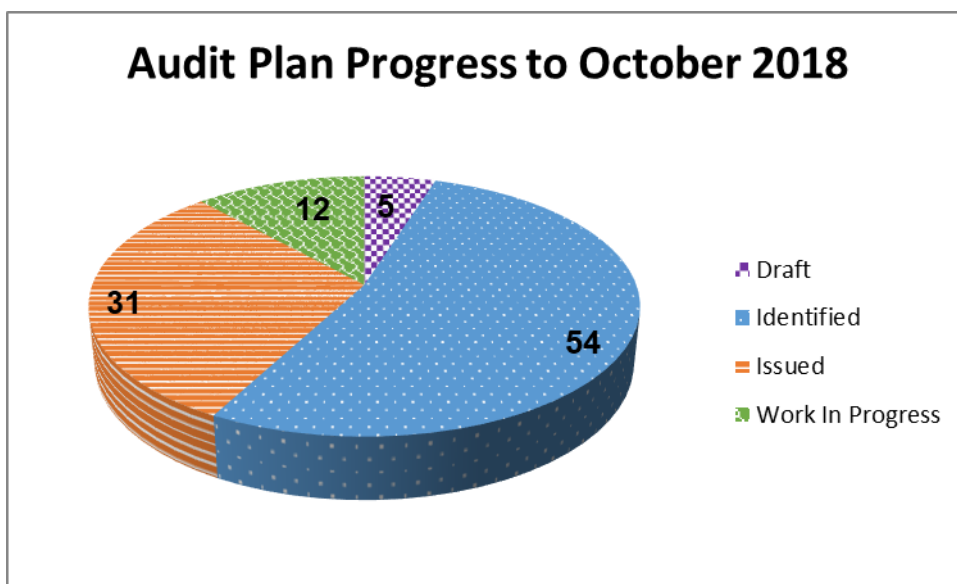
5. Audit Plan Status 2018/19

Percentage of the approved plan completed

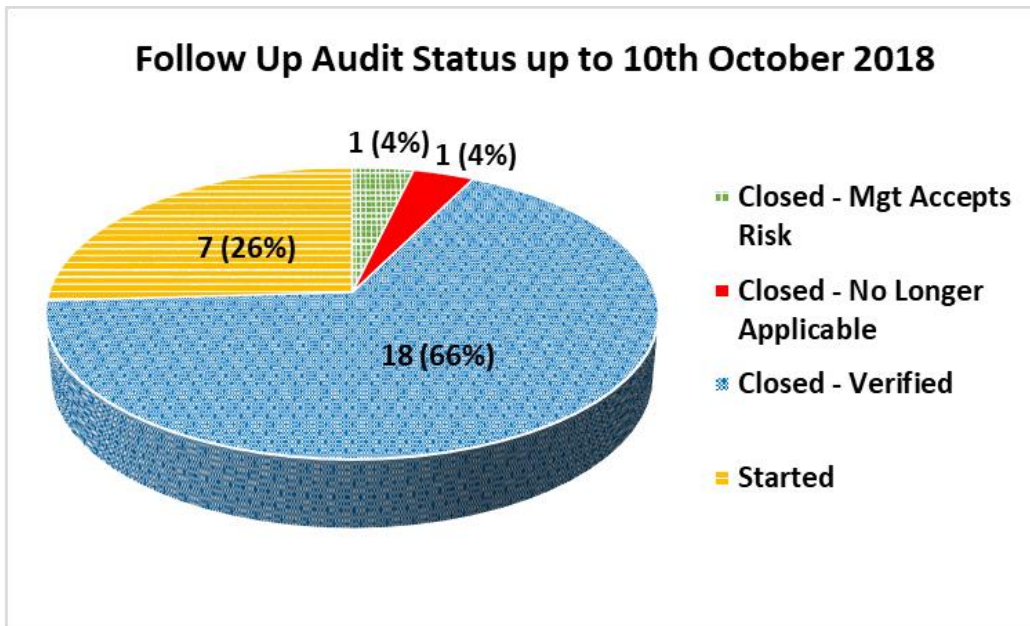
- 5.1 30% of the annual audit plan has been completed as detailed below. Appendix A shows the completed audits for 2018/19.

The overall percentage figure is made up as follows:

- 31 new reviews (30%) audits where the report has been finalised, 5 (5%) where the report is in draft and 12 (12%) audits currently in progress



- 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. The table below shows the status of agreed actions relating to follow up work completed.



5.3 Directorate Codes:

- DCCD - Director of Culture & City Development
- DCC - Director of Communities & Communications
- DHNBS - Director of Housing, Neighbourhood & Building Services
- DPIP - Director of Portsmouth International Port
- MMD - Mainland Market Deliveries

Audits	Closed - Mgt Accepts Risk	Closed - No Longer Applicable	Closed - Verified	Started	Grand Total
Marketing and Tourism - DCCD		1	2		3
Merchandise, Stock, Retail - DCCD			1	1	2
City Helpdesk - DCC	1			1	2
Parking space & Garage Management - DHNBS			1	4	5
Grounds Maintenance Contract - DHNBS			3		3
Youth Centres/ Community Centres - DHNBS			8	1	9
Income Dues Brittany - DPIP			1		1
MMD Recruitment - MMD			2		2
Grand Total	1	1	18	7	27

5.4 At the last committee meeting the members requested a schedule of when the planned reviews at Mainland Market Deliveries (MMD) would be carried out and the results communicated. Below is the list of MMD audits, their audit type, status and expected reporting timeframe.

Audit	Audit Type	Status	Expected Reporting
Recruitment	Follow Up	Issued	Nov-18
Procurement	Follow Up	Draft	Feb-19
Payroll	Full Audit	Draft	Feb-19
Health and Safety	Full Audit	Fieldwork	Feb-19
Gifts and Hospitality	Full Audit	Fieldwork	Feb-19
GDPR	Full Audit	Not started	Mar-19
Budget Monitoring	Full Audit	Not started	Mar-19
Commercial Contracts	Full Audit	Not started	Mar-19

Amendments to the 2018/19 audit plan.

5.5 Since the plan was approved there have been the following changes:

- Southsea Infants has been added to the plan.
- PCMI (Portsmouth Craft Manufacturing Industry) has been removed to accommodate the inclusion of Southsea Infants. This audit will be reconsidered for the 2019/20 audit plan.
- St Swithuns has been added to the plan.
- Wellbeing has been removed to accommodate the inclusion of St Swithuns. This audit will be reconsidered for the 2019/20 audit plan.
- Email & Internet Security has been added to the plan to enable a follow up to be conducted on the high risk exception that was raised.
- Strategic Commissioning (School places) has been removed to accommodate the inclusion of Email & Internet Security. This audit will be reconsidered for the 2019/20 audit plan.
- Sea Defence & Drainage has been removed as there are no high risk exceptions to follow-up.
- Learning Disability Spend has been removed as there are no high risk exceptions to follow-up.

5.6 The net difference from these amendments is a reduction of 1 under full audits, from 78 to 77 (inclusive of grant verifications) and a reduction of 1 follow-up from 26 to 25. Overall annual audit plan for 2018/19 covers 102 reviews.

Reactive Work

5.7 Reactive Work undertaken by Internal Audit in 2018/19 includes:

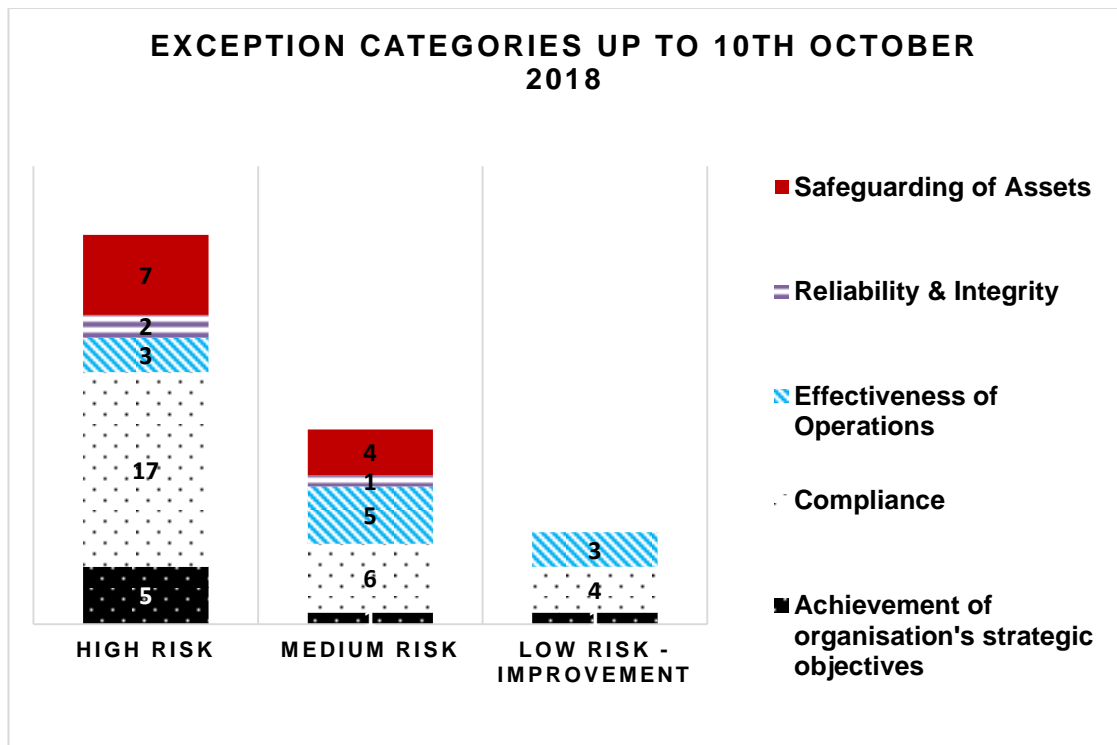
- 9 special investigations (excludes Benefit and Council Tax Support cases)
- 6 items of advice, (where the advice exceeds an hours work)

Exceptions

5.8 Of the 2018/19 full audits completed the number of exceptions within each category have been:

- 0 Critical Risk
- 34 High Risk
- 17 Medium Risk
- 8 Low Risk (Improvements)

5.9 The following table details the categories of exceptions raised to date.



Ongoing Areas

- 5.10 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

- 5.11 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

6. Areas of Concern

- 6.1 There are no new areas of concern.

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 to date (10th October 2018)

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	http://www.legislation.gov.uk/ukxi/2011/817/contents/made

Audit Regulations	
2 Previous Audit Performance Status and other Audit Reports	Refer to Governance and Audit and Standard meetings – reports published online.
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:

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APPENDIX A - Audits Completed to date (10th October 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	Last Implementation date
Deferred Payments - Director of Adult Social Care	0	0	0	2	2	Assurance	Assurance	NAT	NAT	NAT	Assurance	The issues raised are low level improvements only.	Not applicable
Direct Payments - Director of Adult Social Care	0	1	2	0	3	NAT	Assurance	Limited Assurance	Reasonable Assurance	NAT	Limited Assurance	The issues raised are in relation to evidence to support expenditure, late returns by clients of Direct Payments and enhanced fraud checks proposed.	Apr-19
Modern Records - Director of City Development and Culture	0	3	1	0	4	Limited Assurance	Assurance	Limited Assurance	NAT	NAT	Limited Assurance	The issues raised are in relation to physical condition of the record stores, the strategy for the digital preservation of electronic records and the fact that the service's computer system will not be compatible once the Microsoft windows upgrade is performed, and will need to be replaced.	Between Oct 18 and Oct 2020
Portsmouth Reablement & Rehabilitation Team - Director of Adult Social Care	0	0	1	0	1	Assurance	Assurance	NAT	Reasonable Assurance	NAT	Reasonable Assurance	The issue raised was in relation to incorrect reporting on initial assessments.	Mar-19
Travel & Subsistence - Director of Finance & Information Service	0	5	1	0	6	NAT	Limited Assurance	NAT	Limited Assurance	Limited Assurance	Limited Assurance	The issues raised are in relation to failure to comply with financial rules, for example, evidence of driving license and adequate insurance, circumvention of mileage rules and lack of training.	Dec-18
Mobile Phones - Director of Finance and Information Service	0	1	2	1	4	NAT	Limited Assurance	Reasonable Assurance	Reasonable Assurance	NAT	Limited Assurance	The issue raised was in relation to an inadequate management trail for phones ordered and users acceptance of mobile phone conditions.	Feb-19
Supporting vulnerable people through Homecheck/ Telecare - Director of Housing, Neighbourhood and Building Services	0	4	2	1	7	Assurance	Limited Assurance	Limited Assurance	Limited Assurance	NAT	Limited Assurance	The issues raised are in relation to the accuracy and availability of stock records, non completion of mandatory staff training and income handling documentation, Key performance indicator monitoring and duties being undertaken whilst awaiting DBS clearance.	May-19
Energy Management - Director of Housing, Neighbourhood and Building Services	0	0	1	0	1	NAT	NAT	Assurance	Assurance	NAT	Reasonable Assurance	The issue raised was in relation to over reliance on one member of staff for the compilation and submission of the annual report.	Dec-18
Risk Management - Director of HR, Legal and Performance	0	3	1	1	5	Limited Assurance	Limited Assurance	Limited Assurance	NAT	NAT	Limited Assurance	The issues raised are in relation to the risk management framework, specifically corporate oversight and the monitoring and reporting of the strategic risks.	Mar-19
St Swithuns - Director of Children Services and Education	0	2	0	0	2	NAT	Limited Assurance	NAT	Limited Assurance	NAT	Limited Assurance	The issues raised are in relation to retention of confidential / sensitive data in personnel files and no income trail for two pockets of income in the sample tested.	Dec-18
Southsea Infant - Director of Children Services and Education	0	0	0	0	0	Assurance	Assurance	NAT	Assurance	Assurance	Assurance	No issues were raised	Not applicable
Port Grant - Director of Portsmouth International Port	0	0	0	0	0	NAT	Assurance	NAT	NAT	NAT	Assurance	Grant Verification	Not applicable
Local Transport Capital & Pothole Grant (Grants) - Director of Regeneration	0	0	0	0	0	NAT	Assurance	NAT	NAT	NAT	Assurance	Grant Verification	Not applicable

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Agenda Item 5

Title of meeting:	Governance and Audit and Standards Committee Cabinet City Council
Date of meeting:	Governance and Audit and Standards Committee 2 November 2018 Cabinet 6 November 2018 City Council 13 November 2018
Subject:	Treasury Management Mid-Year Review 2018/19
Report by:	Director of Finance and Information Technology (Section 151 Officer)
Wards affected:	All
Key decision:	No
Full Council decision:	Yes

1. Executive Summary

This report recommends some minor updates to the Council's policy on providing for the repayment of debt, known as its minimum revenue provision (MRP) policy, and outlines the Council's performance against the treasury management indicators approved by the Council on 20 March 2018.

2. Purpose of report

The purpose of the report is to recommend some minor updates to the Council's MRP policy following discussions with the Council's external auditors, and to inform members and the wider community of the Council's Treasury Management position at 30 September 2018.

In March 2009 the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Panel issued a bulletin relating to Treasury Management in Local Authorities. The bulletin states that "in order to enshrine best practice it is suggested that authorities report formally on Treasury Management activities at least twice yearly and preferably quarterly". The report in Appendix A covers the first six months of 2018/19.

3. Recommendations

It is recommended that:

- 3.1 If the carrying (market) value of an investment property falls below the original value of unsupported borrowing incurred to acquire the investment property excluding fees and other associated costs, minimum revenue provision (MRP) will be charged over the residual life of the property on the shortfall between the current property value and the value of borrowing.
- 3.2 minimum revenue provision (MRP) be provided on equity shares over 25 years on an annuity basis.
- 3.3 It be noted that there have been no breaches of the Treasury Management Policy 2018/19 in the period up to 30 September 2018.
- 3.4 the actual Treasury Management indicators for September 2018 in Appendix A be noted

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

The key risks associated with the Council's treasury management operations are:

1. Credit risk - ie. that the Council is not repaid, with due interest in full, on the day repayment is due
2. Liquidity risk - ie. that cash will not be available when it is needed, or that the ineffective management of liquidity creates additional, unbudgeted costs
3. 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
4. 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
5. 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 are £623m and statutory guidance requires the Council to provide for its repayment. The Council has made a number of amendments to its MRP policy in recent years and has informed the external audit manager at the time of its intentions. The Council's external auditors have now engaged their specialist staff to undertake a review of the Council's MRP policy. As a result of previous MRP policies the Council has provided for the repayment of debt much earlier than when the actual repayments are required to be made and has as a result been reducing its MRP in order to recover this over provision over a prudent time scale. The auditors are reviewing the amount of the excess MRP made in previous years rather than the amount of MRP being made in the current year. Therefore the effect of the auditors' MRP review will be to shorten the period over which the Council makes a reduced MRP rather than to increase MRP immediately.

The Council has investments lodged with 56 institutions that amount to £414m.

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 £23m 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 whilst optimizing costs and returns. The Council monitors and measures its treasury management position against the indicators described in this report. Treasury management monitoring reports are brought to the Governance and Audit and Standards Committee for scrutiny.

There have been no breaches of the Treasury Management Policy up to the period ending 30 September 2018.

5. Reasons for Recommendations

Recommendation 3.1

The Council's existing policy is to provide for the repayment of debt used to finance investment properties by utilising the capital receipt generated from their sale. The market value of the Council's investment properties is expected to increase over time. However, the commercial property market is cyclical and there is a risk that the market value of an investment property could fall preventing the debt from being entirely provided for through the capital receipt realised from selling the property. In order to be prudent it is therefore recommended that if the carrying (market) value of an investment property falls below the unsupported borrowing amount, minimum revenue provision (MRP) will be charged over the residual life of the property on the shortfall of the balance. There has been no diminution in the value of the Council's investment properties that have been financed from unsupported borrowing.

Recommendation 3.2

The Council's existing policy is that no MRP is made on self - financed borrowing to fund equity shares purchased in pursuit of policy objectives unless the shares are sold in which case the capital receipt is set aside to repay the debt. The Council's equity shares are expected to hold their value unlike physical assets that depreciate.

None the less, the Council has no plans to sell its equity shares and therefore no provision is being made for the repayment of the borrowing that financed the equity investments. In order to ensure that provision is made to repay debt associated with the acquisition of equity shares, it is therefore recommended that minimum revenue provision (MRP) be provided on equity shares over 25 years on an annuity basis.

Recommendation 3.3

To highlight any variance from the approved Treasury Management Policy and to note any subsequent actions.

Recommendation 3.4

To provide assurance that the Council's treasury management activities are effectively managed.

6. Equality impact assessment (EIA)

The contents of this report do not have any relevant equalities impact and therefore an equalities impact 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 2015 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's comments

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

.....
Signed by Director of Financial & Information Technology (Section 151 Officer)

Appendices:

Appendix A: Treasury Management Mid-Year Review 2018/19

Appendix B: LIBID Rates

Appendix C: Composition of Cash Investments with Investment Returns at 30 September 2018

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:

<u>Title of document</u>	Location
1 Information pertaining to treasury management strategy and performance	Financial Services

TREASURY MANAGEMENT MID YEAR REVIEW OF 2018/19**A1. SUMMARY OF TREASURY MANAGEMENT INDICATORS AS AT 30 SEPTEMBER**

The Council's debt at 30 September was as follows:

	Limit	Position at 30/9/18
Authorised Limit	£660m	£623m
Operational Boundary	£645m	£623m

The maturity structure of the Council's fixed rate borrowing was:

	Under 1 Year	1 to 2 Years	3 to 5 Years	6 to 10 Years	11 to 20 Years	21 to 30 Years	31 to 40 Years	41 to 50 Years
Lower Limit	0%	0%	0%	0%	0%	0%	0%	0%
Upper Limit	10%	10%	10%	20%	30%	30%	30%	40%
Actual	1%	1%	4%	7%	24%	11%	25%	27%

The maturity structure of the Council's variable rate borrowing was:

	Under 1 Year	1 to 2 Years	3 to 5 Years	6 to 10 Years	11 to 20 Years	21 to 30 Years	31 to 40 Years	41 to 50 Years
Lower Limit	0%	0%	0%	0%	0%	0%	0%	0%
Upper Limit	10%	10%	10%	20%	30%	30%	30%	10%
Actual	2%	2%	7%	12%	24%	26%	27%	0%

Sums invested for periods longer than 365 days at 30 September 2018 were:

Maturing after	Limit £m	Actual £m
31/3/19	158	133
31/3/20	133	85
31/3/21	110	27

The Council's interest rate exposures at 30 September 2018 were:

	Limit £m	Actual £m
Fixed Interest - Borrowing and (Lending)	454	362
Variable Interest - Borrowing and (Lending)	(289)	(153)

A2. GOVERNANCE

The Treasury Management Policy Statement, Annual Minimum Revenue Provision for Debt Repayment Statement and Annual Investment Strategy approved by the City Council on 20 March 2018 provide the framework within which Treasury Management activities are undertaken.

In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. As from 2019/20, all local authorities will be required to prepare a Capital Strategy which is intended to provide the following: -

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

A report setting out the Council's Capital Strategy will be taken to the Cabinet and the City Council, before 31st March 2019.

A3. COMBINED BORROWING AND INVESTMENT POSITION (NET DEBT)

On 30 September 2018 the Council had gross debt including finance leases and private finance initiative (PFI) schemes of £623m and gross investments of £414m giving rise to a net debt of £209m. 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. The difference between current borrowing and investment rates is 0.55%. Securing cheap funding for the capital programme will provide longer term savings through reduced borrowing costs.

A4. BORROWING ACTIVITY

The Council employs Link Asset Services to provide interest rate forecasts. The flow of generally positive economic statistics after the end of the quarter ended 30 June meant that it came as no surprise that the Monetary Policy Committee (MPC) came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, to 0.75%. However, the MPC emphasised again, that future Bank Rate increases would be gradual. It is not anticipated that the MPC will increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. The MPC is more likely to wait until August 2019, than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, the cautious pace of even these limited increases is dependent on a reasonably orderly Brexit.

The forecast overall longer run trend is for gilts and Public Works Loans Board (PWLB) certainty rates to rise, albeit gently, with 25 year rates expected to rise from their current 2.8% to 3.5% by December 2020.

The Council did not undertake any new borrowing in the first six months of 2018/19.

The Council's gross debt at 30 September 2018 of £623m is within the Council's authorised limit (the maximum amount of borrowing permitted by the Council) of £660m and the Council's operational boundary (the maximum amount of borrowing that is expected) of £645m. The Council aims to have a reasonably even maturity profile so that the Council does not have to replace a large amount of borrowing in any particular year when interest rates might be high. The maturity profile of the Council's borrowing is within the limits contained in the Council's Treasury Management Policy (see paragraph A1).

A5. INVESTMENT ACTIVITY

In accordance with the Government's statutory guidance, the Council's investment strategy is based on securing the return of capital above other considerations.

Investment rates available in the market for investments that are longer than 3 months have followed a downward trend in the first two months of 2018/19 but have since risen in anticipation of an increase in the Bank of England base rate. Short term market interest rates for the first six months of 2018/19 are shown in Appendix B.

The Council's investment portfolio has decreased by 1% in 2018/19 from £418.7m on 1 April to £414.2m as at 30 September.

The overall investment portfolio yield for the first six months of the year was 1.07%.

The Council's budgeted investment return for 2018/19 is £2,293k, and performance for the year to date is £1,174k above budget. This is due to having more cash than anticipated to invest following slippage in the capital programme and having better than anticipated investment returns.

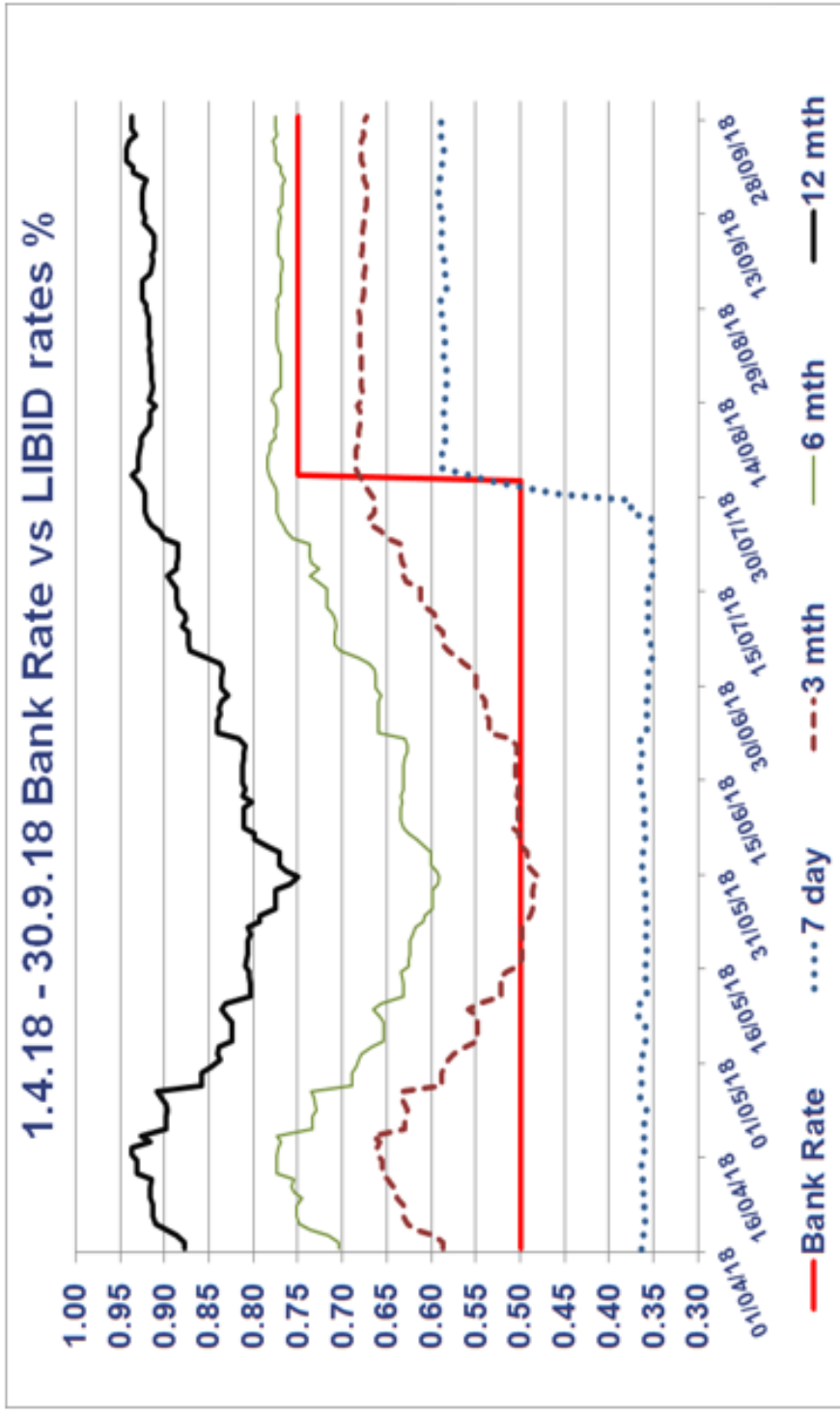
A summary of the Council's investment portfolio is contained in Appendix C. The investment returns shown are as at 30 September 2018 and are not the cumulative returns over the first six months of 2018/19. Investment returns shown are influenced by the date upon which investments were made and the length of the investment in addition to the nature of the investment.

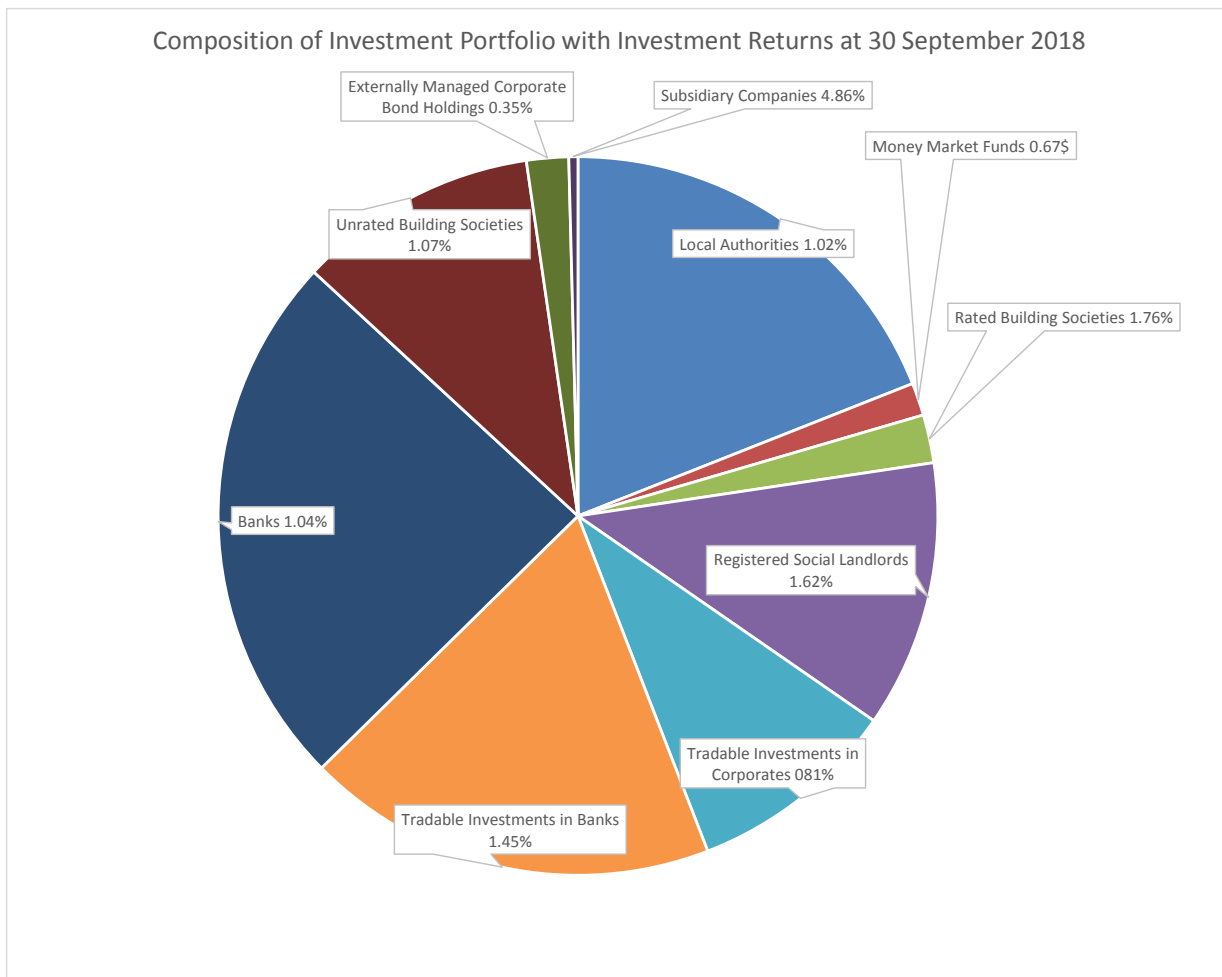
A6. INTEREST RATE EXPOSURES

Fixed interest rates avoid the risk of budget variances caused by interest rate movements, but prevent the Council from benefiting from falling interest rates on its borrowing or rising interest rates on its investments. The Council's net fixed interest rate borrowing at 30 September 2018 was £362m which was within the limit set in the 2018/19 Treasury Management Policy of £454m. Variable interest rates expose the Council to the benefits and dis-benefits of interest rate movements and can give rise to budget variances. The Council's net variable interest rate investments at 30 September 2018 were £153m which was within the limit set in the 2018/19 Treasury Management Policy of £289m.

LIBID RATES

LIBID rates are London inter-bank bid rates and give an indication of the rates available in the London money market





Money market funds are instant access investments in AAA rated pooled funds.

Some investments in banks and corporates (commercial companies) are tradable. This means that the Council can sell the investments at any time to a third party. This contrasts with bank and building society term deposits which can only be repaid by the bank or building society.

The Council has some externally managed corporate bond holdings. These consist of tradable debt issued by commercial companies.

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Title of meeting: Governance & Audit & Standards Committee

Date of meeting: 2 November 2018

Subject: : Data Security Breach Report

Report by: Michael Lawther, City Solicitor/Senior Information Risk Owner

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

To inform the Committee of any Data Security Breaches and actions agreed/taken since the last meeting.

2. Recommendations

It is recommended that Members of the Governance & Audit & Standards Committee note the breaches (by reference to Appendix A) that have arisen and the action determined by the Corporate Information Governance Panel (CIGP).

3. Background

The Corporate Information Governance Panel, formed of representatives from across the authority and chaired by Michael Lawther in the role of Senior Information Risk Owner (SIRO) meets every other month to

- establish policy and procedures for Information Governance;
- maintain a log of data breaches and determine and monitor onward action.

The Senior Information Risk Owner will update the Committee on any ongoing breaches and notify the members of any new incidents.

4. Reasons for recommendations

To ensure the Governance & Audit & Standards Committee has an oversight of the Data Security Breaches to be able to determine whether any trends appear and any further actions should be recommended.

5. Equality impact assessment

An equality impact assessment is not required as the recommendation does not have a negative impact on any of the protected characteristics as described in the Equality Act 2010.

6. Legal implications

The Council is required to ensure that it has robust procedures in place to comply with its obligations under the General Data Protection Regulation (GDPR) 2016. Bringing this report to the Committee's attention will assist in meeting those requirements.

7. Director of Finance's comments

The ICO can issue fines of up to €20 million or 4% of the authority's annual turnover for serious breaches of the GDPR. Breach of the Privacy and Electronic Communications Regulations also incurs a financial penalty. The size of any monetary penalty is determined by the Commissioner taking into account the seriousness of the breach and other factors such as the size, financial and other resources of the data controller. Any breaches put the City Council at risk of the unbudgeted cost of a financial penalty which would have to be met from the service responsible for the breach.

.....
Signed by:

Appendices: One Appendix - Appendix A

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	

Appendix A - Extract from Incident Log - October 2018

Reference/Date	Description	Data Type - Personal/sensitive	Number of individual affected	Medium e.g. paper, email	Action Taken	ICO informed
DB201814 17/05/2018	Letter and children in need plan sent to wrong address Previously reported to G&A&S in June - update on outcome from ICO	Sensitive social care information in respect of children and families. Sexual and emotional abuse	3	paper - post	Incident investigated as a complaint by Children and Families. Data subject (mother) informed. Information retrieved from incorrect recipient. A meeting with Business Support Team Leader and Business Support Service Lead was held to look at improving practice around accuracy of addressing	Yes - level 2 incident. Update - ICO confirmed no further action required 14/9/18
DB201843 29/08/2018	Formal Action outcome letter sent to wrong address. Returned unopened by unintended recipient but opened by despatch to enable it to be sent to the correct person	Personal + disciplinary outcome	1	Paper/Post	Team to double check the correct address for any changes prior to sending out letters. Documented process already exists but staff reminded that they must follow this.	No - level 1 incident
DB201844 30/08/2018	Invoice showing payment for a training course for Resident A printed and scanned as part of the Housing Benefit claim for Resident B and subsequently provided to Resident B.	Personal - Name and address of a resident, details of course attended in 2016 including costs	1	Paper - via printer	Investigated by IT. Error appears to have occurred as a result of prior user not fully logging off the computer. Unintended recipient confirmed that they have shredded the document. Items printed out on the public printer to be checked prior to scanning and issuing to tenant. Location of public printer to be reviewed and possibly moved to a more visible location on the ground floor.	No - level 1 incident

Appendix A - Extract from Incident Log - October 2018

DB201845 07/08/2018	Data Subject Access Request for former employee sent to incorrect team leader within the Council for response	Name, address, driving licence and passport details	1	email	Incorrect manager asked to delete email. Process reviewed to ensure additional checks are carried out before forwarding in future	No - level 1 incident
DB201846 05/09/2018	Cover letter and confidential Children and Families report posted to a service user but delivered to incorrect address by Royal Mail.	Carer name and address and names of 2 x children. Confidential report contained sensitive information, including child safeguarding and parenting concerns	5	Post - Royal Mail (general)	Team Leader met with team to discuss letter procedure - all correspondence to go through Business Support team to provide a "double envelope" system so only covering letters are visible if mail opened accidentally.	No - level 1 incident
DB201847 07/09/2018	Member of staff was given access to incorrect account on EBS - both staff members shared the same name.	Name, address, salary, bank details, next of kin details	2	electonic	Both members of staff informed and the error corrected. All staff reminded to positively identify callers before accessing/ amending account details	No - level 1 incident
DB201848 13/09/2018	Notepad left at Clients House	Names, addresses, phone numbers, nationality, ethnic origin, disability	4	paper	Notepad recovered. Where notepads have to be used, staff reminded to record information in such a way that it does not identify individuals.	No - level 1 incident
DB201849 05/09/2018	Letters to parents relating to admissions process sent to wrong school	Name & home addresses of children	20	paper	Unopened letters retrieved from incorrect school and re-directed. Process reviewed to ensure all envelopes are double-checked before sending.	No - level 1 incident
DB201850 18/09/2018	Job application forwarded by staff member to HR to enable offer to be made to candidate but copied to another PCC officer in error.	Applications name, address, school and work history.	1	Email	Staff member attempted to recall email but unsuccessful. IT also contacted to ask for email to be recalled but unable to do so. Email sent to the incorrect recipient requesting that the email is not read and is deleted. Incorrect recipient confirmed message permanently deleted	No - level 1 incident

Appendix A - Extract from Incident Log - October 2018

DB201851 25/09/2018	EBS supplier report auto-printed to incorrect printer	Names of suppliers, addresses, bank details	300+	paper	Report collected from printer by a member of staff in another team who alerted finance. Report destroyed. IT to investigate how error occurred	No - Level 1 incident
DB201852 25/09/2018	Official Council documents containing personal data left on display in council vehicle. Vehicle was parked in public car park and seen by another PCC employee when accessing their vehicle	Client job cards containing names, addresses, and contact details of clients using the pest control service	4-5 approx.	Paper	All staff in team reminded of their obligations to protect personal data. Management checks have been put in place.	No - Level 1 incident
DB201853 03/10/2018	Member of staff in Finance using a temporary pass was not prompted to log in to the MFD and documentation in print queue belonged to Adult Social Care	Name, Address, health/mental health details	1	paper	Document returned to ASC immediately. IT investigated. Rule to be written into MFD's to wipe the link between the temporary card and the user at the end of each day.	No - Level 1 incident
DB201854 09/10/2018	Council Tax bills incorrectly inserted into other customers council tax bill envelopes by automated enveloper	Name, Address, Council Tax Reference Number, details of payments due/made including arrears/council tax support.	120 approx	Paper	Enveloper program at fault has been corrected and a definitive program written to prevent any recurrence. Replacement bills to be issued. Communications to recipients requesting return of any council tax bills sent to unintended recipients and to inform recipients of the error are being planned.	Yes - 10/10/18

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Agenda Item 7

REPORT FOR PERIOD September 2017 - September 2018



Portsmouth
CITY COUNCIL

Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	2 November 2018
Subject:	Compliance with the Gifts and Hospitality Protocol
Report by:	City Solicitor
Wards affected:	All
Key decision:	No
Full Council decision:	No

1. Purpose of report

To update members on any issues regarding compliance with the Gifts and Hospitality protocol and to advise on remedies.

2. Recommendations

- a) That the Committee considers whether or not to make any recommendations for change.
- b) That in the absence of any changes, the report is noted.

3. Background

- a) The Protocol for Gifts & Hospitality was approved by the Standards Committee on 12 September 2007 subject to a six month review on the 31 March 2008. The protocol and "Frequently Asked Questions" were subsequently approved by the Standards Committee on the 31st March 2008.
- b) The protocol requires an annual report by the City Solicitor on compliance to enable this committee to make any necessary recommendations for change - this report addresses that requirement.
- c) The Gift and Hospitality Policy is regularly reviewed and was last updated October 2018 (update to Nova Contract details).

4. Reasons for recommendations

A breakdown of the entries in the Gifts & Hospitality system are contained in the appendices to support the following assessments of protocol compliance.

The total number of entries for the period covered by this report (1 September 2017 - 27 September 2018) is 151. A full data set is available on request; specific data reports are enclosed with this report at the appendices.

The main requirements of the protocol are as follows -

**A. Items which may be accepted**

Under the protocol these items must be under £25 in value for gifts and under £40 in value for hospitality (£5 gift limit for staff in Adult Social Care). They must be given without ulterior motive. There should not be any danger of misinterpretation by the public and they must not have become a frequent occurrence.

- a) There are a number of entries where the value exceeds the limits outlined above and these are dealt with specifically below.
- b) All other entries have been approved by Directors and meet the requirements of the protocol.

B. Items which must not be accepted

These include:

- those where the value exceeds £25 (gifts) or £40 (hospitality), (£5 for Adult Social Care)
- gifts of cash (this has been interpreted to also include vouchers)
- gifts from persons with whom the council is in contract negotiations (or could be) and those where we regulate or monitor services.

For the period covering this report, the following will be considered in turn:

- Gifts registered over £25 Limit (data at Appendix 1)
- Hospitality registered over £40 Limit (data at Appendix 2)
- Gifts registered over £5 for Adult Services (data at Appendix 3)
- Cash & Vouchers registered (data within Appendix 4)
- Donations registered (data at Appendix 5)

There do not appear to be any other entries that do not adhere to the general principles contained in the protocol.

C. Gifts registered over £25 Limit

- a) The total number of entries registered for gifts over the £25 limit (Appendix 1) is 13; of these:

- i) 8 gifts were rejected;
- ii) 3 gifts were accepted. The reasons were:
 - An adopter gave a gift to a foster carer and this was accepted before it came to the attention of the Director of Children's Services;
 - A member of staff in Learning & Development won an IT device; this was accepted on the basis that it was either donated to the Lord Mayor's Charity or used for work related activity only;
 - A member of staff for Housing received an M & S voucher, the resident gave this as a token of thanks for caring for an elderly relative; it was agreed to use it to purchase cakes & biscuits for other residents in said property.



iii) 2 gifts were donated - see Donated report.

D. Hospitality

- a) The principles for acceptance generally follow those in respect of gifts (except the permitted value is £40).
- b) All entries have been appropriately recorded and actioned (approved or rejected) by the appropriate Director.

E. Hospitality registered over £40 Limit

- a) A breakdown of the system entries where the value has exceeded £40 is contained at Appendix 2:
- b) Of the 8 entries where the value exceeded £40 –
 - i) 3 offers of hospitality were accepted where it was considered appropriate as follows:
 - Wet Wheels Golf Day - no current conflicts with PCC and opportunity to network and support local cause;
 - Brittany Ferries - business meeting to discuss Brexit challenges to Port with counterpart in France;
 - Chartered Institute of Highways & Transportation (CIHT) luncheon - networking opportunity for PFI Manager
 - ii) 5 offers of hospitality were rejected:
 - The offers were in circumstances where the Council had existing contracts and/or it was inappropriate to show preference.

The hospitality was spread across the following directorates of the Council:

- Regeneration (4)
- Children's Services & Education (1)
- Housing & Neighbourhood (1)
- Portsmouth International Port (1)
- Finance & IT (1)

F. Entries for Adult Social Care exceeding £5 limit

- a) A breakdown of the system entries for Adult Social Care gifts exceeding £5 is contained at Appendix 3.
- b) There were 5 entries, all of which were accepted.
- c) Of the 5 entries:
 - i) One entry is for flowers which were accepted in the absence of the manager;
 - ii) Two entries were for small Christmas gifts; the client in both instances insisted on acceptance and the gift was received to refuse offence;



- iii) One small gift of chocolates was left in the office with a card and shared amongst the team;
- iv) One entry concerned flowers purchased by group members for the Club Leader of an Older Persons Social Club. The Leader has explained that in future gifts must not be purchased but the gift was accepted in this instance to refuse offence.

G. Cash and vouchers

A breakdown of entries for Cash and Vouchers is shown at Appendix 4.

A total of 20 entries have been noted on the register, of these:

- a) 18 entries concern gifts of cash or vouchers which have been rejected;
- b) One entry concerns a voucher (£5-£25) given as expression of thanks for work by Portsmouth University. The receiver was not aware that a voucher had been gifted to them until after the event. He will use the voucher to purchase a work related book for use by the team.
- c) One voucher was given for £25 and the resident became upset when the Receiver tried to refuse. It was agreed to use it to purchase cakes & biscuits for the residents of the housing accommodation concerned.

H. Donated gifts

A breakdown of the system entries for donated gifts is contained in Appendix 5.

- a) 9 gifts have been donated in total, as follows:
 - i) 4 to Lord Mayor's Appeal;
 - ii) 1 gift donated to Portsmouth Library Local History
 - iii) 1 gift donated to Hilsea Lodge Home (private day care) to raffle
 - iv) 1 gift donated to Leigh Park Housing Office;
 - v) 1 gift donated to Riders Junior School;
 - vi) 1 gift donated to Friday (Older Persons) Club

5. Equality impact assessment (EIA)

This report does not require an Equality Impact Assessment as it does not propose any new or changed services, policies or strategies.

6. Legal implications

The legal implications are embodied within this report.

6. Director of Finance's comments

There are no financial implications arising from the recommendations contained within this report.

Appendices:

1. All Gifts registered over £25 limit;
2. Hospitality registered over £40 limit;
3. Adult Social Care Gifts over £5 Limit;
4. Cash and Vouchers;
5. Donated Gifts

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Signed by:

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
Data report form Gifts & Hospitality system	Held by System Administrator

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GIFTS OUTSIDE LIMITS REPORT (OVER £25) - SEPTEMBER 2017 - SEPTEMBER 2018 - REDACTED

Specified Value	Classification	Receiver	Service	Date Received	Description	Sub Classification	Action	Donor Name	Known Donor Interests	Donated To	Donated To Other	Reason	Approver	Approved By Approver	Approver Decision Date	Approver Reason	Director Approval
We estimated that it was worth £30	Gift	Kathy McKain	Housing, Neighbourhood and Building Services	28/11/2017	Resident gave Kathy a crystal necklace as a thank you/Christmas present .We checked the value on line and estimated that it was worth about £30	Other	Rejected		Sheltered Housing Resident-Cat 1			Thanked XXXX for the gift but explained that staff are not able to accept gifts of this type of value. XXXX understood this and the gift was handed back to him.	James Hill				Michael Lawther
Approximately £120	Gift	Emily Dodds	Children and Families Services	17/04/2018	Foster Carer was given a Tiffany Necklace by adopter at end of introductions	Other	Accepted	Adopter gave gift to Foster Carer	Adopter			Foster Carer had accepted the gift when she told me about it	Alison Jeffery				David Williams
£60	Gift	Christine Madgwick	Housing, Neighbourhood and Building Services	05/03/2018	£60 cash offered for Christine to share with the team	Cash / Voucher	Rejected		Resident of Nicholson Gardens where Christine works as a Support Assistant			Cash cannot be accepted	James Hill				Michael Lawther
£60	Gift	Jonathon Mackay	Finance and IT	22/12/2017	£60 cash	Cash / Voucher	Rejected		Resident of Nicholson Gardens where Jonathon is the Scheme Manager			Cash cannot be accepted	James Hill				Michael Lawther
£50	Gift	Tina Outen	Housing, Neighbourhood and Building Services	05/12/2017	2 x £25 M&S gift vouchers	Cash / Voucher	Rejected		Daughter of XXXXXXXX Lyndhurst House - who passed away in XXXXX. Tina Outen is the Support Assistant at Lyndhurst House			Rejected as is cash. XXXX then asked if this could be used for the benefit of residents. This has been agreed by Michael Lawther and proper accounting procedures are to be put in place. This is to be put together with £100 in tokens for Scheme Manager Rachel Fuller	James Hill				Michael Lawther
£495	Gift	Claire Currie	Public Health	09/03/2018	Balanceability pack: 5 x 12" balance bikes and the programme materials won from prize draw at the Transport and Health Conference, March 2018, Portsmouth	Other	Donated	Balanceability		Lord Mayor Appeal		As per PCC gift policy. Suggested recommendation is to donate to a Family Hub / early years setting in Portsmouth.	Jason Horsley				David Williams
£390	Gift	Adrian Legg	Regeneration	10/10/2017	2 x Scalextric track sets and a car	Other	Donated	Scalextric	Toys	Other	Riders Junior School, Havant	The items were gifted by Scalextric following the decision to name the proposed new housing development off of Kingsclere Avenue in Havant after the founder of Scalextric, Fred Francis. As a result, we have decided to hold an event at Riders Junior School where the gifts will be prizes for the school children.	James Hill				Michael Lawther
£35	Gift	Kirsty McNiff	Housing, Neighbourhood and Building Services	03/04/2018	£35 cash offered to be shared amongst scheme staff	Cash / Voucher	Rejected		Resident of John Marshall Court where Kirsty works as a Support Assistant			Cash cannot be accepted	James Hill				Michael Lawther
£340 via google	Gift	Chris Restell	Human Resources, Legal and Performance	03/10/2017	i completed a survey for them on the how i use video in a training environment. there was a prize draw for individuals who completed the survey. enter of draw was optional	Other	Accepted	Video arts	provider of paid learning materials - mainly videos			i accepted awaiting confirmation from strategic director as to need for donation or acceptance or rejection	Jon Bell	Yes	04/10/2017	Receiver advised to donate to Lord Mayor's Charity or find suitable work-related use for device within the department	Michael Lawther

£30 Approximately	Gift	Caroline Vidler	Housing, Neighbourhood and Building Services	11/01/2018	XXXXX gave Caroline a necklace for Christmas	Other	Rejected		Sheltered Housing Resident -Cat 1		Explained to XXXXXX that staff can not accept gifts of this value which was why it was being handed back. XXXXX understood this.	James Hill					Michael Lawther
£250.00	Gift	Emma Hobbs	Housing, Neighbourhood and Building Services	12/09/2017	XXXXX offered a donation of £250.00 to the staff to thank them for their support with her late mother.	Cash / Voucher	Rejected		Daughter of a late resident who lived in Sheltered Housing		Rejected the donation of £250.00 due to it being cash and exceeding the amount allowed	James Hill					Michael Lawther
£25.00	Gift	Emma Hayter	Housing, Neighbourhood and Building Services	15/03/2018	£25 M&S Voucher	Cash / Voucher	Accepted		Daughter and son of XXXXXX a Cat 1 resident at Ladywood House who passed away on XXXXX		Emma spoke to XXXXXXXX and explained she couldn't accept the voucher. XXXXX unhappy about this & told Emma she wanted her to have it for all the help she gave their Mother. Said she didn't want it back & Emma could do what she wanted with it. We suggested buying cakes & biscuits for the residents Easter afternoon tea with voucher. Email to Michael Lawther 15/03/2018 who agreed this.	James Hill	Yes	15/03/2018	As per agreement with Michael Lawther	Michael Lawther	
£100	Gift	Rachel Fuller	Housing, Neighbourhood and Building Services	07/12/2017	5 x £25 M & S vouchers = £100	Cash / Voucher	Rejected		She is the daughter of XXXXXX - who was a resident of XXX Lyndhurst House until she passed away in XXXXXX. Rachel Fuller is the Scheme Manager.		Rejected as is cash. XXXX has then asked if this could be used for the benefit of residents. This has been agreed by Michael Lawther and proper accounting procedures are to be put in place. This is to be put together with £50 in tokens for Support Assistant Tina Outen. Rachel Fuller has written to XXXX to confirm this.	James Hill					Michael Lawther

HOSPITALITY OUTSIDE LIMITS REPORT (OVER £40) - SEPTEMBER 2017 - SEPTEMBER 2018

Specified Value	Classification	Receiver	Service	Date Received	Description	Action	Donor Name	Known Donor Interests	Reason	Approver	Approved By Approver	Approver Decision Date	Approver Reason	Director
Value not known at this time however all proceeds go to the Charity.	Hospitality	Tristan Samuels	Regeneration	20/08/2018	Wet wheels Charity Golf Day	Accepted	Landsec	Owner & operator of Gunwharf Quays	Wet Wheels is a local charity and Landsec is a local Stakeholder. there are no current conflicts with either of them and an opportunity to support a worthy cause and network locally.	Michael Lawther	Yes	20/08/2018	Content to approve as it is for a charitable event.	David Williams
Not known	Hospitality	Caroline Corcoran	Children's Services and Education	24/10/2017	Offer of tickets to a tennis match	Rejected	ISS	School meals contractor	Council has a contract with this company and is seeking to undertake a procurement exercise in 2018 in relation to a new contract	Alison Jeffery				David Williams
estimated to be c£100	Hospitality	Tristan Samuels	Regeneration	14/09/2018	Invitation to the annual dinner - black tie	Rejected	Pifillers Fly Fishing & Katten Law	None	Not available to attend	Michael Lawther				David Williams
£90	Hospitality	Steve Groves	Housing, Neighbourhood and Building Services	11/09/2017	Invitation to attend SHIFT Awards 2017 (Sustainable Homes Index For Tomorrow) on 30 November 2017 at Plaisterers' Hall in London where the PCC Wilmcote House project has been shortlisted for the best large scale retrofit project category. Invitees are Steve Groves, Meredydd Hughes and Adam Hardwick	Rejected	ECD Architects	Architect consultants for Wilmcote House project	Value exceeds £40 together with the Wilmcote House project currently being behind programme, so not appropriate to attend awards	James Hill				Michael Lawther
£578	Hospitality	Mike Sellers	Portsmouth International Port	17/10/2017	All hospitality prices below approximate. Ferry, cabin £445 Dinner on board - £31.40 plus drinks Breakfast on board - £10.50 Lunch – say approx. €40 Dinner – en route approx. 50€ Breakfast on board - £10.50	Accepted	Brittany Ferries, BAI (UK) Ltd	Business relationship	Visiting a new business venture in Roscoff, France to discuss Brexit challenges, future projects (including passenger walkway circa £3m) and introduction to French Senior Team. Meeting held in France at the request of Christophe Mathieu (Group Managing Director and Chairman of Executive Board).	David Williams	Yes	11/12/2017	Within policy. Received as part of a visit to develop new business.	Michael Lawther
£162 including VAT	Hospitality	John Neves	Finance and IT	08/12/2017	CIHT Annual Luncheon	Accepted	Colas, Ltd.	PFI Contractor	Networking opportunity in the industry.	Chris Ward	Yes	12/12/2017	Essential networking event across the industry	Michael Lawther
£100	Hospitality	Oliver Sherriff	Regeneration	29/05/2018	Client networking day in Southampton	Rejected	CBRE		Due to the value of the day	Tom Southall				Tristan Samuels

£100	Hospitality	Adrian Legg	Regeneration	21/09/2017	Invitation to Portsmouth Property and Construction Gala dinner at Portsmouth Guildhall	Rejected	Ridge Property & Constructions Consultants	Consultancy	Cannot be seen to be showing preference to a particular consultancy	James Hill					Michael Lawther
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GIFTS OUTSIDE LIMITS FOR ADULT SERVICES (OVER £5) - SEPTEMBER 2017 - SEPTEMBER 2018 - REDACTED

Receiver	Date Received	Description	Classification	Action	Donor Name	Donor Interests	Reason	Approver	Approved By Approver	Approval Decision Date	Approver Reason	Director
Jordan Saville-Smith Davison	26/06/2018	Bunch of flowers as a thank you for work done with her husband.	Gift	Accepted		Wife of client.	Clients wife bought flowers into the civic offices when I was not in the office so they were accepted on my behalf by another team member.	Angela Dryer	Yes	26/06/2018	Fresh flowers accepted by another worker	David Williams
Angela Martin	18/12/2017	Gift bag with small bottle of wine and box of chocolates.	Gift	Accepted			Client brought as Christmas gift. Client insisted for me to take.	Angela Dryer	Yes	19/12/2017	Would have cause offence to feruse	David Williams
Angela Martin	18/12/2017	Gift bag with small bottle of wine and box of chocolates.	Gift	Accepted			Client brought as Christmas gift. Client insisted for me to take.	Angela Dryer	Yes	27/12/2017	Would have caused offence to reject	David Williams
Cathy Sands	31/10/2017	Chocolates (ferero) and thank you card - left in office for team to share	Gift	Accepted			Chocolates and thank you card for hospital discharge co-ordination	Angela Dryer	Yes	09/11/2017	small gift accepted	David Williams
Lorna Knight	04/10/2017	Flowers brought for myself club leader as I have been with the club for 2 years. Club is independent and self running every other week, all members agreed to purchase of flowers. Money was taken out of the clubs subs which they contribute to themselves. Group are aware of the policy re gifts but felt on this occasion they wanted to show their appreciation (I have explained to the group that this is my job and that flowers were not necessary) This situation will hopefully not arise again.	Gift	Accepted	Wednesday club (older person social group)		Flowers given to myself for working with the group for 2 years. Declining gift was not appropriate in this circumstance and would have offended group. Advice taken from Team manager Mavis Ames re situation and agreed declining gift would have caused upset and disappointment.	Angela Dryer	Yes	09/11/2017	Reasonable steps taken to avoid repeat receipt of gift	David Williams

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CASH AND VOUCHERS REPORT SEPTEMBER 2017 - SEPTEMBER 2018 - REDACTED

Date Received	Receiver Fullname	Service	Donor	Donor Known	Gift / Hospitality	Value	Specified	Action	Reason For Action	Approved	Approver Fullname	Approver Job Title	Approver Reason	Director Fullname
09/26/2018	William George	Housing, Neighbourhood and Building Services			Voucher given for giving a short 10 minute presentation to the new intake of apprentices at Portsmouth University on how my first year went.	£5 - £25		Accepted	Wasn't aware that there was a voucher in the bag, didn't wish to cause offence to Portsmouth University. If accepted intend to buy a book for use by the apprentices in the team.	Yes	James Hill	Director of Housing, Neighbourhood and Building Services	As per policy - done within work duties	Michael Lawther
08/13/2018	Tina Hilton	Housing, Neighbourhood and Building Services			£10.00 CASH	£5 - £25		Rejected	Tina thanked XXXXXX but explained that she was not able to accept cash from residents as she is a PCC employee and handed the money back.		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
08/09/2018	Gillian Clark	Housing, Neighbourhood and Building Services			£5 in cash	£5 - £25		Rejected	Resident wanted to give Gill money as she had helped her with something. Gill explained to resident that she was not allowed to accept any cash at all which resident understood and Gill handed it back		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
06/13/2018	Lyn Freeman	Housing, Neighbourhood and Building Services			£5 cash offered	£5 - £25		Rejected	Cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
04/17/2018	Rachel Fuller	Housing, Neighbourhood and Building Services			XXXXX offered Rachel a £5 note to pass on to her young son	£5 - £25		Rejected	This was rejected as cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
04/03/2018	Kirsty Mcniff	Housing, Neighbourhood and Building Services			£35 cash offered to be shared amongst scheme staff	Over £25	£35	Rejected	Cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther

03/27/2018	Linda Anderson	Housing, Neighbourhood and			£20 cash offered as a thank you for assistance given	£5 - £25		Rejected	Cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
03/15/2018	Emma Hayter	Housing, Neighbourhood and			£25 M&S Voucher	Over £25	£25.00	Accepted	Emma spoke to XXXXX and explained she couldn't accept the voucher. XXXX unhappy about this & told Emma she wanted her to have it for all the help she gave their Mother.Said she didn't want it back & Emma could do what she wanted with it.We suggested buying cakes & biscuits for the residents Easter afternoon tea with voucher.Email to Michael Lawther 15/03/2018 who agreed this.	Yes	James Hill	Director of Housing, Neighbourhood and Building Services	As per agreement with Michael Lawther	Michael Lawther
03/05/2018	Christine Madgwick	Housing, Neighbourhood and			£60 cash offered for Christine to share with the team	Over £25	£60	Rejected	Cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
01/02/2018	Gillian Clark	Housing, Neighbourhood and Building Services	Sheltered		£5.00 cash offered for Christmas	£5 - £25		Rejected	XXXXX wanted to give Gill £ 5.00 as a Christmas present.Money rejected as Gill knows we are not to accept any cash at all.		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/31/2017	Danny Ardrey	Housing, Neighbourhood and			£20 cash	£5 - £25		Rejected	£20 cash offered - rejected as cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther

12/28/2017	Kirsty Mcniff	Housing, Neighbourhood and			£20 Boots gift card	£5 - £25		Rejected	Gift card cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/27/2017	Lyn Freeman	Housing, Neighbourhood and			£10 cash offered	£5 - £25		Rejected	Rejected as £10 cash offered		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/22/2017	Jonathon Mackay	Finance and IT			£60 cash	Over £25	£60	Rejected	Cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/21/2017	Pride Laetitia Daniel	Housing, Neighbourhood and			£5.00 put into a Christmas Card	£5 - £25		Rejected	Returned to XXXXX and explained that staff are not allowed to accept money		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/15/2017	Gillian Clark	Housing, Neighbourhood and Building Services	Sheltered		Resident gave Gill £10.00	£5 - £25		Rejected	Returned £10 to resident and explained that staff are not allowed to accept cash		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/14/2017	Amy St Ledger	Housing, Neighbourhood and			£5 cash initially accepted by Amy St Ledger as resident was insistent, but the money was returned later in the day toXXXX by Care Supervisor, Louise Short.	£5 - £25		Rejected	Money cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther

12/14/2017	Rachel Fuller	Housing, Neighbourhood and			£5 cash	£5 - £25		Rejected	Cash cannot be accepted		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/07/2017	Rachel Fuller	Housing, Neighbourhood and			5 x £25 M & S vouchers = £100	Over £25	£100	Rejected	Rejected as is cash. XXXX has then asked if this could be used for the benefit of residents. This has been agreed by Michael Lawther and proper accounting procedures are to be put in place. This is to be put together with £50 in tokens for Support Assistant Tina Outen. Rachel Fuller has written to XXXX to confirm this.		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther
12/05/2017	Tina Outen	Housing, Neighbourhood and			2 x £25 M&S gift vouchers	Over £25	£50	Rejected	Rejected as is cash. XXXX has then asked if this could be used for the benefit of residents. This has been agreed by Michael Lawther and proper accounting procedures are to be put in place. This is to be put together with £100 in tokens for Scheme Manager Rachel Fuller		James Hill	Director of Housing, Neighbourhood and Building Services		Michael Lawther

DONATIONS REPORT - SEPTEMBER 2017 - SEPTEMBER 2018 - REDACTED

Donated To	Value Desc	Service Text	Date Received	Donated To Other	Specified Value	Receiver	Description	Classification	Donor Name	Known Donor Interests	Action	Reason	Approver
Lord Mayor Appeal	£5 - £25	Culture and City Support	15/12/2017			Chris Richards	bottle of wine	Gift	Friends of Cumberland House Museum		Donated	seems appropriate!	Stephen Baily
		Finance and IT	19/02/2018			Mike Greenslade	Gift box containing 1x bottle prosecco and 2x tins (presume sweets/chocolates - but unopened)	Gift	Bytes	Supplier of RSA keyfobs (security devices)	Donated	Unrequested gift (not involved in any recent procurement exercise)	Chris Ward
			19/02/2018			Mike Greenslade	Gift box containing 1x bottle prosecco and 2x tins (presume sweets/chocolates - but unopened)	Gift	Bytes	Supplier of RSA keyfobs (security devices)	Donated	Unrequested gift (not involved in any recent procurement exercise)	Chris Ward
	Over £25 (specify)	Public Health	09/03/2018		£495	Claire Currie	Balanceability pack: 5 x 12" balance bikes and the programme materials won from prize draw at the Transport and Health Conference, March 2018, Portsmouth	Gift	Balanceability		Donated	As per PCC gift policy. Suggested recommendation is to donate to a Family Hub / early years setting in Portsmouth.	Jason Horsley
Other than Lord Mayor's Appeal	£5 - £25	Culture and City Support	20/02/2018	Portsmouth libraries local history collection		John Stedman	Book by Bryan Jerrard 'Portchester a Community History' 2nd Revised edition (ISBN: 9781527209176)	Gift		Studying history, specifically the history of Portchester - user of Portsmouth History Centre and someone I've advised on oral history projects in Portchester	Donated	Not wishing to give offence to a friend and service user. Inappropriate for me to keep.	Stephen Baily
		Finance and IT	18/12/2017	Hilsea Lodge Residential Home to be raffled to raise some funds for the clients amenities account.		Tricia Disney	Small basket containing a box of Tesco Viennese assortment biscuits, terry choc orange, small box of Guylian chocolates, small box of sable a la noix de coco biscuits, 4 slimming world chocolate bars and some quality street, bag of fruit pastels. Give to the payments team as a thank you for sorting out the query invoices and ensuring the provider was paid in a timely manner	Gift	Ceddar House	Private day care provider to adult social care clients	Donated	Inga Lambert accepted the gift so as not to offend the provider. I spoke with Audit and Julian Pike re donating to one of the ASC Residential homes to be raffled	Chris Ward
		Housing, Neighbourhood and Building Services	27/11/2017	The Leigh Park Housing Office to share and the internal Christmas raffle		Rebecca Edmonds	After eight chocolates, Ferro Roche chocolates and 25cl bottle of Prosessco	Gift	XXXXXXX (resident) of sheltered block	XXX is a PCC tenant.	Donated	XXXXX wanted to say thank you to me, for assisting with a presentation for all of the sheltered blocks.	James Hill

Over £25 (specify)	Regeneration	10/10/2017	Riders Junior School, Havant	£390	Adrian Legg	2 x Scalextric track sets and a car	Gift	Scalextric	Toys	Donated	The items were gifted by Scalextric following the decision to name the proposed new housing development off of Kingsclere Avenue in Havant after the founder of Scalextric, Fred Francis. As a result, we have decided to hold an event at Riders Junior School where the gifts will be prizes for the school children.	James Hill
Under £5	Adult Services	18/12/2017	Donated back to the Friday club for their use - to keep track of important club dates and trips out.		Lorna Knight	Small diary purchased a Xmas present for Project officer who runs the club. The diary will be donated back to the Fri club and used to keep log of important trip dates .	Gift	Friday club member (older persons social group)		Donated	Project officer did not want to cause upset to the club member. Gift giving will be discussed in the next AGM meeting to avoid similar situations arising next year.	Angela Dryer

Title of meeting:	Governance & Audit & Standards Committee
Date of meeting:	2 November 2018
Subject:	Consideration of the political balance rules in relation to the constitution of Sub-Committees considering complaints against Members.
Report by:	City Solicitor
Wards affected	N/A
Key decision	No
Full Council decision	No

1 Purpose of Report

- 1.1 The Committee is asked to consider whether it wishes to disapply the political balance rules in respect of its Sub-Committees which consider complaints against Members and to agree that the same rule shall apply to the Initial Filtering Panel.

2 Recommendation

- 2.1 It is recommended that the political balance rules are disapplied in respect of Governance and Audit and Standards Sub-Committees which are considering complaints against Members and also the same arrangement should apply in respect of Initial Filtering Panel membership.

3 Background

- 3.1 The Committee agreed on 30 June 2017 to "disapply" the political balance rules in respect of Sub-Committees of Governance and Audit and Standards Sub-Committees when dealing with complaints. ¹This meant the Sub-Committees' membership would in future not be made up of Members in the same proportion as the political groups are represented on the Council. Instead it was agreed that the Sub-Committees would be "cross party as far as reasonably practicable". This was considered important to ensure the greatest transparency in the decision making of these Sub-Committees where complaints against members were considered. It was also agreed that the same rule would apply to the make-up of the Initial Filtering Panel which is not a formal Sub-Committee of Governance and Audit and Standards.
- 3.2 Section 17 (2) Local Government and Housing Act 1989 provides that any

¹ <http://www.legislation.gov.uk/ukpga/1989/42/section/17>

decision not to apply the political balance rules shall come to an end if there is any change in the make-up of a committee where they have been disapplied.

3.3 The decision is one which only this Committee can make but it must be made without any of the Members present voting against it.

4 Reasons for recommendations

4.1 As there has been a change this municipal year in the political make-up of the Committee, Members are asked to reconsider this decision, as the decision to disapply the political balance rules, last made in September 2018, is only effective for one year or until there is any change in the make-up of a committee where they have been disapplied. If Members decide to disapply the political balance rules then this shall occur only until May 2019 when the decision would again have to be reconsidered.

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: None

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



Title of meeting:	Governance and Audit and Standards Committee Council
Date of meeting:	2 November 2018 13 November 2018
Subject:	Proposed change to Constitution Part 3: Rules of Procedure - Policy and Review Panels (Overview and Scrutiny) 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 change to the Call In Procedure, as set out in section 15 of the Constitution Part 3: Rules of Procedure - Policy and Review Panels (Overview and Scrutiny) Procedure Rules.

2. Recommendations

It is recommended that Governance & Audit & Standards Committee

1. Consider and agree the proposed amendment set out below:-

That under the heading "Process of call-in" in section 15 of the Constitution Part 3; Rules of Procedure, bullet point 7 be amended to read

"The lead call-in member would not be allowed to vote on the item even if they are a member of the management panel."

2. Recommend to Council that the Constitution be amended to reflect this change

3. Background

The City Solicitor seeks to correct this anomaly in the current procedure. as set out in the Constitution Part 3: Rules of Procedure - Policy and Review Panels (Overview and Scrutiny) Procedure Rules. The current wording allows the lead call-in member to vote on the item if they are a member of the Scrutiny Management Panel.

4. Reasons for recommendations

The proposal to prohibit the lead call in member from voting on the matter called in even if they are a member of the management panel has been made because it would appear to any member of the public that the lead call-in member would be unlikely to have an 'open mind' on the matter.

5. Equality impact assessment

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

6. Legal implications

The City Solicitor's comments are included in this report.

7. Director of Finance's comments

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

.....
Signed by:

Appendix: none

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

Agenda Item 10



Portsmouth
CITY COUNCIL

- Title of meeting:** Governance & Audit & Standards Committee
2 November 2018
- Full Council
13 November 2018
- Subject:** Revisions to the Statutory appointments section in the Constitution
- Report by:** Deputy Chief Executive and City Solicitor
- Wards affected:** N/A
- Key decision:** No
- Full Council decision:** Yes
-

1. Purpose of report

To address the need to make revisions to the statutory appointments section in the constitution

2. Recommendations

It is recommended that Governance & Audit & Standards Committee

- Consider and agree the proposed amendment to the Constitution by the following inclusion relating to part 2 responsibility for functions (Section 5c Proper Officer/Statutory Appointments Section):**

Section	Function	Responsible Officer
86	Declare vacancy in office	CX
87	Give public notice of a casual vacancy	CX

- Recommend to Council that the Constitution be amended to reflect the above revision.**

3. Background

The current statutory appointments includes under the Chief Executive's functions, the authority to deal with both the receipt of declaration of resignation of Office and receipt of notice of casual vacancy from two local government electors in accordance with sections 84 and section 89 of the Local Government Act 1972 respectively. However, the statutory appointments functions are silent on addressing other Councillor vacancy related issues which arise under sections 86 and 87 of the Act as detailed below:

Section 86 of the Local Government Act 1972 requires the local authority to declare forthwith a vacancy in elected office which may occur because the member:

- a) ceases to be qualified to be a member of the authority;
- b) becomes disqualified for being a member of the authority otherwise than under section 79 of the Local Government Act 2000 or section 34 of the Localism Act 2011 or by virtue of a conviction or a breach of any provision of Part II of the Representation of the People Act 1983, or
- c) ceases to be a member of the authority by reason of failure to attend meetings of the authority

Section 87 requires notice to be given of vacancies occurring by virtue of section 85 or 86 of the 1972 Act.

It is therefore requested that the following statutory appointments are made in relation to the Local Government Act 1972:

Section	Function	Responsible Officer
86	Declare vacancy in office	CX
87	Give public notice of a casual vacancy	CX

As these changes to the Constitution require the agreement of Full Council, this Committee is asked to put that recommendation to the Council.

4. Reasons for recommendations

Should any of the above situations arise in the future, the Council will be able to discharge its obligations without delay as required by the Local Government Act 1972.

5. Equality impact assessment (EIA)

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

6. Legal Implications

As this proposes an amendment to the Council's constitution, the Governance & Audit & Standards Committee will need to make a recommendation to Council for decision.

7. Finance Comments

None in the context of this report.

.....
Signed by:

Appendices:

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

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Agenda Item 12

THIS ITEM IS FOR INFORMATION ONLY



Portsmouth
CITY COUNCIL

Title of meeting:	Governance and audit and standards committee
Subject:	Procurement management information
Date of meeting:	2 November 2018
Report by:	Director of finance and information services
Wards affected:	N/A

It is recommended that the attached appendices **1, 4 and 5** be considered as an exempt/confidential matter and that the press and public are excluded for the following reasons:

- Exempt information is defined in section 100A and, by reference, schedule 12A of the Local Government Act 1972 ("the 1972 act"). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information;
- The attached appendices **1, 4 and 5** contain some information relating to the financial or business affairs of particular companies as well as PCC; and
- Although there is a public interest favouring public access to local authority meetings, given the financial and commercially sensitive information contained in the report the public interest in maintaining the exemption outweighs the public interest in disclosing the (exempt) information.

1. Requested by

Governance and audit and standards committee

2. Purpose

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.

3. Information requested

The way that the city council demonstrates that it is paying competitive rates is by:

- a) subjecting procurement to a competitive process
- b) ensuring that we obtain the quality of service that we are paying for
- c) testing value for money against industrial comparators

Section 1: compliance with contract procedure rules

This table reports on all invoices paid against purchase orders with a value of £5,000 or more in **July 2018**. This corresponds to the threshold between low-value and medium-value contracts from the contract procedure rules.

Contracts of £5,000 or more must be published on the contracts register

The presence of a contract on the contracts register implies that either:

- The contract has been awarded following a competitive process of quotation or tender and that at least three written quotations or tenders have been received; or
- A waiver has been approved by the appropriate director, the procurement manager or gateway board to allow departure from the contract procedure rules with written justification for this approval.

The committee approved a recommendation of a target of greater than 95% conformance with contract procedure rules. Where this target is not met by an individual directorate, a comment on the risk of the non-compliant spend in the monitoring month is provided by the procurement manager.

Purchase orders that are linked to a contract on the contracts register are flagged as compliant. Legal services has commented that whilst this methodology is indicative of good practice, is not definitive as to compliance with legal requirements.



Directorate	Year to date 2018/19			July 2018			Risk (if less than 95% target)
	Total transaction value	Total value of non-compliant transactions	% compliance	Total transaction value	Total value of non-compliant transactions	% compliance	
Adult services	£14,799,997	£541,833	96%	£3,907,831	£48,719	99%	
Children's services and education	£8,063,346	£2,315,173	71%	£2,752,874	£611,172	78%	LOW
Community and communication	£434,285	£2,126	100%	£96,084	£0	100%	
Culture and city development	£1,319,247	£154,697	88%	£323,876	£8,107	97%	
Finance and information services	£10,265,710	£48,271	100%	£2,772,475	£10,602	100%	
Housing, neighbourhood and building ser.	£16,556,747	£870,624	95%	£4,111,708	£15,596	100%	
HR, legal, audit and performance	£1,050,954	£0	100%	£277,748	£0	100%	
Portsmouth international port	£1,133,748	£0	100%	£207,149	£0	100%	
Public health	£3,306,161	£46,902	99%	£1,473,470	£0	100%	
Regeneration	£1,109,133	£55,739	95%	£470,935	£1,126	100%	
Capital schemes	£16,771,988	£1,196,818	93%	£5,367,477	£17,504	100%	
Others	£155,188	£9,000	94%	£65,673	£0	100%	
TOTAL	£74,966,506	£5,241,182	93%	£21,827,300	£712,827	97%	

A detailed commentary on non-compliant transactions in the month of July 2018 is provided in **appendix 1** (exempt).

Reports on low level transactions (less than £5,000) have not been requested by the procurement manager and so do not appear in appendix 1.

Section 2: waivers awarded this quarter

This table presents a summary of those contracts added to the contract register during Q2 2018/19 which have a waiver associated with them.

Waivers for procurements which depart from the contract procedure rules are recorded for contracts over £5,000 value.

Available reasons for waivers are:

- Direct award
- Not obtaining 3 bids
- Not advertising the opportunity
- Insufficient time
- Emergency
- Use of a previous tender
- Original spend estimate wrong
- Shared service
- Single source
- Service user choice
- Other

Under the contract procedure rules, waivers can be approved by:

- Director (or chief executive, or deputy chief executive) - up to £100,000
- Procurement manager - £100,000 to £1M
- Gateway board - over £1M

More detail regarding waivers approved in Q2 2018/19 is provided in **appendix 2**

Use of waivers in Q2:

Reason for waiver	Number of contracts	Contract value
Direct award	40	£4,123,002
Emergency	1	£690,000
Not obtaining 3 bids	6	£208,155
Insufficient time	3	£65,130
Not advertising the opportunity	1	£26,579
Total	51 (38% of all contracts awarded in Q2)	£5,112,866 (15% of all contracts awarded in Q2)

Detail of waivers awarded in Q2:

	Value of all contracts awarded Q2	Total number of contracts awarded Q2	Waiver reasons	Value of Waivers Q2	Number of waivers Q2
Adult services	£ 12,116,036	28	Direct award	£ 2,230,000	1
			TOTAL WAIVERS	£ 2,230,000	1
			Waivers as % of all contracts	18%	4%
Children's services and education	£ 173,822	6	Direct award	£ 136,159	5
			TOTAL WAIVERS	£ 136,159	5
			Waivers as % of all contracts	78%	83%
Community and communication	£ 197,272	3	Direct award	£ 48,750	1
			TOTAL WAIVERS	£ 48,750	1
			Waivers as % of all contracts	25%	33%
Culture and city development	£ 388,986	10	Direct award	£ 63,487	5
			Not obtaining three bids	£ 10,000	1
			TOTAL WAIVERS	£ 73,487	6
			Waivers as % of all contracts	19%	60%
Finance and information services	£ 944,706	16	Direct award	£ 136,811	5
			TOTAL WAIVERS	£ 136,811	5
			Waivers as % of all contracts	14%	31%
Housing, neighbourhood and building services	£ 5,963,289	30	Direct award	£ 987,107	6
			Emergency	£ 690,000	1
			Not obtaining three bids	£ 69,655	2
			Insufficient time	£ 65,130	3
			TOTAL WAIVERS	£ 1,811,892	12
Waivers as % of all contracts	30%	40%			
HR, legal, audit and performance	£ 376,828	8	Direct award	£ 126,028	6
			TOTAL WAIVERS	£ 126,028	6
			Waivers as % of all contracts	33%	75%
Portsmouth international port	£ 585,303	18	Direct award	£ 159,268	6
			Not obtaining three bids	£ 128,500	3
			Not advertising the opportunity	£ 26,579	1
			TOTAL WAIVERS	£ 314,347	10
Waivers as % of all contracts	54%	56%			
Public health	£ -	0		£ -	0
			TOTAL WAIVERS	£ -	0
			Waivers as % of all contracts	-	-
Regeneration	£ 14,417,481	14	Direct award	£ 235,392	5
			TOTAL WAIVERS	£ 235,392	5
			Waivers as % of all contracts	2%	36%
TOTAL	£ 35,163,723	133			

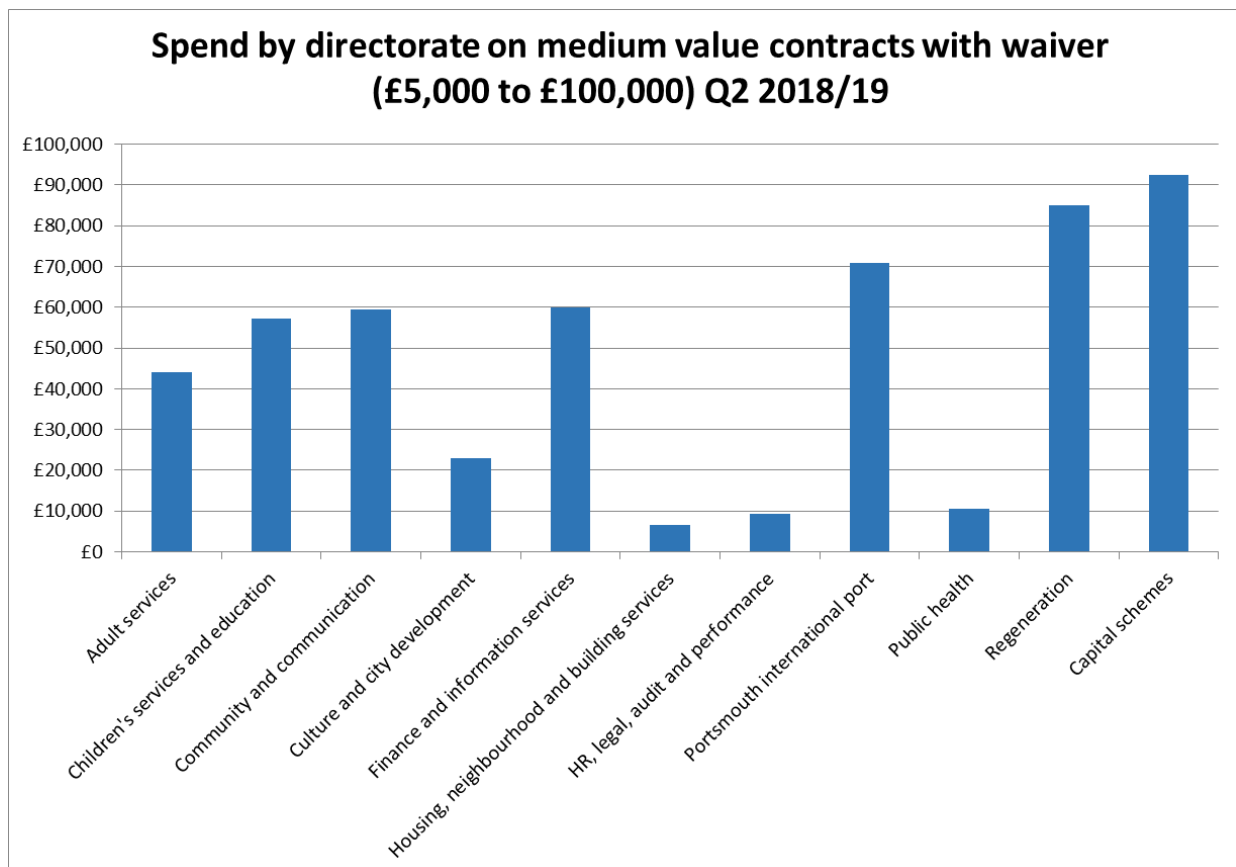
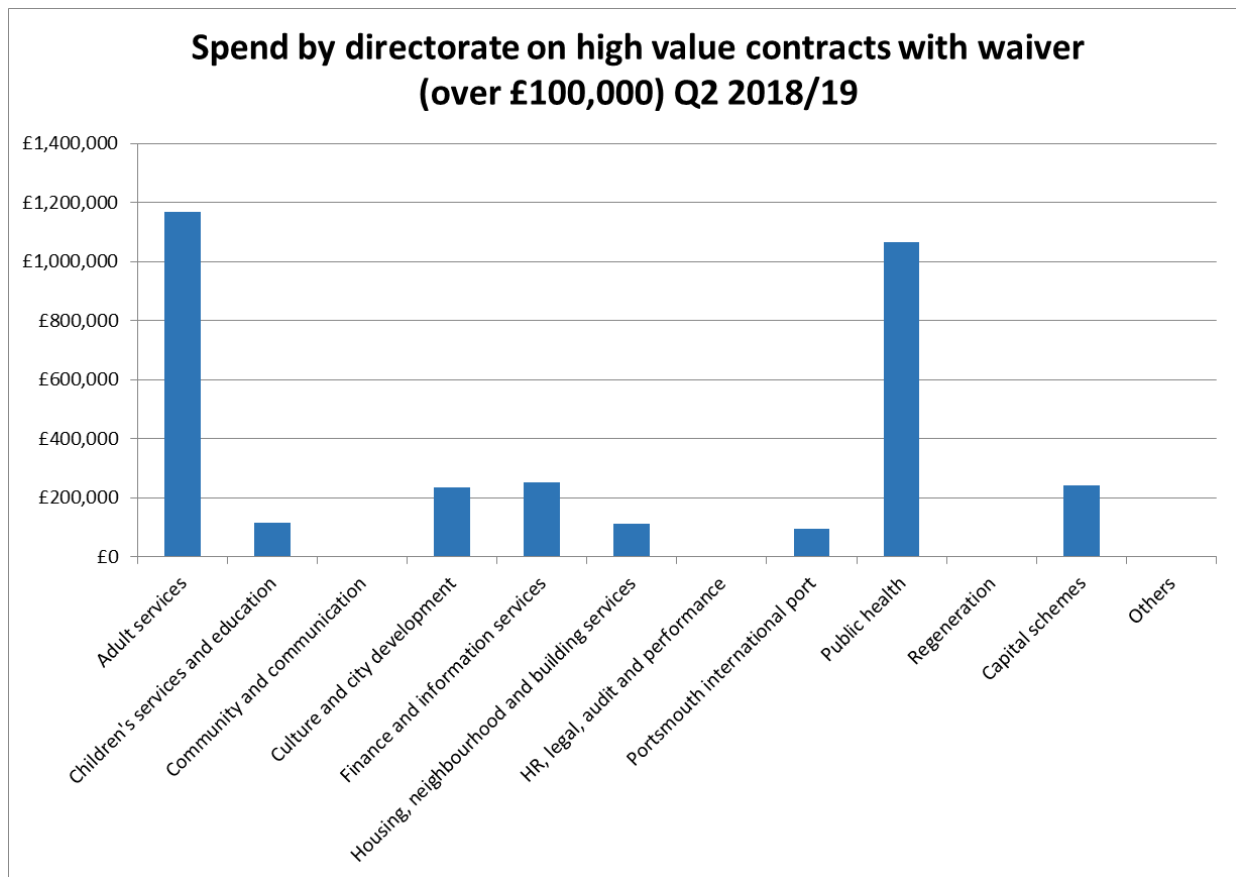
Section 3: spend with waiver

The table and graphs provide a breakdown by directorate of the actual spend during Q2 2018/19 on contracts which have waivers associated with them (regardless of when the waiver was approved).

Waivers are not required for contracts below £5,000 (under CPRs).

See **appendix 3** for details of payments under contracts with waivers in Q2.

	Total spend in quarter	Waiver spend in quarter	% of total spend covered by waiver in quarter
Adult services	£10,959,477	£1,214,033	11%
Children's services and education	£6,210,196	£170,516	3%
Community and communication	£281,287	£59,373	21%
Culture and city development	£1,031,046	£256,049	25%
Finance and information services	£8,170,500	£310,812	4%
Housing, neighbourhood and building services	£10,968,961	£117,169	1%
HR, legal, audit and performance	£960,510	£9,306	1%
Portsmouth international port	£913,387	£166,791	18%
Public health	£2,830,431	£1,075,370	38%
Regeneration	£781,637	£84,971	11%
Capital schemes	£15,172,763	£332,480	2%
Others	£198,193	£67	0%
TOTAL	£58,478,388	£3,796,937	6%

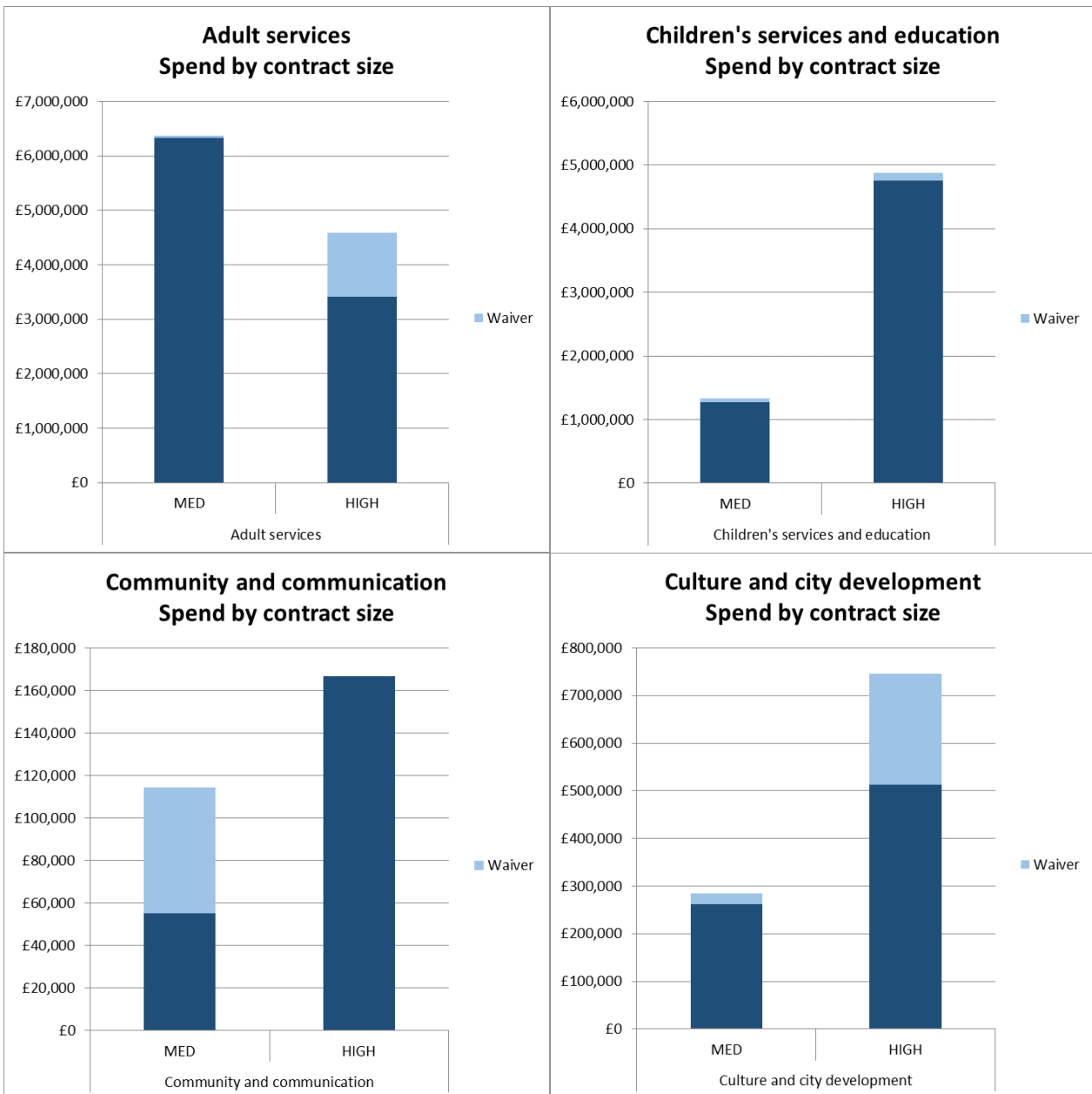


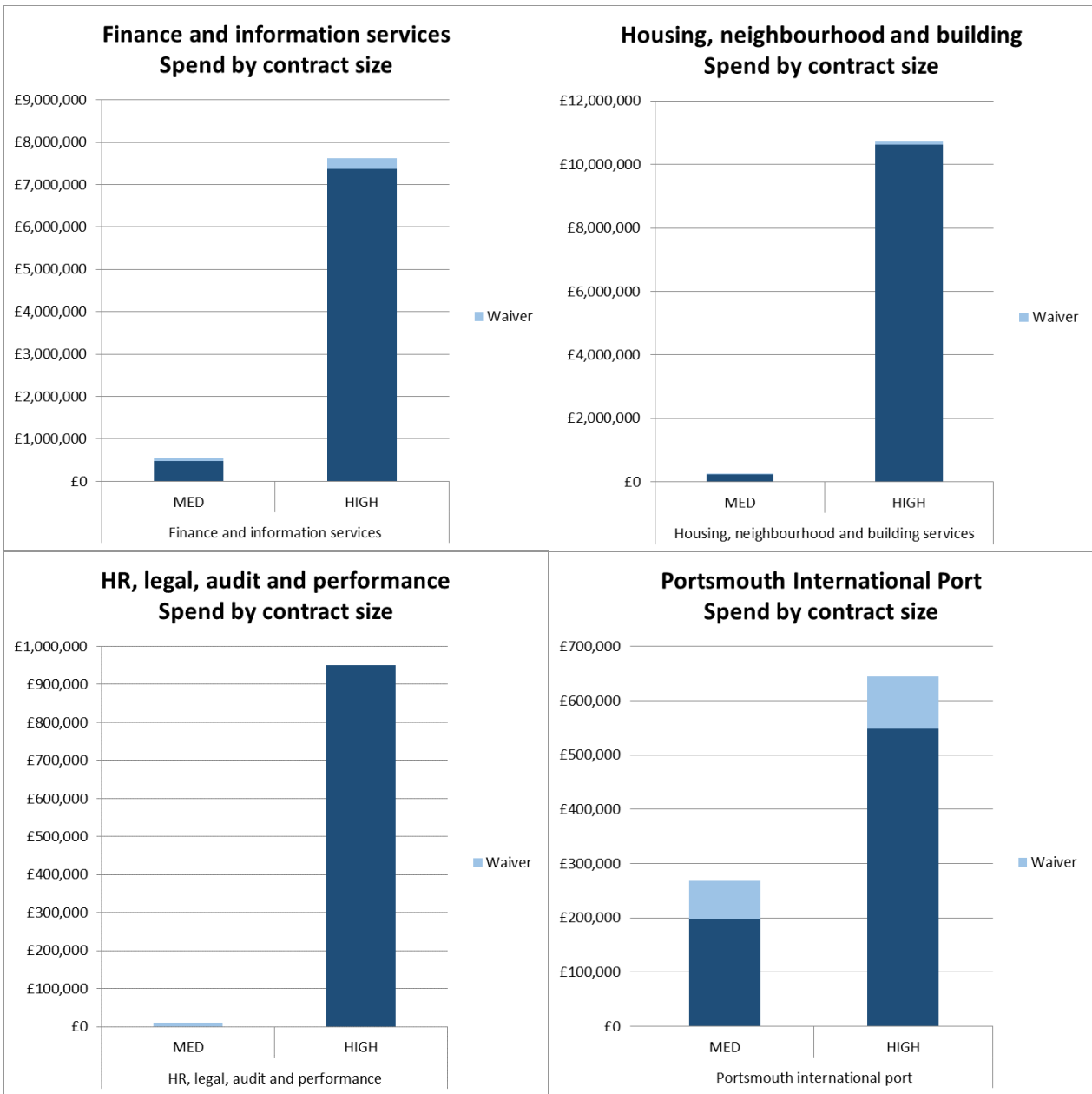
Section 4: spend by contract size

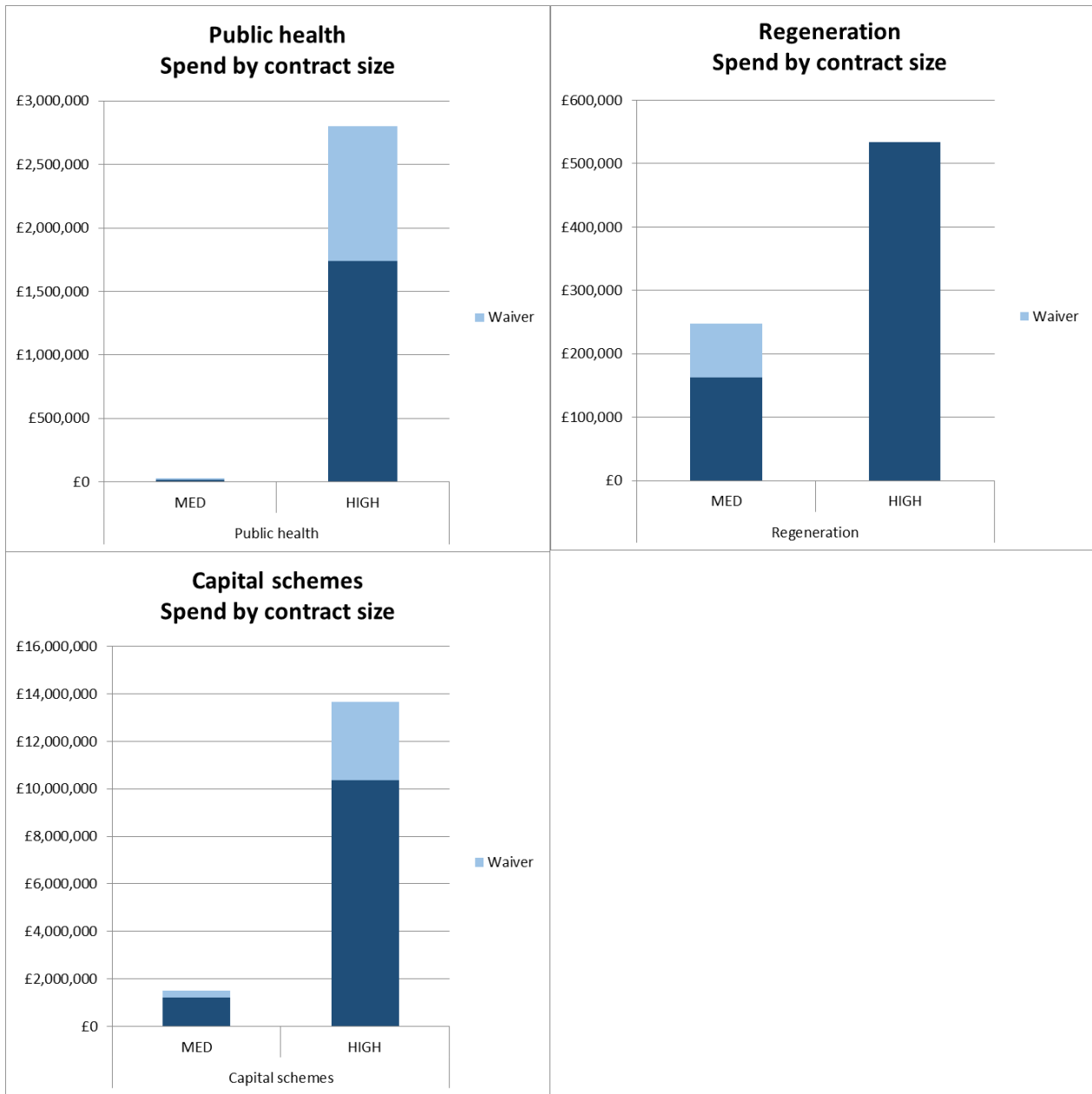
The following graphs present the actual spend by directorate in Q2 2018/19, and how this is broken down into spend under high and medium value contracts.

High value contracts £100,000 and over
 Medium value contracts between £5,000 and £100,000

The columns are stacked to show the proportion of the total spend which has been associated with a waiver.







Section 5: top 20 suppliers

The table below shows the council's top 20 suppliers and provides details of the nature and value of the contracts with them.

	Supplier	Principal activity of supplier	Directorates spending with this supplier	Value of spend in Q2	Contract name / purchase order detail	Lifetime contract value
1	ENSIGN HIGHWAYS LTD	Acts as highway maintenance contractors, specifically to operate a PFI contract with Portsmouth City Council	Finance and information services	£6,551,400	Highways PFI - Portsmouth	£625,000,000
			Capital schemes	£436,488	Purchase of LED apparatus and CMS apparatus	£600,000
			Capital schemes	£174,218	Highways PFI - Portsmouth	£625,000,000
			Housing, neighbourhood and building services	£2,286	Highways PFI - Portsmouth	£625,000,000
			Culture and city development	£90	Highways PFI - Portsmouth	£625,000,000
			ENSIGN HIGHWAYS LTD TOTAL	£7,164,481		
2	MOUNTJOY LIMITED	Facilities maintenance and the provision of building services	Housing, neighbourhood and building services	£3,977,145	Housing Repair and Maintenance - Mountjoy (1)	£130,000,000
			Housing, neighbourhood and building services	£197,926	Internal & External Repairs and Decoration - Sharps Road	£245,423
			Housing, neighbourhood and building services	£34,680	Southampton House	£362,286
			Capital schemes	£928,371	The Vanguard Centre - Alteration, Extension and Refurbishment Works	£2,219,037
			Capital schemes	£32,119	Mountbatten Centre Refurbishment	£512,200
			Capital schemes	£12,835	Refurbishment - Corben Lodge	£650,797
			Capital schemes	£463	Redwood Park School - gable/verge repairs 2017	£20,404
			MOUNTJOY LIMITED TOTAL	£5,183,541		
3	KNIGHTS BROWN CONSTRUCTION LTD	Civil engineering and construction	Capital schemes	£3,245,992	North Portsea Island CFERM Scheme Phase 2: Milton Common and Great Salterns Quay	£2,490,190
			KNIGHTS BROWN CONSTRUCTION LTD TOTAL	£3,245,992		

	Supplier	Principal activity of supplier	Directorates spending with this supplier	Value of spend in Q2	Contract name / purchase order detail	Lifetime contract value
4	BAM CONSTRUCTION LTD	Design and construct contracting and traditional building and the provision of services in the united kingdom	Capital schemes	£1,849,496	DUNSBURY PARK PLOT 3 WORKS	£6,500,000
			Capital schemes	£1,173,439	ENABLEMENT WORKS AT DUNSBURY PARK	£6,500,000
			BAM CONSTRUCTION LTD TOTAL	£3,022,935		
5	COMSERV (UK) LIMITED	The provision of maintenance services to local authorities	Housing, neighbourhood and building Services	£2,295,009	Housing Repair and Maintenance - Comserv (1)	£130,000,000
			COMSERV (UK) LIMITED TOTAL	£2,295,009		
6	SOLENT NHS TRUST	Public sector hospital activities, including NHS trusts	Public health	£925,494	Provision of 0-5 services (Health Visitors)	£13,056,940
			Public health	£486,442	Provision of Public Health Services: Level 3 Sexual Health Services	£10,829,900
			Public health	£107,307	School Nursing - early help and prevention services	£858,478
			Adult services	£166,493	MFFD SERVICE - BALANCE FOR 2017/18	£166,493
			Adult services	£33,601	50% FUNDING FOR SOCIAL CARE LEAD POST SOLENT NHS TRUST	£36,000
			Adult services	£28,380	BAND 7 PHYSIOTHERAPIST / BAND 5 PHYSIOTHERAPISTE	£85,140
			Adult services	£11,250	Contract for Public Health Services	£10,725,540
			Adult services	£9,825	50% OF POST OF INTEGRATED TEAM MANAGER 2018/19	£39,301
			Adult services	£2,685	Speech and Language Therapy	£8,750
			Children's services and education	£71,430	Children and Families	£280,262
			Children's services and education	£58,146	Contract for Public Health Services	£10,725,540
			Children's services and education	£33,165	HEALTH RELATED ABSENCE PROJECT 2018-19	£35,000
			Children's services and education	£10,033	SALARY CONTRIBUTION FOR HEAD INTEGRATED EARLY HELP	£43,140
			Children's services and education	£5,286	Adolescent Risk Training Services	£5,286
			Children's services and education	£4,889	Child and Adolescent Mental Health Services	£1,162,920
			Children's services and education	£2,914	HOME TO SCHOOL TRANSPORT	£29,578
				SOLENT NHS TRUST TOTAL	£1,957,341	

	Supplier	Principal activity of supplier	Directorates spending with this supplier	Value of spend in Q2	Contract name / purchase order detail	Lifetime contract value
7	D M HABENS (THE BUILDER) LTD	General builders	Capital schemes	£721,900	School expansion - Northern Parade Infants	£2,009,136
			Capital schemes	£594,014	Craneswater Junior School Expansion	£1,454,672
			Capital schemes	£52,490	Roof Works 2018 - Medina Primary School	£54,348
			Capital schemes	£49,465	External and internal decorations and refurbishment - Tangier's Rd Children's Home	£443,070
			Capital schemes	£13,384	Springfield School Expansion	£474,451
			Capital schemes	£1,541	Langstone Junior School, Roof Glazing & Cavity Trays - 2017	£54,667
			Capital schemes	£1,539	Internal Refurbishment at Flat 1 Frank Miles	£58,729
			Housing, neighbourhood and building Services	£149,201	Repair and decoration - Rochford Road	£845,566
			Housing, neighbourhood and building Services	£100,246	EXTERNAL REPAIRS - AUSTIN COURT - PROJECT ID 557	£126,857
				D M HABENS (THE BUILDER) LTD TOTAL		£1,683,781
8	LIBERTY GAS GROUP LIMITED	The provision of installation, service and repair of gas appliances	Housing, neighbourhood and building Services	£1,324,161	Gas Maintenance and Annual Servicing of Housing Properties	£45,000,000
			LIBERTY GAS GROUP LIMITED TOTAL	£1,324,161		
9	FELTHAM CONSTRUCTION LIMITED	Building contractors	Capital schemes	£1,248,026	Design & Construction of Residential Developments - Land adj Kingsclere Avenue, Havant	£7,015,261
			FELTHAM CONSTRUCTION LIMITED TOTAL	£1,248,026		
10	PMC CONSTRUCTION AND DEVELOPMENT SERVICES LTD	Other specialised construction activities n.e.c.	Capital schemes	£709,919	Design & Construction of Residential Developments - Rear of Blendworth Crescent	£7,801,399
			Capital schemes	£483,012	Design & Construction of residential development - Ivy Close, Somerstown	£8,498,968
			PMC CONSTRUCTION AND DEVELOPMENT SERVICES LTD TOTAL	£1,192,932		

	Supplier	Principal activity of supplier	Directorates spending with this supplier	Value of spend in Q2	Contract name / purchase order detail	Lifetime contract value
11	THE SOCIETY OF ST JAMES	The relief of poverty, sickness, hardship and distress in particular of persons who are homeless, unemployed or who have drug, alcohol or other substance addiction	Public health	£988,586	Substance Misuse and Mental Health Dual Diagnosis Supported Living Service	£500,059
			Public health	£30,000	Integrated Drug and Alcohol Recovery, Supported Housing and Homeless Support Service	£8,373,948
			Housing, neighbourhood and building services	£35,000	FUNDING FOR WINTER BEDS PROJECT	£35,000
			Housing, neighbourhood and building services	£20,757	Young Persons' Hostel Services - Portsmouth	£1,873,713
			Housing, neighbourhood and building services	£16,667	Integrated Drug and Alcohol Recovery, Supported Housing and Homeless Support Service	£8,373,948
			Housing, neighbourhood and building services	£8,249	Supporting People - Single Homeless and Substance Misuse	£507,096
			Adult services	£50,211	Substance Misuse and Mental Health Dual Diagnosis Supported Living Service	£500,059
			THE SOCIETY OF ST JAMES TOTAL	£1,149,470		
12	COMENSURA LTD	The management of contingent labour spend on both a vendor independent and a vendor neutral basis	HR, legal, audit and performance	£939,227	Managed Services for Temporary Agency Resources to Portsmouth City Council	£10,000,000
			COMENSURA LTD TOTAL	£939,227		

	Supplier	Principal activity of supplier	Directorates spending with this supplier	Value of spend in Q2	Contract name / purchase order detail	Lifetime contract value
13	HAMPSHIRE COUNTY COUNCIL	General (overall) public service activities	Adult services	£756,454	Provision of Care - Harry Sotnick House	£8,000,000
			Adult services	£12,203	Direct Payment	£48,946
			Adult services	£4,874	GENERAL SUPPLIES FOR HARRY SOTNICK HOUSE	£14,000
			Adult services	£1,240	Day Care	£5,412
			Capital schemes	£37,094	Technical Service Level Agreement	£68,600
			Capital schemes	£15,180	APPLICATIONS OF THE SRTM FOR THE PORTSMOUTH CITY CENTRE APPLICATION	£28,325
			Regeneration	£39,275	PROVISION OF RANGERS TO SUPPORT THE BIRD AWARE PARTNERSHIP	£188,518
			Regeneration	£7,140	MAINTENANCE AND DATA MANAGEMENT OF TRAFFIC AND CYCLE COUNTERS SLA	£8,400
			Children's services and education	£11,667	Advice/Support Services for Outdoor Education	£160,000
			Children's services and education	£7,004	CFL 2018/19 ELEMENT 3 TOP FUNDING VARIOUS SCHOOLS HCC	£7,004
			Children's services and education	£2,049	Provision of SACRE Services	£29,690
			Culture and city development	£5,290	TRADING STANDARDS FOR THE PROVISION OF LEGAL METROLOGY & PETROLEUM	£5,290
			Culture and city development	£912	COMMERCIAL - SAMPLES	£9,000
			Culture and city development	£328	SCIENTIFIC CONSULTANCY SLA 2017/2018	£2,500
		HAMPSHIRE COUNTY COUNCIL TOTAL	£900,709			
14	DIMENSIONS (UK) LTD	Support for people with learning disabilities and autism	Adult services	£768,746	Domiciliary care	£3,074,984
			Adult services	£21,900	Supported Living - GSS	£628,020
			Adult services	£3,212	Supported Living for Eleven People at Forest Lodge and Russets Annexe	£1,303,769
			DIMENSIONS (UK) LTD TOTAL	£793,858		

	Supplier	Principal activity of supplier	Directorates spending with this supplier	Value of spend in Q2	Contract name / purchase order detail	Lifetime contract value
15	BALFOUR BEATTY GROUP	To finance, develop, build and maintain complex infrastructure eg transportation, power and utility systems and commercial buildings	Capital schemes	£772,808	Early Preconstruction Services - Southsea Coastal Defence	£85,543
			Capital schemes	£17,727	Ground Investigation Works - Southsea Coastal Scheme	£333,000
			BALFOUR BEATTY GROUP TOTAL	£790,534		
16	BIFFA MUNICIPAL LTD	The provision of municipal services		£737,715	Domestic Waste Collection Services in Portsmouth	£24,800,000
			BIFFA MUNICIPAL LTD TOTAL	£737,715		
17	SEVACARE (UK) LTD	The provision of home care services	Adult services	£572,978	EXTRA CARE SCHEMES - CARE PROVISION (Portsmouth)	£10,727,650
			Adult services	£109,377	Domiciliary care	£437,507
			Housing, neighbourhood and building services	£9,531	Domiciliary Care Services through Guaranteed Hours	£278,133
			SEVACARE (UK) LTD TOTAL	£691,886		
18	COMMUNITY INTEGRATED CARE (CIC)	A special needs housing and care provider	Adult services	£273,370	Domiciliary care	£1,093,481
			Adult services	£212,512	Supported Living at Temple Court	£769,689
			Adult services	£163,349	Residential care	£653,397
			Adult services	£18,321	Supported Living and Housing Related Support in Portsmouth - CIC	£4,017,126
			COMMUNITY INTEGRATED CARE (CIC) TOTAL	£667,552		
19	AON UK LIMITED	Insurance broking, specialising in all classes of insurance and reinsurance broking and risk management services	Finance and information services	£336,694	Insurance Services 2017 - 2020 - Liability Insurance	£1,057,560
			Finance and information services	£112,942	Insurance Services 2017 - 2020 - Commercial Properties	£210,960
			Finance and information services	£93,632	Marine Insurance	£282,463
			Finance and information services	£20,929	Insurance Broking Service 2015	£72,500
			Finance and information services	£20,108	Insurance Services 2017 - 2020 - Fine Art Insurance	£83,160
			Housing, neighbourhood and building services	£13,926	AON Insurance	£232,414
			AON UK LIMITED TOTAL	£598,231		

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Portsmouth
CITY COUNCIL

	Supplier	Principal activity of supplier	Directorates spending with this supplier	Value of spend in Q2	Contract name / purchase order detail	Lifetime contract value
20	GRANNAG LIMITED	Special purpose vehicle to provide Portsmouth City Council with a serviced school under an operating agreement	Children's services and education	£541,074	Maintain PFI Miltoncross School	£65,000,000
			GRANNAG LIMITED TOTAL	£541,074		

Section 6: suppliers paid over £100,000 in Q2 by directorate

The tables show those suppliers who have been paid over £100,000 in Q2 2018/19 by directorate. They are arranged in descending order of value by directorate.

The spend with these suppliers represents **82%** of the total spend in Q2.

The **85** suppliers below represent **14%** of the total number of suppliers paid in Q2 (614).

	Q2 spend with supplier	% of directorate Q2 spend
Adult services		
DIMENSIONS (UK) LTD	£793,858	7%
HAMPSHIRE COUNTY COUNCIL	£774,771	7%
SEVACARE (UK) LTD	£682,355	6%
COMMUNITY INTEGRATED CARE (CIC)	£667,552	6%
AFFINITY TRUST LTD	£406,479	4%
CARE MANAGEMENT GROUP LIMITED	£286,688	3%
CRESCENT COMMUNITY CARE SERVICES LTD	£285,557	3%
MILLBROOK HEALTHCARE	£257,705	2%
THE YOU TRUST	£254,743	2%
SOLENT NHS TRUST	£252,234	2%
DOLPHIN HOMES LTD	£232,469	2%
VOYAGE CARE	£231,399	2%
APEX PROPERTY VENTURES LTD	£228,347	2%
CREATIVE ADVANCES LTD	£219,560	2%
KARE PLUS NATIONAL	£200,429	2%
CROSSBIND LTD T/A COSHAM COURT	£170,439	2%
MINSTEAD TRAINING TRUST	£160,675	1%
CHOICE CARE GROUP	£153,258	1%
CHAOS SUPPORT LIMITED	£143,848	1%
PATHWAYS SUPPORT	£135,195	1%
AUTISM HAMPSHIRE	£134,936	1%
ROYAL MENCAP SOCIETY	£131,139	1%
RICHMOND FELLOWSHIP	£124,021	1%
GLENSIDE MANOR HEALTHCARE SERVICES LTD	£112,794	1%
GO CREATE CARE LIMITED	£108,229	1%
BEACONSFIELD RESIDENTIAL CARE HOME	£107,000	1%
HANDLE WITH CARE (PORTSMOUTH) LTD	£106,230	1%
ENTHUSE CARE	£104,031	1%
Children's services and education		
GRANNAG LIMITED	£541,074	9%
ISS FACILITY SERVICES EDUCATION	£535,684	9%
V CARE 24 LIMITED	£483,840	8%
SUNBEAM FOSTERING AGENCY	£313,356	5%
CAMBIAN GROUP LTD	£302,220	5%
PRIORY CENTRAL SERVICES LIMITED	£219,116	4%
LIVABILITY	£210,230	3%

SOLENT NHS TRUST	£185,863	3%
BLUE SKY FOSTERING	£164,022	3%
PETES AIRLINK LIMITED	£157,241	3%
COMPASS FOSTERING LIMITED	£145,964	2%
FAIRWAYS CARE (UK) LTD	£139,913	2%
BARNARDO SERVICES LTD	£138,268	2%
PRIORS COURT SCHOOL	£135,351	2%
ST EDWARDS SCHOOL	£128,709	2%
ENABLE ABILITY	£126,570	2%
THE SERENDIPITY CENTRE LTD	£121,244	2%
DURHAM COUNTY COUNCIL	£119,140	2%
BACK ON TRACK ACCOMMODATION	£116,136	2%
SOLENT ACADEMIES TRUST	£114,339	2%
BRAMLEY CARE LTD T/A APPLE ORCHARD	£104,878	2%
Culture and city development		
ISS FACILITY SERVICES LANDSCAPING	£143,909	14%
PORTSMOUTH CULTURAL TRUST	£113,500	11%
Finance and information services		
ENSIGN HIGHWAYS LTD	£6,549,455	80%
AON UK LIMITED	£584,306	7%
ORACLE CORPORATION UK LTD	£261,566	3%
WESTCOAST LIMITED	£159,784	2%
Housing, neighbourhood and building services		
MOUNTJOY LIMITED	£4,209,752	38%
COMSERV (UK) LIMITED	£2,295,009	21%
LIBERTY GAS GROUP LIMITED	£1,324,161	12%
BIFFA MUNICIPAL LTD	£737,715	7%
CANADA LIFE INVESTMENTS	£534,560	5%
A PURKISS BUILDING AND DECORATING LTD	£280,352	3%
D M HABENS (THE BUILDER) LTD	£249,448	2%
THE SALVATION ARMY	£217,605	2%
E C ROBERTS CENTRE	£120,361	1%
CORRIGENDA LIMITED T/A CHURCHES	£104,777	1%
AXIS ELEVATORS LTD	£104,304	1%
SSE CONTRACTING LTD	£103,191	1%
HR, legal, audit and performance		
COMENSURA LTD	£939,227	98%
Portsmouth international port		
CARLISLE SECURITY SERVICES LTD	£180,258	20%
Public health		
SOLENT NHS TRUST	£1,519,243	54%
THE SOCIETY OF ST JAMES	£1,018,586	36%
Regeneration		
FIRST	£180,137	23%
HAVANT BOROUGH COUNCIL	£165,779	21%
Capital schemes		
KNIGHTS BROWN CONSTRUCTION LTD	£3,245,992	21%

BAM CONSTRUCTION LTD	£3,022,935	20%
D M HABENS (THE BUILDER) LTD	£1,434,333	9%
FELTHAM CONSTRUCTION LIMITED	£1,248,026	8%
PMC CONSTRUCTION AND DEVELOPMENT LTD	£1,192,932	8%
MOUNTJOY LIMITED	£973,789	6%
BALFOUR BEATTY GROUP	£790,534	5%
ENSIGN HIGHWAYS LTD	£610,705	4%
DARWIN GROUP LIMITED	£457,859	3%
SAVILLS (UK) LTD	£216,656	1%
CONCRETE REPAIRS LIMITED	£136,124	1%
STUDIO MB LTD	£121,243	1%
COLAS LTD	£117,609	1%
REDS BUILDERS LTD	£117,158	1%
SWARCO TRAFFIC LTD	£106,011	1%
SIMER ENVIRONMENTAL SERVICES LTD	£103,025	1%
LIFTABILITY LTD	£100,981	1%

Section 7: supplier performance

	Total number of contracts	KPI score (see legend below)				Expired KPI (more than 1 year since last scored)	KPI never scored	KPI not yet due	No KPI scheduled
		Gold	Green	Amber	Red				
Dec 2015	711	46	210	22	0	34	88	247	64
Jun 2016	728	53	211	24	1	24	96	258	61
Sep 2016	672	47	219	24	3	26	91	202	60
Dec 2016	699	50	202	24	2	49	110	190	72
Sept 2017	709	58	174	27	2	36	112	191	109
Dec 2017	737	60	168	30	4	37	117	209	112
Jun 2018	766	43	190	26	5	43	120	227	112
Sept 2018	821	43	230	25	5	39	129	231	119

Section 7 notes

Key	
• <u>Gold:</u>	Outstanding performance
• <u>Green:</u>	Performing to standard
• <u>Amber:</u>	Some areas of improvement required
• <u>Red:</u>	Failing to perform
• <u>Expired KPI:</u>	a schedule is in place, and at least one KPI score has been recorded, but there has been no KPI scoring in the last 12 months
• <u>KPI never scored:</u>	a schedule is in place, but there have been no KPI scores for the contract
• <u>KPI not yet due:</u>	a schedule is in place, but KPI scores are not due yet. This includes contracts where KPIs are overdue by less than 3 months (grace period)
• <u>No KPI scheduled:</u>	no KPI instances have been scheduled.

KPIs are not scheduled for the following reasons: Temporary accommodation (34); Overarching framework agreements (23); Not subject to Procurement Regulations (10); Concessions (9); Registration, subscription and membership fees (7); Leases (5); Locally commissioned services (3); Grants (2); Single Supplier markets (2); and shared services (2)

The remaining 20 contracts without KPI schedules will be investigated and addressed as necessary.

There are 5 contracts where the supplier is performing to an unsatisfactory level and remedial action is taking place (red KPI score), and 25 contracts which require improvement in performance (amber KPI score).

Reports from contract managers on those contracts with a red and amber KPI score are provided in **appendix 4** (exempt).

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Section 8: Supplier Performance Monitoring



Contracts which have **never had a KPI score**:

Directorate	KPIs never scored			
	Total number of contracts (Q2)	Number of contracts with no KPI score (Q2)	% of contracts with no KPI score (Q2)	Annual contract value of un-scored contracts (Q2)
Adult Services	120	10	8%	£4,125,447
Children's Services and Education	82	8	10%	£2,232,366
Community and Communication	43	8	19%	£99,892
Culture and City Development	97	28	29%	£3,780,553
Executive	3	0	0%	£0
Finance and Information Services	113	12	11%	£2,798,082
Housing, Neighbourhood and Building Services	151	30	20%	£8,024,611
HR, legal, audit and performance	81	12	15%	£101,669
Portsmouth International Port	46	2	4%	£7,930,514
Public Health	14	0	0%	£0
Regeneration	71	19	27%	£12,850,157
TOTAL	821	129	16%	£41,943,291

Contracts which have not had a KPI score in 12 months:

Directorate	KPIs not scored for 12 months			
	Total number of contracts (Q2)	Number of contracts with no KPI score (Q2)	% of contracts with no KPI score (Q2)	Annual contract value of un-scored contracts (Q2)
Adult Services	120	4	3%	£1,442,101
Children's Services and Education	82	1	1%	£144,755
Community and Communication	43	1	2%	£19,890
Culture and City Development	97	11	11%	£226,240
Executive	3	0	0%	£0
Finance and Information Services	113	2	3%	£13,167
Housing, Neighbourhood and Building Services	151	5	3%	£114,600
HR, legal, audit and performance	81	2	2%	£13,965
Portsmouth International Port	46	1	2%	£12,000
Public Health	14	1	7%	£27,656
Regeneration	71	11	14%	£25,169,465
TOTAL	821	39	5%	£27,183,839

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Signed by (Director)

Appendices:

Appendix 1: Non-conformance (exempt)

Appendix 2: Waivers

Appendix 3: Payments under waiver

Appendix 4: Contract performance issues (exempt)

Appendix 5: Minutes from the strategic contract management board (30/08/18) (exempt)

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

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Directorate	Title	Supplier	Contract Value	Current contract annual value	Contract Start Date	Contract Expiry Date	Reference number	Reason for waiver	Waiver authoriser
Adult services	Supported Living - Care Management Group	Care Management Group Ltd	£2,230,000	£2,230,000	18/06/18	17/06/21	C00004178	Direct award	Gateway Board
Children's services and education	Trauma-Informed Model of Care Project	Tavistock and Portman NHS Foundation Trust	£50,000	£50,000	01/09/18	31/03/19	C00004196	Direct award	Director
Children's services and education	AVCO AnyComms Plus & AnyComms	AVCO Systems Ltd	£43,000	£10,750	01/04/18	31/03/22	C00004266	Direct award	Director
Children's services and education	Virtual Reality Training	Cornestone Training and Support Ltd	£15,000	£15,000	06/07/18	06/07/19	C00004211	Direct award	Director
Children's services and education	Creche provision	Freedom Childcare	£15,000	£5,000	20/08/18	19/08/21	C00004281	Direct award	Director
Children's services and education	Supply of school meal equipment	Harfield Components Limited	£13,159	£13,159	01/05/18	30/09/18	C00004274	Direct award	Director
Community and communication	Directory of Services	Evolve CIC	£48,750	£39,000	26/09/18	31/12/19	C00004275	Direct award	Director
Culture and city development	Mechanic - grounds maintenance machinery	Brighstone Landscaping Ltd	£25,000	£25,000	01/06/18	31/05/19	C00004157	Direct award	Director
Culture and city development	D-Day Story Ticketing	Merlinsoft Ltd	£15,000	£3,000	01/04/18	31/03/23	C00004216	Direct award	Director
Culture and city development	Young Peoples Engagement - The D-Day Story	Unloc	£10,000	£10,000	01/06/18	31/12/19	C00004150	Not obtaining 3 bids	Director
Culture and city development	Parkletics - Kingston Park - Fitness	Parkletics Limited	£10,000	£10,000	02/07/18	02/07/19	C00004204	Direct award	Director
Culture and city development	Libraries RB Digital eComics and eMagazines	W F HOWES LTD	£7,545	£6,000	01/10/18	30/09/19	C00004258	Direct award	Director
Culture and city development	Southsea Food Festival 2018 - Power Supply	Tech Events Services Limited	£5,942	£5,942	01/07/18	31/08/18	C00004221	Direct award	Director
Finance and information services	Application Packaging	Algiz technology Limited	£70,000	£70,000	04/06/18	01/12/19	C00004259	Direct award	Director
Finance and information services	Temporary Staff - IT (Keystream)	Keystream Healthcare Resources Ltd	£40,000	£40,000	01/07/18	30/11/18	C00004191	Direct award	Director
Finance and information services	Business Process Service (BPS) Licenses and Services Agreement	Oracle Corporation UK Ltd	£18,139	£18,139	01/09/17	31/08/20	C00004193	Direct award	Director
Finance and information services	WinChart Licenses for Adult Social Care	Prism Europe Consultancy Ltd	£6,875	£6,875	25/09/18	25/10/18	C00004273	Direct award	Director
Finance and information services	CSI 18184143 Oracle Premier Support for Systems_T3 for EBS OTI	Oracle Corporation UK Ltd	£1,797	£1,797	01/09/17	31/08/18	C00004190	Direct award	Director
Housing, neighbourhood and building services	Block Security - Leamington & Horatia House	MG Events Services LTD	£690,000	£690,000	06/06/18	05/06/19	C00004250	Emergency	Procurement manager
Housing, neighbourhood and building services	Wastewater Services - Business Stream	Scottish Water Business Stream Ltd	£500,000	£500,000	01/04/17	30/09/18	C00004208	Direct award	Director
Housing, neighbourhood and building services	Warm Homes Fund Scheme	AgilityEco Services Ltd	£244,052	£244,052	24/05/18	31/08/22	C00004244	Direct award	Procurement manager
Housing, neighbourhood and building services	Installation Of New Public Address Facility - Civic Offices	Stanley Security Solutions	£115,000	£115,000	17/09/18	26/10/19	C00004252	Direct award	Procurement manager
Housing, neighbourhood and building services	Analogue Cameras with Hybrid Technology - Replacement	360 Vision Technology Limited	£90,000	£45,000	01/08/18	31/07/20	C00004234	Direct award	Director
Housing, neighbourhood and building services	Distribution of Waste Containers	JETT TRADE LIMITED	£52,500	£52,500	24/09/18	18/11/18	C00004209	Not obtaining 3 bids	Director
Housing, neighbourhood and building services	Recycling Bin Order - SSI Schaefer	SSI Schaefer Ltd	£42,768	£42,768	10/09/18	30/10/18	C00004260	Insufficient time	Director
Housing, neighbourhood and building services	Consultancy Mechanical Design Services - Portsmouth Academy Expansion	Salvis Energy Services Ltd	£30,000	£30,000	24/04/18	31/12/21	C00004264	Direct award	Director
Housing, neighbourhood and building services	Cleaning Equipment - Sweeper	Wessex Cleaning Equipment and Janitorial Supplies Ltd	£17,155	£17,155	30/08/18	30/09/18	C00004257	Not obtaining 3 bids	Director
Housing, neighbourhood and building services	Recycling Bin Order - A&C Weber	A & C WEBER UK LTD	£13,362	£13,362	10/09/18	30/10/18	C00004261	Insufficient time	Director
Housing, neighbourhood and building services	Camera Installation - Ferry Road	Rapid Vision Systems Ltd	£9,000	£9,000	01/04/18	30/09/18	C00004271	Insufficient time	Director
Housing, neighbourhood and building services	Universal Credit and Welfare Benefit Training	Housing Systems Ltd	£8,055	£8,055	23/09/18	01/11/18	C00004165	Direct award	Director
HR, legal, audit and performance	The provision of Veteran Drop-In Services on the Isle of Wight	Veterans Outreach Support	£40,000	£20,000	01/04/18	31/03/20	C00004217	Direct award	Director
HR, legal, audit and performance	The provision of Veteran Drop-In Services in Southampton	Veterans Outreach Support	£28,750	£14,375	01/04/18	31/03/20	C00004156	Direct award	Director
HR, legal, audit and performance	The provision of Veteran Drop-In Services in Southampton	Southampton Veterans Drop in Centre	£28,750	£14,375	01/04/18	31/03/20	C00004218	Direct award	Director
HR, legal, audit and performance	Grant to SignPost and Support Veterans	FirstLight Trust	£12,903	£12,903	27/06/18	31/03/20	C00004262	Direct award	Director
HR, legal, audit and performance	Practice Educator Qualification	University of Portsmouth	£10,000	£10,000	01/09/18	31/07/19	C00004201	Direct award	Director
HR, legal, audit and performance	Developing Professional Specialist Practice Post Qualifying Module	Bournemouth University	£5,625	£5,625	01/09/18	31/07/19	C00004200	Direct award	Director
Portsmouth international port	Management of All Shipping and Ancillary Services for the Camber Quay, Old Portsmouth	Ken Brown Boats Ltd	£111,000	£37,000	01/01/19	31/12/21	C00004253	Not obtaining 3 bids	Director
Portsmouth international port	British Standards Certification Services - Portsmouth International Port	BSI Assurance Uk Limited	£60,000	£20,000	01/05/18	30/04/21	C00004189	Direct award	Director
Portsmouth international port	Replacement of Jones Port Crane - Portsmouth International Port	L Jackson & Co Ltd	£32,000	£32,000	17/09/18	19/10/18	C00004268	Direct award	Director
Portsmouth international port	Economic Impact Study - Portsmouth International Port	Oxford Economics Ltd	£27,500	£27,500	01/09/18	31/03/19	C00004237	Direct award	Director
Portsmouth international port	Purchase Of Safety Fencing For MMD Demolition	Safesite Ltd	£26,579	£26,579	01/07/18	31/08/18	C00004186	Not advertising the opportunity	Director
Portsmouth international port	Pilot Simulation - June 2018/19	Seaways Europe Ltd	£20,000	£20,000	11/06/18	11/06/19	C00004159	Direct award	Director
Portsmouth international port	Annual Dive Condition Survey - Summer 2018	RS Divers LTD	£17,500	£17,500	01/08/18	30/09/18	C00004195	Not obtaining 3 bids	Director
Portsmouth international port	Multimodal Event 2019	Clarion Events Ltd	£13,375	£13,375	21/08/18	31/05/19	C00004256	Direct award	Director
Portsmouth international port	Maintenance of X-Ray and MDA car search bay for Portsmouth International Port	L3 Communications UK L:d	£6,393	£0	01/09/18	31/08/19	C00004188	Direct award	Director
Portsmouth international port	Provision of Car Parking Services at Portsmouth International Port	APCOA Parking UK Ltd.	£0	£0	01/11/18	31/10/23	C00004162	Not obtaining 3 bids	Gateway Board
Regeneration	GIS Mapping - Buchanan Computing	Buchanan Computing	£150,000	£50,000	16/07/18	15/07/21	C00004205	Direct award	Procurement manager
Regeneration	Southsea Strategic Planning Support	Paris Smith LLP	£50,960	£50,960	10/08/18	30/04/20	C00004213	Direct award	Director
Regeneration	North Portsea Island - Ecological Enhancements Formliner Design	University of Glasgow	£17,432	£17,432	16/07/18	16/01/19	C00004239	Direct award	Director
Regeneration	Research for new Portsmouth Economic Development Strategy	Oxford Economics Ltd	£9,500	£9,500	30/06/18	30/09/18	C00004161	Direct award	Director
Regeneration	North Portsea Island - Technical Review	Glennerster Consulting Ltd	£7,500	£7,500	16/07/18	16/01/19	C00004269	Direct award	Director

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Appendix 3

To be read in conjunction with section 3 of the report

Procurement management information
2 November 2018**Q2 spend with HIGH VALUE (>£100,000) contracts with waiver****Adult services**

C00004050	Provision of Care - Harry Sotnick House	Hampshire County Council	£756,454
C00003953	Supported Living at Temple Court	COMMUNITY INTEGRATED CARE	£212,512
C00003645	Supported Living in Seven Properties	Voyage 1 Limited	£97,412
C00003337	Temporary Staff - Adult Social Care	Staff 2000 Limited	£62,166
C00003775	Discharge Home to Assess (HZA)	Agincare Group Ltd	£26,931
C00002013	Contract for Public Health Services	Solent NHS Trust (formerly Solent Healthcare)	£11,250
C00003952	Supported Living for Eleven People at Forest Lodge and Russets Annexe	Dimensions	£3,212

Children's services and education

C00002013	Contract for Public Health Services	Solent NHS Trust (formerly Solent Healthcare)	£58,146
C00003498	Disclosure and Barring Service Checks	Disclosure & Barring Service	£24,376
C00003580	Financial Modelling For South Central Adoption	GJS FINANCIAL SERVICES LIMITED	£14,280
C00002903	Advice/Support Services for Outdoor Education	Hampshire County Council	£11,667
C00003809	Child and Adolescent Mental Health Services	Solent NHS Trust (formerly Solent Healthcare)	£4,889

Culture and city development

C00003173	Mortuary Costs Portsmouth - Coroner's Office	Portsmouth Hospitals NHS Trust	£86,991
C00003251	Pathologist Fees - Coroner's Office	Multiple Suppliers	£70,610
C00003083	Portsmouth DMP Promotion on London Underground	Exterior Media (UK) Ltd	£35,328
C00003372	Retail Purchasing 2016 - 2019 - Culture	Multiple Suppliers	£31,445
C00003947	Water Feature Portsmouth Seafront - Groundwork Construction	Red's Builders Limited	£5,300
C00003498	Disclosure and Barring Service Checks	Disclosure & Barring Service	£3,520

Finance and information services

C00003089	Provision of Desktop Hardware	XMA Limited	£159,784
C00003906	Microsoft Enterprise Agreement 2017	Civica UK Ltd	£82,105
C00002284	Website Hosting 2014	Timico Ltd	£8,911

Housing, neighbourhood and building services

C00001718	Core Homeless Services -	The Salvation Army	£101,025
C00003339	Domiciliary Care Services through Guaranteed Hours	Sevacare (UK) Ltd	£9,531

Portsmouth international port

C00004118	MMD Redevelopment - Ground Investigation works - 2018	Structural Soils Limited	£96,019
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Public health

C00003045	Provision of 0-5 services (Health Visitors)	Solent NHS Trust (formerly Solent Healthcare)	£925,494
C00003685	School Nursing - early help and prevention services	Solent NHS Trust (formerly Solent Healthcare)	£107,307
C00003560	Agreement relating to the provision of a Substance Misuse Single Case Management	ILLY Computer Systems	£22,416
C00003826	Out of Area Sexual Health Services	Multiple Suppliers	£9,616

Capital schemes

C00003872	Transforming the D-Day Museum - Design and Build / Exhibition Fit Out	Studio MB Limited	£121,243
C00004250	Block Security - Leamington & Horatia House	MG Events Services LTD	£39,672
C00004018	Mountbatten Centre Refurbishment	Mountjoy Ltd	£32,119
C00004124	External Fabric Repairs 2018 - Guildhall	Concrete Repairs Ltd (CRL)	£28,730
C00001351	Mechanical Planned Servicing & Reactive Repairs	Churches	£12,067
C00001351	Mechanical Planned Servicing & Reactive Repairs	Churches	£6,292

Appendix 3

To be read in conjunction with section 3 of the report

Procurement management information
2 November 2018**Q2 spend with MEDIUM VALUE (£5,000 to £100,000) contracts with waiver**

Adult services		
C00003868	Six Steps End of Life Care	The Rowans Hospice £33,740
C00003639	Brain Injury Information and Support Service	Headway Portsmouth and South East Hampshire £4,000
C00003995	Step Change Project	Lily and lime LD CIC £3,672
C00003914	Speech and Language Therapy (SALT)	Solent NHS Trust (formerly Solent Healthcare) £2,685
Children's services and education		
C00003530	NQT Contract	Solent Academies Trust £24,000
C00004211	Virtual Reality Training	Cornerstone Training and Support Ltd £15,000
C00004147	Up2U Staffing Costs	Southern Domestic Abuse Service £8,250
C00004109	Adolescent Risk Training Services	Solent NHS Trust (formerly Solent Healthcare) £5,286
C00003599	Provision of SACRE Services	Hampshire Inspection and Advisory Services £2,049
C00004001	Tri-work Experience - Lily & Lime	Lily and lime LD CIC £1,800
C00002930	Room Hire PSCB Training	PAFG £550
C00002949	Tuition 1:1 /Small Group Tuition Services	Home School Tutoring UK (Hampshire West/Central) £224
Community and communication		
C00004104	Advisor Capacity at Advice Portsmouth	YOU £30,000
C00004125	Project Bridge Facilitation	Workshop Cookbook Ltd (trading as Paraffin) £13,630
C00003977	Capacity Building and Support for the Voluntary and Community Sector	Citizens Advice Portsmouth £10,514
C00003901	Health and Care Portsmouth Website Build	whitelight Creative limited £3,873
C00003933	Legal debt recovery services: Insolvency Proceedings and Charging Order enforcement	Wilkin Chapman LLP £1,357
Culture and city development		
C00003150	Mortuary Costs Southampton - Coroner's Office	Southampton University Hospital £5,729
C00003175	Staffing Support Grant - Fratton Community Centre	Fratton Community Association £5,500
C00003236	Transportation of Bodies - Portsmouth & South East (Petersfield)	Dignity Funerals T/A Carrells Funeral Service £3,704
C00004157	Mechanic - grounds maintenance machinery	Brightstone Landscaping Ltd £3,327
C00003344	Regulatory Service IDOX Uniform	IDOX Software Ltd £2,681
C00003238	Transportation of Bodies - Portsmouth & South East (Portsmouth)	Barrells Funeral Directors £1,203
C00003149	Asbestos Analysis - Coroner's Office	Occupational and Environmental Analytical Diagnostic Services Ltd £600
C00003451	Lift Emergency Phone Lines	Six Degrees Group £112
Finance and information services		
C00003986	Server Rental for Northgate	Hamilton Asset Management £35,538
C00003808	Oracle Licences & Support - Application Server & Database Enterprise	OLM Systems £17,705
C00004121	Financial Management Support	Salvis Energy Services Ltd £5,280
C00004259	Application Packaging	Algiz technology Limited £1,050
C00003441	Contract 5250810 - 12 months Premier	Oracle Corporation UK Ltd £216
C00003128	CIPFA - Training and Exams	CIPFA Business Ltd. £200
C00004054	Health Check and Penetration Testing	SureCloud £24
Housing, neighbourhood and building services		
C00003451	Lift Emergency Phone Lines	Six Degrees Group £5,720
C00003344	Regulatory Service IDOX Uniform	IDOX Software Ltd £894
HR legal and performance		
C00003046	Employee Assistance Programme RM932	Right Corecare Limited t/a Workplace Wellness £4,887
C00003523	Temporary Staff - Sourcing for other Local Authorities	Multiple Suppliers £4,419
Portsmouth international port		
C00004186	Purchase Of Safety Fencing For MMD Demolition	Safesite Ltd £24,432
C00004159	Pilot Simulation - June 2018/19	Seaways Europe Ltd £8,012
C00004131	MMD Sustainability Prospects	RAGGED EDGE CONSULTING LIMITED £8,000
C00004032	Terminal Building Departures Signage	Eclipse Digital Media Limited £6,999
C00004188	Maintenance of X-Ray and MDA car search bay for Portsmouth International Port	L3 Communications UK L.d £6,393
C00004189	British Standards Certification Services - Portsmouth International Port	BSI Assurance Uk Limited £6,002
C00004133	Scour Mattress DIP Survey	RS Divers LTD £5,825
C00003924	Provision of Stanby Berthing Services	Southern Maritime Services Limited £5,110
Public health		
C00004096	Portsmouth Wellbeing Service; Client Management System (CMS)	Bionical (formally North 51) £10,538
Regeneration		
C00003203	Replacement handheld equipment and associated items	Spur Information Solutions Ltd £31,190
C00004008	Temporary Staff Member - Senior Project Manager Tipner	Oyster Partnership £27,563
C00004039	Air Quality Targeted Feasibility Study Parts 1 - 5	Aecom Infrastructure & Environment UK Ltd £12,050
C00004099	Personal Journey Planning - Part of Air Quality Grant Fund	Steer £3,600
C00003344	Regulatory Service IDOX Uniform	IDOX Software Ltd £3,575
C00004026	Footfall Capture / Analysis	SPRINGBOARD RESEARCH LTD £2,484
C00003115	Northgate Payments Arrangements Module and Maintenance.	Northgate Public Services (UK) Limited £2,357
C00003075	Adult Functional Skills Qualifications - The Learning Place	Northern Council for Further Education (NCFE) £1,005
C00003461	Provision of Analyse Local Services	Inform CPI £994
C00003451	Lift Emergency Phone Lines	Six Degrees Group £154
C00004067	SSE - Limberline Spur Phase 2	SSE Electricity Ltd
Capital schemes		
C00004093	Technical Service Level Agreement	Hampshire County Council £37,094
C00004191	Temporary Staff - IT (Keystream)	Keystream Healthcare Resources Limited £21,000
C00004063	Fitness Gym Flooring - Mountbatten Centre	Physical Company £11,279
C00004234	Analogue Cameras with Hybrid Technology - Replacement	360 Vision Technology Limited £9,127
C00004008	Temporary Staff Member - Senior Project Manager Tipner	Oyster Partnership £6,125
C00004269	North Portsea Island - Technical Review	Glennerster Consulting Ltd £3,795
C00003085	Cost Consultancy - Dunsbury Hill Farm	Mace Limited £3,150
C00003428	DNO - Various PV Projects	Scottish and Southern Energy £785
Others		
C00003451	Lift Emergency Phone Lines	Six Degrees Group £67