

GOVERNANCE & AUDIT & STANDARDS COMMITTEE

MINUTES OF THE MEETING of the Governance & Audit & Standards Committee held on Wednesday, 22 November 2023 at 10.00 am in The Executive Meeting Room - Third Floor, The Guildhall, Portsmouth

(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 Leo Madden (in the chair)

Councillor Abdul Kadir
Councillor Emily Strudwick
Councillor Mary Vallely

Officers

Peter Baulf, City Solicitor
Natalie Brahma-Pearl, Chief Executive
Elizabeth Goodwin, Chief Internal Auditor
Helen Klemm, Technical & Financial Planning Finance Manager
Kelly Nash, Corporate Performance Manager
Paul Somerset, Deputy Chief Internal Auditor
Richard Webb, Deputy Director of Finance

46. Apologies for Absence (AI 1)

Apologies had been received from Councillor Stuart Brown, Councillor Graham Heaney, Councillor Benedict Swann and Councillor Daniel Wemyss.

Councillor Abdul Kadir was in attendance as standing deputy for Councillor Stuart Brown and Councillor Mary Vallely was in attendance as standing deputy for Councillor Graham Heaney.

47. Declarations of Members' Interests (AI 2)

There were no declarations of interest.

48. Minutes of the meeting held on 20 September 2023 (AI 3)

RESOLVED that the minutes of the meeting held on 20 September 2023 be approved and signed by the Chair as a correct record.

As matters arising it was confirmed that:

- The Corporate Performance Manager would follow up with the Assistant Director of Corporate Services the question of whether the Unreasonable Customer Behaviour Policy could be applied to correspondence received by councillors.

- In respect of home to school transport, the Chief Internal Auditor confirmed that there had been significant improvements which had resulted in a rating of 'reasonable assurance'. School transport would feature as an audit item each year until internal audit were satisfied that the ratings were stable.

49. Corporate Performance Report - Q2 2023/24 (AI 4)

(TAKE IN REPORT)

Kelly Nash, Corporate Performance Manager, introduced the report which reported any significant performance issues arising from Q2 2023-24 performance monitoring.

A key theme which she wished to highlight related to challenges around the workforce, in terms of recruiting and retaining the right skills for the organisation. She assured that plans were in place to address these challenges, which also applied to contractors who worked on behalf of the council.

In response to a questions about care experienced young people, it was explained that whilst the number of care experienced young people had increased, it had not increased by a large number. The Corporate Performance Manager agreed to report back to the committee on trends.

Having read the narrative, the Chair felt that the red performance indicators in relation to care experienced young people seemed quite a harsh assessment. In response, the committee was advised that the importance of this area, and the fact that the directorate had considered the service to be below the standard that it aimed for, had been the reason for the red rating.

RESOLVED that the committee NOTED the report.

50. Treasury Management Mid-Year Review 2023/24 (AI 5)

(TAKE IN REPORT)

Helen Klemm, Technical and Financial Planning Finance Manager, introduced the report, which informed members of the Council's Treasury Management position at 30 September 2023 and of the risks attached to that position.

She advised that the council continued to operate within the limits set in the Treasury Management Policy and that the return on investments remained higher than expected due to the increase in interest rates.

RESOLVED that the Governance & Audit & Standards Committee NOTED:

- (i) **That the Council's Treasury Management activities have remained within the Treasury Management Policy 2023/24 in the period up to 30 September 2023; and**
- (ii) **the actual Treasury Management indicators at 30 September 2023 set out in Appendix A.**

51. Internal Audit Performance Status Report to 7 November 2023 (AI 6)

(TAKE IN REPORT)

Elizabeth Goodwin, Chief Internal Auditor, introduced the report which updated on the internal audit performance for 2023/24 to 7 November 2023 against the Annual Audit Plan.

The committee was advised that there were no areas of significant concern to report.

In response to a concern about the correct procedures not always being adhered to around hire cars, the committee was advised that in some instances the urgent need for a vehicle may have been a factor around procedures being missed. The matter had however been raised with the relevant directorates.

In response to a question on incomplete audit actions, it was explained that if 'critical' they would be followed up on after three months. If not critical, all actions would have an agreed date for a follow up, which are reviewed the proceeding year. If the matters had not been addressed at that time, internal audit would work with the directorate to potentially modify the actions to ensure that the risk could be mitigated.

RESOLVED that the committee NOTED the Audit Performance for 2023-23 to 7 November 2023 and the highlighted areas of concern in relation to audits completed from the 2023/24 Audit Plan, including follow up work performed.

52. RIPA Policy (AI 7)

(TAKE IN REPORT)

Paul Somerset, Deputy Chief Internal Auditor, introduced the report which provided an update on the IPCO desktop exercise, the authority's use of regulatory powers for the period from 6th January 2021 to 8th November 2023 and policy changes.

In response to a question about these powers having only been used twice by the council in the past three years, it was explained that this was due to the

very high threshold required to permit their use. Any potential offence being investigated needed to attract a minimum of a six-month custodial sentence if convicted.

RESOLVED that the Governance and Audit and Standards Committee NOTED:

- (i) the desktop inspection carried out by IPCO Surveillance Inspector and results presented;
- (ii) that there have been two RIPA applications authorised since the last report to this Committee on the 15 January 2021; and
- (iii) the changes highlighted within the policy following legislative changes.

53. Compliance with Gifts & Hospitality Protocol (AI 8)

(TAKE IN REPORT)

Peter Baulf, City Solicitor, introduced the report which updated the committee on any issues regarding compliance with the Gifts & Hospitality protocol and to advise on remedies.

The City Solicitor confirmed that a high level of compliance had been demonstrated and no concerns had been raised.

The Chair commended the report, which he believed reflected well on council staff.

RESOLVED that the report be NOTED.

54. Consideration of the political balance rules in relation to the constitution of Sub-Committees considering complaints against Members (AI 9)

(TAKE IN REPORT)

Peter Baulf, City Solicitor, introduced the report.

The Committee was asked to consider whether it wished to disapply the political balance rules in respect of its Sub-Committees and the Initial Filtering Panels which considered complaints against Members.

The committee had no questions in respect of this item.

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.

The meeting concluded at 10.38 am.

Councillor Leo Madden
Chair