
GOVERNANCE COMMITTEE
MINUTES OF THE MEETING HELD ON 14 NOVEMBER 2016

Present: Councillors Barnes-Andrews (Chair), Baillie, Inglis, Jordan, Noon, O'Neill and Keogh (Vice-Chair)

Apologies: Councillor Parnell

13. **APOLOGIES**

It was noted that following receipt of the resignation of Councillor Parnell from the Committee, the Service Director; Legal and Governance, acting under delegated powers, had appointed Councillor Baillie to replace him for the purposes of this meeting.

14. **MINUTES OF PREVIOUS MEETING (INCLUDING MATTERS ARISING)**

RESOLVED: that the minutes of the Committee meeting on 25th July 2016 be approved and signed as a correct record.

15. **ANNUAL REPORT ON THE MEMBERS CODE OF CONDUCT**

The Committee received and noted the report of the Service Director; Legal and Governance detailing the 2015/16 Annual Report on the Members' Code of Conduct and the impact of the new code, a summary of the complaints received and action taken.

16. **REVISION TO THE CONSTITUTION - QUESTIONS AT COUNCIL**

The Committee considered the report of the Leader of the Council seeking a review of the consistently high number of formally tabled Questions at Council and significant reduction in officer resources to administer and answer them and proposed options on streamlining/reducing the process.

RESOLVED

- (i) That the following proposals be recommended to Council for adoption:-
- a) That no minor issues be raised unless they have first been addressed to the appropriate officer, followed by the relevant Cabinet Member if the response was unsatisfactory and then only to Full Council if the Cabinet Member's response remains unsatisfactory, notwithstanding that if a question relates to a major project or significant policy concern then a question to Full Council directly was appropriate;
 - b) That the deadline for submission of questions to Full Council be extended by 5 working days earlier than the current submission deadline; and

- c) That an annual review of the revised process be undertaken with the exploration of other options with Group Leaders for streamlining the process including moving questions to the end of the agenda.
- (ii) That Council be recommended to revise the Council procedure Rules (paragraph 11) in the Constitution as appropriate.

17. **REVISION TO THE CONSTITUTION - PARTNERSHIPS CODE**

The Committee considered the report of the Service Director; Legal and Governance detailing a revised Partnership Code which formed part of the Council's Constitution which had not been reviewed in a number of years and was required to ensure it remained fit for purpose.

RESOLVED: that the revised Partnership Code as detailed in Appendix A of the report be recommended to Council for adoption.

18. **SOUTHAMPTON CITY COUNCIL COMPLAINTS REPORT 2015/16**

The Committee considered the report of the Service Director Legal and Governance providing a summary of the 2015/16 Southampton City Council Complaints received in 2015/16. The Committee noted that the report only provided information for those complaints which went beyond Stage 1 of the Complaints Process which were dealt with by Service Leads and indicated that it would be beneficial for this report to also provide an overview of Stage 1 complaints, if possible.

RESOLVED

- (i) That the summary of the 2015/16 Southampton City Council Complaints be noted; and
- (ii) That the Chair meet with the Customer Relations Manager to progress how a summary of Stage 1 Complaints could be incorporated into the 2016/17 report.

19. **TREASURY MANAGEMENT STRATEGY AND REVIEW OF PRUDENTIAL LIMITS MID YEAR REPORT 2016/17**

The Committee considered the report of the Service Director; Finance and Commercialisation providing an update on the Treasury Management activities and performance for 2016/17 against the approved Prudential Indicators for External Debt and Treasury Management.

RESOLVED

- (i) That the current and forecasted position with regards to these indicators be noted;
- (ii) That the continued proactive approach to Treasury Management had led to reductions in borrowing costs and safeguarded investment income during the year be noted; and

- (iii) That the increase in the investment limits for both unspecified investments and for counterparties as detailed in paragraph 30 of the report be endorsed.

20. **LOCAL APPOINTMENT OF EXTERNAL AUDITORS**

The Committee considered the report of the Service Director; Finance and Commercialisation detailing proposals for appointing the external auditor to the Council for the 2018/19 accounts and beyond.

RESOLVED that Council be recommended to accept Public Sector Audit Appointments (PSAA) invitation to “opt in” to the sector led option for the appointment of external auditors.

21. **ANNUAL GOVERNANCE STATEMENT 2015-16 : STATUS REPORT**

The Committee received and noted the report of the Service Director; Finance and Commercialisation detailing the status of planned actions to address the governance issues identified in the 2015-16 Annual Governance Statement.

22. **INTERNAL AUDIT - PROGRESS REPORT**

The Committee received and noted the report detailing the Internal Audit Progress report to the period October 2016.

23. **EXTERNAL AUDIT - ANNUAL AUDIT LETTER 2015/16**

The Committee received and noted the report detailing the Annual Audit Letter 2015/16 which communicated the key issues arising from the work of the external auditor to Members and external stakeholders including members of the public.

24. **PARIS SYSTEM UPDATE**

The Committee received a presentation detailing the PARIS and Agresso Interface as of November 2016 following identification within audit processes of a number of concerns. It was noted that Paul Juan, Acting Service Director; Adults, Housing and Communities had been identified as the Council Management Team Lead for this area of work and that a number of Service Level Agreements were being put into place and a cost benefit analysis of PARIS was being undertaken which would provide feedback in December 2016.

The Committee noted that significant work had taken place in reviewing the issues within the PARIS and Agresso interface and a number of recommendations were in place to resolve these in the short term and as part of the longer term digital

transformation key solution elements had been identified which would be in place by January 2017.

The Committee also noted that the recommendations short term and the longer term key solution elements would resolve the problems raised from an audit perspective, however given the current financial year position there would still be identifiable risks for the remainder of the financial year which would be resolved in 2017/18.