

# ANNUAL GOVERNANCE STATEMENT

## SCOPE OF RESPONSIBILITY

Southampton City Council (“the council”) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the council is responsible for putting in place proper arrangements for the governance of its affairs, and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The council has approved and adopted a Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE Framework ‘Delivering Good Governance in Local Government’. A copy of the code is on our website at:

[http://www.southampton.gov.uk/policies/Code-of-Corporate-Governance\\_tcm63-364106.pdf](http://www.southampton.gov.uk/policies/Code-of-Corporate-Governance_tcm63-364106.pdf)

or can be obtained from the:

Service Director – Legal and Governance,  
Southampton City Council,  
Civic Centre,  
Southampton,  
SO14 7LY

This statement explains how the council has complied with the code and also meets the requirements of the Accounts and Audit (England) Regulations 2015, Regulation 6(1), which requires all relevant bodies to prepare an annual governance statement.

## THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, cultures and values by which the council is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council’s policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the council for the year ended 31st March 2016 and up to the date of approval of the statement of accounts.

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## THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the council's governance arrangements include arrangements for:

### **a) Identifying and communicating the authority's vision of its purpose and intended outcomes for citizens and service users**

Delivery of key outcomes and priorities is guided by a framework of strategic plans and policies which are developed and agreed at three different levels:

- Sub-regional level, which cover more than one local authority;
- City level by 'Southampton Connect' and with our partners; and
- Council level for services which we deliver or commission.

The sub-regional level is through the Partnership for Urban South Hampshire ("PUSH") and the Solent Local Enterprise Partnership ("Solent LEP"). PUSH is a collaborative partnership working arrangement between the local authorities in the area to support the sustainable economic growth of the sub region. Solent LEP is led by the business community and supported by three university partners, the further education sector, three unitary authorities, eight district councils, one county council and the voluntary and community sector – all working together to secure a more prosperous and sustainable future for the Solent area. PUSH works collaboratively with Solent LEP to deliver its roles and objectives.

Southampton Connect is the strategic partnership in the city which seeks to address the key challenges facing the city in order to improve outcomes for all those who live, work and visit the city. This group, chaired by the Chief Executive of Southampton City Council and including city leaders for health, business, education, police, fire and rescue and the voluntary sector, have come together to agree a 10 year city vision, 'Southampton – A city of opportunity where everyone thrives'.

See the following link:

[http://www.southampton-connect.com/images/Updated%20CITY%20STRATEGY-15-25\\_tcm23-376953.pdf](http://www.southampton-connect.com/images/Updated%20CITY%20STRATEGY-15-25_tcm23-376953.pdf)

The three key priorities identified in the Southampton City Strategy 2015-2025 ("City Strategy") have been developed through focusing on the challenges facing the city, regional aspirations and feedback from residents via the City Survey (conducted in early 2014). The City Strategy also identifies a number of 'cross-cutting' themes that require the collective action of Southampton Connect partners to progress.

Southampton Connect, who meet on a monthly basis, work closely with the following key city partnerships to deliver the vision:

- Health and Wellbeing Board; and
- Safe City Partnership; and
- Employment, Skills & Learning Partnership.

These partnerships enable the council to work with organisations from the public, private and voluntary sectors on cross-cutting issues, which the council cannot tackle alone. In addition, there are 3 statutory partnerships: the Youth Offending Service Board, the Southampton Local Safeguarding Children Board and the Southampton Local Safeguarding Adults Board.

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The Southampton City Council Strategy 2014-2017 ("Council Strategy") is a key strategic document that outlines how the council will contribute towards the city vision. The Council Strategy sets out council's priorities for the period and the required outcomes and associated success measures by 2017. The council has identified and agreed seven priorities with each having specific outcomes and measures aligned to them and explain where the council will focus its attention to deliver to the vision.

During 2015-16 these were further refined to 4 priority outcomes which will be reflected in a revised Council Strategy to be presented to Council for approval in July September 2016.

See the following link:

[http://www.southampton.gov.uk/Images/Council%20Plan%202014\(13Nov\)\\_tcm63-367231.pdf](http://www.southampton.gov.uk/Images/Council%20Plan%202014(13Nov)_tcm63-367231.pdf)

## **b) Reviewing the authority's vision and its implications for the authority's governance arrangements**

The Council Strategy 2014-17 was formally approved by Council in July 2014 and reflects feedback from residents through the City Survey conducted early 2014. The Council Strategy is however subject to periodic review to ensure that it reflects key priorities and outcomes taking into account both internal and external factors. See comments above

The council has adopted a Code of Corporate Governance ("CCG") which identifies, in one document, how the council ensures that it runs itself in a lawful, structured, ethical and professional manner. The CCG is administered by the Service Director – Legal and Governance and is subject to an annual 'light touch' review with any recommendations presented to the Governance Committee for approval.

## **c) Translating the vision into objectives for the authority and its partnerships**

The Council Strategy identifies the key priorities, expected outcomes and success measures however the City Council continues to face significant financial challenges with a projected funding gap set to widen further due to increasing demand driven by demographics and long standing social, health and economic pressures faced by many residents, particularly our most vulnerable residents.

It is recognised that in order to deliver the outcomes and priorities of the Council Strategy 2014-17 the council needs to radically change how it does business and to embrace new ways of working. A new operating model and Transformation Programme, approved by Cabinet and Full Council in February 2015, is being implemented and includes digital transformation, restructuring of the council and a systematic redesign of how services are delivered and managed. This will include the council becoming less dependent on central government funding, increasing income generation and regularly commissioning the services needed based on outcomes.

## **d) Measuring the quality of services for users, ensure they are delivered in accordance with the authority's objectives and to ensure they represent the best use of resources and value for money**

Performance against the key success measures is actively monitored and reported to both the Council's Management Team, Head of Strategy Unit and the Overview and Scrutiny Management Committee. Performance reports, in the form of performance scorecards with 'RAG' (Red/Amber/Green) status indicators, are published quarterly on the council's website.

In addition, all significant commercial partnership working arrangements have a range of key performance indicators which are used to verify and manage service performance. The council is committed to achieving best value from its suppliers and ensuring that goods and services are

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procured in the most efficient and effective way. Regular review meetings are held with key suppliers in order to ensure that contracts remain fit for purpose.

The council's 'Contract Procedure Rules', which form part of the council's Constitution, govern how the council buys the supplies, services and works that it needs.

**e) Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication in respect of the authority and partnership arrangements**

The council has a Constitution that sets out how it operates and how decisions are made (including an Officer Scheme of Delegation). The Constitution, which is divided into 15 Articles and sets out the detailed rules governing the council's business, is published on the council's website at: <http://www.southampton.gov.uk/council-democracy/meetings/council-constitution.aspx>

**f) Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff**

The council's Constitution contains both an Officer Code of Conduct and a Members' Code of Conduct which set out the expected behaviour and standards to be adhered to. In addition, a 'Code of Conduct and Disciplinary Rules' are in place for employees. The Code of Conduct sets out the expected standards of behaviour for all employees and the Disciplinary Rules set out examples of behaviour which are considered to be a breach of the Code of Conduct or a breach of the employee's contract of employment.

**g) Reviewing the effectiveness of the authority's decision making framework, including delegation arrangements, decision making in partnerships and robustness of data quality**

The council's Constitution details how the council operates, including how decisions are made and the role of Overview and Scrutiny. It also includes an Officer Scheme of Delegation setting out the powers, duties or functions that may be exercised under Delegated Powers. The Service Director – Legal and Governance conducts an annual review of the council's constitutional arrangements, which is considered by the council's Governance Committee, in its governance role, prior to submission to the Annual General Meeting of the council in May.

**h) Reviewing the effectiveness of the framework for identifying and managing risks and demonstrating clear accountability**

The council has a 'Risk Management Policy and Strategy' that sets out the framework, arrangements and responsibilities in respect of how risks, relating to the delivery of key outcomes and priorities, are identified and managed. The document is subject to annual review to ensure that it continues to reflect good practice and remains aligned with current business processes and practices. The policy and strategy is presented to the Governance Committee for review and approval.

The Governance Committee has responsibility to provide independent assurance on the adequacy of the risk management framework and the internal control and reporting environment. In addition, the Risk Management Policy and Strategy summarises the principal roles and responsibilities recognising that all employees, members and those who act on behalf of the council have a role to play in the effective management of risk.

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## **i) Ensuring effective counter-fraud and anti-corruption arrangements are developed and maintained**

The council is committed to safeguarding public funds and has in place an anti-fraud and anti-corruption policy statement and strategy. The strategy summarises the responsibilities of Members, Chief Officers and employees and outlines the process to be followed where there is suspicion of financial irregularity. The strategy applies equally to all organisations with which the Council has joint working relations.

The council also has in place an Anti-Money Laundering policy and a Bribery Policy which are also published on the council's website and set out both the expectations and responsibilities of Members, Chief Officers and employees. These policies and strategies are subject to periodic review.

## **j) Ensuring effective management of change and transformation**

The council's Transformation Programme is led by the Transformation Implementation Director who reports to the Chief Executive. The Programme is governed by the Transformation and Improvement Board ("TIB") which is chaired by the Cabinet Member lead for Transformation and supported by the Council Management Team ("CMT").

Progress and delivery of the overall Programme and individual projects is in the first instance monitored at Transformation Director and Portfolio Lead level, and thereafter by CMT and the 'TIB' which is led by Cabinet Members. CMT and TIB review the validity and achievability of transformation projects and provide approval (or not) to projects. Work in 2015-16 has included progress on digital transformation, renegotiating the contract with the council's Strategic Services Partner (Capita), centralising business operations and restructuring the council.

A fundamental part of the Transformation Programme is the implementation of a new operating model for the Council which is aligned with, and focused on, delivering the outcomes and priorities of Council Strategy 2014-17. The new operating model, which is to be fully implemented by 2017, is intended to create a sustainable council that is:

- **More self-reliant** – over time becoming less dependent on central government funding and increasing income generation.
- **Focused on outcome-based services** - regularly commissioning the services needed based on outcomes for residents, and making evidence based decisions on those services that need to be stopped or changed.
- **Quicker to respond** – more able to adapt to changing circumstances and residents' needs including improving the digital offer to our customers.
- **Equipped to work in new ways** – implement new ways of working for council staff, seeking new ways of reducing procurement spend and better use of assets.
- **Providing a mixed economy of service providers** – taking different approaches to delivering services, taking ideas from all sectors as well as the public sector.

## **k) Ensuring the authority's financial management arrangements conform with the governance requirements of the CIPFA 'Statement on the Role of the Chief Financial Officer in Local Government (2010)'**

The council's financial management arrangements conform to the governance requirements of the CIPFA 'Statement on the Role of the Chief Financial Officer ("CFO") in Local Government (2010)'. The CFO is professionally qualified and is a member of the Council Management Team and has direct access to the Chief Executive. The CFO is actively involved in ensuring that strategic objectives are aligned to the longer-term finance strategy. The CFO has input into all major

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decisions, advises the Executive on financial matters and is responsible for ensuring that budgets are agreed in advance, that the agreed budget is robust and that the finance function is fit for purpose.

## **l) Ensuring the authority's assurance arrangements conform with the governance requirements of the CIPFA 'Statement on the Role of the Head of Internal Audit (2010)'**

The council's assurance arrangements conform to the governance requirements of the CIPFA 'Statement on the Role of the Head of Internal Audit (2010)'. The Head of Internal Audit (Chief Internal Auditor) is professionally qualified and is responsible for reviewing and reporting on the adequacy of the council's internal control environment, including the arrangements for achieving value for money.

The Chief Internal Auditor has direct access to the Chief Executive, and to the council's Monitoring Officer where matters arise relating to Chief Executive responsibility, legality and standards. Where it is considered necessary to the proper discharge of internal audit function, the Chief Internal Auditor has direct access to elected Members of the Council and in particular those who serve on committees charged with governance (i.e. the Governance Committee).

## **m) Ensuring effective arrangements are in place for the discharge of the monitoring officer function**

The Service Director – Legal and Governance is designated as the Monitoring Officer with responsibility for ensuring compliance with established policies, procedures, laws and regulation, and reporting any actual or potential breaches of the law, or maladministration, to the full Council and/or to the Cabinet.

## **n) Ensuring effective arrangements are in place for the discharge of the head of paid service function**

The Chief Executive is designated as the Head of Paid Service with responsibility for leading the Council Management Team in driving forward the strategic agenda, set by Cabinet. The Chief Executive together with the Council Management Team is responsible for the leadership and direction of the council including the co-ordination and commissioning of council-wide activity and programme management.

## **o) Undertaking the core functions of an audit committee, as identified in CIPFA's 'Audit Committee – Practical Guidance for Local Authorities'**

The council has a formally constituted Governance Committee that undertakes the core functions of an audit committee and operates in accordance with CIPFA guidance. It provides independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance statement process.

## **p) Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful**

The council's Constitution sets out the way in which the council runs and the processes it uses. The Constitution ensures that these procedures are efficient, transparent and accountable. The law requires some of these processes, while others are a matter for the council to choose. The Constitution is divided into 15 Articles which set out the basic rules governing the Council's business. The Articles include Decision Making and Finance Contract and Legal Matters with more detailed procedures and codes of practice provided in separate rules and protocols. These include Access to Information Procedure Rules, Council Procedure Rules and Executive Procedure Rules.

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In addition, 'Decision Making - Corporate Standards and Guidance for Officers' is published on the internet and sets out the decision-making process, highlighting those aspects of decision making that are compulsory and must be complied with in all respects.

## **q) Whistle blowing and receiving and investigating complaints from the public**

The council has in place 'Whistleblowing Policy' (Duty to Act) which reflects the legal framework and obligation on the council to enable staff to raise concerns which may involve unlawful conduct, illegality, financial malpractice or dangers to the public, employees or the environment. This procedure sets out the action that individuals should take to report a concern and also the action to take if, in extreme circumstances, a matter is not addressed or if they feel that raising the matter internally could result in evidence of malpractice being concealed.

There is a Corporate Complaints policy and procedure in place which is published on the council's website and sets out how a complaint will be dealt with. In accordance with legislation there is a separate procedure in place in respect of Children's Services Complaints. There is also an 'Unreasonably Persistent and Vexatious Customer Behaviour Policy'. Complaints about Members are dealt with under the Members' Code of Conduct.

## **r) Identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training**

A Member Development Strategy is in place which sets out how Member Learning and Development will be identified, delivered and managed. The Strategy refers to the following key values:

- Development will be available to all Members;
- Development will be based on the identified and agreed needs of the individual Member;
- All Members will contribute to identifying and agreeing their development needs
- Development will be delivered through a variety of methods and times to ensure equality of access; and
- An acknowledgement that Members may have transferable skills that can be used to help them perform or develop their Council role.

In addition, a comprehensive induction programme for new Members is in place and delivered following elections.

The identification of Senior Officer development needs forms part of the performance appraisal process and will be an integral part of the new 'Performance Contracts' (introduced as part of the New Operating Mode). of considerable importance during this time of transformation and change

A 'Manager's Toolkit' is in place which consists of a range of tools that both inform and guide managers and supervisors with regard best practice in undertaking key processes of management and to enable a consistent approach. The Toolkit is also able to be used by newly appointed managers as part of their induction with established managers able to use the toolkit as a refresher. The toolkit, which is based on best practice, consists of different types of learning opportunities and materials.

In order to better reflect the new requirements of our transforming council, the Learning and Development Plan is to be run on a 6 monthly cycle (April – September and October to March) and will be based on training that is essential from the council perspective (e.g. due to law / regulation or mandate) and the skills / knowledge required by staff to carry out their work role to the appropriate standard.

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This “essential learning” will be identified through:

- the creation of Learning and Development Pathways (beginning with the main occupational groupings across the council) and the developing role of managers
- the continued evolution of the Managers’ Toolkit, reflecting the core behaviours and provision of key learning opportunities for new skills as well as the embedding of role requirements (e.g. HR Policy Case Study workshops) and accreditation of learning

The Learning and Development team will work with stakeholder managers / subject matter experts to inform and construct the pathways and identify methods of training provision which are affordable, sustainable and accessible with the new training plan format commencing in October 2016.

## **s) Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation**

The council supports the principle that people should have the opportunity to voice their opinions on issues that affect them. The views of customers are at the heart of the council’s service delivery arrangements and are actively sought.

The council’s website includes a ‘Have your say’ section which set out how residents and other stakeholders can voice their opinions and shape service delivery. It includes information on:

- Consultation
- E-Petitions
- Comments, compliments and complaints
- Have your say at meetings

In addition, where appropriate, public consultation is used to seek the views of residents and stakeholders. For example the 2015-16 Pre Budget consultation process helped shape the final 2016-17 budget report. Information was made available in an easy-to-understand format and respondents were informed on how their feedback was used. This was then reported to Cabinet before they made their final recommendations to Council.

The council has established a ‘People’s Panel’ which now has a membership of over 1,000, and an average response rate of 59% from them over 25 polls and surveys. This Panel comprises a group of residents who are interested in taking part in consultations and other opportunities to express their views on council services, health services and living in the city, the results of which will be used to inform future decisions and services. For example, a People’s Panel event on housing was held in November 2015 whereby participants were invited to discuss four important questions about housing in the city, and had the opportunity to listen to and question a panel of experts.

The council also track residents’ views over time to see how changes in the city affect their opinions and experience of the city. Members of the People’s Panel may also be asked to take part in various forms of activity including surveys, quick polls, interviews and workshops.

Southampton City Council is the first council to develop a ‘Citizen Science’ project with around 100 members of the People’s Panel. ‘Citizen Science’ is defined as scientific work undertaken by members of the public, often in collaboration with or under the direction of professional scientists and scientific institutions. In this case the participants are supported by the Council’s Strategy Unit, as well as academics from the University of Southampton and the University of Manchester. Citizen Science has been used often in the natural sciences but the social science application is more recent and this is one of the largest cohorts of participants ever in the UK for a project of this type. The project is focussing on what prevents residents from recycling and what could help them recycle more. The participants have framed research questions and are in the process of designing methodologies.



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The council also seeks to engage the input of children and young people and works closely with schools. An 'Imagine the Future' event was held in 2015, which brought together 200 children and young people from Southampton schools. This event is to be held again 2016 with aim to increase its reach to the young people of the city with up to 300 children joining in.

There is ongoing work to develop a strong focus on youth participation in the city which includes facilitating creative focus groups with children and young people to get their views and suggestions on the draft Participation and Engagement Strategy, which will influence the development of the final strategy. In addition, as part of the council's youth offer, a 'Youth Forum Southampton' continues to be developed which is intended as a platform for children and young people to have their say on a variety of topics which affect both them and their families.

This is in addition to the Southampton City Residents Survey which took place in 2014 and will be repeated every other year for the next five years. The survey, undertaken in partnership with other key organisations working in the city including the local Clinical Commissioning Group, Police, NHS Trusts, Fire Service and further education bodies, is an important step in building a better understanding of our residents.

## **t) Enhancing the accountability for service delivery and effectiveness of other public service providers**

A number of the council's key services are delivered in partnership with external service providers. All such arrangements include a suite of key performance indicators and are based upon a culture of continuous improvement recognising the need to achieve a balance between the council's ongoing financial challenges and long term strategic aims. The council is committed to achieving best value from its suppliers and ensuring that goods and services are procured in the most efficient and effective way. Regular review meetings are held with key suppliers in order to ensure that contracts remain fit for purpose.

In addition, all significant commercial partnership working arrangements have a range of key performance indicators which are used to verify and manage service performance. These outsourced contracts are managed by a centralised Contract Management Team which provides a senior management interface between the council and our partnership service providers.

## **u) Incorporating good governance arrangements in respect of partnerships and other joint working as identified by the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements**

An Internal Audit review on 'Partnership Arrangements' was undertaken in 2014 which focussed on the adequacy and coverage of partnership guidance to address key risk exposure to the organisation. The overall opinion was that 'adequate assurance could be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives'.

The report did however identify the need for the council's 'Partnership Code' to be updated and enhanced to emphasise resourcing, governance, accountability, performance and alignment to strategic aims when entering into partnership arrangements. The 'Partnership Code', which forms part of the council's Constitution, has been updated and will be presented to Full Council in **July** September 2016 for review and approval.

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Support, including planning, performance monitoring and projects, for following key partnerships has been brought together into the council's new Strategy Unit, to ensure coordinated and effective support is provided to all Boards:

- Southampton Connect
- Health and Wellbeing Board
- Safe City Partnership
- Southampton Employment, Skills and Learning Partnership

The chairs of these partnerships meet once a quarter to review shared learning and joint working opportunities across the partnerships.

## REVIEW OF EFFECTIVENESS

The council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is led by a 'Controls Assurance Management Group' comprising the Service Director – Strategic Finance & Commercialisation (Section 151 Officer), Chair of the Governance Committee, Chief Strategy Officer, Service Director – Legal & Governance (Monitoring Officer) and Chief Internal Auditor.

The review process, applied in respect of maintaining and reviewing the effectiveness of the system of internal control, is informed by:-

- The views of Internal Audit regularly reported to Governance Committee via the 'Internal Audit: Progress Report' which include executive summaries of new reports published where critical weaknesses or unacceptable levels of risk were identified. In addition, where appropriate, the relevant Service Director being required to attend a meeting to update the Committee regarding progress and actions;
- The views of external auditors, regularly reported to the Governance Committee, including regular progress reports, the Annual Audit Letter and Audit Results Report – ISA260;
- The Chief Internal Auditors 'Annual Report and Opinion' on the adequacy and effectiveness of the Council's internal control environment;
- The Internal Audit Charter and delivery of the annual operational plan;
- The work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment;
- The completion of an annual 'Self-Assessment Statement' by Service Directors which cover the key processes and systems that comprise the council's governance arrangements and is intended to identify any areas where improvement or further development is required;
- Completion of an 'Assurance Framework' document which reflects the key components of the Council's overall governance and internal control environment. This document, based on CIPFA/SOLACE guidance, records the key controls in place, and sources of assurance, and identifies any significant gaps or weaknesses in key controls;
- The independent views of regulatory inspection agencies such as Ofsted and the Care Quality Commission;
- The Risk Management Policy and Strategy, specifically the Strategic Risk Register;
- The work of the Governance Committee in relation to the discharge of its responsibility to lead on all aspects of corporate governance.

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We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Governance Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned are outlined below.

## SIGNIFICANT GOVERNANCE ISSUES

The following significant governance issues have been identified:

<b>1.</b>	<b>Governance Issue (CARRIED FORWARD FROM 2014-15)</b>
	Information Governance arrangements need to be reviewed and aligned with new organisational structures and operational arrangements.
	<b>Planned Action:</b> Review and implement appropriate arrangements to provide adequate organisational resources in each service area to enable compliance and oversight of information governance, to include monitoring and reviewing compliance, report breaches, ensuring action plans are implemented. An operational review is also taking place as a result of a voluntary audit by the Information Commissioners Office in January 2016. The Action Plan (as agreed by CMT) will be in effect by September 2016 and will address this issue.
	<b>Responsible Officer:</b> Service Director - Legal & Governance <b>Target for completion:</b> Sept 2016
<b>2.</b>	<b>Governance Issue</b>
	The general level of staff awareness of the existence and content of the 'Whistleblowing Duty to Act' policy, 'Anti-Fraud and Corruption Strategy' and 'Anti Money Laundering Policy' and associated responsibilities is inconsistent.
	<b>Planned Action:</b> A 'Corporate Standards' Training programme, which will incorporate the above policies, is being developed and will be rolled out to managers in 2016-17.
	<b>Responsible Officer:</b> HR Strategy Manager (Organisational Development and Reward) <b>Target for completion:</b> March 2017
<b>3.</b>	<b>Governance Issue</b>
	There is need for more a formal, robust and consistent approach to succession planning, performance appraisal and performance monitoring across the organisation.
	<b>Planned Action:</b> Phase 2 of the council's management restructure (which form parts of the council's wider Transformation Programme) will see the introduction of a more robust and consistent approach to performance management, via individual performance contracts, and will also seek to address future succession planning issues. In light of significantly reduced resources succession planning remains an issue.
	Note: Phase 1 of the programme involving the restructure of the senior management team from 21 to 13 was implemented in February 2016.
	<b>Responsible Officer:</b> Council Management Team <b>Target for completion:</b> Sept 2016

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<b>4. Governance Issue</b>
The Partnership Code, which forms part of the council's constitution needs to be reviewed and updated to reflect the current approach.
<b>Planned Action:</b> A new Partnership Code has been drafted and will be presented, as a supplementary report on the constitution, at the September <b>July</b> 2016 Council meeting.
<b>Responsible Officer:</b> Service Director - Intelligence, Insight & Communications <b>Target for completion:</b> <b>July</b> Sept 2016
<b>5. Governance Issue</b>
Reduced overall capacity and loss of some experienced staff coupled with implementation of a new organisational structure will present challenges in terms of the demands on managers
<b>Planned Action:</b> To be addressed as part of the development of a Workforce Strategy to be considered in <b>July</b> September 2016.
<b>Responsible Officer:</b> HR Strategy Manager (Organisational Development and Reward) <b>Target for completion:</b> <b>July</b> Sept 2016

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness, and will monitor their implementation and operation as part of our next annual review.

**Signed**

.....  
**Dawn Baxendale**  
(Chief Executive)  
On behalf of Southampton City Council

.....  
**Councillor Simon Letts**  
(Leader of the Council)