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**GOVERNANCE COMMITTEE**  
**MINUTES OF THE MEETING HELD ON 13 NOVEMBER 2017**

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

**Apologies:** Councillors Parnell

23. **MINUTES OF PREVIOUS MEETINGS (INCLUDING MATTERS ARISING)**

**RESOLVED:** that the minutes of the following meetings be approved and signed as a correct record:-

- (i) Governance Committee – 24<sup>th</sup> July 2017;
- (ii) Employment and Appeal Panel – 21<sup>st</sup> June and 12<sup>th</sup> July 2017; and
- (iii) Joint Employment Panel for the Appointment of a Joint Director of Public Health with Portsmouth City Council – 31<sup>st</sup> October 2016

24. **SOUTHAMPTON CITY COUNCIL COMPLAINTS ANNUAL REVIEW 2016/17**

The Committee received and noted the report of the Service Director; Legal and Governance detailing the Southampton City Council Complaints Review 2016/2017. The report summarised the type and number of complaints received from 1<sup>st</sup> April 2016 and 31<sup>st</sup> March 2017 together with the Local Government Ombudsman Annual Review for the same period. The Committee noted that overall complaints registered with the Council had decreased by 12%, Corporate complaints had decreased by 12%, Adult Services complaints had decreased by 23% and Children and Families complaints had decreased by 40%.

25. **QUARTERLY HUMAN RESOURCES STATISTICS**

The Committee received and noted the report of the Service Director; Human Resources and Organisational Development providing the quarterly summary of Council wide information on key employment data covering disciplinaries, dismissals, referrals to the police and suspensions and grievances.

The Committee acknowledged that whilst the Annual Internal Audit Report would provide confidential detail relating to any police referrals/theft it would not provide any detail behind any of the other criteria therefore the Committee requested going forward that the quarterly reports contain a confidential appendix providing detail behind the criteria where there had been activity.

26. **EXTERNAL AUDIT - ANNUAL AUDIT LETTER 2016/17**

The Committee received and noted the report of the External Auditor detailing the Annual Audit Letter as detailed in appendix 1 to the report which summarised key findings from across the range of the auditor's work and responsibilities under statute and the National Audit Office's Code of Audit Practice.

27. **STRATEGIC RISK REGISTER 2017-18**

The Committee received and noted the report of the Service Director; Finance and Commercialisation detailing the Council's Strategic Risk Register 2017-18 as detailed in Appendix 1 of the report and the key strategic risks identified together with an assessment of the adequacy of controls in place to manage the risks and any further required actions. The Committee also particularly noted paragraphs 4-8 of the report which summarised the process in place in respect of the identification, management and review of the Council's strategic risk.

28. **ANNUAL GOVERNANCE STATEMENT 2016-17 ACTIONS: STATUS REPORT**

The Committee received and noted the report of the Service Director; Finance and Commercialisation detailing the Annual Governance Statement 2016-17 Actions: Status Report as detailed in appendix 1 of the report.

29. **TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL LIMITS MID YEAR REVIEW 2017/18**

The Committee considered the report of the Service Director Finance and Commercialisation providing an overview of the Treasury Management activities and performance for 2017/18 against the approved Prudential Indicators for External Debt and Treasury Management and to approve any changes as a result of activity to date and updates to the capital programme.

The Committee specifically referenced paragraphs 10-17 of the report and noted that the DCLG were currently undertaking a consultation which potentially could have far reaching consequences, therefore it was recommended that a report be submitted to the February meeting assessing the impact of the consultation outcome.

**RESOLVED:**

- (i) That the current and forecast position with regards to these indicators be noted and any changes endorsed;
- (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;
- (iii) That the cost implication of the Capital Programme on the Authority as detailed in table 5 of the report be noted;
- (iv) That the proposed changes to the Prudential and Treasury Management Codes, in particular the inclusion of non-treasury investments such as commercial investments in properties in the definition of "investments" as well as loans made or shares brought for service purposes, as detailed in paragraphs 13-17 of the report be noted; and
- (v) That a report be submitted to the February meeting detailing any impact arising from the outcome of the DCLG consultation.

30. **PENSION FUND POSITION STATEMENT**

The Committee received and noted the report of the Service Director; Finance and Commercialisation following a request from the previous meeting regarding further information relating to the Pension Fund and the outstanding reported liability. The report provided clarification on the pension fund liability as at the 31<sup>st</sup> March 2017 and the supporting information.

31. **INTERNAL AUDIT PROGRESS REPORT 2017-18**

The Committee received and noted the report of the Chief Internal Auditor providing an internal audit progress report for the period 11<sup>th</sup> July 2017 to 25<sup>th</sup> October 2017 as detailed in appendix 1 of the report.

32. **EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED**: that the Chair moved in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect of appendix 1 to the following item.

Confidentiality was based on Categories 3, 4 and 7a of paragraph 10.4 of the Access to Information Procedure Rules. The information contained therein was potentially exempt as it related to information relating to an individual, information likely to disclose the identity of an individual and information relating to the financial or business affairs of any person including the Authority. Having applied the public interest test it is not appropriate to disclose this information having regard to the nature of a confidential investigation.

33. **SOUTHAMPTON GUILDHALL CONTRACT**

The Committee received and noted the report of the Service Director; Digital and Business Operations providing an overview of the Southampton Guildhall Contract and the benefits to the City. The Committee considered appendix 1 of the report in confidential session.