
GOVERNANCE COMMITTEE
MINUTES OF THE MEETING HELD ON 8 FEBRUARY 2016

Present: Councillors Barnes-Andrews (Chair), Keogh (Vice-Chair), Daunt, Inglis, Jordan and Noon

Apologies: Councillor O'Neill

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

RESOLVED: that the minutes for the Committee meeting 14th December 2015 be approved and signed as a correct record.

30. **PRUDENTIAL LIMITS AND TREASURY MANAGEMENT STRATEGY 2016/17 TO 2018/19**

The Committee considered the report of Council's Chief Financial Officer detailing the context within which the Council's treasury management activity operates and setting out a proposed strategy for the coming year.

RESOLVED that the Committee:

- (i) endorsed the Treasury Management (TM) Strategy for 2016/17 as outlined in the report;
- (ii) endorsed the 2016 Minimum Revenue Provision (MRP) Statement as detailed in paragraphs 77 to 835;
- (iii) noted that the indicators as reported have been set on the assumption that the recommendations in the Capital update report will be approved by Council on 10 February 2016. Should the recommendations change, the Prudential Indicators may have to be recalculated; and
- (iv) noted that due to the timing of this report, changes may still be required following the finalisation of capital and revenue budgets and therefore any significant changes to this report will be highlighted in the final version that is presented to Full Council.

31. **ANNUAL GOVERNANCE STATEMENT**

The Committee considered the report of the Chief Financial Officer seeking to approve the assurance gathering process to support the development of the 2015-16 Annual Governance Statement and to note the content of the 2014-15 Action Plan.

The Panel noted that the timelines for the 2015-16 had been adjusted from those set out in Appendix 1 of the Report. It was noted that the Statement was now scheduled to be signed by the Chief Executive and the Leader of the Council on 31st July 2016. The Committee noted that there would be an opportunity to review and sign off the final draft before this date.

RESOLVED that the Committee:

- (i) noted and approved the assurance gathering process to support the development of the 2015-16 Annual Governance Statement set out in Appendix 1, as amended at the meeting; and
- (ii) noted the content of the Annual Governance Statement 2014-15 Action Plan - Status Report (Appendix 2).

32. **EXTERNAL AUDIT PROGRESS REPORT - JANUARY 2016**

The Committee noted the report of the Chief internal Auditor detailing the January 2016 progress report for external audit activity against the agreed audit plan set out in Appendix 1 of the report.

33. **CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2014-15**

The Committee noted the report of the Chief Internal Auditor summarising the External Auditor's annual report on the Certification of Claims and Returns 2014/15 as set out as Appendix 1 to the report.

34. **REVISIONS TO THE CONSTITUTION – TRANSFORMATION PROJECTS**

The Committee considered the report of the Service Director: Legal and Governance regarding revisions to various elements of the Constitution as part of the Council's significant Transformation agenda in order to enable early decision making which will permit quicker project implementation and realisation of financial savings).

RESOLVED that the Governance Committee recommended that Council approve the following revisions to the Constitution as set out in this report:

- revise section 5 of the Officer Scheme of Delegation (Transformation Implementation Director) stating "***The Transformation Implementation Director, following consultation with the Transformation Improvement Board, Chief Finance Officer and Head of Legal and Democratic Services, shall be empowered to take all decisions or actions necessary to develop, implement and deliver transformation projects approved by the Transformation Board up to a value of £5,000,000 including but not limited to incurring expenditure, structural re-organisations, service reorganisations and entering into contracts and partnership arrangements to deliver services as required together with all ancillary matters necessary to give effect to or conducive to the delivery of such projects. All proposals which are estimated to exceed £500,000 shall be considered by Cabinet. The £5,000,000 ceiling requiring reference to full Council is waived for such proposals.***";
- amend the Budget and Policy Framework Procedure Rules at page 6 (section 5(b) to add "***(iii) The Transformation Implementation Director, following consultation with Transformation Improvement Board and Chief Finance Officer, shall be entitled to vire across budget heads where each individual virement does not exceeds £5,000,000 for the purpose of delivering any transformation project;*** and
- amend Financial Procedure Rules with an additional row in the tables at A12, B37 and B42 (HRA matters) stating "***any amount not exceeding £5,000,000 relating to a transformation project approved as above can be vired /***

approved by the Transformation Implementation Director following consultation with the Transformation Improvement Board (including virement of expenditure and income budgets and acceptance of external funding).