

ANNUAL GOVERNANCE STATEMENT

Introduction

The Leader of the Council (Councillor Alex Rennie) and Chief Executive (Steve Jordan) both recognise the importance of having good systems in place to manage and deliver services to the residents of Havant Borough. Each year the Council is required to produce an Annual Governance Statement (AGS) which describes how its corporate governance arrangements have been working. This AGS is in respect of the 2023-24 financial year.

The purpose of the governance framework

The governance framework comprises the systems, processes, culture and values by which the Council directs and controls its activities, and how it leads, engages with and accounts to the community it serves. The framework brings together an underlying set of legislative requirements, good practice principles and management processes and enables the Council to monitor the achievement of its strategic aims and aspirations and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to an acceptable level. It cannot eliminate all risk of failure to achieve the Council's aims and aspirations and seeks to provide reasonable rather than absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify, prioritise and manage the risks to the achievement of the Council's aims and objectives.

The governance framework addresses the way the Council is controlled and managed, both strategically and operationally, and how it will deliver its services. The framework recognises that the Council's business is focused upon its strategic aims and aspirations and seeks to facilitate delivery to our local communities.

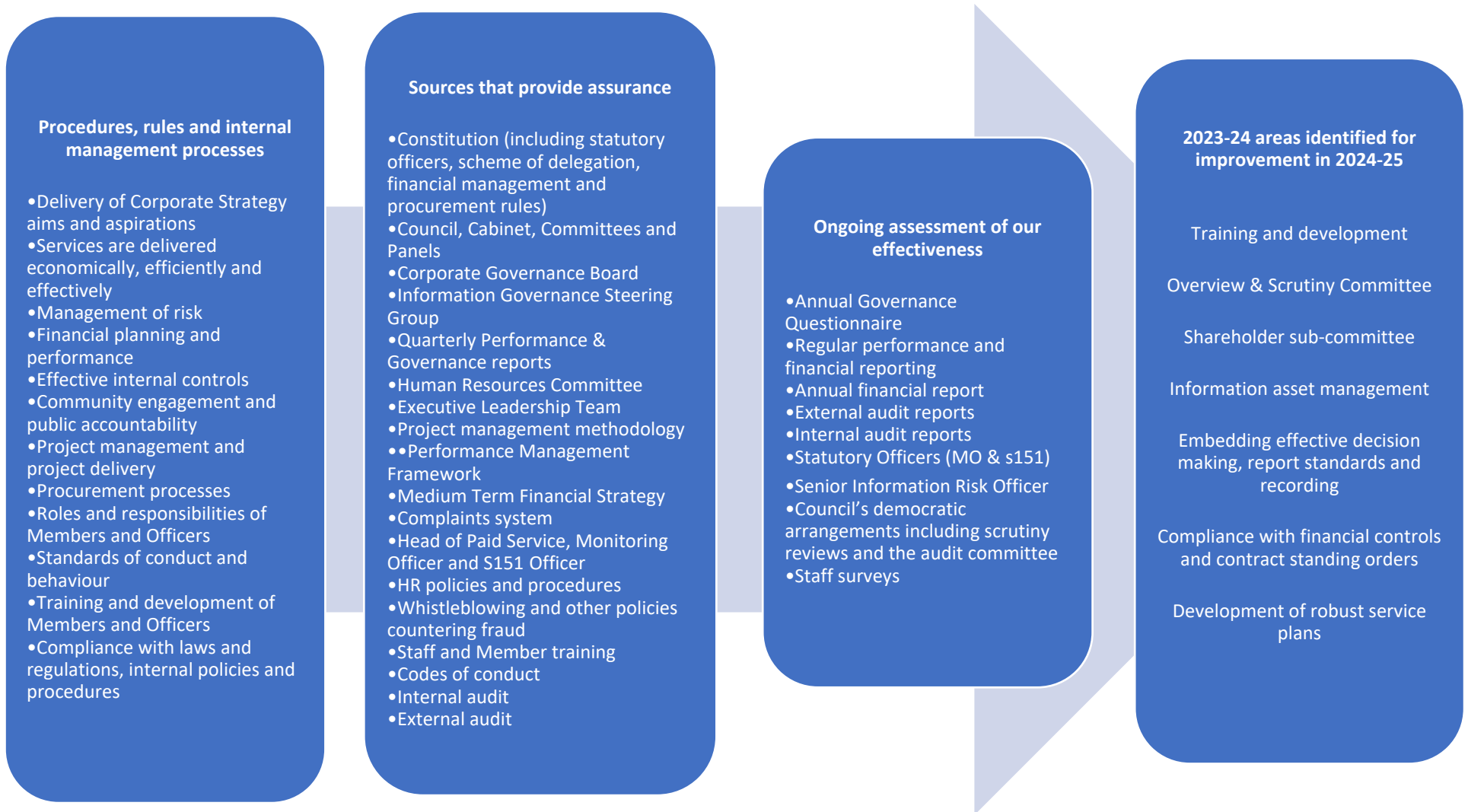
The risk management processes and other internal control systems such as standards of conduct and audit form part of this framework. Members and senior Officers are responsible for putting in place proper arrangements for the governance of the Council's affairs and the stewardship of the resources at its disposal. This task is managed by the Executive Leadership Team which comprises the Chief Executive, Executive Heads, Chief Finance Officer (Section 151 Officer) and the Chief Legal Officer (Monitoring Officer). The Executive Leadership Team is further supported and provided with assurance by:

- a) the Corporate Governance Board, which provides oversight of decision reports going forward to Cabinet, Council and committees through peer review, problem solving and check against strategic fit.
- b) the Information Governance Steering Group, chaired by the Senior Information Risk Officer, which provides oversight on data protection, information security and information risk.
- c) A regular meeting of Statutory Officers.

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How do we know it is working?

The annual process that we use to maintain and review effectiveness of our governance arrangements is outlined below:



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How we apply the governance framework to the Local Code of Corporate Governance

The Council aims to achieve effective corporate governance through the Local Code of Corporate Governance. The table below highlights examples of how the Council has adhered to its governance commitments as set out in the Code and includes hyperlinks to sources of further information which include more detail about how the Council has implemented its commitments.

A. BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES AND RESPECTING THE RULE OF LAW	
How the Council meets these principles	Where you can see Governance in action
<p>There are codes of conduct in place for all Councillors and Officers which can be found in Part 4 of the Constitution, these reflect the seven principles of public life. The Council has appointed independent persons to investigate any allegations of misconduct, and the Standards Committee receives regular reports from the Monitoring Officer on any complaints regarding Councillors.</p> <p>The Council's Constitution contains the standing orders, scheme of delegation, financial regulations and contracts procedure rules. The Constitution also contains the policies for anti-fraud and corruption, anti-bribery and whistleblowing. The Constitution has been reviewed and updated to reflect the Council operations and structure during 2023-24. The Constitution is a living document and shall continue to be reviewed and updated to reflect the Council's practices.</p> <p>All Council employees have clear conditions of employment, and roles and responsibilities are set out in role profiles and contract particulars. Pay operates under a clear pay policy statement, supported by NJC based pay scales and an agreed senior pay policy. A robust job evaluation scheme is in place.</p> <p>There is a requirement for Councillors to make a Declaration of Disclosable Pecuniary Interests within 28 days of taking office and to notify the Council of any changes to the interests made in this declaration within a specified time period. This declaration is kept on a register which is open to inspection by the public. Councillors must disclose Disclosable Pecuniary Interests or any other interests which are not registered but which are relevant to matters to be discussed at a meeting of the authority. Councillors are barred from participating in any discussion on, or voting on, the matter in relation to which the Member has a disclosable pecuniary interest. There is an up-to-date register of gifts and hospitality, and an annual register of declarations. Any declarations of interest made during meetings are recorded in the minutes.</p> <p>The Council has in place a complaints procedure including weekly reminders to relevant managers responsible, on the progress of cases. The ultimate arbiter of complaints for Local Government is the Local Government Ombudsman. This body reports performance annually.</p> <p>Statutory officer roles are the Head of Paid Service who is the Chief Executive, the Chief Financial (S151) Officer, who carries overall responsibility for the Council's financial administration, and the Chief Legal / Monitoring Officer, who ensures the Council acts lawfully. The Statutory Officers meet regularly to consider matters which may raise ethical, political, financial, legal, staffing or other issues that may impact on statutory duties.</p> <p>The Data Protection Officer is also a statutory role under the UK GDPR legislation.</p> <p>The Council has a Monitoring Officer who is a member of the Executive Leadership Team. The Monitoring Officer has oversight of propriety and lawfulness and ensures the Council acts in accordance with the Constitution. They are kept appraised on the Council's projects and actions and are</p>	<p>Councillor Code of Conduct Staff Code of Conduct</p> <p>Standards Committee</p> <p>Audit & Finance Committee</p> <p>Constitution</p> <p>Anti Fraud & Corruption Policy including Fraud Response Plan Whistleblowing Policy</p> <p>Staff pay and senior salaries Havant Borough Council</p> <p>Declarations of interest</p> <p>Complaints procedure</p> <p>Havant Borough Council - Local Government and Social Care Ombudsman</p> <p>Management structure</p>

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ultimately responsible for legal compliance. The Monitoring Officer also chairs the Corporate Governance Board.

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

How the Council meets these principles

Where you can see Governance in action

The Council has laid out its purpose, strategic aims and aspirations in its Corporate Strategy which can be obtained either on the Council's website or from the Council's offices. The Council Corporate Strategy is reviewed on a regular basis. During 2023-24 the Cabinet outlined and agreed their priorities to deliver the Corporate Strategy. These 16 priorities set out the key projects that would deliver the strategy with progress routinely reported to Cabinet and Overview & Scrutiny Committee.

[Corporate Strategy](#)

The Council is committed to transparency and an open culture and publicises information in line with the publication scheme under the Freedom of Information Act. In addition, we subscribe to the government's transparency agenda and publish information such as remuneration for senior management and information on items of expenditure over £500.

[Freedom of Information](#)

havant.gov.uk/publication-scheme/transparency

Formal decision making operates with a presumption of openness and transparency. The Council's democratic function is responsible for ensuring agendas and key decisions are published in line with the statutory legal requirements. They are also responsible for supporting the scrutiny function of the Council and publishing a corporate calendar of dates annually. Meetings are held face to face and are livestreamed for the public to view.

[Committees and Papers](#)

[Browse plans - Cabinet Forward Plan, 2024 | Havant Borough Council \(moderngov.co.uk\)](#)

The Council usually carries out a residents' survey every two years, but during the Covid-19 pandemic has increased the frequency to be able to monitor the concerns and feelings of residents as the situation changes. During 2023-24 Cabinet agreed as part of the budget setting to fund a new Residents Survey for completion in 2024-25. In addition, the Council has an online panel of residents who volunteer to take part in questionnaires and polls to express their views on council services and the local area.

[Resident Views](#)

In addition, the Council has a Facebook page and Twitter feed which is actively promoted and used. To promote transparency and wider engagement with Council decisions, residents can use social media such as Facebook, Twitter, LinkedIn and Instagram to get updates from and interact with the Council.

[HBC Facebook](#)
[Twitter](#)
[Instagram](#)

The Council's website is set out in a clear and easily accessible way, using infographics and plain language. The information which residents use most, such as Council Tax and Waste and Recycling, can be accessed quickly and easily from the homepage. The website was reviewed and relaunched in 2023-24 with a significant upgrade which resulted in an increase in website usage. The new website is much more user friendly and easier to navigate and locate items.

<http://www.havant.gov.uk/>

In addition, significant stakeholder engagement took place during 2023-24, this included engagement with key stakeholders in Waterlooville during the development of the Waterlooville Masterplan as well as engagement on our draft Housing Strategy. Engagement took the form of roadshows, workshops and questionnaires. Further routine engagement also took place on our

[Waterlooville Town Centre Masterplan](#)

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<p>required statutory consultations as well as our rolling playpark improvement programme.</p> <p>The Statement of Accounts provides a clear summary of the Council's activity over the previous year, so that residents can see where money has been spent and what this has achieved.</p> <p>The Council has a joint venture partnership (Norse South East) for waste collection which is governed by the Norse South East Board. There are members from Norse Commercial Services and the Council on the Board. Norse South East is responsible for the procurement and efficient management of waste and recycling collections, street cleaning, public convenience cleansing, grounds maintenance and associated service facilities for the treatment and disposal of residual waste.</p>	<p>Housing Strategy Consultation</p> <p>http://www.havant.gov.uk/accounts</p> <p>http://norsesoutheast.co.uk/</p>
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C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL AND ENVIRONMENTAL BENEFITS	
How the Council meets these principles	Where you can see Governance in action
<p>A new Corporate Strategy has been developed and was approved in February 2023; the new Corporate Strategy contains the following themes:</p> <ul style="list-style-type: none"> • Wellbeing – the health of our communities • Pride in Place – creating a great place to live, work and enjoy • Growth – building our future <p>These evidence based themes are used to guide the Council's corporate planning and decision making. 16 priorities were agreed during 2023-24 and these were reported on. All the Corporate Strategy priorities have been mapped against the benefits they will seek to deliver, such as economic, social and/or environmental and these are tracked on our Corporate Performance Scorecard which is routinely updated and can be found on our website. The balancing of economic, social and environmental factors is extensively considered as part of the decision-making process and can be seen in the Council reports.</p> <p>The Council has also developed a Digital Strategy which supports the Corporate Strategy delivery and to create digitally 'savvy' staff and councillors and services designed to be accessible and convenient for our customers. The Council is committed to moving towards a Software-as-a-Service (SaaS) solution for business IT systems as they markedly reduce the maintenance required by Council staff and ensure that staff have access to the latest features and functionality. SaaS products also help reduce the service deliverability risk in business continuity planning for wider infrastructure disruption scenarios.</p> <p>The Council takes an annual approach to strategic planning, business planning and budget setting, underpinned by a close link between business and financial planning. The Medium Term Financial Strategy is reviewed annually and forms the basis of the annual budgeting process.</p> <p>The Corporate Strategy has been prepared to detail the key actions that are required to deliver the overall strategy. Within the Corporate Strategy the aspiration, aims, initiatives and benefits are listed under each theme. Each service's Key Performance Indicators are monitored corporately and reported to the Executive Leadership Team on a quarterly basis to ensure that the objectives in the Corporate Strategy are on target. Financial forecasts are submitted to the Executive Leadership Team and quarterly to Councillors alongside the quarterly performance report. We monitor and track</p>	<p>Corporate Strategy</p> <p>Corporate Performance Scorecard</p> <p>Digital Strategy</p> <p>Council Budget</p> <p>Corporate Performance</p>

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<p>performance through our Corporate Performance Scorecard which is published on our website</p> <p>The Council uses evidence based insight to inform decision making and uses the data available to understand residents and local businesses better. The Council is committed to consulting with and engaging with residents and local businesses in the planning and delivery of services to meet the needs of the community. For example through our online residents panel.</p>	<p>Resident Views</p>
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D. DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES	
How the Council meets these principles	Where you can see Governance in action
<p>The Council has a Medium-Term Financial Strategy (available on the Council's website as part of the budget for the forthcoming year) which is used to align resources to key priorities.</p> <p>The Council has report templates to ensure authors cover all the requirements to enable a decision to be made; they include options appraisal (if required), cost and risk analysis in addition to key signatories such as legal and finance and must include the Cabinet lead. This process has been significantly improved in recent years to increase the robustness of decision making.</p> <p>All decision-making meetings are held in public, and decisions made by Cabinet members and Officers are published in line with the statutory legal requirements, although some items are considered as exempt. Minutes of all Council meetings are made available to the public, and members of the public have the opportunity to contribute to Council meetings.</p> <p>The Council has a complaints and feedback system, which records and monitors customer comments, complaints and requests for information.</p> <p>The Council has an internal audit service sourced through the Southern Internal Audit Partnership. The internal audit service has an annual audit plan based on a risk analysis carried out by the auditors each spring. Audit recommendations are monitored to ensure that they are completed by the service within a reasonable timeframe, and any actions which are not completed are reported to the management team.</p> <p>The Overview & Scrutiny Committee has responsibility for the performance of overview and scrutiny functions under the Local Government Act 2000 Section 9F. The role of Overview & Scrutiny Committee is to hold Cabinet decision makers to account by monitoring and scrutinising the decisions being made, both before and after they take effect. Members of the Overview & Scrutiny Committee must not be members of the Cabinet and, where possible, should be from different political parties.</p> <p>Our Corporate Strategy considers the outcomes of our priorities, and this is shown in both the strategy and our corporate performance reporting.</p>	<p>Medium Term Financial Strategy</p> <p>Council Decisions</p> <p>Complaints procedure</p> <p>Internal audit</p> <p>Overview & Scrutiny Committee</p>

E. DEVELOPING THE COUNCIL'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT	
How the Council meets these principles	Where you can see Governance in action
<p>Following the separation with East Hampshire District Council during 2022-23 a new Executive Leadership team was recruited with the majority of posts recruited and</p>	<p>Management structure</p>

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started on 1 April 2023. The new Executive Leadership Team reduced the reliance on interim leadership posts and include a new permanent CEO, s151 and MO.

A fundamental design principle for the organisation was the Decision-Making Accountability Model. This was used to inform a streamlined and empowered management structure, which has been maintained. Building on application of this model, an Operational Leadership Team cohort has been identified, with a view to training, developing and empowering that team, to a) take more of a lead future management of the organisation, b) have a greater say in decisions, and c) form a ground from which future Executive Head recruitment can take place. This succession planning will underpin the Councils desire to “grow our own”.

In addition, a new set of values and behaviours for the Council was established and these are referenced in the new Corporate Strategy. The values and behaviours were used as a basis for recruitment to the new Executive Leadership team and used for both recruitment and as part of objective setting for staff.

The Council has a performance management framework which includes a comprehensive induction programme for new starters. Performance appraisal processes for all employees include objective setting, regular 1:1 meeting and all staff must complete an end of year appraisal discussion. In 2023-24 mandatory e-learning courses were introduced for all staff (including health and safety, equality and diversity and GDPR), alongside the ongoing leadership development programme, business continuity and emergency planning training, and specialist professional training for frontline services. In 2023-24, a new appraisal system was launched with simpler form alongside monitoring to check that all staff had objectives set and the necessary mid-year and end of year reviews.

During the year a full review of all Democratic forms and procedures was completed and this results in a new Committee template paper, a suit of training through 'lunch and learn' for officers to attend and updated guidance on decision making, committee report writing and Scheme of Delegation.

Following the Borough Council elections, all Councillors are required to undertake a comprehensive training programme which ensures that they have an understanding of the procedures and protocols of the Council. This includes training on planning and licensing matters and Councillors are not allowed to sit on the Planning or Licensing Committees until such training has been undertaken.

In addition to the compulsory training, a series of other courses and events are also offered. Under the Councillor Development Programme and accompanying Competency Framework, during the course of a Councillor's term of office, regular skills audits are undertaken to identify any new skills requirements or refresher training requirements.

[Councillor Competency Framework](#)

F. MANAGING THE RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

How the Council meets these principles

Where you can see Governance in action

The Council ensures that the roles and responsibilities for decision making, and governance arrangements are defined and allocated, so that there is clear accountability for decisions made and actions taken. The Council does this by appointing a Leader and a Cabinet, which allocates specific executive responsibilities.

[Council structure](#)

There are also a number of committees appointed to discharge regulatory and scrutiny functions. Each committee has clear terms of reference setting out its roles and

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responsibilities. All leadership roles, the roles of key Officers and the Council's Scheme of Delegation are set out within the Council Constitution.

[Committee structure](#)

The Cabinet operates within the policy framework set by Full Council and makes key decisions. All Cabinet meetings are held in public, with the exception of exempt items. All decision records are publicly available, and the Forward Plan and Key Decision notice is published on the Council website. Decisions made by Cabinet can be called in for review by the Overview & Scrutiny Committee. Decisions can also be made by Officers under delegated powers and reported to Councillors in line with the Council Constitution. Authority to make decisions is given in the Scheme of Delegation and by specific delegation by Cabinet or Council.

[Forward Plan](#)

Risk is considered and recorded throughout the year as part of the quarterly review of performance and financial management (quarterly performance report). The Council has a wide range of performance indicators, which are used to measure progress against the Council's priorities. Performance indicators are reported quarterly to the Executive Leadership Team and to Cabinet. Performance indicators clearly link individual services to the corporate objectives and include details of national and local performance indicators and risk. Performance indicators are reviewed annually to ensure they continue to be relevant and stretching.

[Corporate Risk Policy](#)

Risk is considered as part of the decision-making process. All Council reports include a section on risk to ensure that it is considered at the outset.

The Council's budget report contains a summary of the budget that was set for Havant Borough Council for 2023-24, as approved by the Council on the 22nd February 2023. It shows on what service areas money is spent, and how this expenditure is funded. Also within this document is information showing the forecast financial position over the next five years, taking into account changes in government funding, other income and spending. The most recent budget for year 2023-24 was approved by the Council on the 28th February 2024. At the most recent budget the s151 recommended that in relation to the Medium-Term Financial Strategy that the Council embarks on a five-year savings and efficiency programme starting in early 2024-25. The aim of the programme will be to close the current established base budget gap over the MTFS period so that the reserves are protected and available for their specific use only. The s151 also confirmed that they were content with the budget as presented and that the level of reserves held throughout the MTFS are adequate to meet the Council's financial obligations.

Procurement frameworks are in place for the purchase of goods and services and to ensure all contracts are appropriately procured and managed. Details on procurement are published on our website as well as data about the contracts that the council has with external suppliers.

[Procurement | Havant Borough Council](#)

A Corporate Governance Board has been established with an objective of providing a pragmatic layer of assurance to the business. Specifically, the Corporate Governance Board ensures that the organisation develops and implements an effective approach to corporate governance which enables the business and affairs of the Council to be carried out, directed and managed with the objective of enhancing value to the public. This is underpinned by the Local Code of Corporate Governance. In addition, the Corporate Governance Board is responsible for ensuring that an adequate risk management framework and associated control environment exists within the Council, and for monitoring the arrangements in place for the identification, monitoring and management of risks. The Board's Terms of Reference were reviewed in 2023-24 with a particular focus on reviewing Council papers going forward for decision to ensure they were robust and provided the necessary information for Councillors to make an informed decision.

[Governance | Havant Borough Council](#)

[Local Code of Corporate Governance](#)

The Council has in place a number of policies and procedures to ensure decisions made are robust. These include the Finance and Contracts Procedure rules in the

[Policy Hub](#)

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Constitution. Compliance with these policies is the responsibility of all Officers. In addition, a Policy Register was prepared during the year in order to provide oversight of all policies at the Council.

G. IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY REPORTING AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY	
How the Council meets these principles	Where you can see Governance in action
<p>The Council complies with data protection legislation, which includes UK GDPR (UK General Data Protection Regulation) and the Data Protection Act 2018 (DPA 2018). This ensures that such processing is carried out fairly, lawfully, and transparently. The Council reviews and supplements its policies, and also keeps its processing activities under review, to ensure they remain consistent with the law, and any compliance advice and codes of practice issued from time to time by the Information Commissioner.</p> <p>The Council ensures that officers handling personal data are trained to an appropriate level in the use and control of personal data. It is made clear that all staff and Members are personally accountable for using the Council's information responsibly and appropriately. All staff must undertake protecting information e-learning training, and this forms part of the induction process for new staff. Data protection also forms part of the induction programme for new Members and new staff.</p> <p>The council believes in the importance of publishing as much data as possible and as part of our transparency we routinely publish and keep updated information on apprenticeships, business rates, contract spend, property assets, parking income and expenditure, monthly payments over £500.</p> <p>Information Governance is overseen by the Information Governance Steering Group chaired by the Executive Head of Internal Services who is the Senior Information Risk Officer for the Council (SIRO).</p> <p>The Council publishes the Statement of Accounts annually within the statutory timescales. Accounting statements incorporate the full requirements of best practice guidance.</p> <p>The Council has an Audit and Finance Committee to provide assurance to the Council on the effectiveness of internal audit and the robustness of the Council's Annual Accounts. Risk management is controlled through the Corporate Governance Board and reported to the Executive Leadership Team through the quarterly governance report. Risks rated as above the risk threshold are reported as part of the quarterly performance report to Councillors at the Audit & Finance Committee.</p> <p>Full Council is responsible for agreeing new policies and amendments to existing policies. It also sets out the policy and budget framework and approves the annual budget. The Audit and Finance Committee approves the Statement of Accounts.</p> <p>The Council is subject to independent external audit currently by Ernst & Young. The external audit plan outlines the work undertaken and the timing of external audit reports.</p> <p>The Council supplements this work with an internal audit service sourced through the Southern Internal Audit Partnership. The internal audit service has an annual audit plan based on a risk analysis carried out by the auditors each spring. This minimises the risk of fraud and error and provides management with assurance that policies and procedures are robust. The Chief Internal Auditor is required to provide a written status report to the management team, summarising the assurance opinions arising from the internal audit reviews carried out during the year. In addition, any management actions, including progress against those actions, that are identified as part of an Internal Audit</p>	<p>Data Protection</p> <p>Transparency Havant Borough Council</p> <p>Statement of Accounts</p> <p>Audit and Finance Committee</p> <p>Full Council</p>

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<p>are routinely reported to Executive Leadership Team and Audit & Finance Committee by the Internal Auditors as part of quarterly reporting.</p> <p>The Council has appointed the Chief Finance Officer as the Section 151 Officer with the statutory responsibility for the proper administration of the Council's financial affairs.</p> <p>The Council ensures reports are written in a fair, balanced and understandable way. They are written using plain language and a standard format. The Council publishes agendas, minutes and seeks to webcast its meetings.</p>	<p>Internal audit</p>
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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 informed by the following areas:

Area	Review of effectiveness
Political leadership	<ul style="list-style-type: none"> • During the year Cabinet approved 16 corporate priorities to deliver the Corporate Strategy and these were routinely reviewed and reported on throughout the year. • During the year the Overview & Scrutiny Committee set a work programme which included a number of items including, the future of Meridian Centre, Council's roundabout sponsorship scheme, planning enforcement service, the Housing Strategy, the budget 2024-25 and progression of the corporate priorities. • During budget setting, there was consistent and rigorous consultation between Finance, management, Cabinet Leads and Cabinets. Cabinet provided a strong lead on prioritisation and action needed, to deliver a balanced budget. • Throughout the year, strong relationships between Cabinet and the Executive Leadership Team were maintained, to ensure political leadership and oversight could be firmly supported.
Officer leadership	<ul style="list-style-type: none"> • A new organisational structure was put in place to reflect the move away from shared management and a new permanent Executive Leadership team was in place for the start of 2023-24 • Updates are provided to Audit and Finance Committee through the quarterly performance and governance reports which have undergone further improvements during 2023-24 both in format (through the use of PowerBi) and content, with an extended range of quantitative performance indicators now being included. • There are regular reporting arrangements in place regarding the financial affairs of the Council with financial performance being reported on a quarterly basis to Members. • The Corporate Governance Board Terms of Reference were reviewed to reflect the new Executive Leadership Team in place during 2023-24 and to act as a final point of review for any decision-making papers going forward. • Development and empowerment of management tiers reporting into the Executive Heads was enhanced via convention of an "Operational Leadership Team".
Internal assessment and monitoring	<ul style="list-style-type: none"> • Effective operation of the Performance Management Framework throughout the year: monitoring information on key areas of performance has been provided for review and action. The majority of service performance indicators were met during the year. • The Council has incorporated the Oflog draft measures into its performance reporting in order to track against the measures Oflog feels are important. In addition, an exercise was completed to assess the Council against the Best Value Framework that was developed by Oflog. Areas of weakness identified in that review will be taken forward during 2024-25 • The Annual Governance Questionnaire is a survey run every January which asks officers for their self-assessment of the effectiveness of governance arrangements in their service area. Participation has improved in recent years following the extension of the questionnaire to all staff to reflect that good governance is everyone's responsibility • The results of the questionnaire highlighted the following: <ul style="list-style-type: none"> ○ Trends were broadly positive with notable improvements in confidence in particular areas. ○ Areas of strength: <ul style="list-style-type: none"> ▪ Compliance with our Complaints procedure

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	<ul style="list-style-type: none"> ▪ Compliance with FOI procedure ○ Areas for improvement: <ul style="list-style-type: none"> ▪ Awareness of structure of the council in particular the O&S Committee ▪ Code of Conduct and Member/Officer protocols awareness <p>Statements about the culture of transparency and openness and fairness and equality at the Council remained high with over 80% either strongly agreeing or agreeing. Areas that scored poorly in the questionnaire will be targeted with a programme of improvements throughout 2023-24 and the questionnaire will be repeated to see if any trends can be identified.</p>
<p>Chief Finance Officer (s151)</p>	<p>The Chief Finance Officer (S151) is the Responsible Financial Officer and is a member of the Executive Leadership Team. They are responsible for delivering and overseeing the financial management arrangements of the Council.</p> <p>The main channels used by the s151, to ensure and assure effectiveness over 2023-24 were:</p> <ul style="list-style-type: none"> • Putting in place new reporting requirements for financial monitoring with more regular reports coming through to Executive Leadership Team on the financial performance of the council • Recruitment to the finance team to ensure a full complement of staff was in place • Procurement of a new finance system for implementation during 2024-25 • Review of the Capital programme to ensure a more robust programme is in place and a new Investment Strategy in place. • Setting of the 2024-25 budget and updated Medium-Term Financial Strategy.
<p>Chief Legal Officer (MO)</p>	<p>The Chief Legal Officer (Monitoring Officer) is a member of the Executive Leadership Team whose role in the organisation is to report on matters they believe to be illegal or amount to maladministration, to be responsible for matters relating to the conduct of councillors and officers and to be responsible for the operation of the council's constitution.</p> <p>The main channels used by the MO, to ensure and assure effectiveness over 2023-24 were:</p> <ul style="list-style-type: none"> • Updating of the Constitution and Scheme of Delegation • New training and guidance provided on decision making and report writing • Development of a new Legal Partnership with Southampton City Council to provide legal services to the Council • Resetting of the Corporate Governance Board to ensure decision papers going forward were robust and considerate of all relevant issues
<p>Senior Information Risk Owner (SIRO)</p>	<p>The Senior Information Risk Officer for the Authority is the Executive Head of Internal Services. This role is supported by deputies, nominated from time to time. The role of the SIRO includes the following:</p> <ul style="list-style-type: none"> • Lead and foster a culture that values and protects information, and ensures its use for public good. • Ensure there is a plan to achieve and monitor the right culture across the organisation. Takes step to ensure that plan is delivered. • Ensures that the organisation has key staff in place, who are skilled and supported. • Oversees effective responses to security incidents. • Own the information risk policy and risk assessment process, ensuring regular update and review of the risk register. <p>The main channels used by the SIRO, to ensure and assure effectiveness over 2023-24, were:</p> <ul style="list-style-type: none"> • Completion of formal training in the role • Close working with key roles such as the Chief Policy Officer, Data Protection Officer and Information Governance Team, and the Digital Services Manager (on cyber security). • Monitoring of risks and information governance performance, via formal Authority mechanisms for these areas. • Establishment and promotion of a new Information Governance Steering Group, who members include the Monitoring Officer, the Data Protection Officer, the Chief Policy Officer and IT. This met regularly during 2023-24 with a total of six meetings. • Participation as a standing member and attendee of the Executive Leadership Team and Cabinet Briefing, ensure that information risk items can be, and are, tabled at the highest

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	<p>governance levels in the Authority. This ensures that the SIRO is a 'Board' level officer, as needed.</p>
Internal audit	<ul style="list-style-type: none">• The Council's internal audit programme is provided by the Southern Internal Audit Partnership which is hosted by Hampshire County Council. An audit plan, based on a full risk evaluation, is approved annually.• Progress against the audit plan is reported quarterly to the Audit and Finance Committee. Any outstanding high risk actions are addressed as a matter of priority.• Any outstanding management actions are reported to the Executive Leadership Team to ensure that these are escalated where necessary and completed within a reasonable timescale.• The Southern Internal Audit Partnership delivered [tbc] internal audit opinions over the course of the year ending 31 March 2024 with [tbc] 'substantial' assurance reports, [tbc] 'reasonable' assurance reports, [tbc] 'limited' assurance report and no 'no assurance' reports. Additional reviews were conducted which did not lead to an audit opinion as they were advisory reviews and/or follow-up reviews.• The Chief Internal Auditor's annual opinion of Havant Borough Council's framework of governance, risk management and management control is [tbc] and audit testing has demonstrated controls to be working in practice.
External audit	<ul style="list-style-type: none">• The Council's external audit requirement is provided by Ernst & Young LLP.• The role of external audit is to ensure that the Council's Accounts are free from material error, to provide a value for money conclusion and to certify key grant claims.• The Council's external auditor provided the Council with an unqualified opinion on the last set of accounts approved within their Audit Results Report.• Ernst & Young LLP also provided an unqualified opinion of the Council's arrangements to secure Value for Money.

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Last year's key improvement areas

In the 2022-23 Annual Governance Statement, three key issues were identified for improvement. Below are the issues and actions taken during 2023-24.

Improvement area	Issue of concern	Objective and actions taken
Review and update of Constitution	The Constitution is required to be updated and reviewed as a result of the ending of the JMTA with East Hampshire District Council and the need to provide greater clarity to officers around the Scheme of Delegation in place for decision making.	<p>Review of Constitution</p> <p>Updated Scheme of Delegation</p> <p>Training for officers and members on the new Constitution</p> <p>Clear guidance provided on decision making process and recording decisions.</p>
Review of policies and strategies to ensure they are consistent with corporate priorities	There are a number of policies and strategies which have not been updated for a number of years and need to be reviewed. A robust Policy Register needs to be fully embedded across the organisation to capture those policies/strategies which require review.	<p>Policy Register in place and being maintained</p> <p>Review of critical policies and strategies that need updating</p> <p>Update of internal HR policies was completed during the year with policies approved by HR Committee</p>
Establishment and embedding of a Contracts Register	The Council has identified the need to put in place a more robust system for monitoring and review contracts when they are due for renewal.	<p>Contracts Register in place and being maintained</p> <p>Appropriate reporting of Contracts coming up for renewal</p>
Training plans in place for staff and refreshed appraisal system	Highlighted within the AGS questionnaire as an area for improvement was to ensuring appropriate training plans are in place for officers. In addition, there is a requirement to ensure that officers have a clear link with our corporate priorities and their objectives through a refreshed appraisal system is required.	<p>Training plans discussed with all staff and training needs highlighted</p> <p>Refreshed appraisal system rolled out to all staff</p> <p>Monitoring of completion of objective setting, mid-year reviews and end of year reviews.</p>
Review and rationalisation of information management arrangements	<p>This has two drivers:</p> <ul style="list-style-type: none"> To address issues identified following the transition exercise, in regard to the volume, location and form of information held. To prepare the ground for re-procurement of the IT solution, and a firm move to further cloud based solutions. 	<p>Review and reinforcement of retention schedules.</p> <p>A physical document review and clear out conducted as part of the Plaza A2B project</p> <p>Generation of an appropriate, cloud based, information management and document management structure.</p>

Progress of the above actions was monitored during the year with quarterly reporting to Executive Leadership Team

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Identified key improvement areas

The Council is generally satisfied with the effectiveness of corporate governance arrangements and internal control. As part of its continuing efforts to improve governance arrangements the following issues, as highlighted in this Statement, have been identified for improvement in 2024-25.

Issue of concern	Key improvement	Lead officer	Action required
Training and development	<p>A robust understanding of the corporate strategy, and associated reporting.</p> <p>A clear understanding and operation of the Member and Officer role and relationship.</p>	<p>Chief Policy Officer</p> <p>Chief Legal Officer</p>	<ul style="list-style-type: none"> • Induction session • All Member Briefings • Reporting on Councillor Hub • Induction sessions • 121 support as needed • Member and Officer training
Overview and Scrutiny Committee	Facilitate and support the Overview and Scrutiny Committee to ensure it holds the Council to account and in doing so, ensures that the Council remains transparent, accountable and open – resulting in improved public policies, services and outcomes	Chief Legal Officer/Executive Head, Internal Services	<ul style="list-style-type: none"> • Work with the Chair to develop a work programme, based on strategic and performance insights • SEE training • Review of Overview and Scrutiny Standing Orders
Shareholder Sub-Committee	Embedding more effective shareholder oversight of Companies and Joint Ventures.	Chief Legal Officer/ Executive Head of Commercial	<ul style="list-style-type: none"> • Review Shareholder Committee membership and Terms of Reference • Develop a work programme/ business planning cycle • Training, as needed.
Information Asset Management	Executive and Operational Leadership Team understanding of responsibilities, and operation of due policies and processes	Data Protection Officer	<ul style="list-style-type: none"> • Executive Head to review and assure Information Asset Arrangements, and to offer assurance to the SIRO formally. • Operational Leadership training and support.
Embedding effective decision making, report standards and recording	<p>Embedding Cabinet Lead and Executive Head ownership of Key Decisions and associated report submissions.</p> <p>More robust consideration and discussion of implications, risks and</p>	<p>Executive Heads / Chief Legal Officer</p> <p>Chief Legal Officer / Chief Policy Officer</p>	<ul style="list-style-type: none"> • Induction, briefings and 121 support for Cabinet Leads. • Review by Corporate Governance Board • Feedback to Executive Heads on development areas.

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	<p>consultation elements for Key Decisions.</p> <p>Recording of delegated decisions.</p>	<p>Chief Legal Officer</p>	<ul style="list-style-type: none"> • Regular review at Executive Leadership Meetings. • Development of “Implications” processes, supported by briefings to Executive and Operational Leadership Teams. • Training and briefing sessions. • Compliance checks
<p>Compliance with financial controls and contract standing orders</p>	<p>Full reporting and transparency on contracts.</p> <p>Improved adherence to agreed cash limited budgets. Identifying financial risks in time to implement corrective action and Ensuring reporting and controls support this.</p>	<p>Chief Finance Officer</p> <p>Chief Finance Officer</p>	<ul style="list-style-type: none"> • Contract amnesty to be completed. • Regular updates, review and publication of Contracts register • Improvement in budget monitoring information through increased reporting • Targeted budget management training for service managers
<p>Service planning</p>	<p>Implement and embed service planning, to support achievement of the corporate strategy, and the link between this, and team and personal objectives.</p>	<p>Chief Policy Officer</p>	<ul style="list-style-type: none"> • Review service planning information from services • Implement new templates for completion making clear link between Corporate Strategy and service reviews • Review personal objectives forms with HR to ensure link between Corporate Strategy and objectives are made.

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Opinion

It is our opinion that corporate governance, along with supporting controls and procedures, is strong. We propose over the coming year to take steps to address the above matters to further enhance our corporate governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and we will monitor their implementation and operation as part of our next annual review.

Signed

CEO

Leader