

Annual Governance Statement 2023/24

Introduction and scope of responsibility

Rushmoor Borough Council (RBC) has approved and adopted a local code of corporate governance, which is consistent with the seven core principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) Framework 'Delivering good governance in Local Government'. A copy of RBC's adopted Code is on the Council's website:

[\(Local Code of Corporate Governance\)](#) RBC updates it's code annually and evidence is collated and assessment for compliance by the Corporate Governance Group (CCG) and the Executive Leadership Team (ELT).

The Annual Governance Statement (AGS) 2023/24 states how the Council has complied with the Code and also meets the requirements of the Accounts and Audit Regulations 2015, regulation 6 (1b), and as amended by the Accounts and Audit (coronavirus) (Amendment) regulations 2020, which requires all relevant authorities to prepare an Annual Governance Statement. It is subject to detailed review by the Corporate Governance, Audit and Standards Committee (CGAS Committee) and approval in advance of them agreeing the Statement of Accounts, into which the AGS is referred.

RBC is responsible for ensuring its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, 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, which include arrangements for the management of risk, whilst facilitating the effective exercise of its functions.

The Purpose of the Governance Framework

The governance framework comprises the systems, processes, culture and values by which the authority is directed and controlled. 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 and cost-effective services.

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 on-going 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.

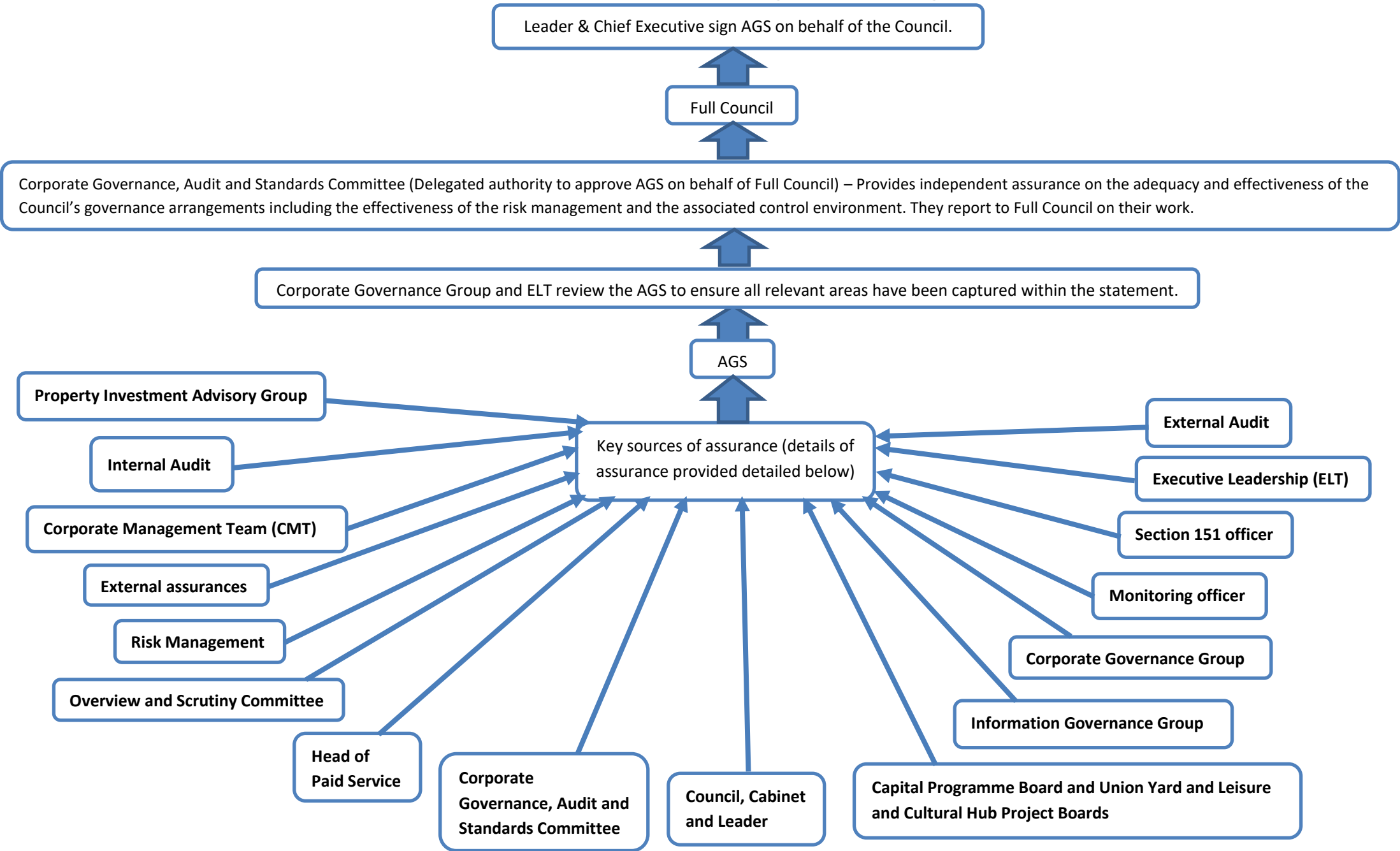
What is the Annual Governance Statement (AGS)?

The Council is required by the Accounts and Audit Regulations 2015 to prepare and publish an AGS, to report publicly on the extent to which we comply with our own local Code of Corporate Governance including how we have monitored the effectiveness of our arrangements in year and on any planned changes to our governance arrangements in the coming year. In this document the Council:

- acknowledges its responsibility for ensuring that there is a sound system of governance;
- summarises the key elements of the governance framework and the roles of those responsible for the development and maintenance of the governance environment;
- describes how the Council has monitored and evaluated the effectiveness of its governance arrangements in the year, and on any planned changes in the coming period;
- provides details of how the Council has responded to any issue(s) identified in last year's governance statement; and
- reports on any key governance matters identified from this review and provides a commitment to addressing them.

The Council's Governance Assurance Framework, which underpins the AGS, has been in place at the Council for the year ended 31 March 2023 and up to the date of approval of the AGS and Statement of Accounts.

The Council's process for developing and adopting the AGS



<p>Council, Cabinet and Leader</p>	<ul style="list-style-type: none"> • Adopting and making substantive changes to the constitution • Approving or adopting the annual budget • Agreeing and/or amending the Terms of Reference for Committees, deciding on their composition and appointing.
<p>Overview and Scrutiny Committee</p>	<ul style="list-style-type: none"> • Pre and post decisions made are subject to scrutiny/ call in for review by the Committee.
<p>Corporate Governance, Audit and Standards Committee (CGAS)</p>	<ul style="list-style-type: none"> • Provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment. • Promotes high standards of Member conduct. • Approves the Annual Statement of Accounts and Annual Governance Statement. • Independent Member
<p>Risk Management</p>	<ul style="list-style-type: none"> • The corporate risk register is regularly reviewed and monitored to ensure appropriate mitigation is in place. • Service risk registers are regularly maintained and updated which are fed into the corporate risk register. • Regular updates on risk management and the risk environment is provided to CGAS.
<p>Corporate Governance Group (CGG)</p>	<ul style="list-style-type: none"> • Officers with statutory roles within the Council e.g., the Monitoring officer and Section 151 officer, review and provide assurance over the governance arrangements within the Council including any constitutional changes or issues.
<p>External assurances</p>	<ul style="list-style-type: none"> • Assurances are obtained from external bodies e.g. compliance with PSN. • Peer reviews • Engagement with LGA and encourage reviews
<p>Information Governance Group (IGG)</p>	<ul style="list-style-type: none"> • IGG develops and maintains an information governance framework for effective management of information. • Authority to decide/recommend operational matters around all aspects of information governance and reports to CGG. • Oversight of the Council's Cyber Security treatment plan.
<p>Capital Programme Board</p>	<ul style="list-style-type: none"> • Review of governance and risk management over major projects, for example Civic Quarter and Union Yard.

<p>Head of Paid Services</p>	<ul style="list-style-type: none"> • The Chief Executive carries the responsibility for the proper management of RBC and for ensuring that the principles of good governance are reflected in sound management arrangements. • Leads the Council's Management team in driving forward the Council's Strategic objectives.
<p>Monitoring Officer</p>	<ul style="list-style-type: none"> • Ensures compliance with established policies, procedures, laws and regulations. • Monitors ethical standards. • Reports actual or potential breaches of the law.
<p>Section 151 Officer</p>	<ul style="list-style-type: none"> • Develops a medium term financial strategy that is aligned with strategic priorities. • Safeguards public money • Promotes and deliver good financial management.
<p>Executive Leadership Team (ELT)</p>	<ul style="list-style-type: none"> • Implements the policy and budgetary framework set by the Council and provides advice to Committees and the Council on the development of future policy and budgetary issues and oversees the implementation of Council policy. • Influences a corporate culture and fostering a culture of high ethical standards and integrity. • Identifies and addresses cross cutting and strategic issues that may impact on the Council's control environment and risk.
<p>Corporate Management Team (CMT)</p>	<ul style="list-style-type: none"> • Responsible for developing, maintaining and implementing the Council's governance, risk and control framework. Including maintaining service risk registers. • Contribute to the effective corporate management and governance of the Council. • Provide assurance statements for the governance arrangements within their services which inform the Local Code of Corporate Governance and the AGS. • Performance Management
<p>External Audit</p>	<ul style="list-style-type: none"> • Audit/ review and report on the Council's financial statements (including the Annual Governance Statement), providing an opinion on the accounts and use of resources, concluding on the arrangements in place for securing economy, efficiency and effectiveness in the use of resources (the value for money conclusion).
<p>Internal Audit</p>	<ul style="list-style-type: none"> • Provides independent assurance and annual opinion on the adequacy and effectiveness of the Council's governance, risk management and control framework. • Delivers an annual programme or risk-based audit activity. • Makes recommendations for improvements in the management of the Council's risk, governance and control environment.
<p>Property Investment Advisory Group</p>	<ul style="list-style-type: none"> • Oversees the Council's commercial property.

Key Governance Changes

Financial

Following an update to the MTFS the Council was aware it was facing a difficult financial situation going into 24/25. While the Council was able to set a balanced budget with the use of reserves for 23/24 there is a £19.152 million deficit over the MTFS term and without significant mitigation in 24/25 the Council will not be able to set a balanced budget in 25/26. A Financial Resilience Plan was developed to address the challenge. To achieve this the budget will require the implementation of cost reduction, efficiency savings and capital receipts to reduce capital costs whilst drawing down reserves.

The development of the Financial Resilience Plan, management and delivery of the short-term savings will require additional capacity from a range of specialisms and experienced professionals to compliment the current officer capacity. It is vital the Council does not lose sight of its core purpose delivering services in business as usual.

The Outcomes Based Budget work which commenced in 2022/23 to address the Council's funding gap is continuing to be implemented.

The Chartered Institute of Public Finance and Accountancy (CIPFA) was engaged in Quarter 4 as a critical friend to support the Council by providing constructive challenge, advice, and insight, as appropriate, through a financial resilience review with the formal report due in May 2024. The review focused on 5 key areas:

- Financial Management/Sustainability: An assessment of the Council's financial management and management of risk, financial pressures, deliverability of savings plans and efficiency in delivering services.
- Commercial Assets/Debt: An assessment of the Council's assets and investments including dependence on commercial income, debt costs and other risks.
- Capital Programme/RHL: An assessment of the Council's capital programme and management of related risks including arrangements with the wholly owned RHL and recommendations on how the Council could use the proposed new flexibilities to address its financial challenges.
- Governance: An assessment of the Council's governance/management processes, leadership, operational culture, whether it has the appropriate governance procedures in place, and the capability and capacity to make any necessary transformation.
- An Improvement Plan: Recommendations to provide the Council with tangible actions to guide design, and implementation of an Improvement plan to address identified risks and issues. Assist in the development the improvement plan.

Political changes and developments in Member briefing and engagement

There have been various political changes during 2023/24 including:

- A reduction in the size of the conservative majority
- The Leader of the Council stepped down and a new Leader was appointed
- Changes to the portfolio structure and portfolio holders
- An additional Member joined the Cabinet

Due to the changes in 23/24, it was recognised that there was less experience across Cabinet Members which resulted in increased briefings being needed. In addition to this, training has been carried out for Members across various topics to strengthen the quality of decision making.

Significant Cross party working was undertaken during 23/24 including on the leisure and cultural hub, Union Yard and the crematorium refurbishment project. All Member briefings have also been carried out and written updates provided to ensure consistent communications to all Members.

The Elections Act 2022 introduced changes to the UK electoral system which impacted the Council's delivery of elections, including the following:

- Voters now need to show photo ID at polling stations.
- Voters can apply online to vote by post and proxy and must prove their identity.
- Voters cannot hand in more than five postal ballots to the Council.
- People cannot act as a proxy for more than two voters (or four if this includes two who live overseas).
- Overseas voters can now register to vote no matter how long they have lived outside the UK.
- There are increased accessibility requirements for polling stations.

Staffing

Due to the financial issues the Council is facing the senior management team was restructured and reduced in the year. Since the Executive Head of Finance/ S151 Officer left in 2022 the Council has had two interims. In September 2023 a permanent Executive Head of Finance/ S151 Officer was appointed providing more consistency in this statutory role for the Council. A dedicated Head of Regeneration and Development was also appointed reflecting the Council's regeneration priorities. The overall workforce size has reduced from 271 (243 FTE) in 2022 to 247 (220 FTE).

The recruitment environment continued to prove challenging for some services needing to recruit to vacant posts, particularly for professionally qualified roles in property and legal services. This in turn has an impact on the delivery of some services and projects.

Joint working has been carried out with service managers and the Corporate Management Team (CMT) aimed at developing various leadership skills and awareness, including political awareness, and deeper consideration of decision-making processes.

Following the hybrid working introduced during covid the different model of working with reduced physical customer access via walk in but improved access through appointments, telephone and digital channels has continued to work effectively and governance processes have also continued to work as part of the new model.

External Audit

The government has proposed that all outstanding external audit of accounts prior to 23/24 would remain unaudited and published on the website with a national disclaimer explaining the situation. The next audit of accounts will be carried out in the Autumn of 2024.

External environment/ stakeholder engagement

Strategic relationships have been developed to acquire knowledge and enable influence including:

- DCN Chief Executive Group,
- Chair the SE Asylum Disposal Accommodation Board with Home Office colleagues,
- the County Chief Executive's Group
- Peer challenge visits
- With the NHS, Hampshire Public Health and other health providers including Frimley Integrated Care Board and Integrated Care Partnership.

It has been recognised that whilst majority of partnerships are working well with external stakeholders engagement with Hampshire County Council is not as effective as it has been in the past with particular pressures relating to HCC's budget reductions. Despite this a joint regeneration and growth partnership is to be considered and council officers work hard to maintain critical relationships with key officers across the County Council.

Union Yard has been one of the Council's biggest projects with increased risks involved given the rapid changes to the external financial conditions. The project delivery has remained on track and the scheme will open as planned in 2024. The economic environment does mean that other planned regeneration activities and projects will need to be carefully considered during 24/25.

The Corporate Governance Group has reviewed the seven characteristics from the Governance Risk and Resilience framework from the Centre for governance and scrutiny to assist with identifying any areas of improvement for governance across the Council. This is currently being compiled for review by ELT.

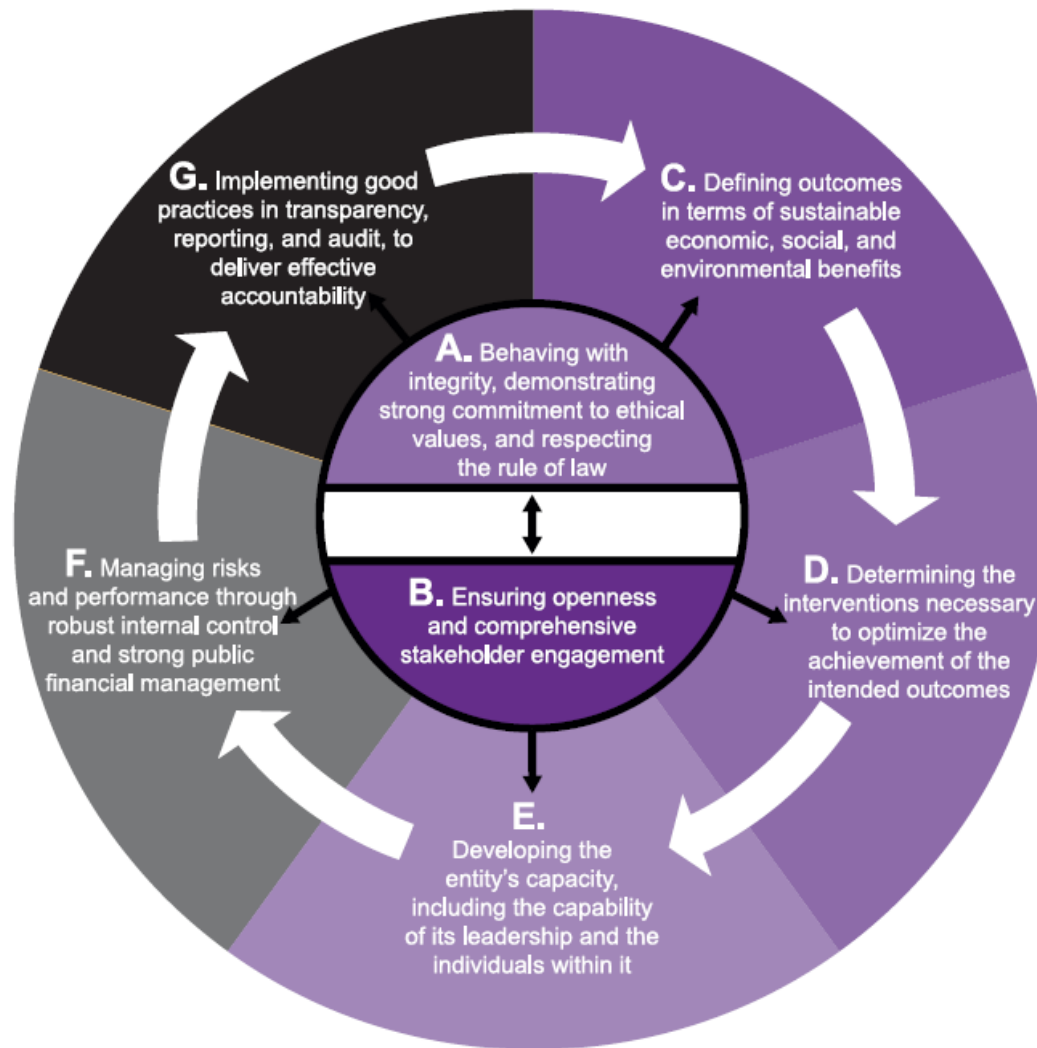
How does the Council monitor and evaluate the effectiveness of its governance arrangements?

The Council reviews the effectiveness of its governance arrangements annually. The key sources of assurance that informs this review are:

- The work of the Corporate Governance, Audit and Standards Committee (CGAS), Members and Senior Officers of the Council who have responsibility for good governance, as set out above in the diagram showing the overview of the Council's corporate governance framework.
- A statement of assurance is obtained from Heads of Service to confirm the governance arrangements in place within their service and any actions to be included within the AGS.
- Risk management reports and the corporate risk register is maintained and scrutinised by Corporate Management Team (CMT) quarterly and subsequently communicated to CGAS, the Corporate Governance Group and Cabinet.
- The Audit Manager's update reports on the internal audit activity, which provides an independent assurance that Governance, Risk management and internal Control is in place and provides an opinion on the effectiveness of these arrangements.
- Half yearly updates to the CGAS Committee monitoring the work carried out towards the governance actions identified in the previous year's AGS.
- Any comments made by External Audit or other external reviews.
- Internal Corporate Governance Group provides assurance over the governance arrangements within the Council.

What are the key elements of RBC's Governance Framework?

The Council aims to achieve good standards of governance by adhering to the seven core principles, detailed below, which form the basis of the Council's code of Corporate Governance:



The following pages provide a summary of actions and behaviours taken by the Council in relation to each of these seven core principles and associated sub principles.

PRINCIPLE A

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Sub principles	Demonstrated by
<p>Behaving with integrity</p>	<ul style="list-style-type: none"> • A code of conduct is in place for both Councillors and staff, both are contained within the Council’s constitution. The codes outline the ethical standards and behaviours to be adopted and observed by elected Members and officers to ensure that Council business is conducted with fairness and integrity. In addition to this the Council has a protocol for Member/Officer relations. There are processes in place to ensure that Members and Officers are adequately trained in matters relating to the Constitution. • A Member Constitution review group is in place to assist and review the Constitution as and when required. • The Council also has in place various policies, procedures and guidance including HR policies, Anti-fraud, Acceptable Use of IT, Declarations of Interest, and Gifts and Hospitality. All colleagues are made aware of any new policies or changes and training is provided as necessary and the Council has commenced a programme to ensure policies are reviewed on an annual basis. • Specific legal and regulatory requirements and/or Standards and Codes of Practice are maintained by staff for Membership of relevant professional bodies, including continuing professional development. • Where necessary the Council collaborates with other professionals for advice and guidance. For example, the Council appointed external professional advice from solicitors to support the legal work around property and construction for regeneration of Aldershot and Farnborough town centre. • Records of Executive Decision to evidence delegated authority are maintained. • A register of Member interests is published on the Council’s website to ensure that any conflicts of interests are open and transparent. Furthermore, these are reviewed by the Corporate Governance Group on an ad hoc basis. • The Corporate Management Team has responsibility to ensure that decisions are made properly and that these are monitored by the Governance Group and Deputy Monitoring Officers. • Financial reports are reported to relevant committees.
<p>Demonstrating strong commitment to ethical values</p>	<ul style="list-style-type: none"> • The Council has established a Governance Group, which includes the Monitoring Officer, Deputy Monitoring Officers, the Chief Financial Officer, the Assistant Chief Executive, IT Service Delivery Manager, the Information Governance Officer and the Audit Manager, to ensure that the Council works within its rules and that the necessary governance provisions are followed, and associated guidance, advice and training is provided. • The Council has adopted a Corporate Values and Behaviours Framework which sets out the attitudes and behaviours expected from staff. The four corporate values are Collaborate, Innovate, Brave and Integrity. • Procurement processes are currently being reviewed to be made more robust to ensure high quality suppliers are selected and value for money is obtained. • The Member Development Group maintains a programme for Member training and development and the Council has secured the Charter for Member Development, managed by South East Employers. Re-accreditation was achieved in March 2020. Furthermore, specific training has been provided by South East Employers to the Overview and Scrutiny Committee on effective scrutiny.

	<ul style="list-style-type: none"> • Training has been provided to the Corporate Governance, Audit and Standards (CGAS) Committee to strengthen their focus. In addition to this an independent member has been appointed with an audit background to provide further support to the Committee and scrutiny of the Council’s governance arrangements. • Member training is provided for Members to support them in their roles, and they are encouraged to attend training including on good data management and information governance. Various training topics are provided to assist with a higher quality decision making. • A Champion for Equality and Diversity has been appointed for Cabinet and Equality & Diversity Action Plan has been put in place as an outcome from the peer review work.
<p>Respecting the rule of law</p>	<ul style="list-style-type: none"> • The Constitution sets out responsibilities within the Council. This is maintained by the Corporate Manager – Democracy together with the Governance Group, to ensure that the Council’s legal requirements are met, and the provisions are up to date. The last major review of the Constitution was carried out in 2019/20, and since then the Constitution has been updated on a regular basis as documents are reviewed and kept up to date. The Corporate Manager – Democracy maintains a schedule of updates made to the Constitution. During 2022/23 a Constitution Working Group considered a number of proposals for change to ensure that the Constitution continues to facilitate council business. On the recommendation of the CGAS Committee, the Council approved these changes and the adoption of a revised and updated Constitution in February 2023. • The Council has appointed the following officers as required: <ul style="list-style-type: none"> - The Head of Paid Service (Chief Executive) – Overall accountability for the governance arrangements operating within the Council - The Monitoring Officer – Ensures decisions taken are within the law and the Council complies with the provisions of its Constitution. - The Chief Financial Officer – Principal finance adviser to the Council and is responsible for the proper administration of the Council's financial affairs and financial control environment. • The Council’s in-house legal service identifies and advises the Council on key elements of the law and their application. External legal advice is sought where necessary, for example, on specialist areas of law and high value matters. • The Council has commenced a programme to ensure compliance with all the mandatory publication requirements of the Local Government Transparency code. The Corporate Management Team own the elements of the code which are specific to their services while the Corporate Governance group have oversight. • The Corporate Health and Safety team collate breaches and liaise with appropriate partner organisations and authorities e.g. HSE • The Council is compliant with the governments Public Services Network (PSN) and the Council is working towards completing the implementation of a Cyber Security treatment plan in line with the 10 steps guidance from the National Cyber Security Centre (NCSC), with work to enhance ransomware defences, backup solutions, cloud delivery, identity management, business continuity and incident management for cyber security. • The Council has in place a specific Data Protection Officer and breaches are reported to the Information Commissioners Office (ICO) as appropriate. • Successful Health and Safety prosecution in the public interest.

PRINCIPLE B
Ensuring openness and comprehensive stakeholder engagement

Sub principles	Demonstrated by
Openness	<ul style="list-style-type: none"> • The Council's policies and governance framework are published on the Council's website – this includes: <ul style="list-style-type: none"> – The Constitution – Agenda and reports for all meetings within the Council's decision-making framework – Cabinet work programme – Annual budget – Pay Policy and Gender Pay Gap Statements – Record of Executive Decisions – Information required under the Transparency Code – Annual Statement of Accounts • The Council's 3-year business plan is published on the council's website along with the monitoring of the actions towards the plan. • The Council regularly carry out consultations on major policy initiatives which is conducted in an open way with all consultations available on the Council's website. • Equality position statement reinforces how we will publish information to demonstrate compliance with the equality duty. • The Council has an up-to-date Freedom of Information Act 2000 publication scheme in place on its website with links to information and guidance for stakeholders. • The Council publishes the Arena magazine, to inform the community of the work and services carried out by the Council. • Contracts are managed with a partnership approach and decisions are made in an open and transparent way, including open book accounting processes.
Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> • The Council engages with institutional stakeholders on key aspects, for example the Council engaged with the Citizens Advice (CA) who produced a report on the cost of living in Rushmoor. • The Council regularly engages with other public services to a line our outcomes. • Regular informal consultation is undertaken with representatives of all public sector partners that have a presence or footprint within the Borough's area. • A statement of community involvement is published on the Council's website. • Formal and informal consultation is carried out with Members through a range of working groups. • As part of delivering regeneration projects and better use of assets there are regular interactions with organisations such as Homes England, Hampshire County Council, Enterprise M3 LEP, Defence Estates and major local landowners and appropriate services within the Council.

	<ul style="list-style-type: none"> • The Council adopted the Local Plan 2014-2032 on the 21 February 2019, which involved participation from numerous stakeholders. Details are published on the Council’s website. • A relationship management approach and system is in place. We now have an audit trail on contacts and have increased our levels of engagement through visits, meetings and working through partners. As part of the development of the Strategic Economic Framework strategic engagement to inform the framework was completed. • The Council supports the Prospect Estate Big Local (PEBL) • Re-negotiation of contracts based on open-book reviews for example on the Council’s waste contract, which has regular involvement from the Portfolio Holder, the Cabinet and other elected members.
<p>Engaging with individual citizens and service users effectively</p>	<ul style="list-style-type: none"> • The Council has invested in a range of traditional, digital, and social media channels to enable regular contact, engagement, and consultation with its key stakeholder groups, including customer feedback surveys, workshops, consultation items on the Council’s website and regular citizen consultation on both Borough-wide and place specific issues. There has been extensive consultation for the regeneration function including direct mailshots, public exhibitions, group meetings and presentations. • The new Council’s website has been launched, which was informed by resident engagement and feedback on the old website. • We have effective arrangements in place to communicate and consult with relevant key stakeholders where appropriate and to fully consider/ use their feedback and/or complaints to help inform decisions. Furthermore, following a Peer Review the Council has established a process for undertaking regular citizen consultation on both Borough-wide and place specific issues. • The Council has actively engaged with the local community in the development of major regeneration projects across Aldershot (Union Yard) and Farnborough (Civic Quarter) via the Rushmoor Development Partnership through digital channels and drop-in sessions as part of the planning pre-application process. • Working with Ukrainian refugees who have arrived in the Borough since March 2022 to shape the offer of the Council to support the Homes for Ukraine scheme. • Business engagement – the council seeks to engage directly with local businesses to ensure that there is an understanding of local business needs. Underpinned by the aims and objectives of the council’s Strategic Economic Framework, this engagement includes bi-annual business surveys, quarterly business forums with businesses and membership of/ regular engagement with, business representative organisations such as the Federation of Small Businesses and Hampshire Chambers of Commerce. A monthly business newsletter has also been developed to engage with local businesses and to provide a consultation mechanism. • Through the development of the Rushmoor Cultural Strategy and in its enabling role in seeking to increase arts and cultural engagement in Rushmoor, the council also engages with arts organisations, creative practitioners and artists directly. This has included consultation on the Rushmoor Cultural Strategy itself. • The Council has facilitated a cost of living workshop with key partners to understand the level of impact on residents, and identify where we can support and collectively make the biggest difference.

- The Community & Partnerships team have visited several warm hubs and food banks across the borough to talk to local people and organisers and see where can provide further support. In addition, we have shared cost of living information/where to get help on the website and provided leaflets and other information at local GP surgeries, libraries, and job centres.
- The Cost of living continues to be a regular agenda item for the Supporting Communities working group.
- Examples of consultation exercises carried out during 2023/24 included:
 - Cove green recreation ground playground
 - Aldershot and Farnborough markets consultation
 - Residents' survey
 - Tennis Courts in Rushmoor Park consultation
 - Polling districts and polling places review
 - Council Tax support scheme for 2024/25
 - Community safety survey
- A scheme is in place within the Council's Constitution to have public participation at Member meeting. Therefore, meetings of the Council and its Committees are open to members of the public to attend, with agendas and minutes being publicly available on the Council's website.
- Principle Committee meetings are webcasted to engage with stakeholders via different mediums. Full Council is the only meeting which is not webcasted.

PRINCIPLE C

Defining outcomes in terms of sustainable economic, social, and environmental benefits

Sub principles	Demonstrated by
Defining outcomes	<ul style="list-style-type: none"> - The Council's plan has been developed with a 10 year 'vision' and a 3-year rolling business plan with objectives to assist with the achievement of the vision. The plan is shown on the council's website along with the monitoring of the actions towards the plan, which is updated and published on a quarterly basis. The results of the Residents Survey 2021 were considered as part of the 'evidence base' for the Council Plan 2022-25. A Regeneration & Major Projects Programme is established and aligns to the Council Plan. - The Council plan draws upon key strategic documents which underpin the Council's work. The key strategies and plans are monitored, and performance reported to Cabinet on a half yearly basis. The key strategies and plans include: <ul style="list-style-type: none"> - Climate change action plan 2020-2030 - Supporting communities strategy and action plan - Equality, diversity and inclusion action plan - The local plan - Strategic economic framework - Joint municipal waste strategy - Procurement strategy - The People Strategy - Green infrastructure strategy - Farnborough Town Centre strategy - Strategies and plans currently in development include: <ul style="list-style-type: none"> - Communications and Engagement strategy - Cultural Strategy - The following strategies and plans have been developed since the last AGS: <ul style="list-style-type: none"> - Car Parking Strategy - Customer, Digital & Technology strategy - UK Shared Prosperity Fund Investment Plan - Aldershot Town Centre Strategy - Housing and Homelessness Strategy - To realise the delivery of the Council's priorities in line with the Council Plan the Council has developed a People Strategy which encourages the development of all our staff, ensuring that people are developed to realise their potential, that people are engaged and feel valued and supported, as well as the Council being an employer of choice. Underpinning these four themes are a number of outcomes which in turn leads to actions. These actions are reviewed and discussed every sixth months with the Transformation, Task and Finish Group. An example of these actions includes the development and launch of the Council's Values and Behaviours, a Service Manager Leadership Programme, supporting 13 apprentices to

	<p>gain qualifications, encouraging regular feedback with the Engage 24/7 survey, launching a Menopause Framework for staff and encouraging more flexible working arrangements for staff as well as holding a Staff Showcase.</p> <ul style="list-style-type: none"> - Following comprehensive resident and stakeholder consultation, the Council developed its priorities and measures of success with Members in a range of ways including discussions with individual portfolio holders, the Cabinet and the Policy and Project Advisory Board. - To ensure a balanced budget for the 23/24 financial year the Outcomes Based Budgeting (OBB) approach was adopted. Governance was established to monitor the savings and reported regularly to the Corporate Management Team and Budget Strategy Working Group. In addition, section reporting on a risk-based approach was included in the quarterly financial monitoring report to Cabinet. - Governance arrangements have been clearly set out for Rushmoor Homes Limited (RHL). There is proper management of Board reporting and relationship with Council. <ul style="list-style-type: none"> o Service business plans are maintained and linked to the corporate plan to define the key areas for the service to deliver on within the year.
<p>Sustainable economic, social and environmental benefits</p>	<ul style="list-style-type: none"> • A template is in place for the Council’s reports to Cabinet which require the consideration of business, Strategic, Economic, Legal, Financial and Equalities impact of the decisions being made and how decisions are to be made. All reports requiring executive decisions (except those exempt) are accessible via the Council’s website. (Records of Executive Decisions) • A PESTLE analysis was carried out in order to contribute to the 10-year Council vision and rolling 3-year plan. This looks at how external moves will impact on the Council’s plans and objectives. The Council’s Policy and Performance team monitors place and organisational data to support the work. • Service and Project risk registers are regularly updated. Where necessary service level risks are submitted for inclusion on the Corporate Risk Register. Discussion of the corporate risks, including new risks identified are discussed quarterly at CMT. Services update their risk registers monthly via the central record for risk registers. • The Council has adopted and implemented the Local Plan 2014-2032 (adopted 21 February 2019). Details are published on the Council’s website. Consultation was undertaken, and a proactive role was undertaken to engage as many residents and stakeholders as possible. Feedback from the consultation informed the submission of the Local Plan. Social, environmental and economic evidence was obtained to inform the development of the Local plan. The Local Plan is the basis together with the National Planning Policy Framework and associated guidance of all development decisions and therefore all decisions are informed by the consultation and evidence at a strategic level and assessed as to how they meet these requirements based on the specific application. • In July 2023, members of the council's Cabinet approved a new Climate change plan and agreed to the council's Carbon footprint being published and monitored. • The Rushmoor Development Partnership is currently working with the Council to finalise the legal agreements required before the planning permission for the Civic Quarter Scheme can be issued. The company is not currently working on a live development

	<p>project. The Council is looking at a range of options to move the Civic Quarter project forward, one of which includes the RDP. Currently, the approved scheme is not fully viable due to the infrastructure costs including those associated with the proposed highway works. The Council is discussing the situation with Homes England with the hope of securing infrastructure funding that would enable the project to proceed.</p>
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PRINCIPLE D

Determining the interventions necessary to optimise the achievement of the intended outcomes

Sub principles	Demonstrated by
Determining interventions	<ul style="list-style-type: none"> • Arrangements are in place to ensure all options are considered before decisions are taken and service changes implemented. External / independent expertise is often used if the decision is of a complex technical nature. An example of this being the use of external experts for the Council's Union Yard Regeneration Project. • The Overview & Scrutiny Committee considers the effective delivery of Council priorities and recommends interventions and remedies as appropriate. • Consideration of alternative courses of action for all decision making is undertaken. • The Corporate Governance Group consider legal/constitutional issues associated with decision making.
Planning interventions	<ul style="list-style-type: none"> • At service level, priorities and objectives are encouraged to be SMART and these are underpinned by plans and, for major projects, there is significant emphasis on effective project management. The Council is investing in additional project management resources to ensure this. • The Corporate Manager -Legal Services is engaged in wider discussions with client teams on options for resourcing larger legal projects and higher profile actions to ensure these are resourced as efficiently as possible e.g., making use of the EM Lawshare framework discounted rates; considering alternatives to prosecution; considering the terms of a Public Space Protection Order; resourcing and managing external legal support for the regeneration projects.
Optimising achievement of intended outcomes	<ul style="list-style-type: none"> • Arrangements are in place to monitor operational and financial plans, priorities, KPI's, quality and targets and to report on progress, e.g. quarterly monitoring, budget monitoring. • The Council has several key partnerships with other local authorities and stakeholders in order to optimise the achievement of the Council's corporate plan. • The Council has in place more significant arrangements for project development, both internally and through the Member decision making structure. This has been achieved through the revised Member structure to include the following: <ul style="list-style-type: none"> - Corporate Governance, Audit and Standards (CGAS) Committee, with specific roles to ensure effective governance - The Property Investment Advisory Group (PIAG) provides early consideration of projects prior to submission to the Cabinet. This group is supported by LSHIM who provide market-based assessments of acquisition, disposal, and asset performance. - The Overview and Scrutiny Committee is undertaking both pre- and post-decision scrutiny on a range of issues and projects. Examples of work undertaken by the Committee during 23/24 include: <ul style="list-style-type: none"> ▪ Public tennis courts

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| | <ul style="list-style-type: none">- The Regeneration and Major Projects Programme Board provides the oversight and key input into the delivery of projects and meets 6-weekly. Each project within the defined programme has an established resource structure across a number of disciplines within the Council to ensure the right course of action is taken.- The Rushmoor Development Partnership Board meets bi-monthly (every two months) to provide oversight and scrutiny of the projects being taken forward by the Joint Venture. The partnership is well governed by a partnership agreement, project plans and a decision-making structure culminating in a board made up of 50:50 public: private directors with reports to the Executive Director that are taken to Cabinet/Full Council as required. |
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PRINCIPLE E

Developing the entity's capacity, including the capability of its leadership and the individuals within it

Sub principles	Demonstrated by
<p>Developing the entity's capacity</p>	<ul style="list-style-type: none"> • The Council, where possible, collaborates with other authorities to share information and best practice and third parties, e.g. Hampshire & Isle of Wight Chief Executive group and subsequent groups. • CMT actively carry out reviews of their services and plans during the year. • The Council regularly makes use of 'benchmarking' exercises and other research to support corporate priorities and work. • The People strategy includes four themes which encourages the development of Council staff, ensuring that people are developed to realise their potential, that people are engaged and feel valued and supported, as well as the Council being an employer of choice. • The People team are currently carrying out work on 'succession planning' across the Council. • The Council engages external consultants when additional resources or specialist resources are required to ensure the effective delivery of its services or projects. • The Council regularly supports the attendance of both executive and non-executive councillors at the LGA leadership essential courses and weekend events across a number of topic areas including finance, climate change and equalities. • The Council had shadow cabinet roles in 2023/24.
<p>Developing the capability of the entity's leadership and other individuals</p>	<ul style="list-style-type: none"> • Arrangements are in place to ensure staff have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and are able to update their knowledge on a continuing basis e.g., CPD through attendance at seminars/conferences, mandatory training courses via the Council's E-learning modules etc. • Development reviews are carried out annually. Within these reviews, training needs are identified and communicated to HR in order to ensure individuals are provided with the training they require for their role and identify any Council wide training which may be required. • The Council has engaged in 'learning at work week' encouraging all staff to participate. • The Council has adopted a Corporate Values and Behaviours Framework, which sets out the attitudes and behaviours expected from staff. The four corporate values are Collaborate, Innovate, Brave and Integrity. • The Council is providing leadership programmes and apprenticeship leadership programmes to support the continued professional development of staff. For example, Wavelength and Frimley Health programmes. The Service Manager Leadership programme together with the senior team 360's, 121 coaching and development day are examples of leadership development, knowledge sharing whilst also strengthening collaboration. The annual development reviews and regular one to ones enable the Council to identify development and succession planning opportunities. The Council actively encourages the recruitment of apprentices and as well as promoting apprenticeship programmes to managers and staff. The Council is supporting 11 members of staff to gain apprenticeship qualifications. • Due to the Council working more commercially across services and the regeneration programme and other capital projects a wider range of skills was required which impacted on the required need from senior leaders and service managers. Therefore, the senior leadership team

was reviewed. The Executive Leadership Team (ELT) was broadened to provide a renewed focus on the Council's priorities at an Executive level and the Corporate Management Team (CMT) was broadened to include existing managers to contribute to the leadership of the organisation and improve the diversity of input to corporate decision making.

- The Council has introduced an Employee Assistance Programme to support health and wellbeing. Training courses are also offered for example a recent mental health awareness course through the Council's Occupational Health provider. Wellbeing weeks have also been introduced encouraging staff to participate, which have included a lunch time walk, a Menopause seminar and a choir session.
- Yammer has been introduced to encourage staff communication, promote Council initiatives, knowledge sharing and staff activities and information.
- The Council's constitution defines the statutory and distinctive roles of the Leader and other Councillors and sets out to whom decision making powers are delegated.
- The Member Development Group maintains a programme for Member training and development and the Council has secured the Charter for Member Development, managed by South East Employers. Re-accreditation was achieved in March 2020. Furthermore, specific training has been provided by South East Employers to the Overview and Scrutiny Committee on effective scrutiny. Various training topics have been provided to Members throughout the year to strengthen the quality of decision making for Members.
- The Council has a Corporate Governance, Audit & Standards Committee to provide a focus on all matters around corporate governance. The Committee has an independent member to assist with their roles and responsibilities as Members of CGAS.
- The Council subscribes to relevant professional bodies e.g., CIPFA publications

PRINCIPLE F

Managing risks and performance through robust internal control and strong public financial management

Sub principles	Demonstrated by
Managing risk	<ul style="list-style-type: none"> • Work will continue to ensure the risk management process is further embedded within the Council. Cabinet receives quarterly reports covering both performance and risk. Heads of Service update their relevant service risk registers monthly and record these on a central database. Any service risks which are appropriate for the corporate risk register are escalated to the Corporate Management Team (CMT) for further review and consideration. Bi-monthly the risk registers are reviewed by CMT. • Where risks materialise the risk register is updated or processes to respond to the risk are updated following lessons learnt. • Furthermore, risks are more specifically considered within activities and decision-making reports taken to Cabinet. • The Council takes into account risks that could impact on the Medium-Term Financial Strategy, using scenario planning to understand potential impacts. The Council maintains a General Fund balance to £2m, together with a number of reserves to manage financial risk. • Service and Project risk registers are managed and updated regularly. Risk registers for all major capital projects are presented as part of the Regeneration, Property and Major Works Board. • Internal Audit provides a risk-based audit plan and reports on the effectiveness of risk management to the Corporate Governance, Audit and Standards (CGAS) Committee. • In recent years pressure has been placed on the County Council, and some of this pressure has flowed through to Districts. This poses some risks at a social level and within the budgets for the Council. • An exercise was carried out in September 2022 to test the Council's Emergency response plan. The findings found that overall, the exercise was well managed, some recommendations were made to further enhance the response plan. The plan will be updated to reflect the recommendations made. A workshop was also carried out in October 2022 to review the Council's business continuity plan. • IT Disaster Recover business continuity service/ plans have been reviewed and updated – the work was linked to the DLUHC cyber security treatment plan 2021/22 – 2022/23. • A new Cyber Security Stance was presented to the Corporate Management Team (Oct 2021), setting out the threat of cybercrime, the councils technology stance, work plans and mitigations. In addition, all staff attended a specific 'phishing' training and awareness session. IT follows End User Device (EUD) guidance issued by National Cyber Security Centre (NCSC) when implementing security solutions and endpoint operating systems. Council IT infrastructure is audited annually, and results passed to NCSC for review and further guidance on actions to take to maintain compliance (including annual PSN assessment). Recently the Council has been awarded funding from the DLUHC to improve its Cyber Security arrangements. A new cyber security programme has been established. The Cyber Incident Response Plan has been developed, tested and updated within 2023/24. Priorities within this area include a review of the Councils supply chain, security policy refresh, further cyber awareness training, cloud strategy development and assessment of the governments new cyber assessment framework.
Managing performance	<ul style="list-style-type: none"> • Effective performance, financial and risk management arrangements are an integral part of all business activities, examples include: <ul style="list-style-type: none"> – Option appraisals/ risk assessment – Day to day business / performance / service business planning arrangements/ quarterly reporting – Projects and programme management

	<ul style="list-style-type: none"> - Contractual and third-party arrangements (including shared risks) - Business continuity plans are in place, tested and communicated to staff as necessary <ul style="list-style-type: none"> • The Council's management ensures day-to-day performance management is normal as part of the culture and through the Council's management teams there is a culture of robust challenge in place for all key decisions. • The creation and publication of the Council's 3-year business plan for 2022-25. The plan is published on the council's website along with the monitoring of the actions. • The Council has in place an Overview and Scrutiny Committee to encourage debate on policies, objectives and outcomes before, during and after decisions are made. They also review the quarterly monitoring of the Council plan.
Robust internal control	<ul style="list-style-type: none"> • All Rushmoor staff are responsible to some degree in the management of risk and adherence to internal controls in their day-to-day activities, from front line staff to Heads of Service (HoS), Executive Directors and the Chief Executive. Employees consider what might go wrong and take steps to reduce the likelihood or impact if it does by the use of internal controls. • Internal Audit provides an annual opinion on the effectiveness of the Council's governance, risk management and internal control environment. This assurance is obtained from involvement with relevant governance, risk management and internal review groups and outcomes from audit reviews carried out within the year. Details of these reviews and the annual opinion are reported to ELT and the CGAS Committee. • The Council, through the Audit investigate potential fraud, corruption and maladministration and provide effective counter fraud arrangements within the Council. • The Council carries out relevant external compliance checks e.g., Fire, safety checks etc.
Managing data	<ul style="list-style-type: none"> • Effective arrangements are in place for the safe collection, storage, use and sharing of data with other bodies, including processes to safeguard personal data in line with GDPR requirements. • An information Governance Officer is in place and work is currently underway to update the Council's Information Security policies. • Effective arrangements are in place for the disposal, storage of legacy IT equipment. All hard disk-based systems are erased to HMG Infosec Standard 5 prior to disposal using accredited partners. IT equipment is stored in a locked storeroom when not in use\awaiting disposal. • Information governance and data security e-learning modules are mandatory for all staff and Members on how to manage Council data. • Data breach logs are in place to record and enable review of breaches to ensure lessons are learnt and relevant action taken to prevent further breaches. • Data validation is an ongoing process and there are a number of year-end validation processes carried out particularly around the financial systems. • The Finance Manager (deputy S151 officer) is member of Information Governance Group. • The Executive Director is the Council's SIRO.
Strong public financial management	<ul style="list-style-type: none"> • There are effective mechanisms in place for financial planning, budgetary control and reporting, including the management of financial risk. • External Audit review and report on the Council's financial statements providing an opinion on the accounts. • The Council is developing its programme to ensure compliance with the CIPFA Financial Management Code.

PRINCIPLE G

Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Sub principles	Demonstrated by
Implementing good practice in transparency	<ul style="list-style-type: none"> • Agendas and minutes of Committee meetings are publicly available on the Council's website. • An Overview and Scrutiny Committee is in place to monitor and review performance, review and/or scrutinise decisions proposed to be made, review policy and strategy with a view to securing continuous improvement. • The Council has commenced a programme to ensure compliance with all the mandatory publication requirements of the code. The Corporate Management Team own the elements of the code which are specific to their services while the Corporate Governance group have oversight. • On the Council's website there is a Freedom of Information Act page to enable members of the public to have access to all recorded information held by the Council. • Committee meetings, where possible, are open to the public for contribution and attendance. • Decisions are recorded and published on the Council's website. • The Council seeks peer reviews in line with the risk framework and implements recommendations made to strengthen the Governance, Risk and control environment. A peer review is due to be carried out in the next financial year.
Implementing good practices in reporting	<ul style="list-style-type: none"> • The Annual Statement of Accounts is published on the Council's website to give clear information on the income and expenditure of the Council. • The Council publishes an Annual Governance Statement in order to report how we have monitored the effectiveness of our governance arrangements in the year and any planned changes in the coming year. • The CGAS Committee reviews and approves the Annual Statement of Accounts and the Annual Governance Statement. • Performance is reported quarterly on a range of indicators, comparing some items with other Local Authorities and public sector bodies. A new performance management framework has been established for use by both Members and Officers. Performance progress is regularly reported on and communicated at Cabinet on a quarterly basis. • Reporting arrangements for RDP/Housing Company have been put in place. Regular update seminar through the Policy and Projects Advisory Board. Formal monitoring reports are provided every six months to the Council's shareholder and the Chief Executive. The Chief Executive will enable consideration of these reports by the Council's Overview and Scrutiny Committee on progress and the CGAS Committee on any governance matters.
Assurance and effective accountability	<ul style="list-style-type: none"> • The terms of reference and working arrangements of the CGAS Committee focus on ensuring transparency and effective audit of processes. Furthermore, an independent member has been appointed with specialist skills in audit to assist with the CGAS Committee. • There are arrangements in place for ensuring all agreed actions from peer reviews, internal audit, external audit, or other inspectorate work are implemented by Management. Work continues towards implement the actions from the peer review. • Risk based internal auditing provides ongoing assurance that the key risks are being managed.

How has the Council addressed the governance improvement actions from 2022/23 AGS?

The Annual Governance Statement 2022/23 contained the following key improvement actions. Updates have been provided throughout the year to the Corporate Governance, Audit and Standards Committee. Details of the latest update, on actions previously not reported as completed at the September Committee, are detailed below. Where actions are ongoing these will be carried forward into the 2024/25 action plan.

Governance Issue	Action	Current status
<p>Office 365 governance set-up</p> <p><i>(Information Governance Officer and IT Services Delivery Manager)</i></p>	<p>The main aim of this to ensure that the Council's data is protected, retained and handled appropriately. When Office365 was implemented across RBC governance policies were not developed and applied which needs rectifying.</p> <p>Currently engaging with Silversands to provision a set of activities for a Data Protection Pilot to help focus on how to control sharing of a sample data set stored in Office365, assisting in the definition of internal policies providing technical advice and design of technical controls to implement agreed policies. In addition to provision a set of activities for an Information Governance Pilot that will help to focus on retention requirements for a sample data set from the pilot department which will assist in the development of a corporate retention policy and to map this policy to technical controls available in Office365.</p> <p>Outcomes of these pilots can then be assessed and applied across the rest of RBC, if agreed.</p>	<p>Data Protection pilot with People Team completed in 2023. The outcomes of the pilot have been fully assessed and the item was discussed at CMT in April 2024, with the aim of taking the Office 365 and a data protection wider project forward. The project will need to be carefully resourced and managed and consideration to capacity and/or external assistance.</p> <p>COMPLETED</p>
<p>Ensuring comprehensive compliance around cyber security in line with the guidelines provided</p>	<p>Enhancing our Cyber security Strategy and formalisation of a cyber security action plan. This is being actioned by the Cyber Security Treatment Plan.</p>	<p>This continues to progress. This will remain an ongoing task as cyber security and guidelines are continually being updated.</p>

<p>by the National Cyber Security Centre.</p> <p><i>(Head of IT)</i></p>		<p>Mitigations in place are robust and it remains as a high risk on the corporate risk register where the situation is regularly appraised. Therefore, this has now formulated into business as usual.</p> <p>COMPLETED</p>
<p>External Audit to complete work and sign off 2020/21 and 2021/22 accounts. (Executive Head of Finance and S151 Officer)</p>	<p>The Interim Executive Head of Finance will ensure that the necessary information is provided to the external auditors to enable them to finalise their opinion for the 2020/21 and 2021/22 accounts.</p>	<p>The government has proposed that all outstanding external audit of accounts prior to 23/24 would remain unaudited and published on the website with a national disclaimer explaining the situation. The next audit of accounts will be carried out in the Autumn of 2024.</p> <p>COMPLETED</p>
<p>Lack of robustness for the response to FOI requests resulting in the ICO judging against the Council due to lack of prompt response rather than the actual decision made not to provide certain information.</p>	<p>Check if automated processes can be introduced and alerts to Service Managers/Heads of Service to avoid missing statutory deadlines.</p> <p>Review the current system for logging FOIs and check whether it can be more robust (assuming no additional budget for 2023/2024)</p>	<p>The initial scoping of work has been completed with the full work programme of moving to MS lists later in the year (September 2024 onwards).</p> <p>PROGRESSING</p>
<p>Ensure that all mandatory and statutory training for Elected Members and all staff is undertaken in a timely manner and regularly reviewed to ensure that it is maintained and up to date.</p>	<p>Elected Member induction training programmes will be provided during the first year of a new Member's office to ensure all basic induction training is undertaken and specific training is tailored according to the Members designated roles and identified needs.</p> <p>Established Members needs will be assessed will be reviewed and provided as required.</p> <p>Staff annual mandatory training will be facilitated by the People Team who will record completion rates and report to CMT. Any further compliance actions required will be the responsibility of CMT members to address.</p>	<p>Mandatory Induction Training for Councillors took place during May 2023 and September 2023 with core essential training delivered as a priority early in the civic year. This is in addition to a range of seminars and other learning and development activities that councillors have participated in during 2023/24.</p> <p>Mandatory staff training completion rates are reported to CMT.</p> <p>COMPLETED</p>

Governance issues identified for action in 2024/25

The review of the effectiveness of the Council's governance framework has identified the following actions that will need to be addressed during 2024/25, excluding the actions carried forward from 2022/23 as detailed above. The progress against these actions will be reviewed by the Corporate Governance Group and regularly reported to the Corporate Governance, Audit and Standards Committee.

Governance Issue	Action	Target date	Lead Officer
Changes to political control	Following the changes in political control in May there are likely to be shifts in priorities which may require existing governance arrangements to be reviewed. This will be taken forward by the ELT supported by the governance group.	September 2024	ELT
	Existing arrangements will have new appointments and training and briefing will be required for new appointees to be able to undertake governance roles effectively	As soon as practicable in new Civic year	MO/ELT
Governance actions arising from the CIPFA review.	The governance actions which transpire from the CIPFA review will be actioned accordingly.	TBC when actions from the report agreed	ELT
CIPFA Financial Management Code	A self-assessment against the CIPFA Financial Management Code will be carried out.	September 2024	Peter Vickers, Executive Head of Finance & S151 Officer
	The actions resulting from the self-assessment will be carried out to ensure compliance with the code.	September 2025	
Seven characteristics of good governance review	A self-assessment against the seven characteristics of good governance has been carried out by the Corporate Governance Group. Actions arising from this review will be taken forward to improve any governance gaps.	TBC when actions agreed	Corporate Governance Group

Certification

To the best of our knowledge, the governance arrangements, as defined above and within the Council's Code of Corporate Governance, have been effectively operating during the year with the exception of those areas highlighted on page 28 above. We propose over the coming year to take steps to address the above matters identified above 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 during the year and as part of our next annual review.

Signed:

Gareth Williams
Leader of the Council

Paul Shackley
Chief Executive

Date: xxx 2024

xxx 2024