

**FAREHAM**  
BOROUGH COUNCIL

# **Annual Governance Statement 2015/16**

**Fareham Borough Council**  
**Civic Offices, Civic Way, Fareham PO16 7AZ**

# Scope of Responsibility

Fareham Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Fareham Borough 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, Fareham Borough Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Fareham Borough Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*.



A copy of our code is on our website at:

<http://www.fareham.gov.uk/about-the-council/strategies/policydocs.aspx>

This statement explains how Fareham Borough Council has complied with the code and also meets the requirements of the Accounts and Audit (England) Regulations 2015, regulation 6 (1b) which requires all relevant authorities to prepare an annual governance statement.

# The Purpose of the Governance Framework

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

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the authority's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Fareham Borough Council for the year ended 31 March 2016 and up to the date of approval of the Statement of Accounts.

## The Governance Framework

The key elements of the systems and processes that comprise Fareham Borough Council's governance arrangements are summarised in this document.

# Community Communication

The Council's approach to communication is set out in the Communications and Engagement Strategy which is monitored and updated regularly. We are seeing a consistent growth in followers on social media channels like Facebook and Twitter which give us ways to have informal two-way conversations with a wider range of people. We also use the Council Connect stand in the Town Centre to display a range of material on targeted themes throughout the year.

The Council has a Public Relations, Marketing and Consultation Team who coordinate and undertake community consultations using a variety of methods. These include an e-panel of nearly 2000 residents. In 2015/16 we stopped carrying out a biannual survey of a sample of residents.

Instead we now have a more personal conversation with a sample of residents who have used a key service in the year which allows us to pick up improvements and what matters to our customers. The Team encourages all departments to seek advice on the best communication methods to be used for events and information, and when our equality objectives need to be considered, to ensure our approach is consistent.

Meetings are held in the community when there is a need to focus on hot topics of interest to that neighbourhood.

The Team also work with the media to convey important messages.



# Council's Visions and Objectives

The Council's purpose and objectives are often affected by changes in legislation and government. However, we use the information from our communication channels to put these into a local context and identify local priorities.

A "Big Picture" report covering the hot topics in the Borough and what people are talking about using social media or other sources is reviewed every six months by the Chief Executive's Management Team.

This includes analysing any changes in demographics in the borough which may influence what our priorities should be.

The Leader of the Council chairs discussions at the summer Community Action Team meetings around the borough each year on the Council's vision, objectives, achievements and priorities.

Our Corporate Strategy 2011-2017 describes an overall vision for the Borough and sets out



our priorities for improvement over a six-year period. This is updated and reviewed by the Executive annually and is available on our website.

<http://www.fareham.gov.uk/about-the-council/strategies/keystrategies.aspx>

A major refresh of the Strategy is in progress and is scheduled to be completed by April 2017.

## Change Management

The Council seeks to avoid complacency and continuously challenges the way it works. We are applying the 'Systems Thinking' approach throughout the Council to put the customer at the heart of the organisation's processes. We are seeking to embed this into our culture and

keep employees involved and informed about the process using 'show and tell' days. As new ways of delivering services are adopted, the employee structure of the service is also reviewed so that resources match the revised way of working.

# Service Quality and Value for Money

The Council is implementing a programme of cultural change which is leading to better quality and value for money services. We have been introducing 'Systems Thinking' into our services which redefines the purpose from the customers point of view and puts them at the heart of the processes we use to deliver them. In 2015 we were awarded a Bronze Improvement and Efficiency (IESE) award for this initiative.



During 2015/16 interventions have progressed in relation to Noise Pollution, the Housing Waiting List, Housing Voids Management and Insurance, resulting in improved customer experiences and faster service delivery.

We have Local Service Agreements( LSAs) in place which set out how well we are doing on delivering key services in line with our corporate priorities. They are updated annually and reviewed by the Chief Executives Management Team and the Executive. The LSAs include a list of key performance measures which are monitored

during the year and over years. These indicators are being revised as we determine what measures truly match the purpose of the service.

Internal audit and external inspections provide an independent layer of assurance on the services being provided.

The Council has a corporate efficiency plan which identifies cost saving actions. Extra actions, totalling £450k, were identified in 2015/16. The plan is being refreshed in 2016/17, in light of the latest financial settlement, to help us set a balanced and sustainable budget through to 2020.

The Council continued to jointly buy goods and services with other Councils, and build upon successful services delivered jointly with other local authorities. In 2015/16 we have also been working with neighbouring councils in relation to corporate procurement processes.

The Council has been proactive in launching a transparency portal on its website, as linked below, which provides information and data about the way it is being run. This gets regularly updated.

<http://www.fareham.gov.uk/about-the-council/financial-information/intro.aspx>

# Member and Officer Roles and Responsibilities

The Council's Constitution sets out:

- How the Council operates.
- The roles, responsibilities and relationships between the different Council committee.
- The roles of Executive Members, Committee Chairmen, Ward Councillors and Chief Officers.
- The functions, responsibilities and post holders of the statutory officers: Head of Paid Service, Monitoring Officer and Chief Finance Officer.

A member / officer protocol lays out how communication is effected between the two roles. The Constitution documentation continues to be reviewed to keep it as a

single reference source that meets the needs of its users. A member and officer working group meets periodically to review the content. During 2015/16 the Standing Orders for the Appointment, Dismissal and Discipline of Employees and the Code of Conduct for Members were updated and approved by the Council.

There is a designated post which covers the Monitoring Officer responsibilities. The post holder keeps apprised of changes in the requirements by attending appropriate courses and the Council subscribes to a national service to obtain advice as necessary.

## Decision Making

The Constitution sets out how different types of decisions are made including who has the responsibility for making them and what procedures should be followed. The Monitoring Officer and Chief Finance Officer maintain their legal responsibilities to ensure that the Council acts legally and within its financial means. Meetings are held in public except where personal or confidential matters are being discussed. The Forward Plan highlights any 'key decisions' due to be made. The Scheme of Delegation sets out when and how the Executive, portfolio holders and officers can make Executive decisions. There

are also schemes of delegation for the Planning Development Control and Licensing and Regulatory functions. Where partnerships have been developed with other agencies, decision making powers and delegated powers are documented and presented to members.



# Risk Management

The Council has a Risk Management Policy which seeks to embed risk management into the everyday workings of the Council. A further review is in progress to apply System Thinking to the process. The arrangements are tested every three years by internal audit. The last review was in 2013/14 and there were no major findings. A Central Risk Directory identifies the links between the corporate priorities, significant projects, top risks managed by Heads of Service, all of which contribute to a single Corporate Risk Register. The Corporate Risk Register is owned and monitored by the Chief Executive's Management Team and reviewed by the Audit and Governance Committee. A major review of insurable risks has been carried out which resulted in some changes to the way and what insurance cover we purchase, and how claims are managed.

## Codes of Conduct

In accordance with the Localism Act 2011 we have a Code of Conduct which sets out the behaviours expected from our members, and we have arrangements in place to deal with matters of ethics, honesty and member conduct. The Code of Conduct was revised in 2015/16 to make it easier to read and consistent with other authorities in Hampshire, in order to assist those Councillors involved with more than one body. A report is presented annually to the Audit and Governance Committee setting out the number of complaints received about member conduct. In addition, any breaches of code handled by the Monitoring Officer are reported at the next available meeting.

The Council's Code of Conduct and Disciplinary Rules and Procedure aims to maintain appropriate standards of conduct at work by employees. It ensures that employees are treated fairly and supports an appropriate culture and working environment, through fair and effective management of disciplinary matters. A review of the code is planned for 2016/17 to update it and simplify it for users. All new employees receive a copy of the code. Further arrangements, such as an electronic system where employees can register their interests, help ensure everyone is aware of the code. A revised policy on employee gifts and hospitality and interests has been drafted to meet the needs of the Bribery Act and will be finalised in 2016/17.

An audit of our ethics arrangements was carried out in 2015/16 which gave positive assurance that appropriate arrangements are in place to manage member and employee behaviours.



# Member and Officer Development

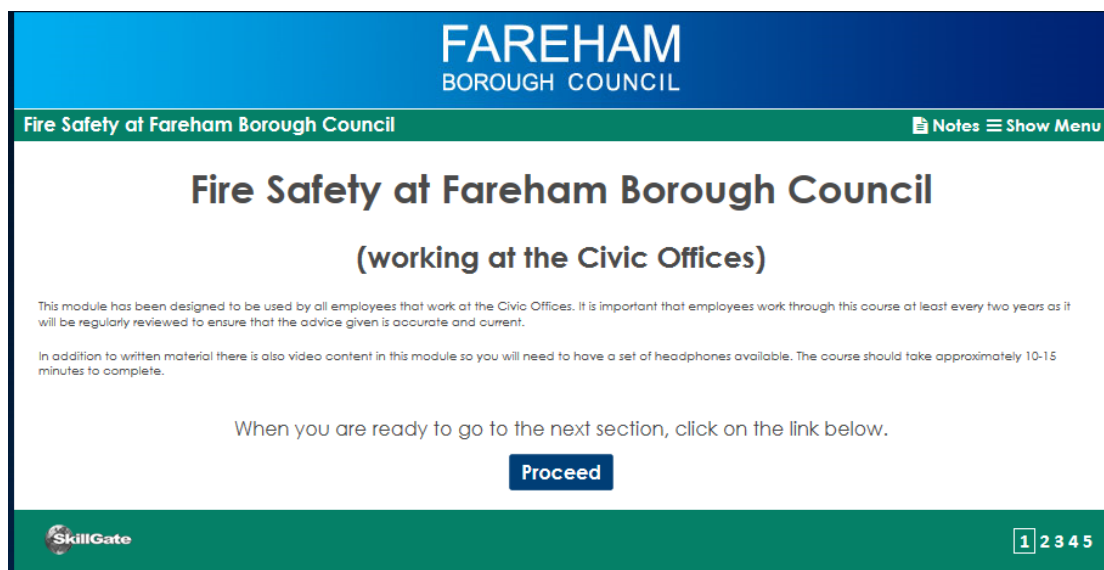
A modular induction and training programme is in place for members. The induction modules for new members are completed within a few months of being elected. During the year the member training plan was refreshed and a review completed of how well the new process is working for members. How well it works for new members will be further tested in 2016/17.



This programme is supplemented by specific topic briefings for all members. Five member training/briefing events took place in 2015/16.

Officer training & development is based around a simplified individual performance management process. There is a coordinated approach to the identification of the training needs of the organisation which helps us make the most of money spent on employee development and training. This was reviewed in 2015/16 and the process was made more flexible and agile to allow both forward planned and reactive training needs to be addressed.

The Council receives the benefits of an on-line training suite called Skillgate used by both members and employees. We have expanded our use of the authoring tool to create local courses when the generic course does not meet our needs. For example, in 2015/16 a fire safety training course was developed and rolled out to all employees.



# Financial Management

The Council has adopted an integrated approach to service and financial planning which allows for pressures and opportunities in service delivery to be considered and reflected in the financial plans of the Council at the earliest opportunity. The Council's Medium Term Finance and Treasury Management Strategies are updated each year and approved by Members.

Finances are monitored regularly through reporting and discussions with nominated budget holders, directors and the relevant portfolio holder. These meetings cover all aspects of service delivery that have a financial consequence.

Monthly summary financial information is published online for all Members and the public, showing actual performance against budgets for the year to date. This can be found at [http://www.fareham.gov.uk/pdf/about\\_the\\_council/councilport.pdf](http://www.fareham.gov.uk/pdf/about_the_council/councilport.pdf).

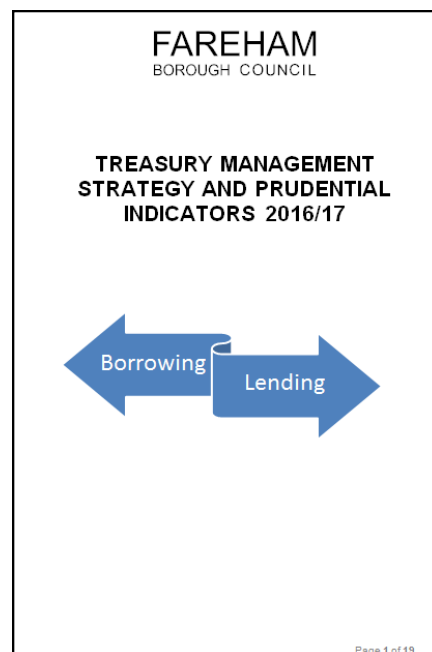
Periodic financial reports showing expenditure against budgets are prepared and presented to the Chief Finance Officer and Executive Members. These reports focus on services with high spend or which are subject to fluctuations.

Accountants are being developed to become business partners to the services they support and they meet periodically to share to

maintain knowledge of current developments and share experiences and ideas.

Quarterly reports on the Council's loans and investments are presented to the Chief Finance Officer, the Chief Executive Officer, and half yearly to the Council's Executive along with a set of indicators which measure the impact of capital investment decisions.

Treasury investments are made, having taken into account advice from the Council's treasury management consultants in order to reflect current market developments.



The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

# Internal Audit and Audit and Governance Committee

The Council has an internal audit service which delivers a risk based plan of work approved by the Audit and Governance Committee.

In 2015/16 the service was jointly delivered by an in-house team and an external contractor with one piece work delivered in collaboration with a neighbouring council. This helps the delivery of the whole scope of audit work and maintain independence. Joint working with neighbouring councils will be further developed in 2016/17 to identify where assurances can be shared.

Managers receive a report of findings following an internal audit review and an action plan is agreed to address any weaknesses found.

These actions are tracked until they are completed. A new action management system has been developed to improve the information available to managers and help capture updates on implementation. The functionality of the system was completed in 2015/16 and it will be rolled out to users in 2016/17.

A summary of the work undertaken by internal audit and the findings are reported quarterly to the Audit and Governance Committee.

The new Public Sector Internal Audit Standards came into effect on 1<sup>st</sup> April 2013 and we have carried out a full assessment of

our level of compliance. We considered that in 2015/16 we fully conformed with 48 of the 52 standards and partially conformed with another 3. This reflects some improvements made in 2015/16 including the introduction of ethics audit work, and finalising the Quality and Improvement Plan for the service.

The Council has an Audit and Governance Committee which undertakes the core functions of an Audit Committee in accordance with the CIPFA guidance. It reports directly to the Full Council. In 2012/13 the responsibilities of the Committee were extended to include those previously undertaken by the Standards Committee.

This Committee meets four times a year and receives reports covering the range of governance issues set out in its terms of reference. In particular it receives the Head of Audit's Annual Report and the External Auditor's Audit Results Report.

<b>FAREHAM</b> BOROUGH COUNCIL	
<b>Report to</b> <b>Audit and Governance Committee</b>	
Date:	27 June 2016
Report of:	Head of Finance and Audit
Subject:	HEAD OF AUDIT'S ANNUAL OPINION 2015/16

# Ensuring Compliance with Relevant Laws and Policies

Fareham Borough Council and Southampton City Council are in an established partnership for the provision of legal services. This helps ensure that the Council has access to a wider range of solicitors for support. It also gives joint responsibility for ensuring the Council identifies changes in legislation and has the right policies and procedures in place to ensure on-going compliance.

A review has been carried out to agree the most significant laws and policies where assurance is needed as part of the governance framework. Part of this assurance is provided by the Internal Audit Service who carry out tests of compliance with key rules. Additional assurance mechanisms may be introduced to provide information on compliance with our policies when needed. For example, in 2015/16 we introduced a new automated assurance process in relation to the grey fleet drivers covered by our Transport Policy.

Key policies are regularly reviewed to ensure they are up to date and relevant and new and

refresher training is rolled out when considered appropriate.

For example, in 2015/16 training was rolled out to investigators on Investigative law, Evidence, Procedure and Best Practice

The Council's Financial Regulations are being reviewed. This is to streamline them down to the key rules that are necessary for the Council to manage its financial affairs within the resources available. All but one have now been reviewed and presented to the Audit and Governance Committee. The regulations are supported by a series of documents which give further guidance on the purpose of the regulations and methods to ensure compliance. These are then put into a series of procedure notes and manuals used by individual services.

Alternative methods of inducting new employees on the content of key policies are being developed using briefings to be delivered using Skillgate.

## Whistleblowing and Complaints

The Council's Whistleblowing Policy is reviewed every three years by the Audit and Governance Committee and was last updated in October 2013. The Policy is sent

out as part of the pack of information given to new employees and periodic updates are communicated through the staff intranet. Designated channels including electronic

reporting methods are available for employees and members of the public. A central database recording incidents of whistleblowing and the results of investigations arising has been set up and all whistleblowing incidents are reported to the Audit and Governance Committee.

A formal complaints procedure is in place which consists of 2 stages (Head of Service review then Director review) plus an option to go to the Local Government Ombudsman. Complaints to the Local Government

Ombudsman are dealt with by designated Council officers. An annual report covering complaints made to the Local Government Ombudsman is received by the Audit and Governance Committee. The latest report was received in June 2015 which included one conclusion of maladministration by the Council. We have not been made aware of any similar conclusions in 2015/16.

## Counter Fraud

The Council has adopted an Anti Fraud and Corruption Policy which is supported by a programme of work to review and strengthen our counter fraud arrangements. These include training, data matching exercises and strengthening our policies and procedures.

Risk assessments are being carried out on the top frauds faced by councils, to maximise the cost effectiveness of our approach to the prevention and detection of the of fraud in our borough.

In 2014/15 the Council's benefit investigators were transferred to the Department of Work and Pensions. However, the Council has taken action to ensure that it still has professional investigator resources available who deliver



a full programme of work. In 2015/16 enhanced vetting checks were introduced for Right To Buy applications as this was assessed as an increasing area of risk. In 2016/17 there will be a fraud awareness campaign aimed at the public.

The Audit and Governance Committee receive six -monthly updates on the work carried out on the counter fraud framework and the nature and results of investigations carried out.

# Enhancing the Accountability of other Service Providers

The Council has identified the groups and organisations who we work with on a regular basis and who provide important services to the community themselves. We have also identified what we have in place to enhance their accountability for the services they deliver. The Scrutiny Board plays an

important role in working with other service providers and will invite them to appear at a meeting. The Scrutiny Board also receive an annual report on the performance of the multi-agency Community Safety Partnership which includes the police, probation and fire services.

## Partnership Governance

The Council delivers some services by entering into partnership agreements. These are assessed for their significance in terms of the results they seek to deliver, their profile/reputation and the resources that are put into them. Failure of a significant partnership is one of the risks managed on the Council's Corporate Risk Register. 10 partnerships were deemed significant to the Council in 2015/16.

The Council maintains a Corporate List of its significant partnerships with links to the agreements in place. These were last reviewed by the Chief Executive's Management Team in March 2016 to confirm the significance of the partnership, review any potential governance issues and review how each is performing.

Lead officers are assigned to each partnership. They are responsible for day to day liaison and for providing the Chief

Executive's Management Team with details of any significant changes to the circumstances/membership of the partnership. Senior Officers and/or Members sit on the board of the Council's significant partnerships and take an active part in discussions and decision making.

Governance arrangements were updated in 2015/16 for the Building Control Partnership which expanded to include Portsmouth City Council.



# Emergency Planning and Business Continuity

The Council works in partnership with the Emergency Planning & Resilience Unit at Hampshire County Council to maintain its readiness to respond to emergencies in the borough. A fully staffed emergency control centre or table top training exercise is carried out each year to test and train officers who are involved in the emergency response process.

This is supplemented by refresher training of the different roles recognised by the response plan. In 2015/16 the Emergency Response Plan was refreshed .

The purpose of business continuity is to ensure

that the authority can still provide its critical services when it is involved in an emergency response or faced with a disruption. Business continuity plans are in place for all critical services and are supported by an overarching Disruption Management Plan and response plans for specific disruptions such as adverse weather. A test exercise using the plans was last carried out in March 2015.

Work has started to challenge the documentation maintained for emergency planning and business continuity to make sure it is proportionate and serves a purpose in a real situation.

## Review of Effectiveness

Fareham Borough Council has responsibility for conducting a review of the effectiveness of its governance framework, including the system of internal control. This is done at least once a year. The review of effectiveness is informed by the work of the Directors within the authority who have responsibility for the development and maintenance of the governance environment. The review of effectiveness has been led by the Chief Executive's Assurance Group. It consists of all directors, which includes the Monitoring Officer and Chief Finance Officer, and is chaired by the Chief Executive Officer. The Head of Finance and Audit also attends.

The group reviewed the following evidence:

- Analysis of the 23 parts of our governance framework against current knowledge, including reports seen by Senior Officers during the year.
- Head of Audit's Annual Report 2015/16
- Summary of what reports and feedback we have received from external auditors, inspectors or other external agencies in the year.
- Review of progress made on the actions included in the previous Annual Governance Statement.

# Head of Internal Audit's Annual Report

Internal audit cannot give absolute assurance but an opinion was provided to the Audit and Governance Committee in June 2016. The opinion given was that:

*The Council had a framework of governance, risk management and control for the year 2015/16 which was generally working effectively. There is awareness amongst managers about their top risks and the importance of control mechanisms within the developing Systems Thinking culture, and the need to address any major weaknesses found.*

*The opinion is particularly based on the fact that:*

- no "minimal" audit assurance opinions were again given this year;*
- no income or expenditure errors were found in the year;*
- the services audited which have undergone a Systems Thinking intervention this year have been given a 'reasonable' audit assurance opinion;*

- only 2 new essential recommendations have been made this year, which are already being progressed.*

*Particular areas for actions noted which will enhance the adequacy and effectiveness of governance, risk management and control include:*

- a. Complete the review of effectiveness of the Risk Management framework.*
- b. Roll out the new action management system to improve the management of recommendations arising from audit reports, and update the data available on the level of implementation.*
- c. Roll out the Data Protection refresher training that is being developed in Skillgate, and use Skillgate to maintain the records of who has completed the training.*
- d. Clarify the ICT security policies for the Council.*
- e. Finalise the action plan for the Contract Completion audit from 2014/15 which includes updating the Financial Regulation on Procurement.*

## External Assurances

The Council's independent external auditors were summarised in their Annual Audit for the year were Ernst and Young. They Results Report which was presented to the have worked throughout the year in Audit and Governance Committee in accordance with their code of practice. The September 2015 and circulated to Members findings from the work carried out last year and the statutory officers. This report was<sup>16</sup>



very positive and unqualified opinions were given by the auditors.



Other external inspections and audits undertaken during the year which have been used as a source of assurance included:

- Certification report from the External auditors 2014/15.
- Report of the Local Government Ombudsman 2014/15.
- Reports of the Planning Inspectorate 2015.
- Assessments by the Driver and Vehicle Standards Agency
- Compliance work undertaken to meet the requirements of the Public Service Network
- Results of the Insurable risk reviews carried out by Allianz in 2015/16

- Results of IT Health checks (external and internal penetration tests) carried out by an external firm.
- Hampshire County Council review of our safeguarding arrangements.
- Partnership coverage by other internal audit teams.



Planning Inspectorate



Driver & Vehicle Standards Agency

Allianz Insurance plc



## Review of Effectiveness Conclusion

The conclusion from the review of effectiveness is that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

The Audit and Governance Committee have reviewed the sources of assurances used this year and have scrutinised the content of the Annual Governance Statement.

# Actions taken to strengthen the Governance Arrangements in 2015/16

The annual review of effectiveness have identified that the following significant actions were taken during 2015/16 to strengthen our governance arrangements:

- ✓ Systems thinking reviews progressed to improve service quality in Voids management, Housing waiting List, Insurance and Noise Pollution.
- ✓ Changed the residents' survey process to make the measures of customer satisfaction used more meaningful
- ✓ Ethics audit undertaken to ascertain arrangements to manage behaviours. Included interviews with senior managers and members and employee perception survey.
- ✓ Standing Orders for the Appointment, Dismissal and Discipline of Employees and the Code of Conduct for Members were updated and approved by the Council.
- ✓ The effectiveness of the new approach to employee training was reviewed and as a consequence it has been made more flexible and agile so that it covers reactive as well as planned training needs; and frees up managers time from planning to delivery of the training.
- ✓ The member training plan was refreshed and reviewed as to how well the new process is working for members.
- ✓ The use of the Skillgate online training system rolled out to members.
- ✓ Rolled out the new system to strengthen the assurance available on compliance with the Council's Transport Policy for drivers in the grey fleet.
- ✓ Functionality of the action management system has been fully implemented to improve the efficiency in the way that we manage recommendations arising from audit reports.
- ✓ Governance arrangements updated for the Building Control Partnership to take account of the new third partner.
- ✓ Governance arrangements established for the Solent Enterprise Zone at the Daedalus site.
- ✓ Designed a new approach to Health and Safety assurance.
- ✓ The Emergency Response Plan was refreshed and all senior officers were issued with a revised copy.

# Planned Governance Improvements

Whilst there have been a number of improvements made through the year, the Council strives for continuous improvement. We have therefore selected the following improvements, identified from our review of effectiveness, for action next year:

- Continue with the next phase of Systems thinking reviews.
- Produce the next 6 year corporate strategy, including an update of the Council's objectives.
- Governance arrangements to be established for the New Welborne Community .
- Consider what governance arrangements are needed if Devolution in the Solent area occurs.
- The efficiency plan to be refreshed in light of the 4 year financial settlement to enable us to set a balanced and sustainable budget through to 2020.
- Review the progress and impact of the new individual performance management initiative.
- Further review the Risk Management Policy to apply Systems Thinking to the process.
- Review the Disciplinary Code of Conduct and Disciplinary Rules and Procedure code is to update it and make it simpler for users
- Finalise and launch the revised employee gifts and hospitality and interests policy.
- Provide appropriate training and support for the new Chairman of the Audit and Governance Committee
- Roll out the new action management system to improve the efficiency in the way that we manage recommendations arising from audit reports.
- Roll out bespoke Data Protection training on Skillgate.
- Roll out an updated Fraud awareness campaign
- Update the Sanctions and Redress Policy to reflect the changes that have occurred to benefits fraud investigation.
- Continue challenging the documentation maintained for emergency planning and business continuity to make sure it is proportionate and serves a purpose in a real situation.

# Certification

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

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

**Signed:**

Councillor S.D.T. Woodward  
Executive Leader  
Fareham Borough Council

Dated: September 2016

**Signed:**

P.K.Grimwood  
Chief Executive Officer  
Fareham Borough Council

Dated: September 2016