

WIRRAL COUNCIL
CORPORATE GOVERNANCE COMMITTEE
18 JANUARY 2012

SUBJECT:	AKA SUPPLEMENTAL REPORT AND KEY LINE OF ENQUIRY MATRIX
WARD/S AFFECTED:	ALL
REPORT OF:	CHIEF EXECUTIVE
RESPONSIBLE PORTFOLIO HOLDER:	STEVE FOULKES
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 Members are asked to note the Matrix attached in Appendix A which demonstrates the links between the 5 'Work Streams' identified within the AKA Supplemental Report entitled 'Wirral Metropolitan Borough Council's Corporate Governance Arrangements: Refresh and Renew' and the Key Line of Enquiry (KLOE) 1 to 10 put forward to address the recommendations made.

2.0 RECOMMENDATION

- 2.1 That Committee note the links drawn between the AKA Supplemental Report and the 10 Key Lines of Enquiry as set out in the Matrix provided in Appendix A.

3.0 REASON FOR RECOMMENDATION

- 3.1 The Corporate Governance Committee requested a report that identified the links between the 5 'Work Streams' identified in the AKA Supplemental Report entitled 'Wirral Metropolitan Borough Council's Corporate Governance Arrangements: Refresh and Renew' and the Key Lines of Enquiry (1 to 10) created in order to address the weaknesses in Corporate Governance. This was to ensure that all items identified within the AKA Supplemental Report were being addressed.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 AKA was engaged by the former Leader of the Council to undertake an independent review of the Council's response to claims made by Mr Martin Morton. AKA produced a Supplemental Report entitled 'Wirral Metropolitan Borough Council's Corporate Governance Arrangements: Refresh and Renew' which summarises organizational weaknesses which the Council has failed to address. The 5 'Work Streams' identified in this report may be summarized as follows:-

1. "A Councillor Working Group supported by Officers".
2. "Set up a 'Taking the Lead' Delivery Team".

3. "Review and improve Corporate Governance Development and training across the Council".
 4. "Undertake a series of 'System Stress Tests' across the Council".
 5. "A Corporate Governance amnesty".
- 4.2 The Cabinet had considered the report at its meeting on 22 September 2011 and resolved to accept the criticisms unreservedly and the recommendations designed to help the Council move forward. Consequently, the Council created a Corporate Governance: Comprehensive Work Plan, reported to the Corporate Governance Committee on the 26 October 2011 to address all of the Corporate Governance weaknesses that had been identified in the report.
- 4.3 In addition the Chief Executive sought and received approval from the Corporate Governance Committee on the 26 October 2011 for the creation of a 'Turn Around' Team (Corporate Governance Improvement Team CIGT), from existing resources, with a clear work programme in order to undertake this whole systems approach to Corporate Governance. In addition a key theme running throughout this process was the importance of cultural change and communication.
- 4.4 Project Initiation Documents (PID's) for 10 of the KLOE's were the subject of a report to the Corporate Governance Committee on the 16 November 2011 and set out the areas that each KLOE would address, which are summarized as:-
- KLOE 1 – Alignment of corporate planning and budget making process.
 - KLOE 2 – Review and refresh the 'Code of Corporate Governance'.
 - KLOE 3 – Relationship between devolved and central functions.
 - KLOE 4 – Review of Internal Audit.
 - KLOE 5 – Review of Policy.
 - KLOE 6 – Review of Committee Services.
 - KLOE 7 – Review of Performance (Corporate).
 - KLOE 8 – Equalities.
 - KLOE 9 – Fees and Charges.
 - KLOE 10 – Member Capacity
- 4.5 There were four additional areas identified in the Comprehensive Work Programme and these are to be the subject of further work from April 2012. These are provided below with a brief explanation as to why specific projects have not been created, at this point, in order to support their delivery.
- KLOE 11 – Review of committee reports over the last 3 months. This is dependent upon work being undertaken around KLOE 6 (Review of Committee Services) and KLOE 2 (Review and refresh the 'Code of Corporate Governance') in order that the review may use the information and frameworks developed.
 - KLOE 12 – Review of Performance (Departmental). This is dependant on the development of KLOE 7 (Review of Performance - Corporate) and agreement of the new Corporate Plan.

KLOE 13 – Change Team / Programme. This is dependent upon work currently being undertaken in KLOE 1 (Alignment of corporate planning and budget making process), KLOE 7 (Review of Performance - Corporate) and the development of the Corporate Plan.

KLOE 14 – How does the Council learn from past experience? This KLOE is dependent upon developing a better understanding of the new requirement for Self Regulation encompasses Self Assessment, Peer Challenge and Peer Review and links with KLOE 7 (Review of Performance).

- 4.6 The Matrix produced, provided in Appendix A, seeks to set out the relationship between the 5 ‘Work Streams’ identified in the AKA Supplemental Report and KLOE’s 1 to 10 created in order to address the weaknesses identified and indicates where the work of the CIGT and the cross cutting cultural change theme and dependent communications fit within the overall programme of work.
- 4.7 The Matrix provides this by showing the 5 ‘Work Streams’ and their sub tasks as set out in the AKA Supplemental Report on the left hand side of the Matrix. The CIGT work plan together with cultural change are identified at the top of the Matrix as cross cutting areas of work that will impact upon and support the KLOE’s that have started. KLOE’s 1 to 10 are identified under their separate headings and are placed under the two cross cutting areas at the top of the Matrix, indicating that the KLOE are influenced and informed by the two cross cutting themes or work plan.
- 4.8 The links between the ‘Work Streams’, cross cutting themes or work plan and the KLOE’s areas are identified by an ‘X’ where appropriate. It is important to note that while some KLOE’s may have relatively few links to the ‘Work Streams’ this does not indicate that they are of lesser importance than others, equally those with greater links should not be assumed to be of more importance than others. The ‘X’ simply indicates the link between the two and not the significance of the task or tasks being undertaken.
- 4.9 In addition it should be noted that as the work of the KLOE’s progress other additional activities are being identified and addressed as may be seen from the report on the Review of Corporate Governance elsewhere on this committee’s agenda.
- 4.10 The Matrix indicates that all areas identified within the AKA Supplemental Report are being addressed and indicates which tasks are being undertaken by the Corporate Governance KLOE’s 1 to 10 and the two cross cutting themes or work plans.

5.0 RELEVANT RISKS

- 5.1 Failure to improve the Council’s Corporate Governance by addressing the weaknesses identified in the AKA Supplemental Report could mean that the Council may be further criticised and suffer further reputational harm.

6.0 OTHER OPTIONS CONSIDERED

6.1 There are no other options to consider at this time. The Improvement Programme set out addresses the issues raised in the AKA Supplemental Corporate Governance Report.

7.0 CONSULTATION

7.1 This report is to inform Members of the links between the AKA Supplemental Report and the work plans or themes and the Key Lines of Enquiry that have been initiated. This provides members with the opportunity to review the programme against the AKA Supplemental Report.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no implications arising from this report.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 There are no resource implications arising from this report.

10.0 LEGAL IMPLICATIONS

10.1 Until the existing legislation is repealed, the Council could be subject to an external corporate governance inspection under Section 10 of the Local Government Act 1999.

11.0 EQUALITIES IMPLICATIONS

11.1 Equalities is an area of corporate governance weakness identified by AKA in the Corporate Governance Report.

11.2 Equality Impact Assessment (EIA)

(a) Is an EIA required? No

(b) If 'yes', has one been completed?

12.0 CARBON REDUCTION IMPLICATIONS

12.1 None

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 None

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APPENDICES

APPENDIX A: Corporate Governance AKA Supplemental Report and Key Lines of Enquiry Matrix

REFERENCE MATERIAL

AKA Supplemental Report 'Wirral Metropolitan Borough Council's Corporate Governance Arrangements: Refresh and Renew'

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Corporate Governance Committee	16 November 2011
Corporate Governance Committee	26 October 2011
Cabinet	22 September 2011