

WIRRAL COUNCIL

CABINET

29 MARCH 2011

SUBJECT:	DELIVERING CORPORATE GOVERNANCE
WARD/S AFFECTED:	ALL
REPORT OF:	ACTING CHIEF EXECUTIVE
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR JEFF GREEN
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report outlines investment proposals to enhance the delivery of corporate governance in the Council.

2.0 BACKGROUND AND KEY ISSUES

Background

- 2.1 In the Budget approved by Council on 1 March 2012, £300,000 was identified "to improve standards and practice across the Council".
- 2.2 The Council has been the subject of critical report of its corporate governance arrangements. Areas highlighted included:-
- the Council's corporate and business planning arrangements
 - the management of performance at a corporate level, and the appropriateness and effectiveness of Council policies and procedures, which if complied with would ensure delivery of corporate objectives.
- 2.3 Following the critical report a temporary team was brought together under the Deputy Director of Finance to achieve a number of outcomes by the end of March 2012. It was considered that this programme of work (the ten Key Lines of Enquiry) would be the essential building block upon which a wider programme could be based.

2.4 The council has established an Improvement Board in partnership with the Local Government Association (LGA). The role of the Improvement Board is to:-

- Provide support, guidance and challenge
- Identify and signpost appropriate good practice
- Ensure there is a single, integrated and holistic improvement plan that can be clearly understood and communicated internally and externally
- Ensure the contributions from different external agencies/bodies to Wirral's improvement journey are coordinated

2.5 At its meeting on 2 March 2012 the Board considered a report on the Council's key priorities for an overarching improvement plan and requested a further report on how it intends to deliver the agreed priorities for improvement. It welcomed the further additional sum agreed as part of the budget and wanted the Council to identify sufficient corporate capacity to drive forward the overall improvement programme with momentum.

Key Issues

2.6 In order to develop further the work already undertaken additional resources were identified by the Council in its budget for 2012/13.

2.7 From the work undertaken, I recommend that budget be invested in principle as follows:-

- a) Director of Law, HR and Asset Management (£50,000)
To support an additional solicitor to deal with governance issues which would include constitutional advice and issues of a complex legal nature.
- b) Finance (£250,000).
Corporate Performance – The responsibility for Corporate Performance was transferred to the Director of Finance; however only one post from four established was transferred. I propose that the Team be enhanced to its previous complement of four.
- c) Compliance – Clearly the effectiveness of, and adherence to, the Council's policies and procedures has been questioned. I propose to establish a team which will support the review and effective implementation of council policies and procedures. Clearly this function could be managed from within the Internal Audit Service or from within the Corporate Performance Group. There are advantages and disadvantages to either proposal; however, I believe it is more appropriate to determine this in the

light of an Independent Review of Internal Audit which I shall be reporting to Cabinet in due course.

3.0 RELEVANT RISKS

- 3.1 Failure to strengthen the corporate performance function and establish effective compliance functions which underpin the Council's governance arrangements may mean that the Council does not meet Community needs appropriately, because it will not be able to measure the effectiveness of its services nor how they are delivered.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The approach outlined in this report responds to a critical report of the Council's corporate governance. The areas identified for investment were identified in the report and the initial work which followed.

5.0 CONSULTATION

- 5.1 Effective Corporate Governance will more readily ensure appropriate consultation with the community, partners and potential service providers, to identify and meet community needs.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 Effective Corporate Governance will more readily ensure that the skills and abilities of voluntary, community and faith partners will be better engaged with Council objectives.

7.0 RESOURCE IMPLICATIONS

- 7.1 Significant corporate resource will be needed to develop an effective strategy. The process will be closely aligned with the development of the Corporate Plan, outlined elsewhere on this agenda.

8.0 LEGAL IMPLICATIONS

- 8.1 There are no legal implications arising from this report.

9.0 EQUALITIES IMPLICATIONS

- 9.1 There are no equality implications arising from this report.

10.0 CARBON REDUCTION IMPLICATIONS

- 10.1 There are none arising from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 There are none arising from this report.

12.0 RECOMMENDATION

12.1 That Cabinet agrees in principle the following investment to improve standards and practice across the Council:-

- a) £50,000 to Director of Law, HR & Asset Management for the appointment of a solicitor.
- b) £250,000 to Director of Finance to establish a compliance teams and enhance corporate performance.

12.2 A further report be considered for approval by Employment and Appointments Committee and the Improvement Board, which provides details of how these proposals will be implemented.

13.0 REASON FOR RECOMMENDATION

13.1 The Council has been the subject of critical report of its corporate governance arrangements. The Council's budget for 2012/13 identified additional resources for improving standards and practice. This report identifies the areas which are appropriate for that investment so that:

- the Council has effective policies and procedures which are adhered to ensure the Council is managed effectively, and
- can measure the impact of its policies on meeting identified priorities.

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