



Audit and Risk Management Committee

Date:	Monday, 25 November 2013
Time:	6.00 pm
Venue:	Committee Room 1 - Wallasey Town Hall

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SUPPLEMENTARY AGENDA

2. MINUTES (Pages 1 - 4)

To approve the accuracy of the minutes of the meeting held on 14 November 2013, which were marked 'to follow' on the main agenda pack.

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AUDIT AND RISK MANAGEMENT COMMITTEE

Thursday, 14 November 2013

<u>Present:</u>	Councillor	J Crabtree (Chair)	
	Councillors	S Kelly	J Walsh
		S Foulkes	J Williamson
		K Hodson	
<u>Deputies:</u>	Councillors	P Glasman (In place of RL Abbey)	
		P Hayes (In place of A Cox)	
		S Mountney (In place of J Hale)	

33 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state what they were.

No such declarations were made.

34 MINUTES

Resolved – That the minutes of the meeting held on 18 September 2013, be approved.

35 WIRRAL IMPROVEMENT BOARD REVIEW - DRAFT FOR CONSULTATION

The Strategic Director – Transformation and Resources presented the Wirral Improvement Board Review report, which had been published for consultation prior to its consideration by the Board at its meeting to be held on 29 November 2013. The review report had been considered by the Co-ordinating Committee (minute 26 (13 November 2013) refers) and would also be the subject of a public meeting to be held on 15 November 2013. All of the views expressed would be taken into account by the Board, who were particularly interested in recommendations from the Audit and Risk Management Committee, which had been closely involved in the five key areas for improvement identified by the Improvement Board.

The Strategic Director gave a brief presentation on the key areas within the report and referred initially to comments from the Chair of the Board in relation to the significant improvements in Wirral in the 18 months since the Improvement Board came into existence. He outlined the priority areas that had been identified by the Board and highlighted what had been done to secure improvement in –

- Leadership: Political and Managerial
- Corporate Governance and Decision-Making
- Corporate Plan
- Budget and Financial Stability
- Critical Service Areas: Safeguarding and Developing the Economy

The report recognised the still considerable challenges that lay ahead and indicated that Wirral was now a different place and had demonstrated an ability to manage some very challenging situations. That ability needed to be sustained and to grow and the Board would assess whether that was likely to happen.

Members commented that the significant improvements would not have been achieved without the considerable support from officers and the work of Members of all political groups, all against a backdrop of severe cuts in the Council's funding, with fewer staff to help drive improvement. It was also noted that there had been a cultural shift towards being more open and transparent but it was key to recognise the work to be done to ensure that improvements were embedded within the organisation. In response to comments from Members, the Strategic Director confirmed that an employee survey was being undertaken by Ipsos Mori to evaluate the level of engagement and motivation staff attach to both the key priorities of the organisation and their opinion of the leadership of the Council. In addition, a survey scheduled for October 2013 was soon to be undertaken of elected Members to gather views to determine whether the revised meeting arrangements were fit for purpose or whether further amendments were required.

Members noted that for opposition groups to be effective, it was vital that structures were fit for purpose in order for officers and the Executive to be held to account. Views were also expressed that, although progress had been considerable, the distance travelled by the Council on its journey was open to interpretation. A Member expressed doubts as to whether, politically and strategically, the Council had demonstrated the ability to continue to improve and to meet the challenges that lay ahead. He suggested that the number of Freedom of Information requests received in Wirral was an indicator of how open and transparent the Council was. He expressed a view that major issues were still being covered up, which demonstrated that there had, in reality, been little change in the organisation's ethos or culture.

In response to a comment from a Member, the Head of Legal and Member Services advised that the views expressed by the Committee would, along with the comments from the Co-ordinating Committee, be referred to the Improvement Board for consideration along with other responses to the consultation process.

On a motion by Councillor Glasman and seconded by Councillor Williamson, it was –

Resolved (8:1) –

- (1) That this Committee welcomes the report of the Improvement Board, which draws attention to the significant progress Wirral has made in the last 20 months.**

It recognises that there are still issues which need to be addressed but believes it is clear that Wirral is now an outward looking Authority – open to constructive criticism and willing to address problems when they occur.

We would recommend the sector-led approach to change and development to other authorities who find themselves in difficulty.

- (2) That the thanks of the Committee be accorded to the Improvement Board, all staff and Members who have participated in the change process. It now remains for Members to continue to participate in their own development and not become complacent but ensure that change becomes embedded for the future.**
- (3) That the recommendations contained within the Review report be endorsed and that, subject to clarification as to the ownership of the steps required to support continued improvement, all Members be encouraged to engage in the work required in those areas.**

36 WIRRAL COUNCIL'S RESPONSE TO CRITICAL REPORTS 2010/2013

The Strategic Director – Transformation and Resources presented Wirral Council's Response to Critical Reports 2010 – 2013. The document referred to a number of independent external reports that had raised serious concerns and made specific recommendations about how the authority needed to change its processes, constitution and culture. Since 2011, immense efforts had been made to review processes, attitudes and preconceptions about how best to serve Wirral people. The report represented an analysis of the major concerns raised in recent years and how the Council continued to respond. He commented that external experts had overseen and endorsed the changes, which were now being embedded across the organisation.

The report stated that it was not possible to promise that nothing would ever go wrong again and it recognised that at the present time, not all of the issues had been fully resolved. However, the Strategic Director indicated that the Council was working very hard towards conclusion of outstanding matters and he referred to the significant headway that had been made to date, with officers and Members ready to meet the ongoing challenges to ensure that mistakes of the past were not repeated in the future.

Members commented that it was a brave step for the Council to respond publicly to critical reports and suggested that sufficient progress had been made for Members to have assurance that matters, should they arise, would be dealt with differently in the future. A Member referred specifically to the Council's revised whistle-blowing policy and trusted that, in future, whistle-blowing would be welcomed for identifying areas in the organisation in need of improvement.

However, a Member commented that, despite a need for the creation of a culture of 'accountability and responsibility, with consequences where things go wrong', from a public perspective, there was a lack of individual accountability, which made the sense of injustice appear worse. A Member referred also to reports of tens of thousands of pounds having been paid in recent weeks to a Council officer and that despite repeated requests for an explanation, none had been provided. Consequently, he questioned whether an improved culture of openness and transparency existed.

On a Motion by Councillor Foulkes and seconded by Councillor Glasman, it was –

Resolved (9:0) – That the Committee welcomes the response to critical reports in that it puts the Council's progress in an accessible and available format. The issues remain complex and what happened was regrettable. We urge that all outstanding matters should be resolved as quickly as possible and that Members be updated periodically.
