



## Corporate Governance Committee

<b>Date:</b>	Wednesday, 8 February 2012
<b>Time:</b>	5.00 pm
<b>Venue:</b>	Committee Room 1 - Wallasey Town Hall

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## AGENDA

### 1. MEMBERS CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members are requested to consider whether they have a personal or prejudicial interest in connection with any of the items on this agenda and, if so, to declare it and state the nature of such interest.

### 2. MINUTES (Pages 1 - 8)

To receive the minutes of the meeting held on 18 January 2012

#### Items for Discussion

### 3. COMPREHENSIVE WORK PROGRAMME PROGRESS REPORT (Pages 9 - 26)

### 4. PERFORMANCE MANAGEMENT UPDATE (Pages 27 - 38)

### 5. FUTURE CORPORATE GOVERNANCE IMPROVEMENT FRAMEWORK (Pages 39 - 46)

### 6. KLOE 5 - REVIEW OF POLICY (Pages 47 - 58)

### 7. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)

### 8. EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

The public may be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information.

RECOMMENDED – That, in accordance with section 100(A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

- 9. INTERNAL AUDIT: APPOINTMENT OF EXTERNAL REVIEWER  
(Pages 59 - 60)**
- 10. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR  
(PART 2)**

## CORPORATE GOVERNANCE COMMITTEE

Wednesday, 18 January 2012

Present:	Councillor	S Foulkes (Chair)	
	Councillors	P Davies AER Jones	A McArdle T Harney
Invited Members: (Non Voting)	Councillors	T Harney	
Apologies	Councillors	AR McLachlan	JE Green (Non Voting)

### 23 MEMBERS CODE OF CONDUCT - DECLARATIONS OF INTEREST

No declarations of interest were received.

### 24 MINUTES

#### RESOLVED:

**That the Minutes of the meeting of the Committee held on 7 December 2011 be confirmed as a correct record.**

### 25 CORPORATE GOVERNANCE COMPREHENSIVE WORK PROGRAMME PROGRESS REPORT

In response to the Anna Klowoski Associates Ltd (AKA) supplemental report that was presented to the Cabinet on 22 September entitled 'Wirral Borough Council's Corporate Governance Arrangements: Refresh and Renew', the Council had developed a comprehensive work programme to improve all aspects of its corporate governance.

This Committee had agreed that the principles and approach adopted in developing the programme were:

- a whole systems, integrated approach to ensure step change rather than incremental change;
- led by Chief Executive;
- project-managed with time limited tasks;
- co-ordinated through a single point of management and reporting;
- resourced appropriately; and
- owned by the whole organisation including Members and Officers.

A report by the Chief Executive provided an update for Members on progress being made on the delivery of the comprehensive work programme which supported the Council's corporate governance improvement goals and Destination Excellence objective.

The report highlighted progress against the critical milestones set out by Anna Klonowski in her report *'Improving Corporate Governance In Wirral'* presented to the Committee at its meeting on 7 December 2011, as well as the 10 Key Lines of Enquiry (KLOE) approved by the Committee at its meeting on 16 November 2011 (Minute No. 13 refers).

A critical theme running through the Corporate Governance Improvement Programme was the need for on-going cultural change. It was noted that an underpinning communications plan was also required to ensure key stakeholders – including staff – were kept informed of improvements and support the improved working practices that were being developed through the KLOEs.

Councillor S Foulkes provided the Committee with an oral report of the proceedings of the “meet the staff” meetings that were held on 12 and 13 January 2012, he had hosted along with Councillor P Davies and the Chief Executive, at various venues around the Borough, as part of the Destination Excellence initiative. All Council officers had been expected to attend one of these meetings and approximately 4,200 had done so, during eleven sessions over the two days.

It was reported that over 1000 comments had been received at the staff meetings and they would be analysed and the themes reported back to the Committee. Those members of staff who had put their names on their names on their feedback forms would be thanked for their time and effort.

Councillor S Foulkes also provided details of the ‘Open Door Sessions’ for members of staff that Cabinet Members were proposing to hold, (as would Councillors from other Political Groups upon request) and reported that confidential email accounts had also been set up. The purpose of these was to provide mechanisms for staff to report issues and concerns in confidence. Themes identified would also be reported back to the Committee.

Members considered the report and informed that they felt that it was important for the Council to have a vision of what an excellent Council, in terms of Corporate Governance should look like. They were happy with the “dash board” style of the report. There would be restrictions in the delivery of the KLOEs and the Council’s Corporate Governance would not be perfect by 31 March 2012 but Members agreed that the building blocks would be in place to bring about the continuous improvement that was necessary. They would begin to qualify their aims, adjust and change and look at best practice elsewhere.

Councillor T Harney provided the Committee with an update on the approach to the training being put in place for Elected Members. It was also noted that a mentor had been appointed to each of the three Political groups and some bespoke training was in the process of being developed.

The Committee, in particular noted the good progress made in respect of KLOE 6: Review of Committee Services. Councillor Harney drew attention to the fact that Members’ future IT needs would need to be identified and catered for as it was known that the current IT equipment contract would expire in 2012 and would need to be renewed.

**RESOLVED: That**

- (1) the contents of the report and its various appendices as well as the progress being made by the Corporate Governance Improvement Team be noted;**
- (2) Anna Klonowski be invited to hold a briefing with Members of the Member Training Steering Group as soon as possible and before 22 February 2012;**
- (3) the Interim Head of Planning, Engagement and Communications and her staff be thanked for their hard work organising the staff meetings; and**
- (4) Members' IT development needs be included in KLOE 6.**

**26 REVIEW OF CODE OF CORPORATE GOVERNANCE**

A report by the Chief Executive presented the conclusions of a review of the Code of Corporate Governance for Wirral. The review had been undertaken as part of the work programme agreed by Cabinet at its meeting on 16 November 2011. As a result of the review, a draft amended Code appended to the report at Appendix A was put forward for the Committee's consideration.

The Committee was informed that the Wirral code was based upon the "core principles" and "supporting principles" of the CIPFA/SOLACE Framework (CIPFA/SOLACE, 2007). This Framework was the basis of best practice for local authorities in England and was used as the basis for all of the codes examined under this review. The current Wirral code did not take account of the application note (CIPFA/SOLACE, 2010) and should be amended to account for the amendments to the original framework that it contained.

The Wirral code differed from most of the other authorities reviewed in providing a commentary to describe how the Council complied with the CIPFA/SOLACE principles. The effectiveness of the Council's compliance with these principles was evaluated on an annual basis by the Council's Internal Audit service, in accordance with the CIPFA/SOLACE Framework, and the results of this review of effectiveness were the basis for the Annual Governance Statement. However, whilst the annual review had identified weaknesses in the Council's compliance with the principles, the Code and the evidence contained within it had not been subject to continuous review and revised to reflect these weaknesses and the action necessary to correct them. These weaknesses were also clear from the Klonowski Report. Therefore, there was a risk that the Code sought to demonstrate compliance with the principles by utilising evidence for which there were identified weaknesses. It was therefore, suggested that the practice of including the commentary be discontinued until such time as robust processes had been established for the ongoing review of effectiveness as part of management practice, and for addressing, as a matter of routine, the weaknesses identified as part of the formal annual review.

The Committee was told that a system of thorough audit and review of governance was essential to meet the requirements of the era of self regulation and peer review that local authorities were entering. It was recommended that the Internal Audit

Service provide a report for a future meeting of the Committee on arrangements for securing good corporate governance and the role of the Annual Governance Statement.

The documents in the current code appeared not to be subject to a controlled version that was linked to a published copy. It was, therefore, recommended that consideration be given to a project to apply the "Documentum" system (The Council's existing document management system.) It could be used to create a single source for corporate governance documentation. This would enable document control and facilitate monitoring of review requirements.

The recommended draft Code of Corporate Governance was attached to the report at Appendix A and a copy of the current code was attached at Appendix B. It removed the commentary on compliance, added the requirements of the CIPFA/SOLACE application note and included the information applicable to each framework principle from Section 5 of the Guidance. The code committed the Council to the specific requirements of the Framework. As previously stated, the commentary that the current document contained to indicate how Wirral complied with good governance principles had been removed on the basis that it relied on evidence that had clear weaknesses.

**RESOLVED: That**

- (1) the amended Code of Corporate Governance attached at Appendix A to this report be agreed and its adoption recommended to the Council;**
- (2) the Internal Audit Service be requested to provide a report for a future meeting of the Committee on arrangements for securing good corporate governance and the role of the Annual Governance Statement;**
- (3) consideration be given to a project to apply the "Documentum" system to create a single source for corporate governance documentation; and**
- (4) Internal Audit be requested to carry out research to ascertain what training packages on corporate governance are available.**

27 **AKA SUPPLEMENTAL REPORT AND KLOE MATRIX**

A report by the Chief Executive included a Matrix attached in Appendix A which demonstrated 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.

Project Initiation Documents (PIDs) for ten of the Key Lines of Enquiry (KLOEs) had been the subject of a report to the Committee at its meeting on the 16 November 2011 and set out the areas that each KLOE would address, summarised 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

Four additional areas detailed as follows had been identified in the Comprehensive Work Programme and these were to be the subject of further work from April 2012:

KLOE 11 – Review of committee reports over the last 3 months. This was 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 was dependant on the development of KLOE 7 (Review of Performance - Corporate) and agreement of the new Corporate Plan.

KLOE 13 – Change Team/Programme. This was dependant 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 was dependent upon developing a better understanding of the new requirement for Self Regulation encompassed Self Assessment, Peer Challenge and Peer Review and linked with KLOE 7 (Review of Performance).

The Matrix produced, provided in Appendix A, sought to set out the relationship between the five 'Work Streams' identified in the AKA Supplemental Report and KLOEs 1 to 10 created in order to address the weaknesses identified and indicated where the work of the CIGT and the cross cutting cultural change theme and dependent communications fitted within the overall programme of work. The Matrix provided this by showing the five 'Work Streams' and their sub tasks as set out in the AKA Supplemental Report. The CIGT work plan together with cultural change were identified at the top of the Matrix as cross cutting areas of work that would impact upon and support the KLOEs that had started. KLOEs 1 to 10 were identified under their separate headings and were placed under the two cross cutting areas at the top of the Matrix, indicating that the KLOEs were influenced and informed by the two cross cutting themes or work plan.

The links between the 'Work Streams', cross cutting themes or work plan and the KLOEs areas were identified by an 'X' where appropriate. Members noted that while some KLOEs may have relatively few links to the 'Work Streams' this does not indicate that they were of lesser importance than others, equally those with greater links should not be assumed to be of more importance than others. The 'X' simply indicated the link between the two and not the significance of the task or tasks being undertaken.

In addition the Committee noted that as the work of the KLOEs was progressed other additional activities were being identified and addressed as may be seen from the report on the Review of Corporate Governance elsewhere on the Committee's agenda.

The Matrix indicated that all areas identified within the AKA Supplemental Report were being addressed and indicated which tasks were being undertaken by the Corporate Governance KLOEs 1 to 10 and the two cross cutting themes or work plans.

**RESOLVED:**

**That 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 to the report be noted.**

28 **MEMBERS' SURVEY**

A report by the Chief Executive included the summary of survey responses to the recent Elected Members Survey carried out on the topic of Corporate Governance attached at Appendix A. Key Themes that had emerged from the survey were highlighted in the report indicating areas for further consideration by the Member Training Steering Group. Members were asked to consider the proposed Action Plan in respect of the Corporate Governance Member Development Programme.

The Committee noted that the work stream appertaining to Elected Member Capacity – KLOE 10 was being steered and directed by the Member Training Steering Group (MTSG) which comprised of an Elected Member from each of the three Political Groups.

The Cabinet had approved a Survey for circulation to all Elected Members on 7 December 2011 and the MTSG oversaw the delivery of the survey to all Elected Members with a closing date of the 19 December 2011. The survey could be completed on line, by telephone or on paper with anonymity and confidentiality built into the process for each method. Follow up phone calls were carried out by Officers to maximise returns. A total of 47 Elected Members had completed the survey equating to 71%. General themes that had emerged from the survey had included:

- Members felt they had a wealth of experience to offer to the work being done by the Council on the topic of Corporate Governance arising from many years of service as Councillors, varied professional careers and other community roles.
- Open and honest communication skills were considered to be the most valuable in terms of what would help the work of the Council in this area.
- An excellent and broad knowledge base about all aspects of the Council's work was listed as the most popular requirement to practice in a way that shows good corporate governance.
- Honesty, patience and listening skills were the most important skills listed to enable Councillors to practice in a way that shows good corporate governance.
- Finance, general update briefings and IT skills were the most commonly listed development needs.



- More training was also requested on the topics of Decision Making Analytical Skills and Audit & Risk Management.
- The majority of respondents listed workshops and face to face session as their preferred method of learning.

It was proposed that the full and detailed responses from the survey be considered by the MTSG with a view to progressing to the next stage of developing a Corporate Governance Member Development Programme ready to commence in February 2012. The development needs, identified in the survey responses, would also further inform the Member Development Programme for 2012 – 2013 which would commence in June 2012. The results of the survey would be made available to all KLOEs to assist their programmes' progress as necessary.

It was also proposed that any pertinent feedback from the "Destination Excellence" Employee Events be taken into consideration by the MTSG at the design stage of the Corporate Governance Member Development Programme.

As the Member Capacity – KLOE 10 underpinned other elements of the Corporate Governance Improvement Plan it was proposed that the Draft Corporate Governance Member Development Programme be shared with the Member Leads for all relevant KLOEs to ensure a joined up approach and to maximise effectiveness namely KLOE 2 – The review and refresh of the Code of Corporate Governance, KLOE 8 – Equalities, KLOE 6 Committee Services.

An Improvement Board would be established and the Local Government Association had recommended initial draft terms of reference. These would be circulated to Members. However, it was noted that these draft terms of reference were a starting point only and could be further amended if Members so wished. It was anticipated that a key meeting would be held on Friday, 3 February 2012 to take the Improvement Board initiative forward.

**RESOLVED: That**

- (1) the proposed Action Plan based upon the findings of the Elected Member Survey results be agreed;**
- (2) the Elected Member Survey results be made available to all the KLOEs for reference and consideration; and**
- (3) the Organisational Development Manager and her team be thanked for their hard work on the Elected Member Survey.**

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## WIRRAL COUNCIL

### CORPORATE GOVERNANCE COMMITTEE

8 FEBRUARY 2012

<b>SUBJECT:</b>	<b>COMPREHENSIVE WORK PROGRAMME PROGRESS REPORT</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>CHIEF EXECUTIVE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR STEVE FOULKES</b>
<b>KEY DECISION:</b>	<b>NO</b>

#### 1.0 EXECUTIVE SUMMARY

This report updates Members on progress with the delivery of the comprehensive work programme to improve corporate governance. It highlights progress against the 10 Key Lines of Enquiry (KLOE) approved by Corporate Governance Committee on 16 November 2011. It also updates Members on progress with the on going cultural change programme and the resultant communications activities.

#### 2.0 RECOMMENDATION

- 2.1 That Members note the contents of this report and its various appendices as well as the progress made by the Corporate Governance Improvement Team.

#### 3.0 REASON FOR RECOMMENDATION

- 3.1 Given the scope of activity being taken forward by the Council's Corporate Governance Improvement Team, the committee has requested that regular reports are provided to illustrate progress in all aspects of this work.

#### 4.0 BACKGROUND AND KEY ISSUES

##### Background

- 4.1 In response to the Anna Klonowski supplemental report to Cabinet on 22 September entitled '*Wirral Borough Council's Corporate Governance Arrangements: Refresh and Renew*', the Council has developed a comprehensive work programme to address a range of priority areas of improvement in relation to corporate governance.

- 4.2 A further report by Anna Klonowski, entitled *'Improving Corporate Governance in Wirral'*, presented to Committee on 7 December 2011, sets out a series of activities the Council should undertake to progress a cultural change programme. The report proposes a series of critical milestones against a timetable as a means for the Council to progress this as a matter of urgency.

## **5.0 Update on Progress**

### **Cultural Change and resultant Communications**

- 5.1 Since the last progress report to January 18 Cabinet Committee, further developments have been made with regard to the cultural change milestones proposed by Anna Klonowski. An updated status report is included in Appendix 1 to illustrate this progress.
- 5.2 A series of 11 Destination Excellence events were held on 12 and 13 January with over 4,000 Council staff attending. These were delivered to share the vision and values of the draft Corporate Plan. They also provided the opportunity to inform staff what needs to be done to achieve this vision. Just over 1,000 staff completed feedback forms at these events. A summary of the main themes of this will be posted on the Council's intranet.
- 5.3 A number of channels have also been launched for staff to raise any of their concerns about corporate governance. These include the opportunity to book a session for a one to one meeting with Cabinet Members and the ability to raise issues through a secure email address.
- 5.4 A staff questionnaire was also launched on 16 January with on-line; paper versions were also made available to ensure that all members of staff have the opportunity to participate. The closing date for this is 30 January and the results of this will be made available as soon and will be formally reported to this committee at the next meeting. These results will also be used to inform a series of staff focus groups starting in February which will inform the emerging cultural change programme.
- 5.5 Progress has also been made in relation to engaging with external partners. The corporate governance work taking place across the Council was raised at the last LSP meeting as part of a wider review of partnership working. A range of meetings will now take place with thematic partnerships in February at which partners will be requested to provide feedback on a range of issues relating to corporate governance. This work will inform the review of a number of the KLOEs and also the cultural change programme, the Member development programme and the proposed improvement framework.

- 5.6 Overall the cultural development and communications activity is on schedule with Anna Klonowski's proposed milestones and timetable as illustrated in Appendix 1.

### **Key Lines of Enquiry (KLOE)**

- 5.7 Work has continued with all KLOEs; it is expected that all products will be delivered within the agreed project timescales. A report illustrating progress for each individual KLOE is included in Appendix 2.
- 5.8 At this stage, only KLOE 4 (Review of Internal Audit) continues to be assessed as amber. A procurement exercise is underway to commission external support for this review. The outcome of which is exempt and is reported elsewhere on this agenda. Once the commission is awarded it is anticipated that this KLOE will be assessed as green.
- 5.9 An inventory of the key programme outputs and products from all 10 KLOE has now been completed and features as an appendix in the Future Corporate Governance Improvement Framework report also included on this agenda.

### **6.0 RELEVANT RISKS**

- 6.1 A Corporate Governance Risk Register has been developed and is being reviewed on a weekly basis by the Corporate Governance Improvement Team. The risk register as at 25/01/2012 is included in Appendix 3.
- 6.2 KLOE leads are responsible for identifying and managing risks within each KLOE. Any key risks are reported to the Corporate Governance Improvement Team. These escalated risks are included within the dashboards at appendix 2.

### **7.0 OTHER OPTIONS CONSIDERED**

- 7.1 None: the programme addresses issues raised in the Corporate Governance Report.

### **8.0 CONSULTATION**

- 8.1 A Members training needs survey has been completed in connection with KLOE 10.
- 8.2 A questionnaire on corporate governance has been distributed to all Council staff in January. The findings of this work will be published as soon as possible and reported to the next Cabinet Committee.

### **9.0 RESOURCE IMPLICATIONS: FINANCIAL; STAFFING; ASSETS**

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

## **10.0 LEGAL IMPLICATIONS**

10.1 There are no legal implications arising from this report.

## **11.0 EQUALITIES IMPLICATIONS**

11.1 KLOE 8 involves a detailed review of equalities and the steps the Council needs to take to comply with the new equality duty effective from 11th April 2011.

## **12.0 CARBON REDUCTION IMPLICATIONS**

12.1 None.

## **13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

13.1 None.

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  **email: jimwilkie@wirral.go.uk**

**Appendices:**           **1     AKA Proposed Cultural Change Milestones**  
  **2     KLOE Progress Report**  
  **3     Corporate Governance Programme Risk Register**

### **SUBJECT HISTORY (last three years)**

<b>Council Meeting</b>	<b>Date</b>
Cabinet	22 September 2011
Cabinet	13 October 2011
Cabinet Committee	26 October 2011
Cabinet Committee	16 November 2011
Cabinet Committee	7 December 2011
Cabinet Committee	18 January 2012


## Appendix 1 - AKA Proposed Cultural Change Milestones


Milestone	Start	Completion	Status
Development of protocol to support Cabinet drop in sessions and corporate governance amnesty	Mid Nov 2011	7 Dec 2011	Completed
Development of cultural audit programme (questionnaires and events)	Mid Nov 2011	December	Completed
Corporate Governance Committee approves AKA proposals contained in this report, protocol and next steps	7 Dec 2011		Completed
Launch of Corporate Plan by Leader and Deputy Leader (post Council)	13 Dec 2011		Completed
Launch of Corporate Governance Amnesty by Leader and Deputy Leader	13 Dec 2011		Completed
Launch of cultural audit programme by Leader and Deputy Leader {to coincide with Corporate Plan launch}	13 Dec 2011		Completed
MTSG meets with DCEO/his representative to discuss the proposals contained within this report and any other processes they wish to follow to design a Member development programme	7 Dec 2011	31 Dec 2011	On going
Cabinet member open door drop in sessions with employees and partners	Post 12 Dec 2011	End Jan 2012	Commenced on 16/01/12
Communications publicise the "secure" email address for issues and concerns	Post 12 Dec 2011		Completed
Issues and concerns submitted during corporate governance amnesty	Post 12 Dec 2011	End January 2012	On going
Corporate Governance Team deal with issues and concerns raised as a result of corporate amnesty	Post 12 Dec 2011	Ongoing	On going
Send out cultural audit questionnaires	Mid Dec 2011		Launched on 16/01/12
Commencement of monthly departmental meetings to discuss corporate governance improvements and issues	Mid Dec 2011	Mid Dec 2012	To follow the cultural audit questionnaire
Commencement of Cabinet and Chief Officer discussion/debate/challenge forum on corporate governance	Mid Dec 2011	Mid Dec 2012	To follow the cultural audit questionnaire
Commission external support to undertake the assessment, collection and collation of Member views regarding development programme	Early Jan 2011		LGA support on going
Employee focus groups with external facilitator	Beginning Jan 2012	3rd week Jan 2012	To follow the cultural audit questionnaire
External support undertakes activities on site	Mid-end Jan 2012	Mid-end Feb 2012	LGA support on going
Analysis of cultural audit findings preparation of report and proposed action plan to support cultural change	4th week Jan 2012	End of 2nd week Feb 2012	To be completed by 06/02/12
Corporate Governance Committee receives report and approves next steps in relation to cultural change and officer development programme	29 Feb 2012		
Corporate Governance Committee receives report and approves next steps in relation to member development programme	29 Feb 2012		
External support commissioned to deliver cultural change and officer development programme as necessary	March 2012	End March 2012	
External support commissioned to deliver member development programme	March 2012	End March 2012	
Cultural change and officer development programme launched	April 2012		
Member development programme launched	April 2012		


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**Appendix 2: KLOE Progress Report**

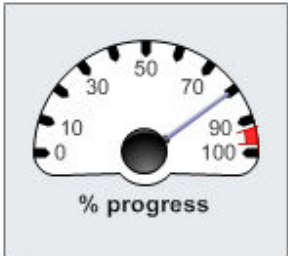
<p><b>KLOE: 1 Alignment of Corporate Planning &amp; Budget Process</b></p>	<p><b>STATUS: GREEN</b></p>
<p><b>KLOE Objective:</b></p> <p>To develop and implement a process which delivers a legal budget to meet Council Objectives by March 2012. This will include:</p> <ul style="list-style-type: none"> <li>▪ An agreed Corporate Plan by December 2011 to deliver priorities</li> <li>▪ Service Plans developed and agreed by end of January 2012</li> <li>▪ Identified services and developments for specific budget provision to achieve corporate objectives by end January 2012</li> <li>▪ Members to be clear about the service implications during February 2012</li> </ul>	<p><b>Update:</b></p> <p>A Corporate Plan was considered by Cabinet &amp; Council in December. It will be further considered in February. Departmental Plans have been considered by Executive Team and will be presented to Cabinet on 20<sup>th</sup> February 2012. Budget discussions are on going between Portfolio Holders, Chief Officers and the Leader.</p> <p>An outcome report for this KLOE will be submitted to Corporate Governance Committee on 29 February 2012. This report will specifically reference how the objectives have been met. Further improvement to the process will be incorporated into the report on KLOE 7 which will highlight the Council’s wider approach to performance management, improvement &amp; efficiency.</p>
<p><b>Progress against project plans tasks:</b></p> <div style="text-align: center;">  </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported</p> <p><b>Key Risks:</b> None reported</p>


<b>KLOE: 2 Review Code of Corporate Governance</b>	<b>STATUS: GREEN</b>
<p><b>KLOE Objective:</b></p> <ul style="list-style-type: none"> <li>▪ To develop and implement a Code of Corporate Governance which is fit for purpose – enforceable, enforced, communicated, understood and which underpins the workings of a modern organisation – by April 2012.</li> <li>▪ Ensure issues raised in the Annual Governance Statement are addressed within this process.</li> <li>▪ From April 2012 develop and implement a review process.</li> </ul>	<p><b>Update:</b></p> <p>This project is on target to achieve its milestones. A revised Code of Corporate Governance was reported to Cabinet Committee on 18<sup>th</sup> January. Work is now under way to develop and put in place a system to ensure the key Council policies and documents that support the code are regularly reviewed and these documents are effectively controlled. This will support the development of the annual governance statement. This will be reported to committee on 21<sup>st</sup> March.</p>
<p><b>Progress against project plans tasks:</b></p> <div style="text-align: center;">  <p>% progress</p> </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported</p> <p><b>Key Risks:</b> None reported</p>

<b>KLOE: 3 Review of relationship between devolved and centralised functions</b>	<b>STATUS: AMBER</b>
<p><b>KLOE Objective:</b></p> <p>To identify and implement a model which defines roles, responsibilities and accountabilities of functions which are provided corporately and functions which are devolved.</p> <p>The revised model, aiming at consistency and flexibility, will be in place by April 2012.</p>	<p><b>Update:</b></p> <p>This project is assessed as amber because it has been necessary to refine the scope of the work to be completed by 31<sup>st</sup> March. The revised scope involves the prioritisation of a review of the financial function and this will be reported to Committee on 29<sup>th</sup> February. A framework for reviewing the remaining functions will be reported to Committee on 21<sup>st</sup> March. This review framework will go on to being part of the longer term Corporate Governance Improvement programme being developed beyond 31<sup>st</sup> March 2012.</p>
<p><b>Progress against project plans tasks:</b></p> <div style="text-align: center;">  </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> Not all functions will be reviewed and implemented by March 31st 2012 as per the original KLOE objective.</p> <p><b>Key Risks:</b> None reported.</p>

<p><b>KLOE: 4 Review of Internal Audit</b></p>	<p><b>STATUS: AMBER</b></p>
<p><b>KLOE Objective:</b></p> <ul style="list-style-type: none"> <li>▪ To provide a fit for purpose Internal Audit Service - both in terms of planned work and skills availability, to which management responds, thereby strengthening the corporate governance of the Council, and consequently enhancing service delivery.</li> </ul>	<p><b>Update:</b></p> <p>A second procurement exercise has been undertaken, the outcome of which is reported elsewhere on this agenda as an exempt item.</p>
<p><b>Progress against project plans tasks:</b></p> <div style="text-align: center;">  </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported</p> <p><b>Key Risks:</b></p> <ol style="list-style-type: none"> <li>1. The Council does not provide sufficient support for the provider to complete the review to the required quality or timetable.</li> <li>2. There is a risk of failure to implement appropriate recommendations from the review report.</li> </ol>

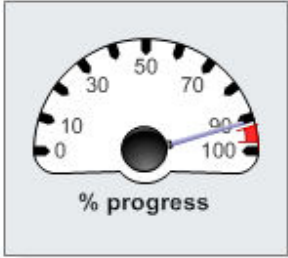
<b>KLOE: 5 Review of Policy</b>	<b>STATUS: GREEN</b>
<b>KLOE Objective:</b>  To identify a model for a Council Policy Unit (CPU) and take the necessary steps for implementation by April 2012.	<b>Update:</b>  This project is on target to deliver in line with its schedule and milestones. A report on the outcome of the review and options for the policy unit are the subject of a separate report to this Committee.
<b>Progress against project plans tasks:</b>  	<b>Current issues/risks:</b>  <b>Issues:</b> None reported  <b>Key Risks:</b> None reported

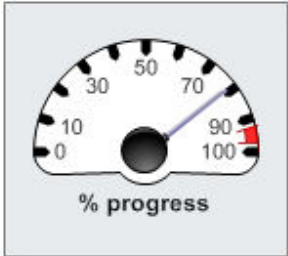
<p><b>KLOE: 6 Review of Committee Services</b></p>	<p><b>STATUS: GREEN</b></p>
<p><b>KLOE Objective:</b></p> <ul style="list-style-type: none"> <li>▪ To implement transparent decision making based on appropriate information, in a timely manner</li> <li>▪ To provide the most appropriate committee services support to the democratic process of the Council</li> </ul>	<p><b>Update:</b></p> <p>This project is on target to deliver in line with its schedule and milestones. A number of initial products in relation to reporting formats have already been delivered for wider consultation with Members. A full report on the outcome of the KLOE, its findings and the products delivered and scheduled beyond March 31<sup>st</sup> will be submitted to Cabinet Committee on 21<sup>st</sup> March.</p>
<p><b>Progress against project plans tasks:</b></p> <div style="text-align: center;">  </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported</p> <p><b>Key Risks:</b> None reported</p>

<b>KLOE: 7 Review of Performance</b>	<b>STATUS: GREEN</b>
<p><b>KLOE Objective:</b></p> <ul style="list-style-type: none"> <li>▪ Develop, implement and embed an effective, measurable corporate performance management process and culture which integrates service and financial outcomes, is consistent with corporate objectives, and which enables responsible Members and officers to be held to account.</li> <li>▪ Identify and implement an effective corporate performance management framework which enables responsible Members and officers to be held to account.</li> </ul>	<p><b>Update:</b></p> <p>This project is on target to deliver in line with its schedule and milestones. An interim report detailing a revised performance management improvement framework and business planning process is reported to this Committee.</p> <p>A further report providing a framework for 2013/14 and beyond will be presented to this committee in March.</p>
<p><b>Progress against project plans tasks:</b></p> <div style="text-align: center;">  </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported</p> <p><b>Key Risks:</b> None reported</p>

<p><b>KLOE: 8 Review of Equalities</b></p>	<p><b>STATUS: GREEN</b></p>
<p><b>KLOE Objective:</b></p> <p>To ensure that the Council meets best practice in respect of equalities and diversity legislation, in all areas of activities including policy development, service delivery, community needs and recruitment.</p>	<p><b>Update:</b></p> <p>This project is on target to deliver in line with its schedule and milestones. On 12<sup>th</sup> January, Cabinet approved the use of Equality Impact Assessments to be mandatory for all changes to services and policy. Training is currently being provided to departmental Chief Officers and Heads of Service in support of this.</p>
<p><b>Progress against project plans tasks:</b></p> <div data-bbox="521 751 808 1010" style="text-align: center;"> </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported.</p> <p><b>Key Risks:</b></p> <ul style="list-style-type: none"> <li>▪ Risk of challenge from the Equality and Human Rights Commission if workforce and customer information is not published by 31/01/12</li> </ul>



<p><b>KLOE: 9 Fees &amp; Charges</b></p>	<p><b>STATUS: GREEN</b></p>
<p><b>KLOE Objective:</b></p> <ul style="list-style-type: none"> <li>▪ To implement a comprehensive schedule of fees and charges for all appropriate Council services commensurate with law, the Council’s Constitution, accepted best practice and Council objectives.</li> <li>▪ To review the schedule on an annual basis.</li> </ul>	<p><b>Update:</b></p> <p>On 12<sup>th</sup> January, Cabinet approved a comprehensive schedule of fees and charges for all appropriate Council services and further resolved that the Deputy Chief Executive/Director of Finance be requested to complete the draft Fees and Charges Directory for publication on receipt of the outstanding information from Chief Officers.</p> <p>The schedule for annual review will be address within the business planning cycle (KLOE 7)</p>
<p><b>Progress against project plans tasks:</b></p> <div style="text-align: center;">  </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported</p> <p><b>Key Risks:</b> None reported</p>

<b>KLOE: 10 Member development and capacity</b>	<b>STATUS: GREEN</b>
<p><b>KLOE Objective:</b></p> <p>To ensure that elected Members:</p> <ul style="list-style-type: none"> <li>▪ Understand the roles and responsibilities of Members and officers</li> <li>▪ Are equipped to undertake their roles and responsibilities effectively; this includes as individual portfolio holders and as collective executive authority.</li> </ul>	<p><b>Update:</b></p> <p>This project is on target to deliver in line with its schedule and milestones. Further to the analysis of the Members corporate governance training needs survey, three Member training events have been designed and are scheduled to be delivered as follows:</p> <ul style="list-style-type: none"> <li>▪ 9th February - "Self Regulation/ Assessment Regime"</li> <li>▪ 22nd February - "Results of Member Survey and what they mean"</li> <li>▪ 14th March – [tbc] - "Refreshed Code of Corporate Governance"</li> </ul> <p>Learning &amp; Development needs identified as a result of Corporate Governance work and the survey results have been built into the mainstream Skills for Wirral Councillors programme which will commence in June.</p>
<p><b>Progress against project plans tasks:</b></p> <div data-bbox="533 1038 819 1295" style="text-align: center;">  </div>	<p><b>Current issues/risks:</b></p> <p><b>Issues:</b> None reported.</p> <p><b>Key Risks:</b></p> <ul style="list-style-type: none"> <li>▪ Member's availability to attend the training session outlined above.</li> </ul>

## Corporate Governance Programme Risk Register

Project Name		CGI Programme		Programme Manager		David Taylor-Smith			
Version Number		1		Date		25/01/12			
Summary			Score			Controls			
Risk No.	Description of Risk	Date Raised	Owner	Likelihood	Impact	Description of Controls	Control Owner	Target Date	RAG Status
1.	There is a risk that the scope and timetable of the respective Key Lines of Enquiry do not sufficiently align with each other, which could compromise the overall outcome of the Corporate Governance Improvement Programme.	18/01/12	DTS	Med	High	Each KLOE has a project plan with a clear timetable for the work and delivery of key products.	KLOE lead	On going	<b>GREEN:</b> However it is acknowledged that KLOE 3 will be delivered on a phased basis beyond the programme deadline.
						Weekly project team meetings to review KLOE progress against project and overall programme plans.	DTS	On going	
						Weekly executive group meetings with the Deputy Leader to resolve problems as they arise/review KLOE progress against project and overall programme plans.	CEO	On going	
2.	There is a risk of there not being sufficient capacity within the Corporate Governance Improvement Team to manage the workload which could result in the overall programme being delayed.	18/01/12	DTS	Med	High	The programme workload is reviewed on a weekly basis at the team meeting and additional resources identified as required.	DTS	On going	<b>GREEN</b>
3.	There is a risk that other issues, not specifically in KLOE scope, but which are fundamental to the overall programme outcomes, are not sufficiently integrated.	18/01/12	DTS	High	High	Regular review discussions between the Programme Manager and AK regarding progress and next steps	DTS	On going	<b>GREEN</b>
						Involvement of LGA consultants to oversee progress with the CGI programme	DTS	On going	
						Planning session scheduled to consider the CGI programme beyond 31st March.	DTS	24/01/12	
						Establishment of Improvement Board to review CGI progress	CEO	On going	
4.	There is a risk that all relevant stakeholders are not appropriately engaged which could mean that the programme outcomes do not fully reflect the needs of the organisation.	18/01/12	DTS	Med	High	As well as a lead officer (project manager), each KLOE has one of the statutory officers as a project sponsor as well as an allocated lead member.	DTS	On going	<b>GREEN</b>
						A staff consultation has been launched from 16th January 2012	DTS	16/01/12	
						A Member survey has been completed and is being used to inform bespoke Corporate Governance Training and a revised Members development programme.	MH	23/12/11	
						Partner engagement is being pursued through the LSP and its supporting structures.	DTS	19/01/12	
5.	There is a risk of inadequate compliance with the agreed way forward.	18/01/12	DTS	High	High	An Improvement Board will oversee continued developments in Corporate Governance into the future.	CEO	On going	<b>GREEN</b>
						In line with the recommendation in the AKA report, consideration is being given to setting up a Corporate Governance Team to review compliance with the Code of Corporate Governance.	CEO	On going	
						The outcome of KLOE 4 will include recommendations for enhancing the Council's internal audit function to have more teeth in addressing Corporate Governance failures.	DTS	29/02/12	

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## WIRRAL COUNCIL

### CORPORATE GOVERNANCE COMMITTEE

8 FEBRUARY 2012

<b>SUBJECT:</b>	<b>PERFORMANCE MANAGEMENT UPDATE</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>CHIEF EXECUTIVE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>CLLR ADRIAN JONES</b>
<b>RESPONSIBLE CORPORATE GOVERNANCE COMMITTEE MEMBER</b>	<b>CLLR ANNE McARDLE</b>
<b>KEY DECISION:</b>	<b>No</b>

#### 1. EXECUTIVE SUMMARY

- 1.1. This report presents an update on the review of Performance Management within Wirral. The review is being undertaken as part of the work programme agreed by Cabinet of 16 November 2011. As the result of the review, a draft amended framework is proposed in Appendix 1, together with an outline business planning process for 2012/13 in Appendix 2 for the consideration of the Committee.
- 1.2. A further report detailing the business planning process and the performance appraisal process for 2013/14 and beyond will be submitted to this committee in March 2012.

#### 2. RECOMMENDATIONS

- 2.1. That the Committee note the progress of this review and receives a final report at its meeting in March 2012.
- 2.2. That the amended Performance Improvement and Management Framework attached as Appendix 1 to this report is agreed.
- 2.3. That the Business Planning Process attached as Appendix 3 to this report is agreed.

#### 3. REASON FOR RECOMMENDATIONS

- 3.1. A review of Performance Management was agreed by Cabinet of 16 November 2011 as part of a programme of action to address failures of Corporate Governance highlighted in a supplementary report to Cabinet undertaken by AKA Ltd, (Klonowski, 2011). The review is still underway and agreement to the approach and framework for 2012/13 is required.

## **BACKGROUND AND KEY ISSUES**

- 3.2. The supplementary report provided by AKA Ltd, (Klonowski, 2011), recommended the Council should review and report on the improvements required to improve the Council's capability and capacity in respect of governance arrangements with a specific focus on the council's policy and performance functions.
- 3.3. In response to the recommendations, the Corporate Governance Committee (CGC) 7 December 2011 received a paper "*Performance Management: Delivering the Council's Vision and Values*" and resolved that:
- the proposed values and behaviours, in PERFORM, be reviewed in the context of the 2012/13 Corporate Plan and that the revised Vision and Values will clearly underpin the performance management framework;
  - the proposed performance improvement framework be reviewed to ensure that it fully reflects the revised values and behaviours and that Corporate Governance issues and improvements are embedded in the Corporate Planning process;
  - a programme of quarterly review and challenge of performance against Corporate and Departmental Plans be developed to ensure that progress in the achievement of outcomes is monitored and supported; and
  - the proposed organisational development process be reviewed to ensure that it supports the delivery of the outcomes reflected in the hierarchy of plans – Corporate, Departmental, Service and individual.

## **4. PROGRESS**

- 4.1. In undertaking this review a literature search to identify key documents in relation to Performance Management Frameworks from organisations such as IDeA, HM Treasury and Improvement Networks has been undertaken. A further internet search has resulted in example frameworks from other local authorities and public sector agencies being acquired, to establish good practice and inform the revised framework. Engagement with internal departments to establish current process and establish good practice has commenced.

- 4.2. A refreshed Performance Improvement and Management Framework (Appendix 1) has been formulated taking into account the resolution of CGC. In addition a business planning process for 2012/13 has been developed that reflects the revised Framework, but takes on board the constraints associated with undertaking this review within the current business planning cycle, whilst not pre-empting the outcomes of other KLOE reviews.

## **5. PROPOSED PERFORMANCE IMPROVEMENT AND MANAGEMENT FRAMEWORK**

- 6.1 The draft Corporate Plan for 2012/13 sets out the Council's vision and the values of the organisation and these are key to how the Council will work to drive forward the improvements that are required to ensure delivery of the agreed outcomes for Wirral residents. As a result the Performance Improvement and Management Framework, that had been considered by Cabinet on the 22 September 2011, has been revised to ensure that the Council's vision and values, together with the corporate governance issues, are embedded within the overall business planning process and reflected in the framework. A critique was undertaken as part of the revision process and Appendix 2 sets out the issues that were considered. Key issues include the need to review and update the leadership and management expectations in the light of the draft Corporate Plan and to introduce challenge and targets. The performance appraisal documentation will be reviewed once the Improvement Framework is in place.
- 6.2 The revised Framework is set out as Appendix 1. Corporate governance and a commitment to equalities underpins all areas of delivery so that improvement and learning are reflected in the full range of plans and also in the work and objectives of individual employees through clear leadership, management and workplace expectations.
- 6.3 The Framework provides a clear linkage between the Council's vision and values as set out in the corporate plan, its delivery through the business planning process including a clear line of sight between the Corporate, departmental and service plans and the role and performance of the individual employee.

## **7. PROPOSED BUSINESS PLANNING PROCES 2012/13**

- 7.1 The proposed process set out in Appendix 3 identifies the individual processes within the business planning cycle, the department expected to lead the process, the overall approach required, as well as the organisational and political activities or approval required within each process.

- 7.2 The proposed hierarchy of business plans is that the Corporate Plan will set out the vision and values of the organisation and the aspirational objectives to be achieved. The Departmental Plans will translate this into the activity and resources required to achieve these objectives. These will be cascaded into Service Improvement Plans and the individual appraisal objectives will be based on these plans.
- 7.3 The reporting of progress against these objectives will be undertaken monthly both within Departmental Management Teams and with portfolio holders. This will be further supplemented by quarterly reports on Corporate Plan indicators and other management issues relating to finance, people, assets and customer feedback. These reports will be reviewed by Executive Team prior to a challenge session attended by Chief Officers and Cabinet Members.
- 7.4 These challenge sessions will take place prior to Cabinet briefing and will involve a detailed examination of any performance issues. Performance information will be supplemented with other intelligence such as benchmarking or self assessment data which will enable a holistic review of service activity to take place.

## **8. PERFORMANCE APPRAISAL**

- 8.1 The draft Corporate Plan vision requires employees to positively change performance so that improvements are delivered based on a robust evidence base. The proposals for managing, monitoring, reviewing and reporting performance as set out above will therefore be supported by a clear appraisal process that links individual performance to the achievement of the council's objectives. The appraisal process will also support the drive to embed an improvement culture within the organisation.
- 8.2 Further details of the performance appraisal process will be reported to the Cabinet Committee in March, and it is proposed that the appraisal of all Chief Officers, Heads of Service and Service Managers takes place by the end of May 2012. This would provide the opportunity for individual objectives to be set against the Corporate and Departmental plans and for Heads of Service to take the lead on developing Service Improvement Plans by the end of June 2012. This would also enable recommendations arising from the work on the Code of Corporate Governance to be developed in that appraisals would be able to ensure compliance with key corporate governance policies and procedures.



## **9. NEXT STEPS**

9.1 Work continues on delivering the objectives of KLOE 7 which will include the consideration and review of:

### 9.1.1 The Corporate Business Planning Process

- key principles of performance management
- prioritisation process
- neighbourhood planning & consultation arrangements
- business planning process
- budget setting process
- managing performance including:
  - individual performance
  - service improvement outcomes
  - outcomes shared with partners
  - reporting – timing, content, audience
  - systems & processes
- self evaluation, challenge & assurance
- development of a performance management toolkit
- officer & member development programmes and /or overall culture change programme

### 9.1.2 The Leadership and Management approaches:

- Ensuring the cascading of the business planning process
- Reviewing leadership and management expectations to introduce challenge and targets
- Reviewing behaviours in light of the draft Corporate Plan priorities

9.2 A further report will be submitted to the March meeting of this committee which will summarise the conclusions and recommendations following consideration of these key themes. The report will provide a more detailed business planning process and leadership and management approaches for 2013/14 and beyond, as well as the key milestones and resources required to achieve this.

9.3 This report will further detail any additional actions required post-March as part of the Council's revised approach to performance management efficiency and improvement.

## **10 RELEVANT RISKS**

10.1 Failure to develop and implement an effective performance management processes may mean that weaknesses in corporate governance identified in the Corporate Governance report are not appropriately addressed. It may also result in the vision and values outlined in the Council's Corporate Plan not being delivered.

**11 OTHER OPTIONS CONSIDERED**

11.1 The recommendation of this report is based upon the interim findings of the review to date.

**12 CONSULTATION**

12.1 Consultation has taken place with other KLOE leads and the political lead for this specific KLOE.

**13 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

13.1 There are none arising directly out of this report

**14 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; & ASSETS**

14.1 Significant senior resources will be required to implement the revised business planning process

**15 LEGAL IMPLICATIONS**

15.1 There are none arising directly out of this report

**16 EQUALITIES IMPLICATIONS**

16.1 There are none arising directly out of this report

16.2 Equality Impact Assessment (EIA)

(a) Is an EIA required? No

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

**17 CARBON REDUCTION IMPLICATIONS**

17.1 There are none arising directly out of this report.

**18 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

18.1 There are none arising directly out of this report.

**REPORT AUTHOR:** Michele Duerden, Programme Manager  
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**APPENDICES**

Appendix 1: Performance Improvement and Management Framework  
Appendix 2: Business Planning Process 2012/13

## REFERENCES

1. Anna Klonowski, (2011), *Wirral Metropolitan Borough Council's Corporate Governance Arrangements: Refresh and Renew*, AKA Ltd
2. Cambridgeshire County Council – Review of Performance
3. Devon County Council – Driving Innovation & Improvement
4. Local Government Improvement and Development Group - “Introduction to Business Planning and Strategic Management Councillor Workbook”
5. The HM Treasury's Green Book
6. The HM Treasury's Magenta Book
7. The Cabinet Office's Strategy Survival Guide
8. Cheshire East Business Planning Process
9. Blackburn with Darwen Business Planning Guidance
10. Durham County Council – Future Approach to Performance Management, Efficiency & Improvement.

**APPENDIX 1**

**Performance Improvement and Management Framework**

**What**



Purpose



Our Expectations



Delivery



Individual Performance



Performance Improvement Interventions

=

**Improved Outputs**



=

**Improved Outcomes**



**How**



Vision and Values

Behaviours

Corporate Business Planning Process

Performance Appraisal

Corporate Training Programme

Delivery of Corporate Objectives

Vision and Purpose Delivered for the Community of Wirral

Page 34

The Corporate Plan

Leadership and Management

Performance Management

360 degree Feedback

Professional Development

Delivery of Departmental and Service Objectives

Strategic Change

Workplace Expectations

Personal Development Plan

Individual Development

Delivery of Individual Objectives



**Robust Corporate Governance**

**Equalities**



## APPENDIX 2 Performance Improvement and Management Framework

### Critique of Current Position

Proposed Functions 'How'	Current Position	To Do
The Corporate Plan	Draft	Subject to consultation and agreement PIs to be included Communication and engagement
Vision and Values	Defined in the draft Corporate Plan	Behaviours to be reviewed and updated in light of the values Communication and engagement to embed vision and values OD plan
Strategic Change	Should this be considered separately? Propose that this is included in 'Purpose' as part of delivering the vision and this will then cascade into CBPP	Include within 'Purpose'
<i>Corporate Governance</i>	<i>This is part of the Leadership and Management and Workplace expectations - It should be how we work</i>	<i>Take out as a separate block</i>
Behaviours	Values now in Corporate Plan	Review behaviours against values and corporate context and feedback  Member/officer focus group to progress
Leadership and Management Expectations	In place Propose that targets are set, including demonstrating leadership in the workplace	Review and update in light of the corporate context Introduce challenge and targets Review Performance Appraisal Policy Statement Guidance and Training
NEW: Workplace Expectations	Not currently identified as a separate block  Expectations outlined within current performance appraisal policy Individual commitment to values, behaviours and expectations	Draw out from current Performance Appraisal Policy and review  Include in Performance Appraisal Policy statement

<b>Proposed Functions 'How'</b>	<b>Current Position</b>	<b>To Do</b>
Corporate Business Planning Process (CBPP)	Corporate Plan, Departmental Plan, Section Plan (team plan) individual work plan  Need to cascade process	Outline plan to link corporate plan through to service plans Timetable for reporting and sign-off Guidance and Training
Performance Management	Requires accountability  Requires reporting mechanisms	Outline Plan as above  Guidance and Training
Performance Appraisal	Documentation to be reviewed once Improvement Framework is in place	Review documentation
360 Degree Feedback	Proposal to introduce at six month stage	Design around new behaviours
Personal Development Plan	To be reviewed	Review
Corporate Training Programme  Professional Development  Individual Development	Intention to embed as normal way of working so proposed functions replace current 'Skills for Wirral Managers and 'Skills for Wirral Employees'	Map across from appraisals, development plans etc to requirements  Resource assessments to deliver a mandatory module approach

### APPENDIX 3: Corporate Business Planning Process 2012/13

Process	Lead	Approach	Organisational Activity		Political Activity	
			Event	Timing	Event	Timing
Consultation	Community Engagement & Communications	Neighbourhood Planning exercise.	Ensure priorities identified are in Corporate plan and Departmental Plans.	December 2011	Cabinet consider Neighbourhood Plan findings	November 2011
	Finance	You Choose Budget Simulator		Aug – Nov 2011		Cabinet consider <i>You Choose</i> analysis
Corporate Plan	Current under Review (KLOE 5)	Refresh existing 3 year plan (2011-14)	Draft submitted to Cabinet	December 2011	Cabinet consider & Council approve	December 2011 & February 2012
Departmental Plan	Chief Officers	Develop based on Corporate Plan goals.  Departmental budget to be presented by Corporate Plan theme	Present to Executive Team	January 2012	Sign off by Cabinet	February 2012
Budget	Finance	Executive Team to develop proposals in consultation with Portfolio holders  Alignment of budget to Corporate Plan priorities.	Proposed to Cabinet	February 2012	Cabinet recommend to Council	March 2012

			<b>Organisational Activity</b>		<b>Political Activity</b>	
Service Improvement Plans	Chief Officers Heads of Service	Developed based on Dept plan, objectives set in appraisal and relevant management issues. The focus to be improvement rather than day to day activity	Challenge sessions at Departmental Management Teams.  Monitoring of progress	May /June  Monthly	Progress monitored by portfolio holder.	Monthly
Performance Appraisal	HR & OD	All Chief Officers (CO), Heads of Service (HoS) & Service Managers by end of May 2012.	CO & HoS agree improvement objectives to form the basis of service improvement plans and annual reports.	Complete by end June	Appraisal of Chief Executive.  Cabinet consider annual reports	April 2012  July 2012
Performance Reporting	Finance	Quarterly reports to include:  Corporate Plan indicators by exception  Management issues: People Finance Assets Customer feedback	Executive Team to review prior to challenge session with representatives from Cabinet	Qtr4/End of year (11/12)  Qtr 1 Qtr 2 Qtr 3 Qtr 4	Cabinet members Challenge session with Chief Officers	Quarterly prior to Cabinet briefing



# Agenda Item 5

**WIRRAL COUNCIL**

**CORPORATE GOVERNANCE COMMITTEE**

**WEDNESDAY 8 FEBRUARY 2012**

<b>SUBJECT:</b>	<b>FUTURE CORPORATE GOVERNANCE IMPROVEMENT FRAMEWORK</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>CHIEF EXECUTIVE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>STEVE FOULKES</b>
<b>KEY DECISION</b>	<b>NO</b>

## **1.0 EXECUTIVE SUMMARY**

- 1.1 This report provides an overview of the products which will result from the work taking place on the Key Lines of Enquiry (KLOEs) that underpin the Corporate Governance Comprehensive Work Plan. It also identifies a number of linkages between the KLOEs and proposes that these inform the development of a framework for implementing, sustaining and ensuring compliance of improvement actions. This improvement framework would also provide a clear context for progressing the recommendations contained in the AKA Final Report and other external reports, together with issues raised by employees through the range of discussions, questionnaires, meetings that are currently taking place.

## **2.0 RECOMMENDATIONS**

- 2.1 That a report is taken to the Corporate Governance Cabinet Committee in March that draws out the key strategic linkages and recommendations from across the KLOEs and includes operational information as supporting annexes.
- 2.2 That the Corporate Governance Improvement Team (CGIT) be requested to develop an Improvement Framework.
- 2.3 That consideration is given as to how improvements and compliance will be driven forward and sustained.

## **3.0 REASON FOR RECOMMENDATIONS**

- 3.1 The Corporate Governance Cabinet Committee has agreed a work programme to address the corporate governance weaknesses identified in the AKA supplemental report which will result in specific operational recommendations. In addition further recommendations for improvement are coming forward through other external reports, strategic proposals arising from the KLOEs and feedback from the range of Destination Excellence events and activities. This report therefore requests the Committee's views on developing a framework for implementing and sustaining both strategic and operational improvements.

## 4.0 BACKGROUND AND KEY ISSUES

- 4.1 Cabinet on the 22 September 2011 considered and agreed the recommendations of the AKA supplemental report and as a result a Corporate Governance Comprehensive Work Plan was put in place to address the identified organisational weaknesses. The work plan sets out ten Key Lines of Enquiry (KLOEs) that require immediate attention and Project Initiation Documents for each KLOE were considered by the Corporate Governance Cabinet Committee on the 16 November 2011.
- 4.2 In addition cultural change, together with a supporting communications plan, has been recognised as a key theme running throughout the programme. The Corporate Governance Committee on the 7 December 2011 agreed recommendations for reviewing and improving Corporate Governance development and training together with a cultural audit programme. Employee meetings, open door sessions with Cabinet Members, a staff questionnaire etc are now underway and feedback from employees will inform improvement actions.

## 5. KLOE PRODUCTS AND LINKAGES

- 5.1 Work is progressing on each of the KLOEs and this will result in a number of discrete operational proposals that are relevant to each one. Appendix 1 sets out the anticipated Products from each of the KLOEs together with an outline of when and how the improvement proposals will be brought forward.
- 5.2 This work is not being done in isolation, either from the other KLOEs or from existing mainstream delivery, as it is recognised that there are linkages across all of the programme. These linkages are still emerging as the reviews near completion, but a number of strategic actions and principles can be identified.
- 5.3 Strategic Actions include:
- **Robust evidence base** - Review of Policy, Review of Central and devolved functions, Review of Performance
  - **Involvement of partners, service users** etc in developing evidence base - Review of Equalities, Review of Code of Corporate Governance
  - **Shared Vision and Values** – Review of Corporate Plan and Budget, Communications, Review of Member Capacity, Review of Equalities
  - **Cultural Change** – Review of Equalities, Communications Plan, Review of Performance Management
  - **Budget** – Review of Corporate Plan and Budget, Review of Fees and Charges, Strategic Change programme
  - **Performance Management Framework** – Review of Policy, Review of Performance management (HR and Corporate); Review of Committee Services
  - **Self assessment** – Review of Policy, Review of Performance, Review of Corporate plan (alignment of resources), Peer Review – stress testing current improvements

5.4 It is proposed that these strategic actions form the basis of the report to the March Corporate Governance Cabinet Committee on the outcomes of the Corporate Governance Work Plan. This report would be supported by a number of annexes setting out specific detailed recommendations relating to the individual KLOEs where relevant.

## **6. IMPROVEMENT FRAMEWORK**

6.1 The majority of the work to deliver the ten KLOEs will be completed and reported on by the end of March. However, whilst this work ensures that a range of improvement actions are put in place, it also highlights further longer term actions that will be required to ensure that improvements to corporate governance are fully embedded in how the council does business.

6.2 In addition, the range of employee engagement activities that Members have now put in place will give rise to a wealth of feedback that is likely to inform not only issues relating directly to corporate governance, but also potentially to wider issues of culture, service delivery, efficiencies and possible improvements.

6.3 Cabinet has also agreed to accept the recommendations contained within the AKA Final report and to develop an action plan to address them. There are other external reports which may also give rise to recommendations that need to be taken on board.

6.4 The CGIT with the support of the LGA team, has begun to identify how all of the recommendations and feedback outlined above can be captured in order to inform the development of an Improvement Framework that addresses these wider areas of work. This would be likely to include:

- Identification of themes within which the actions arising from the KLOEs (as set out in section 5.3 above), together with recommendations from the AKA Final report and other external reports, can be further developed, implemented and sustained;
- Recommendations regarding cultural change and equalities – informed by the feedback from the employee engagement activities with Members, Member and staff surveys, and including on-going communications.

6.5 A further emerging theme is that of compliance. It is of critical importance that once improvements are made they are sustained and reviewed so that they continue to be drivers of the delivery of the Council's key priorities. It is proposed that explicit responsibility for ensuring compliance needs to be agreed. The AKA Final report proposes that the council give consideration to the creation of a Corporate Governance team - driving improvements and compliance could be one of the key functions of such a team.

## **7.0 RELEVANT RISKS**

7.1 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.

## **8.0 OTHER OPTIONS CONSIDERED**

8.1 The KLOE products and linkages addresses the issues raised in the AKA Supplemental Corporate Governance Report. This has given rise to the recognition that further work will be required to ensure that improvement actions are fully embedded and drive the delivery of the Council's Values and priorities.

## **9.0 CONSULTATION**

9.1 This report is to inform Members of the links between the Key Lines of Enquiry and of further improvement work.

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

8.1 There are no direct implications arising from this report. However this report should be considered in the light of the recommendations made in the AKA Final Report, considered by Cabinet on 12 January 2012

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

9.1 There are no direct 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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## **APPENDIX 1      KLOE Products**

### **REFERENCE MATERIAL**

AKA Independent Review of Wirral Metropolitan Borough Council's Response to Claims Made by Mr. Martin Morton (and Others) : Final Report

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

### **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>Corporate Governance Committee</b>	<b>18 January 2012</b>
<b>Corporate Governance Committee</b>	<b>7 December 2011</b>
<b>Corporate Governance Committee</b>	<b>16 November 2011</b>
<b>Corporate Governance Committee</b>	<b>26 October 2011</b>
<b>Cabinet</b>	<b>22 September 2011</b>

**APPENDIX 1**

<b>Key Line of Enquiry</b>	<b>Output / Product</b>	<b>Delivered by:</b>	<b>Committee</b>
<b>KLOE 1:</b> Alignment of Corporate Plan with Budget Making process	Corporate plan (2012/13)	02/02/2012	Council
	6 Departmental Plans (2012/13)	16/03/2012	Cabinet
	Budget agreed	10/03/2012	Council
	Recommendations to Governance Committee	March 2012	CG Committee
	Framework and plan for phase 2 (2013/14 onwards)	Early April 2012	
<hr/>			
<b>KLOE 2:</b> Review Code of Corporate Governance	Revised Code of Corporate Governance	18/01/2012	CG Committee
	An underpinning system to ensure review and compliance of the Code and supporting policies.	01/04/2012	
	Development of project to adopt Documentum to ensure document management/version control of the code's supporting documents	01/04/2012	
<hr/>			
<b>KLOE 3:</b> Review relationship between devolved and central functions	Review of finance function with recommendations	08/02/2012	CG Committee
	A framework and timetable for review of remaining devolved and central functions	29/02/2012	CG Committee
<hr/>			
<b>KLOE 4:</b> Review of internal audit	Consultants report	17/02/2012	
	Recommendations for the future function will be presented to Audit & Risk Management Committee	13/03/2012	Audit & Risk Management
<hr/>			
<b>KLOE 5:</b> Review of policy	Options paper to Corporate Governance Committee	29/02/2012	CG Committee
	Unit established in line with Committee recommendations	01/04/2012	
<hr/>			
<b>KLOE 6:</b> Review of Committee Services	Review and revise the Council's current report template	21/03/2012	CG Committee
	Develop a Summary Report Template.	21/03/2012	CG Committee
	Review the distribution lists of hardcopy agendas.	21/03/2012	CG Committee
	Review the Council's Scheme of Delegations to Members	21/03/2012	CG Committee
	Review agenda setting	21/03/2012	CG

	arrangements for all Committees		Committee
	Establish a clear processes and procedures to monitor the timely implementation of Committee approved actions	21/03/2012	CG Committee
	Council to join the CIPFA Comtt Services Benchmarking Club	21/03/2012	CG Committee
	Review process for administering Licensing Act 2003 applications	21/03/2012	CG Committee
	A framework and timetable for further improvements to Legal and Member Services including IT development and use	21/03/2012	CG Committee
<b>KLOE 7:</b> Review of Performance (Human Resources)	Review of Behaviours in light of the Corporate Plan	21/03/2012	CG Committee
	Review of Leadership & Management expectations grid	21/03/2012	CG Committee
	Revised performance appraisal process	April 2012	
<b>KLOE 7:</b> Review of Performance (Corporate)	Framework for monitoring and reporting the Corporate Plan	Early April 2012	
	Produce Performance Management toolkit	21/03/2012	CG Committee
	Devise format, timing & content of quarterly challenge sessions	21/03/2012	CG Committee
	Framework for monitoring and reporting the Corporate Plan and wider PMF 2013/14 & onwards	21/03/2012	CG Committee
	Performance Unit – proposals for roles, responsibilities & resources	21/03/2012	CG Committee
<b>KLOE 8:</b> Review of Equalities	Corporate Equality Programme	Established	
	Adoption of Equality Impact Assessments	12/01/12	Cabinet
	EIA training for all Chief Officers and Heads of Service	January 2012	
	Corporate Equality Scheme 2012/13	April 2012	
<b>KLOE 9:</b> Review of fees and charges	A comprehensive set of fees and charges for all council services	12/01/2012	Cabinet
	Framework for refresh	12/01/2012	Cabinet
<b>KLOE 10:</b> Review of Member capacity	A series of corporate governance Member training sessions	Feb/March 2012	
	Revised Members Training Programme launched	from 01/06/12	

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## WIRRAL COUNCIL

### CORPORATE GOVERNANCE COMMITTEE

8 FEBRUARY 2012

<b>SUBJECT:</b>	Corporate Governance KLOE 5 – Review of Policy
<b>WARD/S AFFECTED:</b>	All
<b>REPORT OF:</b>	Chief Executive
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	Councillor Phil Davies
<b>KEY DECISION:</b>	No

#### 1.0 EXECUTIVE SUMMARY

- 1.1 This report presents the conclusions of a review of policy undertaken as part of the governance work programme agreed by Cabinet on 16 November 2011.
- 1.2 The Director of Public Health was appointed as the project manager to undertake the review of policy and a project team was established in November 2011. The scope of the review was agreed with the Chief Executive as project sponsor and Deputy Leader of the Council as lead member, and the agreed objective was to identify a model for a Council Policy Unit and take the necessary action required to implement this by April 2012.
- 1.3 As the result of the review, this report makes proposals with regard to the establishment of the Policy Unit by April 2012. It sets out:
  - The methodology and key findings of the research undertaken to inform the review (section 4.0);
  - The proposed core functions of the Policy Unit based on these findings (section 5.0);
  - An assessment of the requirements necessary to ensure the effective delivery of these functions (section 6.0);
  - Initial staffing and resource considerations (7.0).

#### 2.0 RECOMMENDATIONS

- 2.1 It is recommended that proposals in this report are agreed as the basis of the further work required in establishing the Policy Unit, which will report to the Chief Executive, by April 2012.
- 2.2 It is further recommended that Corporate Governance Committee agrees that:
  - 2.2.1 Final proposals relating to the establishment of the Policy Unit are considered by Cabinet on the 15 March 2012;

### **3.0 REASONS FOR RECOMMENDATIONS**

- 3.1 The recommendations are in response to the critical milestones set out by Anna Klonowski in her report *'Improving Corporate Governance In Wirral'*. The establishment of a Council Policy Unit is one of the 10 Key Lines of Enquiry (KLOE) approved by the Corporate Governance Committee on the 16 November 2011.

### **4.0 RESEARCH**

- 4.1 In initiating the project, a number of principles were agreed as being critical to the development of proposals for the Council's Policy Unit. These principles - being forward looking, outward looking, flexible, innovative, joined-up, inclusive, evidence-based, evaluated and reviewed - provided the frame of reference for two key strands of research.
- 4.2 During December 2011, a review of policy arrangements in a range of other local authorities was undertaken to explore models for delivery and identify good practice. This review provided many examples for consideration by the project team regarding the functions of the Policy Unit and a summary of the findings is set out as Appendix 1 to this report.
- 4.3 An objective of the project was to ensure that internal stakeholders, including Elected Members, were engaged in developing proposals. The Deputy Leader of the Council has acted as the lead member. No other Elected Members indicated that they wished to be involved in the project further to discussions at Corporate Governance Committee. The project team engaged with all departments through a short survey to establish current departmental arrangements for policy and planning activities and to gather views about the potential role of a Policy Unit. The responses demonstrated that arrangements vary greatly across departments with strengths and good practice identified in many areas and capacity issues evident within some departments. Responses also highlighted the potential for sharing intelligence, learning and best practice within the organisation.
- 4.4 On the basis of the information about arrangements in other local authorities and departmental contributions, a series of proposed functions and related products and outcomes were developed for the Policy Unit. These were discussed at an event which was held during January 2012 to allow for consideration by key stakeholders of the project team's research findings and the proposed functions. This event was attended by representatives from all departments as well as the Corporate Governance Turnaround Team and there was a broad consensus that these functions provided an appropriate basis for developing the Policy Unit with some minor amendments suggested largely for the purposes of clarity. One of the key messages emerging from discussions at the event was in respect of the relationship between departments and the Policy Unit and the need for clarity about responsibilities for areas of work to avoid duplication and maximise the resources and expertise available.

## 5.0 PROPOSED FUNCTIONS

The proposed functions of the Policy Unit are set out below:

### 5.1 ***To lead on a coherent and joined up approach to policy, planning and strategy development for the Council***

The products and features of this function would include:

- Regular policy briefings
- Well coordinated policy framework
- Development of the Council's Corporate Plan and other strategic plans as appropriate
- Policy network for the Council with all departments represented

The intended outcomes of this function will be:

- Elected Members are well informed on current and future policy issues
- Effective collaboration between departments on cross cutting policy issues
- Robust implementation and review of policy decisions
- Effective sharing of learning and best practice

### 5.2 ***To ensure that there is a robust knowledge and evidence based approach to decision making in order to tackle the key challenges for Wirral***

The products and features of this function will include:

- Robust approach to 'horizon scanning' and dissemination of information
- Regular policy briefings
- A single knowledge 'hub' / evidence base e.g. statistics, demographic info
- Annual 'state of the borough' report
- Joined up approaches for research and information

The intended outcomes of this function will be:

- Consistent use of evidence to develop Council plans and strategies
- Shared view within the Council and amongst partners about the key challenges / opportunities for Wirral

### 5.3 ***To engage with local and sub-regional partners to shape and respond to policy developments and implement decisions***

The products and features of this function will include:

- Utilising the Local Strategic Partnership to discuss policy drivers
- Innovative partnership working
- A clear briefing process in place to inform the Council's contribution at City Region, regional and national level

The intended outcomes of this function will be:

- The Council and LSP proactively anticipates and plans for policy changes
- Shared view within the Council and amongst partners about the key challenges / opportunities for Wirral
- Identification of potential resources
- Influencing policy at sub-regional, regional and national level through ensuring that Wirral's interests and priorities are effectively represented.

## 6.0 DELIVERING THE FUNCTIONS

6.1 The following table presents an assessment of the proposed key products of the Policy Unit in respect of frequency and the nature of the tasks required. It is proposed that a 12 month review is carried out to consider the effectiveness of the functions and products identified within the remit of the Policy Unit.

<b>Products</b>	<b>How often?</b>	<b>Tasks</b>
'Horizon scanning'	<ul style="list-style-type: none"> <li>• Weekly</li> </ul>	<ul style="list-style-type: none"> <li>• Dedicated time spent researching policy papers and legislative changes</li> <li>• Networking at a city region, regional and national level</li> <li>• Effective communication of policy developments</li> </ul>
Regular policy briefings	<ul style="list-style-type: none"> <li>• Regular policy 'round up'</li> <li>• Detailed policy briefings as required and identified through horizon scanning</li> </ul>	<ul style="list-style-type: none"> <li>• Background research and information gathering</li> <li>• Effective 'triage' of emerging policy issues to consider appropriate briefing arrangements</li> <li>• Effective liaison with departments to avoid duplication</li> <li>• Production of policy briefings for intended audience</li> <li>• Timely circulation and publication of policy briefings</li> <li>• Respond to questions or issues that may emerge</li> </ul>
Policy network	<ul style="list-style-type: none"> <li>• To be determined – initial suggestion is every two months</li> </ul>	<ul style="list-style-type: none"> <li>• Effective coordination of policy work across the departments</li> <li>• Promoting innovation</li> </ul>
Co-ordinated policy framework	<ul style="list-style-type: none"> <li>• Regular review (at least monthly)</li> </ul>	<ul style="list-style-type: none"> <li>• Initial production of a calendar which sets out key dates for policy development</li> <li>• Management of regular updates to the policy calendar</li> <li>• Effective liaison with departments to ensure framework remains current</li> </ul>

Single knowledge and evidence base	<ul style="list-style-type: none"> <li>• Key statistics and data updated as available</li> <li>• Full review undertaken on an annual basis</li> </ul>	<ul style="list-style-type: none"> <li>• Preparation of robust knowledge and evidence base to inform prioritisation</li> </ul>
Annual 'state of the borough' report	<ul style="list-style-type: none"> <li>• Full review undertaken on an annual basis</li> </ul>	<ul style="list-style-type: none"> <li>• Preparation of a single 'story of place' for Wirral</li> <li>• Clear identification of key challenges and opportunities for Wirral to inform strategy and policy development</li> </ul>
Corporate Plan	<ul style="list-style-type: none"> <li>• Annually</li> </ul>	<ul style="list-style-type: none"> <li>• Effective coordination and networking with departments and partner organisations to prepare issue papers</li> <li>• Effective arrangements in place to undertake robust prioritisation process</li> <li>• Engagement with members and senior officers to agree Corporate Plan priorities</li> </ul>
Other plans and strategies, e.g. Child Poverty Strategy	<ul style="list-style-type: none"> <li>• As appropriate either as the Council lead or to support departments</li> </ul>	<ul style="list-style-type: none"> <li>• Developing a good policy checklist</li> <li>• Engagement with key stakeholders to develop evidence base</li> </ul>
Local Strategic Partnership Meetings	<ul style="list-style-type: none"> <li>• To be determined by LSP</li> </ul>	<ul style="list-style-type: none"> <li>• Secretariat support for Wirral's LSP</li> <li>• Strategic development and management of Wirral's LSP Executive and supporting structures to develop</li> <li>• Effective engagement with LSP partners</li> <li>• Establishing innovative approaches to multi- agency working and key partnership strategies</li> </ul>

## 7.0 INITIAL STAFFING AND RESOURCE CONSIDERATIONS

7.1 It is anticipated that the proposed functions and products set out in section 6 above will be delivered by a relatively small number of core staff in the Policy Unit. Further to agreement from Corporate Governance Committee as to the proposed core functions of the Policy Unit, more detailed proposals will be developed in respect of the structure and staffing of the Unit, including consideration of existing roles linked to these functions and the Head of Policy role identified in earlier reports.

7.2 The core staff in the Policy Unit will work closely with a wider network of officers in departments. The Policy Unit will also link as appropriate to other core functions, in particular where these links have been identified through other KLOE projects. Other areas of work may arise from the other KLOE projects which can be considered as they emerge. These could, for example include the approach the Council might wish to take to self-regulation or management of the code of corporate governance.

## **8.0 RELEVANT RISKS**

8.1 A project team has been established with robust project planning and risk management in place. The risks in relation to this project are regularly reviewed to ensure that these are addressed through mitigating action.

## **9.0 OTHER OPTIONS CONSIDERED**

9.1 As set out in section 3.1 of this report, the establishment of a Council Policy Unit is one of the 10 Key Lines of Enquiry (KLOE) approved by the Corporate Governance Committee on the 16 November 2011. This provided a clear steer for the review and therefore no further options were considered.

## **10.0 CONSULTATION**

10.1 Consultation with stakeholders has been undertaken as set out in section 4.0 of this report.

## **11.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

11.1 The proposed function relating to engaging with partners will take into account the need to ensure effective engagement with voluntary, community and faith groups.

## **12.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

12.1 Initial resource considerations are set out in section 7.0 of this report.

## **13.0 LEGAL IMPLICATIONS**

13.1 No legal implications have been identified in respect of the proposals set out in this report.

## **14.0 EQUALITIES IMPLICATIONS**

14.1 An EIA will need to be completed in respect of a revised function and will therefore be attached to the proposed report to Cabinet on the 15 March 2012.

## **15.0 CARBON REDUCTION IMPLICATIONS**

15.1 No carbon reduction implications have been identified in respect of the proposals set out in this report.

## **16.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

16.1 No planning or community safety implications have been identified in respect of the proposals set out in this report.

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**APPENDIX 1 – CORPORATE POLICY ARRANGEMENTS: LOCAL AUTHORITY BENCHMARKING**

Council	Political Balance	Description of team	Core Functions					
			Corp Plan	Policy Dev't / Strategies	Policy Briefs	Research & Data	LSP	Other
<i>Bolton Metropolitan</i>	Labour	Corporate Policy and Performance team - covering policy, performance monitoring and equalities & diversities	Yes	Yes – on cross-cutting issues	Ad hoc	Yes	Yes	There are also policy officers within each of the service departments
<i>Bradford Metropolitan</i>	No Overall Control. Minority Labour administration.	Wider Corporate Support team, which includes corporate policy.	Yes	Yes	Yes	No	Yes	Bradford is undergoing a re-structure. A Strategy & Policy register is maintained at a corporate level, including whether an activity is a statutory duty.
<i>Bury Metropolitan</i>	Labour	Policy & Improvement team, covering policy, performance, consultation and research	Yes	Cross-cutting issues	On major issues only	Yes	LSP Framework	The team leads on Bury's 'Plan for Change', which includes a major consultation exercise.
<i>Cheshire West &amp; Chester</i>	Conservative	Corporate Policy team of 6 officers	Yes	Yes	Yes	No	No	Policy Development Boards, including member input, are used to develop policy.
<i>Dudley Metropolitan</i>	Conservative	Policy & Improvement unit, covering policy, performance monitoring, Change team, Research & Intelligence and Emergency Planning	Yes	Cross-cutting issues only	Not regular	Yes	Yes	Also six policy officers in other directorates.

Council	Political Balance	Description of team	Core Functions					
			Corp Plan	Policy Dev't / Strategies	Policy Briefs	Research & Data	LSP	Other
<i>Gateshead Metropolitan</i>	Labour	Currently Policy & Equalities team		Yes				Major review of the core functions of Gateshead council is taking place. Likely outcome is a larger "One team approach".
<i>Halton Borough Council</i>	Labour	Policy Unit - also responsible for Research & Intelligence	Yes	Yes	Yes	Wider team function	Yes	Support scrutiny reviews into specific areas of policy.
<i>Kirklees Metropolitan</i>	No Overall Control. Minority Labour Administration.	Part of a wider team covering Policy, Geographical Research, Corporate Research & Consultation, Overview & Scrutiny and Partnerships.	No	Involved but do not lead	Yes	Wider team function	Wider team function	
<i>Knowsley Metropolitan</i>	Labour	Policy, Performance and Research & Intelligence Unit	Yes	Yes especially strategic issues	Yes	Wider team function	Needs assessment work only	Some members of the Policy team are working specifically on transformation projects.

Council	Political Balance	Description of team	Core Functions					
			Corp Plan	Policy Dev't / Strategies	Policy Briefs	Research & Data	LSP	Other
<i>Leeds City Council</i>	Labour	Impending re-structure. Soon to be part of Corporate Support – will include Policy, Business Change and Engagement.	Uncertain due to restructure	Cross-cutting issues	Yes	No	No	Provide general support service to the Chief Executive.
<i>Rochdale Metropolitan</i>	Labour	Policy Hub is part of same team as research	No	Mainly cross-cutting issues	Yes	Wider team function	No	Corporate Plan is led by the Performance & Improvement team
<i>Sefton Metropolitan</i>	No Overall Control. Three-party Administration.	Policy Unit is part of the Business Intelligence team, which includes policy, performance management, Equality Impact Assessments, and Consultation & Engagement.	Yes	Yes via service and departmental plans	Yes	Yes	No	Sefton is undergoing a re-structure – outcome unknown.
<i>Solihull Metropolitan</i>	Conservative	Policy and Performance Team, although in reality (due to capacity issues) the majority of work relates to performance.	Yes	A little – on major policy issues only	No (provided by Legal function)	No	No	
<i>St Helens Borough</i>	Labour	Policy & Partnership Unit of 4 officers led by a Chief Officer	No	Yes on cross-cutting issues	Yes	No	Yes	Major emphasis on the emerging Public Health and Health & Wellbeing Board agendas

Council	Political Balance	Description of team	Core Functions					
			Corp Plan	Policy Dev't / Strategies	Policy Briefs	Research & Data	LSP	Other
<i>South Tyneside Metropolitan</i>	Labour	Part of a wider Performance and Strategy Team.	Yes	Yes	Yes, although use made of LGiU	Yes	Yes	Following a recent review, greater emphasis for the reduced team is on 'horizon scanning' and innovation.
<i>Stockport Metropolitan</i>	No Overall Control. Minority Liberal Democrat Administration.	Dedicated Policy Team reporting directly to the Chief Executive. Created earlier in 2011.	Yes	Initial focus on corporate strategy – though plans to strengthen links with departments.	Yes	No	Yes	Maintain a successful Policy Calendar to monitor policy 'events' across the council. Provide general support service to the Chief Executive, through Duty Week rota. Support scrutiny reviews into specific areas of policy.
<i>Tower Hamlets</i>	Elected Mayor – Independent. Majority Labour Council.	Policy is part of the Corporate Strategy, Policy and Performance Unit	Yes	Yes, though mainly cross-cutting issues. Support also provided to directorates.	Yes	No	Wider team function	Support scrutiny reviews into specific areas of policy – no separate scrutiny function.
<i>(City of) Westminster</i>	Conservative	Dedicated Policy & Strategy Team	Yes	Yes	Yes	No	Some	Sell policy-related services to other local authorities through the Council's trading arm, WestCo.

## WIRRAL COUNCIL

### CORPORATE GOVERNANCE COMMITTEE

8 FEBRUARY 2012

<b>SUBJECT</b>	<b>INTERNAL AUDIT: APPOINTMENT OF EXTERNAL REVIEWER</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>CHIEF EXECUTIVE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER</b>	<b>COUNCILLOR STEVE FOULKES</b>
<b>KEY DECISION</b>	<b>NO</b>

1. The procedure for recruiting external assistance to support the Corporate Governance Improvement Programme was agreed at Corporate Governance Cabinet Committee on 16 November 2011. The overarching objective is to comply with the Council's Contract Procedure Rules.
2. The intention was to source three quotations, one from the Local Government Association and others from two suppliers recommended by Anna Klonowski (AKA)
3. The LGA confirmed on 7 December 2011 that it did not wish to tender for the work.
4. A procurement process using the Council's eTendering and sourcing portal (The Chest) was conducted for the two suppliers recommended by AKA. The process closed on 23 December 2011. Neither supplier had responded and it was confirmed on 29 December 2011 that one had officially withdrawn, and the other confirmed his interest in participating in an extended return period.
5. Following discussions between the Council's Corporate Procurement Manager and the Director of Finance / Deputy Chief Executive it was agreed to offer the remaining supplier the opportunity to bid, having due regard to the urgency of the work.
6. The procurement process was repeated and a subsequent proposal was received by the closing date of 20 January 2011.
7. Confirmation has been sought as to the cost of the proposal. This was received on 26 January 2011. The cost will be £15,000 (£1,000 per day) including expenses.
8. In the opinion of the Director of Finance / Deputy Chief Executive the respondent is appropriate to appoint because:
  - The bidder has appropriate skills, abilities and experience as evidenced in his CV

- Extensive experience as finance director with more than 20 years at Board level, the last 9 at the City of London
- Experienced non-executive director and Audit Committee Chair
- Wide knowledge of investment strategy, fund management and pensions
- Deep understanding of the intricacies of public sector policy, finance and administration
- Sound knowledge of property development and practical experience of major project management
- Direct involvement in promoting carbon reduction projects at Salix Finance Limited and keen interest in environmental issues.
  
- He is recommended by AKA
- His charges are not unreasonable given the Council's timescale and the nature of the work
- The alternative is to enter a further procurement process, which would mean that the work could not be completed within the timescale laid down by the Committee.

9. In accordance with Contract Procedure Rule 19.1.4 Peter Derrick, BA, CPFA has been appointed to undertake the External Support for the Review of Internal Audit at a cost of £15,000