

WIRRAL COUNCIL

CORPORATE GOVERNANCE CABINET COMMITTEE

26 OCTOBER 2011

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| SUBJECT: | CORPORATE GOVERNANCE: COMPREHENSIVE WORK PROGRAMME |
| WARD/S AFFECTED | ALL |
| REPORT OF: | CHIEF EXECUTIVE |
| RESPONSIBLE PORTFOLIO HOLDER: | COUNCILLOR STEVE FOULKES |
| KEY DECISION: | NO |

1.0 EXECUTIVE SUMMARY

- 1.1 Following the resolution of Cabinet on 22 September, this report identifies a comprehensive programme of activities, for the Cabinet Committee's consideration, to address the weaknesses identified in the recent Corporate Governance Report. The programme identifies key areas, key lines of enquiry to be pursued, interdependencies within the programme (whole systems approach) and therefore the necessary skill sets needed in a turnaround team to undertake this work.
- 1.2 Whilst the Corporate Governance Report demands significant progress by April 2012, the approach of self-assessment and external validation (peer review) to manage and monitor improvements should be embedded in the organisational culture and managed corporately across all services of the Council beyond that timescale, as part of a wider programme.

2.0 RECOMMENDATION

- 2.1 That a programme to achieve improvements in corporate governance be approved by the Cabinet Committee.
- 2.2 That a detailed timeline identifying future meetings, key activities and milestones be developed to reflect decisions made at this Cabinet Committee meeting.
- 2.3 The Chief Executive reports to each meeting of the Cabinet Committee with progress against the programme and timeline in delivering improvements in corporate governance.
- 2.4 That Cabinet Committee considers the creation of a specific budget to support delivery of the programme.

3.0 REASON FOR RECOMMENDATION

- 3.1 The reason for these recommendations is to respond to the findings of the AKA Report on Corporate Governance by developing a work programme to address identified weaknesses in corporate governance.

4.0 BACKGROUND

Programme

- 4.1 A report elsewhere on this agenda details why the Council needs to develop a comprehensive work programme to strengthen corporate governance.
- 4.2 The proposed programme is at Appendix 1.
- 4.3 The principles and approach adopted in developing the programme are that it is:
- Owned by the whole organisation including Members and officers;
 - A comprehensive, whole systems, integrated approach to ensure step change rather than incremental improvement;
 - Led by Chief Executive, reporting to this Cabinet Committee;
 - Co-ordinated through a single point of management control and reporting ;
 - Resourced appropriately to achieve both task and timelines thereby delivering a quality output and outcome which takes account of best practice in other organisations;
 - Delivered using project management tools and techniques with clear allocation of accountability and responsibility, time limited tasks, and identifying, where appropriate, how the improvement activities will be transferred to 'business as usual'.
- 4.4 The programme is predicated on the principles of self-assessment, validation and peer review. This is consistent with the approach adopted by the Interim Director of Adult Social Services (DASS) in response to criticisms raised by the Care Quality Commission in 2010. It is understood that the approach will be appropriate to meet the anticipated Council-wide self-regulation process from April 2012. It is therefore essential to ensure an integrated approach in order to strengthen the council's learning and development of an effective self-inspection regime.

Resources

- 4.5 The programme envisages a nucleus of senior staff tasked with driving forward each line of enquiry. Some of these senior staff will need to be sourced externally; others may require a permanent addition to the establishment. This will become clearer as the programme delivery progresses. The work will be co-ordinated and led centrally on behalf of

the Chief Executive by the Deputy Chief Executive and reported to the Corporate Governance Cabinet Committee in accordance with agreed timescales. The programme of activity will require input from other Chief Officers and their teams; consequently, they may need to adapt their ways of working.

- 4.6 The programme will need to operate at a number of levels. Clearly, support to the Cabinet Committee will be provided by the Chief Executive, Deputy Chief Executive/Director of Finance and the Monitoring Officer. I propose that the Deputy Director of Finance works on the Cabinet Committee's behalf to lead the delivery team (turnaround team), and it is at this level that additional resources will be required. It is possible to identify some resources to work at this senior level from within the organisation. However, there will be significant implications to existing services of this approach of using internal resources. There will, additionally, need to be significant input from other officers across the Council.
- 4.7 An approach often adopted by organisations in these circumstances is to supplement internal capacity and skills. The qualities required at the senior level include, but are not restricted to: ability to represent the 'corporate conscience'; political awareness; standing and experience of corporate governance improvement; gravitas; initiative within a team environment; ability to identify outcomes and deliver effective proposals to meet them; project management skills. Sourcing help externally will have budgetary implications, and the Cabinet Committee may wish to consider creating a specific budget to support the programme.

Cultural Change

- 4.8 The programme plan includes process change but recognises that it will be essential for the Council to develop an appropriate cultural change programme in parallel. This will ensure that Members and Officers can articulate, role model and reinforce "how we do business" in an organisation where the importance of adhering to evidenced based good governance and probity in public office (as Members and Officers) is recognised as the norm, all day, every day.
- 4.9 The initial focus on process recognises that cultural change takes longer to achieve and relies upon winning "hearts and minds". It is intended that this programme of cultural change will be developed by enabling members to lead by example and, additionally, through some facilitated "open door" feedback sessions with staff and external stakeholders.
- 4.10 At the request of Cabinet, the author of the Corporate Governance Report is briefing Members of the Council on the issues. This will be an important step to developing a plan to address some of the Member Capacity issues raised in the report.

5.0 RELEVANT RISKS

- 5.1 Failure to develop and implement effectively an appropriate, comprehensive programme may mean that the weaknesses in corporate governance identified in the Corporate Governance report are not appropriately addressed.

6.0 OTHER OPTIONS CONSIDERED

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

7.0 CONSULTATION

- 7.1 Opportunities for Members to review progress by engaging with officers and citizens are included in the programme.
- 7.2 Where appropriate, external agencies, councillors and officers from other authorities will be consulted and asked to share knowledge.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; STAFFING; ASSETS

- 8.1 **FINANCIAL:** There will be a cost to the Council if external resources to implement the programme are acquired.
- 8.2 **IT:** None identified at this stage.
- 8.3 **STAFFING:** Significant senior resources will be required to implement the programme.
- 8.4 **ASSETS:** None identified at this stage.

9.0 LEGAL IMPLICATIONS

- 9.1 None identified at this stage.

10.0 EQUALITIES IMPLICATIONS

- 10.1 None identified at this stage.

11.0 CARBON REDUCTION IMPLICATIONS

- 11.1 None.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 12.1 None.

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Appendices: Draft Programme

SUBJECT HISTORY (last three years)

| Council Meeting | Date |
|------------------------|-------------------|
| Cabinet | 22 September 2011 |
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