

CABINET PORTFOLIO SUMMARY REPORT

REPORT OF	Councillor Ann McLachlan
CABINET PORTFOLIO FOR	Governance, Commissioning and Improvement
CO-ORINDATING CHIEF OFFICER	Joe Blott, Strategic Director-Transformation and Resources

EXECUTIVE SUMMARY

This report is an update from the Cabinet Portfolio Holder to Members of the Council on matters relevant to her portfolio.

1. ALTERNATIVE DELIVERY MODELS

Financial challenges, demographic changes and national policy drivers are impacting significantly on the services that we deliver. We stated in the Wirral Plan that we would not use this as an excuse for doing nothing, and that we have a duty to find innovative, imaginative solutions. We are already making significant progress in this area, evidenced through the creation and establishment of two new service delivery vehicles: Edsential, to provide services to schools, and Wirral Evolutions, to provide Day Services to adults with a disability.

Edsential: Wirral Council Cabinet and the Executive of Cheshire West and Chester Council (CW&C) approved a series of recommendations in November 2014 for the establishment of a Community Interest Company to provide services to schools and improve the lives of children in the local area. It was agreed the company would be jointly owned by Wirral Council and CW&C Council.

Since the decision was made to create the company, both councils have made significant progress and delivered key milestones towards the creation and launch of Edsential. On the basis that both Councils agree to commence a phased go-live process throughout October and November 2015, formal trading as a separate legal entity will commence in December 2015 with completion of a legal transfer agreement and TUPE transfer of staff. The base for the new company is in Ellesmere Port.

Wirral Evolutions: In March 2014, Cabinet approved the establishment of a new, independent organisation, Wirral Evolutions, to offer day care services through a local authority trading company. The company is currently operating in shadow form and the Council will retain 100 per cent of the shares in the company.

This new model for delivery provides an innovative approach which strengthens our ability to deliver on our 2020 Pledge to ensure **people with disabilities live independently**. The company operates on a model whereby all profits are reinvested into the company to improve the services provided and the positive outcomes achieved for the disabled residents who will benefit from it.

To contribute to the overall delivery of our Wirral Plan, we are continuing to explore our approach to developing alternative delivery models and new ways of working. We will continue to progress this work to ensure that the Council continues to identify opportunities for new delivery models for the foreseeable future.

2. ANNUAL GOVERNANCE STATEMENT

A final draft of the Council's Annual Governance Statement for 2014/15 was presented to Audit and Risk Management Committee in September 2015. The statement will now be signed by the Leader and Chief Executive and reported to Cabinet in October 2015. The statement demonstrates the continued progress to further strengthen our internal governance controls and demonstrates the improvement the Council has made during 2014-15 to address the Council's existing governance issues.

The Council has identified four remaining governance issues which include business continuity arrangements, corporate procurement arrangements, absence management and culture. An action plan has been developed to address these issues and I will receive regular progress reports on its implementation to ensure we are taking the necessary actions and that these are effective and completed to the agreed timescales. I am pleased at the considerable improvements that have taken place across the organisation to improve our internal governance controls and I am determined that we take prompt and effective action to resolve the four remaining governance issues.

3. LANARKSHIRE VISIT

North Lanarkshire Council is facing cuts of £40m per year for the next 3 years from on an annual budget of £750m. A delegation from North Lanarkshire Council requested to visit Wirral Council to discuss the implications of financial cuts facing local government and how various councils cope with these cuts.

North Lanarkshire were looking for examples of innovation and best practice and were really keen to hear about Wirral's improvement journey and our experience of reducing the budget by £151m over the last 5 years. Areas of specific interest included the creation of our transaction centre, our digital strategy and our experience of transferring our housing stock, which they have still yet to do.

This was an immensely rewarding session for both North Lanarkshire and Wirral, enabling the sharing of experiences and learning during these challenging times. The colleagues from North Lanarkshire were very impressed with our progress and the session really emphasised how far we have come over recent years.

I believe that it is a real demonstration of our progress that other Councils are beginning to see Wirral as a success story, an example of national best practice, and are seeking us out for support and guidance as they face their own challenges in relation to transformation and improvement.

4. CORPORATE RISKS

The Council's corporate risks are those which have greatest potential to prevent or frustrate delivery of the Wirral Plan. As such, our success in addressing them is a key determinant of overall corporate performance. The current register is the product of a fundamental refresh conducted in 2013/14.

The Strategic Leadership Team (SLT) has overall executive responsibility for the topics included in the register and oversight of the effectiveness of their management and each quarter carries out a review of the register. This involves examination of progress with the implementation of key control measures for corporate risks. The reviews also consider key risks to programmes and to directorate plans and emerging risks in the wider environment and their potential impact on delivery of the Wirral Plan. The reviews can lead to risks being added or removed from the register, amendments to their scores or changes to controls.

Scrutiny is provided by the Audit & Risk Management Committee. At its meetings the committee considers the results of the SLT reviews and summaries of progress with the implementation of key control measures. Members also have the opportunity to propose topics for potential inclusion in the register and this has led to the addition of several new risks. I provide further scrutiny of the most critical corporate risks through my Portfolio Holder meetings. To assist me the Risk & Insurance Officer provides a briefing note on each risk, summarising the current control environment and any relevant performance data. Other officers with more direct responsibility for the controls are also present, enabling me to question them on the effectiveness of those controls and potential improvements.

Since the start of 2015 I have examined every 'red' rated risk on the corporate register. For the majority I have been satisfied with the existing mitigation. However, I did consider that there were opportunities to improve the response of the Council and its partners to the 'Welfare Reforms' risk and I tasked officers with developing proposals. This led to the inclusion of a specific enabling project in the new Delivery Plan around Welfare Reform.

There will be a further major refresh of the register later this year, to take account of the current Council Plan and Delivery Plan. My scrutiny programme will continue and will take account of any new critical risks identified through that exercise.