CORPORATE GOVERNANCE ASSESSMENT

IMPROVEMENT ACTION PLAN 2025/26

(green)	**On Track and to timetable**
(amber)	**Work still to do but likely to be completed by the end of the financial year**
(red)	**Unlikely to be completed by the end of the financial year**

Item Ref:	Area of Improvement:	Lead Officer:	Target Completion Date:	Update November 2025
CG1	MRWA CEX to lead in conjunction with the CEX Wirral BC, on the LCR Strategic Waste Management Partnership to agree a new Zero Waste 2040 Strategy for the LCR	Lesley Worswick	Sept 2025	Completed, all District have now ratified the ZWS for the LCR. MRWA ZWS strategy also approved by Members
CG2	Identify strategic direction of the Authority's budget with Members early in year	Chris Kelsall	Nov 2025	Update presented at Authority Meeting of 26 September. Further updated provided at Members' workshop on 24 October and an updated Financial Monitoring report will be presented to at the Authority Meeting of 21 November.

Item Ref:	Area of Improvement:	Lead Officer:	Target Completion Date:	Update November 2025
CG3	To ensure new ICT solutions are effective in practice.	Paula Pocock	Jul 2025	Ongoing – Pen testing to be completed once legacy apps have been removed, planned for January 2026
CG4	To complete Inter Authority Agreements with all Councils to formalise arrangements for future services provision beyond expiry of the WMRC with Veolia	Lesley Worswick	March 2026	~Ongoing, likely to extend beyond March 2026
CG5	Implement the Authority's approach to the planning of future waste management services, in preparation for the procurement of the replacement services currently delivered under the existing Waste Management & Recycling Contract.	Lesley Worswick	March 2026	Ongoing – procurement project is well underway and outline OBC in preparation.
CG6	To develop a programme of review for Authority Policies and Procedures for Member approval	Paula Pocock	June 2025	First Suite of Policies approved by Authority – next suite to be taken to Feb 26 Meeting
CG7	To co-ordinate with SLT and Internal Audit to agree the Annual Internal Audit Plan	Chris Kelsall	March 2026	Plan approved at Authority Meeting of 27 June.27 June. Progress update to be provided to Audit Committee on 06 November
CG8	Review Performance Management Framework	Paula Pocock	March 2026	Currently full review being undertaken
CG9	Review Governance arrangements to ensure they remain effective in practice.	Chris Kelsall	Sept 2025	Monitoring Officer is organising external review to be completed early in the new year, which will impact upon the final arrangements

Item Ref:	Area of Improvement:	Lead Officer:	Target Completion Date:	Update November 2025
CG10	Substantive review of the Authority's accounting policies to improve financial robustness and submit to Audit Committee for approval	Chris Kelsall	Stage 1 – May 2025 Stage 2 Nov 2025	Completed and incorporated into statutory accounts published in June Review ongoing with proposals to be presented to Audit Committee in January 2026
CG11	To respond to the recommendations arising from the external auditors' review of the Authority's accounts and value for money.	Chris Kelsall	February 2026	See separate Matrix at Annexe A
CG12	To review procurement arrangements including: impact of the new financial & procurement system, compliance with new legislation, reallocation of procurement responsibilities	Chris Kelsall	June 2025	The review of the procurement documentation undertaken with the procurement consultant (Absolute Procure) looked at those areas and amended the documentation to meet the current legislative requirements. The Environment & Planning officer's role has been extended to included responsibility for procurement. This change in role and JD, supported by a procurement consultant, has allowed for a dedicated procurement resource within the Authority able to offer advise and guidance on procurement activities as required, with ultimate responsibility with the Director of Finance.

Annexe A: Senior Management Response to the Auditor's Annual Report for the year ended 31 March 2024

Update: 6th November 2025

G	No significant weaknesses in arrangements identified or improvement recommendation made.
A	No significant weaknesses in arrangements identified, but improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendations made.

Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
Use of Auditor's powers	Page 13 Statutory recommendations were made in November 2021 as a result of findings during our financial statements audit. The issues relate to issues in producing accounts for audit since 20218/19 and continue to be relevant for 2023/24. See page 8 for details of the recommendations made. The Authority has made some progress to address issues but the identified weakness remains until financial statements can be completed to statutory timetables including comprehensive supporting working papers and capacity within the finance team to support timely delivery of the audit process.	A new Finance Team is place and has undertaken a full review of previous sets of accounts going back to the last version with a clean audit – 2017/18. Following discussions with External auditors, accounts for years 2022/23 and 2023/24 will be republished in order to correct errors discovered during the review process. This will take place at the end of May - subject to approval from the Audit Committee scheduled for 29 May. The Finance Team are confident that the accounts for 2024/25 will be published in line with the statutory deadline of 30 June 2025	Accounts are now completed – albeit with a disclaimer of audit opinion - for 202223 & 2023-24. Draft accounts were published on 30 June in line with the statutory timetable. The audit for 2024-215 is underway with working papers being provided in response to requests from the auditor. MRWA is part of a pilot group of authorities to work with Grant Thornton build back reassurance to move to an unqualified audit opinion as soon as possible.

Annexe A: Senior Management Response to the Auditor's Annual Report for the year ended 31 March 2024

Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
Financial sustainability	Page 16 ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;	We place the highest priority on addressing this matter. The entire Finance Department within MRWA has now been replaced and the training of additional resource to provide support is going well and should be completed within 12 months. The team has already made significant in-roads and progress on resolving these issues. The outcome of the review outlined above has ascertained an improved financial position for the Authority in respect of usable reserves. This is reflected in the accounts that are to be republished in May. The Council is currently reliant on information supplied by St Helens Council in respect of day -to day budget monitoring and the management of cash. Discussions are ongoing with St Helens to enable the Authority to become more self-sufficient in this respect. The vast majority of information required to prepare the statutory accounts for 2024/25 has now been supplied.	A long term financial plan is now in place that identifies the potential impact of the various uncertainties facing the Authority in respect of potential legislative and service delivery changes in the future. The Authority can demonstrate that it is financially sustainable in the short to medium term. However, work is ongoing to ensure that the Authority is able to respond in an optimum way to the longer term financial pressures that it is likely to face. Long term Financial projections have been shared with members.

Annexe A: Senior Management Response to the Auditor's Annual Report for the year ended 31 March 2024

Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
	Page 17 plans to bridge its funding gaps and identifies achievable savings	A comprehensive Medium Term Financial Plan (MTFP) is to be prepared as part of the budget setting process for 2026/27 and will be submitted to the Authority for approval.	This will be submitted to the Authority for approval in February 2026.
	Page 18 plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	The Authority reviewed its Corporate Planning and Performance framework during 23/24. This resulted in recent improvements to the Corporate planning process which now provides for a 5 year Corporate Plan with annual delivery plan below which sit deliverables tracker and reporting down to manager level. Performance is reported to Authority members.	This is now in place.
	Page 19 ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system	As noted above, the Finance Department within MRWA has now been replaced and the training of additional resource to provide support is going well and should be completed within 12 months. This will be addressed through the preparation of the MTFP identified above.	This is in place and incorporated into the Authority's long term planning.
	Page 20 identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans	Scenario panning will be undertaken when developing the MTFP. Budget monitoring reports. Variance analysis is anticipated to be included in budget reports from Q2 onwards.	As above

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Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
		An updated position with respect to reserves and financial resilience will be presented to the Audit Committee on 29 May and ongoing requirements will be addressed as part of the MTFP process.	
Governance	Page 21 monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	The Authority has recently revised its approach to risk management and have undertaken a full refresh and review of our risk register. This is reviewed at least quarterly by SLT along with internal/external audit actions. We will now also consider taking this to full Authority periodically or to the Audit and Risk Committee.	This is now in place
	Page 22 approaches and carries out its annual budget setting process	MTFP will address potential implications of future legislative changes with appropriate consideration of financial risk and provision in reserves.	To be incorporated in the MTFP presented in February 2026
	Page 23	Budget monitoring reports will include corrective actions in future. • Treasury and cash management – Discussions are ongoing with St Helens regarding bank accounts.	St Helens now provide sufficient information to enable the Authority to plan, manage and monitor its cash/investment position.

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Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
	ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships	• The permanent solution for long term capacity has been addressed via the appointment of competent and experienced Director of Finance and Finance Manager. • Treasury Management Outturn and the Half Year Review reports will be presented to the Authority in 2025/26.	The need for a separate bank account will be kept under review Now in place Now undertaken
	Page 24 ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee	Live streaming introduced by the Chief Executive during 2023 In relation to portfolio holders, the Authority holds regular portfolio holder briefings and a bi-annual summit of portfolio holders, leaders and CEX via the LCR Resources and Waste Partnership which the Chief Executive co-leads	No change - this is still being undertaken

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Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
	Page 25 to 26 monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour and where it procures and commissions services.	Complaint reporting to Members now forms part of the Authority's Annual report and AGM June meeting going forwards. A programme of policy and procedure review is in place and well-established. Document owners are expected to review in accordance with the schedule and where this does not happen in a timely manner this is escalated to SLT. As part of this, the Whistleblowing policy is reviewed annually, was last reviewed in 2024 and due again in 2025. All policies and procedures are available to staff via our controlled document system and are up to date. The version on the website appears to be an old version. We will ensure these are updated when policies are reviewed and reissued. Staff do not use the website to access HR policies, they would access via the internal controlled document library. This should have been shared with auditors during the last Vfm audit.	No change - this is still being undertaken
		A whole scale review of governance arrangements, including improvement action plans will be undertaken during current financial year – new resource is in place that will ensure this is delivered.	Review instigated by the Monitoring Officer to be completed by January 2026

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Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
Improving economy, efficiency & effectiveness	Page 27 uses financial and performance information to assess performance to identify areas for improvement	The review of the Corporate Planning Framework over the last 12 months has focussed on delivering the MRWA zero waste strategy, refining the corporate plan and will now focus on performance management framework and KPI reporting. Accurate benchmarking may prove difficult owing to the unique nature of our organisation but we will seek best practice	KPI reporting is currently being reviewed. This will be addressed via a new performance management framework to be introduced in 2026-27.
	Page 30 evaluates the services it provides to assess performance and identify areas for improvement	Recycling rates are not within our control. We can and do influence via the LCR Waste Partnership and the work we are doing currently to address the requirements of Simpler Recycling and prepare for the expiry of the WMRC contract are all working towards the aim of reducing waste, increasing reuse and improving recycling. These are all part of the LCR and MRWA's zero waste strategies, including behaviour change and joint communications.	This will be addressed via a new performance management framework to be introduced in 2026-27.

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Section	Comment / Consideration	Authority Response from Senior Management – May 2025	Authority Update November 2025
	Page 31 ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, to assess whether it is meeting its objectives	**Partnerships**- We have a new LCR Zero Waste strategy which supersedes the JRWMS. This has been adopted now by the majority of LCR councils. **Climate change** – ZWS Strategy supersedes JWMRS. Climate change actions are monitored via the SDP and performance management framework. Climate Action plan reporting will be integrated with SDG and annual report going forward as part of the review of the corporate planning framework	No change - this is still being undertaken
	Page 32 commissions or procures services, assessing whether it is realising the expected benefits	A Procurement team is well established and project governance is functioning well. All procurement documents are now updated and being revised again in light of new procurement legislation. A nominated procurement lead has been established within the Finance & Estates Directorate	CPRs updated and new arrangements are working well. Training provided to all managers in respect of new Procurement Regulations

Annexe A: Senior Management Response to the Auditor's Annual Report for the year ended 31 March 2024

Previous Recommendations

Authority Response from Senior Management – May 2025	**Authority Update November 2025**
KR3 – in progress. This is in progress and the Authority has raised its concerns to the appropriate Executive Director and director within St Helens. The Authority is now working closely with St Helens to provide a satisfactory set of deliverables to enable adequate financial management going forward.	The information provided from April 2025 is much improved and officers believe is sufficient to manage the Authority's finances going forward.
IR1 – the budget for 25/26 will be reviewed following the production of the statutory accounts.	The 2025/26 forecast has been updated and reported to the Authority.
IR2 – the Audit Committee will be updated in respect of usable reserves on 29 May.	Usable reserves forecasts included in Financial reports
IR3 – new budget monitoring procedures will be implemented in 2025/26 following the establishment of a new financial system (Unit 4)	This is now updated monthly with a financial update provided at each Authority Meeting
IR4 – discussions have commenced with St Helen's with a view to improving cash forecasting and management.	Procedures now in place
IR5 – risk management register improved. Formal strategy review to be conducted ASAP	See report to be presented to Audit Committee.
IR6 – relationship with Internal Audit	New arrangements in place
IR7 – corporate governance to be addressed as part of governance review work ASAP	See report to be presented to Audit Committee
IR8 – Updating policies & strategies To be discussed within SLT	All policies are allocated to officers and review periods being followed up
IR9 – annual complaints update is already planned for June AGM	As reported to the Authority in June
IR10 – partway through, more work to do but on track	Will be addressed through new performance management processes to be introduced in 2026/27
IR11 – to improve recycle rates this is an ongoing piece of work and likely to be for some time	This is being addressed through the Waste Partnership

Authority Response from Senior Management – May 2025	**Authority Update November 2025**
IR12 – as above. It is also extremely difficult to demonstrate what is being asked for in terms of the impact of behavioural change only on recycling rates. Advice on how to do this most welcome IR14 – capital programme – The capital programme has been minimal in recent years. However, the MTFP will include a Capital Strategy identifying future capital expenditure and the associated implications to the Revenue Account. IR15 – procurement programme well underway and procurement process documentation updated and staff trained. IR16 – Climate Change -ongoing and in hand. Strategy embedded within ZWS and reporting to be combined with annual report IR17 –Income generation to be addressed via FWS project programme which is underway and will run to 2029 Historical actions relating to the Levy – a working group of FDs is looking at options to revise the levy mechanism to encourage behaviour change and improve recycling. This work stalled during the last 12 months due to lack of District FD resource but is being picked up again.	The approved Behavioural Change Programme is being delivered and each element is subject to review once completed. Significant expenditure will be incurred this year and updates provided to the Authority. New procurement arrangements are in place and a review is included in the Internal Audit Plan for 2025/26. Internal Quarterly reporting takes place. Results reported to members via ZWS updates. Alternative levy proposals prepared by the A See report to be presented to Audit Committee Authority for consideration by the Districts. Note any changes require unanimous approval.