Performance and Risk Management Framework

risk
evaluation
important
analysis
strategy
complex
process
projects
retention
impact
date
plan
resources
opportunity
cost
research
strategy
assessment
performance
customer
project

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Introduction

Performance and risk management is important because it enables Elected Members, staff, partners and the public to assess whether the Council is achieving what it has set out to do, delivering value for money, and meeting the needs of residents and customers. Understanding, analysing and addressing risk ensures the Council achieves its objectives and can proactively plan for and respond to changing needs . Successful performance and risk management needs leaders, managers and staff to understand their purpose and continually improve what they do.

This new framework describes how Cumbria County Council will undertake performance and risk management. It has been developed for use by managers but also provides a guide for Elected Members and the public to explain the Council's performance and risk arrangements.

It sets out the different steps of performance and risk management, roles and responsibilities; and reporting arrangements.

Principles of the Framework

Our framework aims to:

- Enable the Council to achieve outcomes through the effective management of performance and risk.

- Allow timely management of risk across the organisation whilst embedding a consistent risk culture.

- Drive improvement with continuous learning.

- Increase transparency and accessibility of performance and risk information.

- Ensure accountability and ownership across the whole organisation.

- Enhance the use of management information to support managers in their role.

- Integrate our understanding of performance, risk and link with the use of financial and other resources.

- Enable pace across the organisation – moving as quickly as possible from information capture to action.

- Support the use of evidence to ensure effective delivery; including the use of trend data and evidence to generate forecasts.

- Utilise reports and benchmarking that bring performance and risk to life.

- Develop the use of digital technology to support improved online access to information for public, staff, managers and elected Members.

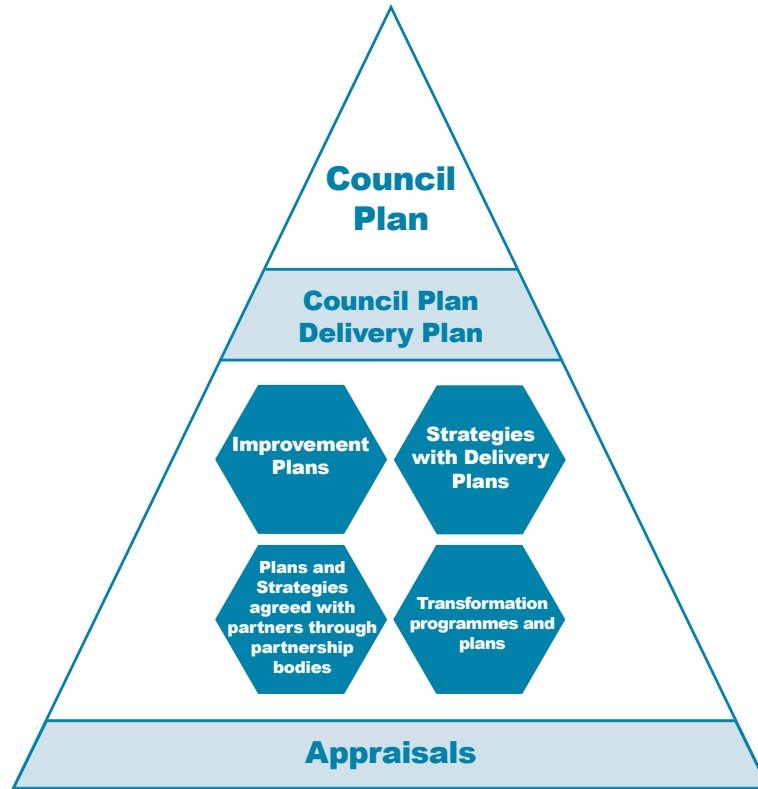# The 4 steps of performance and risk management

We apply the principles of the generic 'Plan', 'Do', 'Review' 'Revise' cycle which is adopted by many organisations across the public and private sector.

Plan

Communicate what we want to achieve

Do

Carry out activities

Do

Plan

Review

Revise

Revise

Make changes and move forward

Review

Understand and take action required to keep us on track

Step 1 - Plan

The Council Plan sets the overall direction supported by an annual Council Plan Delivery Plan. Other objectives may be described in a range of other plans for example partnership strategies and improvement plans.

Council Plan

Council Plan Delivery Plan

Improvement Plans

Strategies with Delivery Plans

Plans and Strategies agreed with partners through partnership bodies

Transformation programmes and plans

Appraisals

Each Directorate will have its own framework of plans it will use to plan activity and resources.

Directorates and Assistant Directors may choose to produce an overarching service plan which brings all these elements together or signposts to other plans.

Minimum requirements for a plan are:

- Objectives and actions.
- How it is aligned to the Council Plan.
- Who is responsible for action.
- Measures of success with targets and timelines.

- Risk descriptions with owner.
- Risk ratings (current and target).
- Mitigating actions.

Appraisals

Each individual employee needs to know what is expected of them and how they are contributing to the Council Plan. This is facilitated through regular supervisions, 1-2-1s, appraisals and team meetings.

This will help define objectives and individual's contribution to the Council Plan.

Tools available to assist:

- Plan template.
- Risk register template.
- Project plan tool.

- Framework of plans template.
- Appraisal template.

Step 2 - Do

We will put our plans into action and gather information digitally that allows us to monitor performance and how we are using our resources against the plan in a timely way. Risks will be continuously monitored throughout delivery and management information is collected to enable agile management of both performance and risk. Through this continuous learning we will adjust plans and delivery to ensure they are effective.

Tool available to assist:

- Progress update template.
- Risk Register template.

Step 3 - Review

Performance and risk information will be reviewed on a regular basis to allow continuous improvement. The approach will be to:

- Focus on the delivery of Council outcomes as set out in Council Plan and related planning framework documents.
- Use information as up to date as possible.
- Make the information easily accessible for Elected Members, managers, customers and the public.
- Integrate the narrative on performance and risk with information about how we are using our resources.

Examples of how information will be made available includes:

Performance and Risk at a glance

Quarterly reporting of performance and risk

Monthly scorecards and dashboards

Annual reporting

Dedicated webpages and use of social media

Management information

Further detail of elements forming the review phase are on pages 6 and 7.

Performance and risk at a glance

A document will be available online which summarises the quarterly performance information in a clear, visual form. It will be aimed at the public so the progress and areas of focus of ongoing work to achieve the Council Plan outcomes is readily available on an easy to navigate webpage on the Council website.

Quarterly reporting of performance and risk

Formal reporting of quarterly performance information will include a review of actions and measures within the Council Plan Delivery Plan and further information relating to areas of focus. A covering report will highlight key updates. This will enable Cabinet to review performance against the Council Plan Delivery Plan and will also support Scrutiny Performance Working Group in their role. A quarterly report reviewing corporate risk updates will support Audit and Assurance Committee to have an overview of the risk profile and the effectiveness of risk management actions.

Monthly Scorecards

Monthly scorecards are a summary of the key performance measures that the Directorates or Programme Boards require to understand their performance against their plans. Scorecards will include:

- Current performance against targets.
- Trends.
- Breakdown of the data (Locality/district breakdowns (where available) or Directorate/service).
- Meaningful benchmarking where possible.

The measures should be appropriate and where possible provide an indication of how well we are using our resources to deliver on our outcomes.

The scorecards will be available on a monthly basis and via webpages or online software such as sharepoint to ensure appropriate availability to support cross cutting activity.

The risk register will also be updated to reflect risks and mitigating actions. Templates will be available for managers to assist in the management of risk.

Dashboards

Based on monthly scorecards, dashboards may be produced if a more visual form of the data is required for engagement or interpretation by a wider audience or in a different way.

An organisational balanced scorecard will also be produced to support an organisational view of key issues.

If an area of concern is identified in relation to performance, a deep dive analysis will enable greater understanding of the causes and the actions needed to improve.

Annual reporting

An annual report will be produced and published to the website so that staff, managers, elected Members and public can view the achievements and progress made by Council in the previous financial year.

Management information

Management information will be available to managers regularly so they can understand and act on performance on a monthly basis e.g. workforce information, customer information, operational information relating to specific services. It will be provided in an accessible form and location so managers can access the most relevant information when required.

Dedicated webpages and use of social media

The public will be able to access a dedicated webpage within the council website for performance and risk information where they can easily navigate to the information publicly available that they may require. Social media will be used to highlight relevant progress based on performance highlighted within formal performance reporting to ensure the public are provided with up to date information.

Appraisals

The Workforce Plan sets out an approach to employee performance review which will focus on strengths, skills gaps and learning requirements. Each member of staff will have an opportunity to discuss how their work contributes to the Council Plan. Appraisals should have at least 1 review within the 12 month period as well as a refresh annually.

Step 4 - Revise

The council will take action to address areas of concern in relation to performance and refresh actions and measures to revise our plans. We will identify what has and hasn't worked well and what we can learn from this.

Plans will be revised against the latest range of information and intelligence including:

- Operational performance including benchmarking where appropriate.
- Financial performance.
- Risk summary profile.
- Internal audit recommendations.
- Public priorities.
- Resident and Community feedback.
- Learning from complaints.
- Feedback from staff.
- External audit and inspection findings.
- Future strengths, weaknesses, opportunities and threats.

Based on review and revise phase of the cycle, plans will be updated when appropriate so they remain relevant and provide clear direction and focus. The adjustment of plans will reflect the continuous improvement approach taken within the council.

Roles and Responsibilities: Elected Members

Performance and risk management is the responsibility of everyone in the Council. The key roles and responsibilities in relation to performance and risk for Elected Members are set out below:

Full Council:
- Approve the Council Plan, key strategies and Medium Term Financial Plan.

Cabinet:
- Approve the Performance and Risk Management Framework.
- Formulate the Council's priorities and approve the Council Plan Delivery Plan.
- Review and respond to performance data.
- Monitor financial performance.
- Challenge financial and non financial performance of all services.
- Ensure strategic delivery of Council Plan and Medium Term Financial Plan.

Portfolio Holders:
- Work with Assistant Directors to regularly monitor, review and challenge performance, risks and data quality to ensure delivery in relation to their portfolio.

Scrutiny Members:
- Hold Cabinet to account.
- Scrutinise the Council's performance.
- Undertake specific reviews of any identified performance issues which can be undertaken through the Council's arrangements for Scrutiny.
- Scrutiny Performance Working Group will challenge quarterly reports following consideration by Cabinet.

◀ **Performance** ▶

Audit and Assurance Committee:
- Gain assurance over the governance of risk.
- Receive regular updates and reviews on the effectiveness of risk management.
- Support the development and embedding of good practice in risk management.
- Gain assurance over financial and non financial performance as reported in the annual accounts.

◀ **Risk** ▶

Roles and Responsibilities: Officers

Performance and risk management is the responsibility of everyone in the Council. The key roles and responsibilities in relation to performance and risk for Officers are set out below:

Corporate Management Team:
- Oversee the Performance and Risk Management Framework.
- Oversee the development of the Council Plan Delivery Plan.
- Ensure commitment to the delivery of Council's priorities through the allocation of responsibilities and resources.
- Take responsibility for the delivery of the annual revenue budget, captial programme and Medium Term Financial Plan.
- Take strategic responsibility for the delivery of the Council Plan including review of performance and risk on at least a quarterly basis.

Programme Boards:
- Produce relevant Plans which contribute to the Council Plan.
- Review performance regularly.
- Identify, mitigate and escalate risks as appropriate.
- Continuously learn and apply learning.

Directorate Management Teams:
- Ensure that a relevant planning and risk framework underpins performance with the Council Plan.
- Review relevant performance and risk at Directorate Management Team meetings on a quarterly basis.
- Respond to service and organisational workflow and workload issues.
- Revise plans to reflect current activity;
- Facilitate learning.

Managers at all levels:
- Contribute to and produce relevant Plans which contribute to the Council Plan.
- Identify, mitigate and escalate risks as appropriate.
- Provide data in accordance with performance reporting requirements.
- Seek support to improve performance and manage risks.
- Manage staff performance and undertake appraisals.
- Facilitate learning and apply learning.
- Encourage staff to seek support when needed to improve performance and provide support when requested.

Individuals:
- Responsible for personal development and performance.
- Participate in annual appraisal.
- Understand how work contributes to the Council Plan.
- Seeking support to improve performance and manage risks.
- Raise specific issues;regarding risk and performance with Managers.
- Ensure that activity listed within individual appraisals is implemented on schedule.

Council behaviours

The Performance and Risk Management Framework links directly to our behaviours which are:

- Communicate in a **clear** and constructive way.
- Act with **honesty** and respect for others.
- Demonstrate a **positive** flexible attitude.
- Take **responsibility** for our actions.
- Be **committed** to one team.

Summary

In summary the Performance and Risk Management Framework is a tool to understand and drive improvement across the organisation. The Performance and Risk Management Framework will be refreshed in 2022.

Our approach to equality

The Council is committed to ensuring it meets the Public Sector Equality Duty in order to provide equality of opportunity through access to services for all and delivering services which meet the needs of the Council's customers; foster good relations by understanding the communities the Council serves and deliver meaningful engagement; eliminate discrimination through the Council's operational and work place policies and procedures.

To support the delivery of this Performance and Risk Management Framework, the Council will build on its existing approach and publish an Equality Action Plan which will set out the objectives and related activities which will be undertaken to meet our commitments. The Action Plan will be informed by the Council's annual Equality Needs Analysis.

This approach will enhance the visibility and accountability for ensuring we meet our commitments.

If you require this document in another format (eg CD, audio cassette, Braille or large type) or in another language, please telephone **01228 226514**.

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