Risk and Performance Audit Committee 20th May 2013

Integrated Performance Management – One Council

Linking Risk & Performance Management

Incorporating risk management into established performance management processes is essential to facilitate well-informed decision making (PWC)

Risk Management is increasingly important in the public sector and should be an integral part of any system of organisational performance management. (Audit Scotland)

What should we use? Both !!

Performance Management

- Is usually based on what has happened in the past

- Allows us to effectively plan for the future

- Delivering services to stakeholders

Risk Management

- Probability of an event and its consequences

- Threats or benefits

- Protecting the risks of stakeholders

Its all about effective decision making !!

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Current Performance Reporting Arrangements

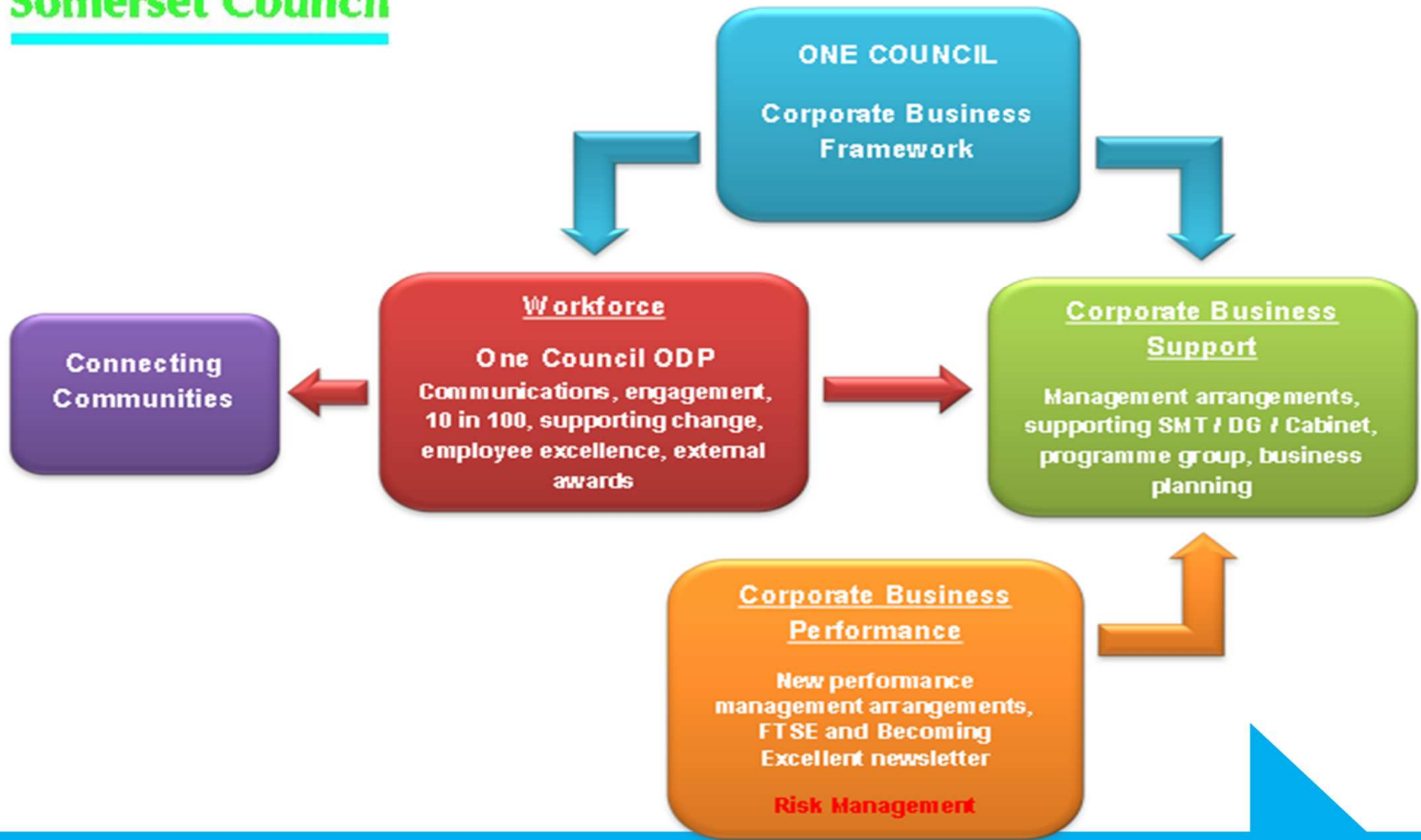**Bath & North East Somerset Council**

Corporate Performance Pack	Quarterly	Comprehensive pack of performance, financial, risk and organisational health information sent to senior managers at the end of every quarter:

Comprehensive pack of performance, financial, risk and organisational health information sent to senior managers at the end of every quarter:

⇨ Separate Performance, **Risk & Assurance** and **Organisational Health Dashboard** Summaries
⇨ Financial Dashboards
⇨ Performance Summary Report
⇨ Supplementary Performance Update Report
⇨ Key Performance Indicators (KPIs)
⇨ Exception Report
⇨ **Risk Dashboard with Corporate Risk Register and Action Plan**
⇨ Complaints Report
⇨ Health & Safety Report
⇨ Staffing Report (turnover, sickness, performance review)
⇨ Equalities Breakdown
⇨ Economic Report

New Approach

The perceived benefits are manifold and will:

❑ Reduce the quantity of data reported in the current quarterly Performance Pack

❑ Reduce the amount of data senior managers and Members are expected to assimilate at any one time

❑ Increase engagement by moving away from the traditional approach of reporting performance to one that produces performance information that is both contextual, interesting and joined up !

❑ Increase engagement with SMT and Members by reporting remedial actions against negative performance updates with a quarter on quarter feedback loop to demonstrate performance improvement

❑ Provide a more holistic and informed view of Council performance and its risks

❑ Contribute to improved overall transparency in our reporting

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Corporate Governance – New Approach

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│      ONE COUNCIL        │
│                         │
│  Corporate Business     │
│      Framework          │
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ONE COUNCIL

Corporate Business Framework

Workforce

One Council ODP
Communications, engagement, 10 in 100, supporting change, employee excellence, external awards

Connecting Communities

Corporate Business Support

Management arrangements, supporting SMT / DG / Cabinet, programme group, business planning

Corporate Business Performance

New performance management arrangements, FTSE and Becoming Excellent newsletter

Risk Management

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Summary of Planned Risk Management Developments -

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- Risk Management to remain a key part of the Organisational Performance Management Framework

- Corporate Risk issues will continue to be reported at least 4 times a year to SMT and DG

- Individual Corporate & Service risks will be continue to be discussed with both Strategic and Divisional Directors

- More work is planned to ensure that key risks are reflected in the Councils approach to strategic planning and its performance, i.e. MTSRP & Corporate Plan.

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Risk Management Strategy - Objectives

- Provision of a Flexible & Holistic RM Framework
- Effective Monitoring, Review & Reporting
- Improved Transparency & Decision Making
- Clear process of Identification & Evaluation of Risks with Key Partners
- Improved Training, Skills & Knowledge
- Effective use of Technology & Resources

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Risk Management - Systems

- Risk Registers (i.e. Corporate & Service)
- Decision Making (i.e. Democratic & Officer)
- Service & Resource Plans (i.e. MTSRP & SAP's)
- Financial Contingency Planning (i.e. Corporate & Project Reserves & Robustness Statements)
- Gateways & Governance (i.e. Capital Strategy Group)
- Projects & Programmes (i.e. Workplaces)
- Dashboards (i.e. Performance Management)

Risk Management – Current Reporting

- Corporate Risk Register (SMT - Quarterly)
- Organisational Health Dashboard (SMT - Quarterly)
- Finance Dashboards (SMT - Monthly & Quarterly)
- Performance Dashboards (SMT - Quarterly)
- Annual Governance Review (SMT - Annually)
- Project Reporting (As necessary)

Corporate Risk Register – Top 10

Meeting the Financial Challenge

Achieving Economic Strategy

Achieving New Housing Targets

Impacts of Demographic Pressures

Resilience of Highways Structures

Successful Delivery of Core Strategy

Impacts of Severe Weather

Duty of Care – Children & Adults

Impact of Shale Gas Operations

Bath Recreation Ground Resolution

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- **Thank You - Questions?**