



Council

15 July 2021

Report of: Councillor Joe Orson
Leader of the Council

Performance and Risk Framework

Corporate Priority:	All Priorities
Relevant Ward Member(s):	All Ward Members
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No

1 Summary

- 1.1 Following the adoption of the new Corporate Strategy in September 2020, the purpose of this report is to set out the refreshed Performance and Risk Framework and provide Members with visibility and assurance regarding the Council's approach to performance and risk management and how that will support policy and budgetary development.

2 Recommendation(s)

That Council:

- 2.1 Approves the Performance and Risk Framework.
- 2.2 Delegates to the Director for Corporate Services in consultation with the Leader of the Council to make minor updates to the Framework as appropriate.

3 Reason for Recommendations

- 3.1 This Performance & Risk Management Framework document sets out the Council's approach to managing performance and risk as it seeks to ensure delivery of its Corporate Strategy priorities, as well as ensuring effective service performance and organisational governance.
- 3.2 The document sets out an annual calendar which demonstrates how performance and risk management will be more closely aligned and help inform the development of policies and the council's budget.

- 3.3 The document also sets out the role members and officers will play in shaping the direction of the Council and highlights the various groups and committees and the points at which they will be involved.
- 3.4 The framework demonstrates how the management of performance and risk are an integral part of the Golden thread from the Mission and Vision of the Council down to individual officers.

4 Background.

- 4.1 Although performance and risk management has been embedded within the Council for some time, there has not always been sufficient visibility of how they link together and inform the development of policies and the Council's budget. This framework seeks to provide visibility and assurance that there is a robust approach to managing performance and risk and that monitoring of the outputs is used to develop new and existing policies and practices and to identify gaps in service provision that need to be addressed.

5 Main Considerations

- 5.1 The new Performance and Risk Framework is attached at Appendix A, and sets out the Council's approach to managing performance and risk. It provides a number of different perspectives to ensure the council understand the evolving needs of local communities, delivers against the priorities set out in our Corporate Strategy, and ensures effective service performance and organisational governance:

- 5.2 These perspective are:

- (i) To build our understanding of Melton as an area and to use that to inform policy responses and organisational development- **A People and Place Focus**
- (ii) To Review progress against the Corporate Strategy Priorities and objectives – **A Priority Focus**
- (iii) To support performance management of our services and our organisational responsibilities – **A Service and Governance focus**

- 5.3 The objectives of the framework are as follows

- (i) **People and Place Focus:** To assist the Council in understanding the place and communities within which we provide services, including the economic, environmental, health and housing context. To identify and understand the risks facing our communities and whether policy or organisational responses are required as part of the policy and budgetary framework.
- (ii) **Priority Focus:** To assess progress against our objectives, projects and activities set out in the Corporate Strategy and the underpinning policies. To assess performance in key service areas that make direct contributions to the six corporate priorities and identify and understand the risks associated with delivering against our Corporate priorities.
- (iii) **Service and Governance Focus:** To ensure performance of all services is monitored and managed. Have in place measures and information to assist in the learning and to help transform and improve services to better meet stakeholder's needs and expectations. Where appropriate we will utilise benchmarking and comparator data to assess performance against other local authorities. This focus will ensure measures of governance and organisational effectiveness are monitored and managed; including budgetary control, debt management and access to

information, equalities, workforce effectiveness and asset management among others.

- 5.4 Risk is a feature of all organisations and includes physical risks to people or property, financial loss, failure of service delivery, information loss or reputational damage to the organisation. The Council has a Risk Management Policy and Strategy setting out five stages to minimise risks that could negatively impact the achievement of the organisation's objectives. These are:
- Stage 1: Risk Identification
 - Stage 2: Risk Analysis
 - Stage 3: Prioritisation
 - Stage 4: Mitigation
 - Stage 5: Monitoring
- 5.5 The Corporate Risk register is published half-yearly, and a risk management annual report is provided to the Audit and Standards Committee. Service risk registers are maintained and reviewed by service areas and used to inform the strategic risk register. Risks are considered as part of reports to Council, Cabinet and Committees. Project risks are also considered and reviewed as part of the Council's Project Management Framework.
- 5.6 Appendix 1 to the Framework sets out the interaction between the various perspectives set out above and how the issues identified within our place and communities and/or within services or the organisational governance of the Council should translate into the Council's Corporate Strategy priorities. The diagram sets out the alignment of everyday activity from individuals, teams, directorates to the Corporate Strategy and the vision and mission of the Council.
- 5.7 The Performance and Risk Management Framework Annual Calendar is shown at Appendix 2 to the Framework and shows how the various components of the framework will be considered formally and sequentially throughout the year and will support effective policy and budget development alongside the opportunity to inform the workplan both for the Scrutiny and Audit and Standards Committees.

6 Options Considered

- 6.1 If the report was not provided, Members may be unaware of ongoing developments within performance, complaint and risk monitoring that supports effective policy and decision making.

7 Consultation

- 7.1 Consultation has taken place with the Chair of Scrutiny Committee, the Chair of Audit and Standards Committee and Group Leaders.

8 Next Steps – Implementation and Communication

- 8.1 This is shown at Appendix 2 to the Framework – the Performance and Risk Management Framework – Annual Calendar.

9 Financial Implications

- 9.1 There are no direct financial implications arising from this report. These will be contained within the various projects and activities within the Corporate Strategy.

Financial Implications reviewed by: Director for Corporate Services

10 Legal and Governance Implications

- 10.1 The Accounts and Audit Regulations 2015 Part 2 Section 3A(c) require the Council to have in place a 'sound system of internal control which includes effective arrangements for the management of risk'.
- 10.2 Failure to adequately address risk and legal issues arising from any activity of the Council increases risk. Officers ensure Members are updated regularly advised and projects are managed to ensure risk of challenge is mitigated as far as possible.

Legal Implications reviewed by: Monitoring Officer

11 Equality and Safeguarding Implications

- 11.1 There are no direct Equality and Safeguarding implications arising from this report.

12 Community Safety Implications

- 12.1 There are no direct Community Safety Implications arising from this report

13 Environmental and Climate Change Implications

- 13.1 There are no direct Environmental and Climate Change implications arising from this report.

14 Other Implications (where significant)

- 14.1 There are no other implications arising from this report

15 Risk & Mitigation

- 15.1 This report discusses the role of risk management within the Performance and Risk Framework.

16 Background papers

- 16.1 There are no additional background papers

17 Appendices

- 17.1 Appendix A - Performance and Risk Framework
- 17.2 Appendix 1 - Performance and Risk Framework: Corporate Strategy 2020-2024
- 17.3 Appendix 2 - Performance and Risk Framework: Annual Calendar

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