

Meeting:	Cabinet
Meeting date:	Thursday 24 September 2020
Title of report:	Performance Management Framework
Report by:	Cabinet member finance and corporate services

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose and summary

To propose a refresh of the councils Performance Management Framework; setting out the councils approach to business planning, risk management and performance monitoring.

Recommendation(s)

That:

- (a) The Performance Management Framework, at appendix 1, is approved; and**
- (b) Delegation is given to the Solicitor to the Council, to update the Risk Management Plan annually**
- (c) Delegation is given to Assistant Director Corporate Support, to update the Service Business Planning Guidance annually**

Alternative options

1. The previous Performance Risk and Opportunity Management Framework is extended. However, this is out of date, and needs refreshing to improve current practices.

Key considerations

2. The current Performance Risk and Opportunity Management Framework (PROM) was approved by Cabinet in July 2016. This set out the council's approach to Performance Management; including business planning, risk management and performance monitoring.
3. Effective triangulation of planning, risk management and performance monitoring is key to ensuring that the strategic priorities within the County Plan are achieved, and where unexpected events occur, these are understood and integrated in to the plan in order to minimise, or mitigate their impact.
4. The new Performance Management Framework, or PMF, is found at appendix 1. This one page approach was chosen in order to increase the accessibility of the framework and therefore boost organisational understanding of what is included within the Framework. This view provides a summary of;
 - the benefits of an effective and embedded performance management framework,
 - the overarching Plan, Do, Monitor, Review cycle
 - the overview and hierarchy of business planning within Herefordshire Council; demonstrating how the County Plan should filter down to individuals' Personal Development Plans
 - the tiers of risk monitored within the authority
 - The annual timings of individual elements within the framework
5. The PMF mandates that the council plans its activities, starting with a Corporate Plan (the County Plan); this plan sets out the key strategic ambitions for the council. These ambitions should cascade down through the organisations planning structure and provide a link all the way through to individuals in their PDP's.
6. The council must also document and monitor risks, and where necessary act to reduce risks. Clearer escalation processes will help to make the process more transparent and ensure that focus, and action, is maintained on the highest risks.
7. Development of this refreshed framework has included engagement with staff who currently manage services, Management Board and with the Audit and Governance Committee.
8. The Risk Management Plan and the Business Planning Framework are found at Appendix 2 and 3. These documents are designed to provide the detail for workers involved in business planning, performance monitoring and risk management.

Risk Management Plan

9. The Risk Management Plan, at appendix 2, has been redeveloped in order to strengthen the council's approaches to risk monitoring whilst also attempting to support staff's understanding and engagement with risk management by providing a simple set of processes.
10. Fundamentally the process for all risks is identification, assessment, addressing risk, monitoring and reviewing, and reporting risks.
11. Changes within the process include;

- A more definitive criteria for escalation and de-escalation of risks between registers
- Recognition of our risk appetite, by mandating all risks over a certain score must have a plan for mitigation, whereas risks below this score can be accepted if the resource, either financial or workforce, would be disproportionate to the risk mitigated
- Greater internal checks, and comparisons, to support a more complete view of risks

Business Planning Framework

12. The Business Planning Framework at appendix 3, provides more information on how planning within the council is undertaken. It is intended to strengthen existing planning processes; ensuring that as part of the planning process services undertake a self-assessment, consider risks, performance and a range of other commitments in planning their activity to the year. This should provide the basis for managers to undertake the Personal Development Plan (PDP) process.
13. As a result of the COVID-19 pandemic, the development and sign off of the 2020/21 delivery plan was delayed. This has had a knock on effect for the completion of service business plans. The 2020/21 delivery plan has now been re-developed to include COVID related impacts and programmes of work, and will now look at an 18 month period. The guidance in appendix 3, shows an “ordinary” year’s timetable.
14. Delegation is sought to allow both the Risk Management Plan and Service Planning Guidance documents on an annual basis in order to refine the processes and mechanisms. This will allow a flexible approach to developing the annual service business plans, in order to strengthen the approach. Similarly, this will allow the risk framework flexibility to ensure risk management works as effectively as possible.
15. Roll out of this framework will include communication to staff of the update and possible inclusion as part of induction for new staff and managers. This document will be available on the councils website.

Community impact

16. A robust performance framework is key to ensuring effective management of council services and progression of key council priorities.

Equality duty

17. Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

18. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

Resource implications

19. There are no direct financial implications of approving this Framework and effective application should help to support effective investment of the council's resources.

Legal implications

20. There is no legal requirement placed on a local authority to publish a report on its performance or any requirement on the council to publish performance on any indicators or metrics. There are no direct legal implications arising from the contents of this report.

Risk management

21. There are limited risks as a direct result of this recommendation but associated with the Performance Management Framework. The table below summarises these

Risk / opportunity	Mitigation
The Performance Management Framework isn't understood by everyone within the organisation.	<p>Developing the framework on a single page is done to support ease of understanding and engagement, with more detailed documents providing greater information for those who actively use risk registers and business plans.</p> <p>Consideration will also be given as to how this might fit into an induction framework.</p>
The elements of the framework; business planning, performance monitoring and risk, do not strike the right balance between simplicity and being over-burdensome, in turn limiting the effectiveness of the framework.	<p>The proposals have been developed following consultation with officers.</p> <p>Delegation to refresh Planning and Risk guidance documents each year will allow flexibility to address any concerns regarding mechanisms, whilst maintained the key elements identified within the overarching Performance Management Framework.</p>

22. Any risks identified will be recorded within the appropriate risk register; scored and escalated as per the Risk Management Plan

Consultees

23. Audit and Governance Committee, whose function it is to ensure risk management processes are embedded effectively within the council's constitution, received a draft of the Risk Management Plan in July and provided their feedback to further strengthen the process. Specifically, they made the following recommendations which have now been addressed in the final version of the Risk Management Plan attached at appendix 2
- Appendices be included to provide an explanation of the assumptions which have been made in the risk management plan. These appendices to include worked examples from each directorate and include SMART mitigating actions. The risk criteria are better defined within the risk management plan
 - If when working through the examples and undertaking a dry run of the framework, issues are identified, that there is consideration that they are added to the impact of the risk
 - If during the dry run of the new plan that if there are any relevant issues that they would be added into the document
 - An annual risk comparison is undertaken by the corporate support centre and reported to the committee.
 - The impact of the risk to children, young people and vulnerable adults is expressly included within the revised risk management plan.

Appendices

Appendix 1	Performance Management Framework
Appendix 2	Risk Management Plan
Appendix 3	Service Business Planning guidance

Background papers

None Identified