



Title: **Performance and Risk Framework**

Wards Affected: **All**

To: **Audit Committee**                      On: **18 March 2015**

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## **1. Background**

- 1.1 At its meeting on 21 January 2015, the Audit Committee received a report which outlined that the Performance and Risk Framework for the Council was being revised. The framework was being reviewed to address concerns that the risk register had become so strategic that operational detail was lacking, as well as ensuring that performance monitoring becomes more aligned to risk management.
- 1.3 The purpose of this report is to outline the Council's draft Performance and Risk Framework.

## **2. Introduction**

- 2.1 The new approach to strategic risk management was introduced in early 2013 at which point five strategic risks to the Authority were identified together with mitigating actions. Since that time, quarterly reviews of progress against those actions have been undertaken and reported to the Audit Committee.
- 2.2 In March 2014, Devon Audit Partnership undertook a review of the new risk management process. The report acknowledges that the new process was in its infancy and that the assurance opinion of "improvements required" reflected that current status and that it was "evident that there is still work being done to ensure that the Council is operating a fully robust Risk Management methodology".
- 2.3 The Policy, Performance and Review Team have taken on board the findings of the Devon Audit Partnership report and have drafted a Performance and Risk Framework for the Council. The aim of the framework is to ensure that there is integration through the organisation between operational risks, strategic risks alongside performance management.

## **3. Performance and Risk Framework**

- 3.1 The framework sets out how performance measures and risks will be identified, how data will be collected and reported and roles and responsibilities across the organisation.

- 3.2 At a strategic level, performance measures and risks will be identified that align to the priorities the Corporate Plan. At an operational level, business units will continue to monitor operational performance measures and risks. Thresholds for performance measures and risk scores will be set in consultation with directors and executive heads to ensure they are appropriate and evidence based.
- 3.3 Monthly monitoring reports in the form of dashboards will be prepared for consideration by the Senior Leadership Team (SLT). SLT will then be able to review and challenge the council's performance and risks. Operational performance and risks will be monitored and issues of concern will be escalated to SLT for their review and consideration. An example of a draft performance and risk dashboard is included in Appendix 2.
- 3.4 Once a quarter, a composite report including performance, risk and financial management information will be considered by the Overview and Scrutiny Board which will mean that there is open, democratic review and challenge to how well the Council is meeting its priorities.
- 3.5 Attached for your consideration is the draft Performance and Risk Framework along with an example of a monthly dashboard.

**Anne-Marie Bond**  
**Executive Head – Commercial Services**

## **Appendices**

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| Appendix 1 | Draft Performance and Risk Framework         |
| Appendix 2 | Example Draft Performance and Risk Dashboard |