

South Lakeland District Council

Audit Committee

21 July 2016

Review of reporting requirements for Performance Management Framework and Risk Process

PORTFOLIO:	Councillor Sue Sanderson – Council Organisation and People Portfolio Holder
REPORT FROM:	Simon McVey – Assistant Director Performance and Innovation
REPORT AUTHOR:	John Davies – Performance and Risk Officer
WARDS:	Not Applicable
KEY DECISION:	Not Applicable

1.0 EXPECTED OUTCOME

- 1.1 That reporting arrangements for the Performance Management Framework and Risk Process are effective and efficient.

2.0 RECOMMENDATION

2.1 It is recommended that Audit Committee:-

- (1) **note the updated reporting arrangements for the Performance Management Framework and the Risk Process**

3.0 BACKGROUND AND PROPOSALS

- 3.1 Historically the Performance Management Framework and the Risk Process have been reviewed on an annual basis. As part of governance arrangements a report has been produced to highlight a review even if no changes were required to either document.
- 3.2 At Audit Committee on 25 April 2016 it was suggested that if there were no changes that a report may not be necessary with the aim of avoiding unnecessary work. It was also suggested that the policies may not need to be reviewed every year and that every two or three years might be sufficient. It was agreed that a short report be presented to the July Committee to consider options for reporting on future reviews.
- 3.3 The Performance and Risk Officer has undertaken a review and the recommended proposal is to review both policies annually and record this on the version control page of each policy. If significant changes are required to either policy then they would be presented to Cabinet and reported to Audit Committee at that stage.

4.0 CONSULTATION

4.1 Partnerships and Organisational Development staff were involved in the review of the arrangements for review and reporting of the Performance Management Framework and the Risk Process.

5.0 ALTERNATIVE OPTIONS

5.1 The review identified the following alternative proposals:

5.2 Continue with current arrangements and report reviewed policies to Audit Committee even if no changes are required. This option is **not recommended** as reports indicating 'no change' are unnecessary.

5.3 Review both policies every two years and only report significant changes to Audit Committee. This option is **not recommended** as reviews themselves are not resource intensive and so reviews can be done annually. The consequences of not reviewing both policies annually may lead to weakened corporate governance arrangements.

6.0 LINKS TO COUNCIL PRIORITIES

6.1 Reviewing key policies is a key organisational control that supports good governance arrangements.

7.0 IMPLICATIONS

7.1 Financial and Resources

7.1.1 No financial implications are associated with the proposals set out in this report.

7.2 Human Resources

7.2.1 No negative resource implications are associated with the proposals set out in this report.

7.3 Legal

7.3.1 There are no legal implications associated with the reviewed documents.

7.4 Health, Social, Economic and Environmental

7.4.1 This report is expected to support and have a positive impact on Health, Social, Economic and Environmental needs.

Have you completed and Health, Social, Economic and Environmental Impact Assessment?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If yes, please confirm that it is attached to the report in the appendices.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If you have not completed an Impact Assessment, please explain your reasons.	This report is expected to support and have a positive impact on Health, Social, Economic and Environmental needs.	

7.5 Equality and Diversity

7.5.1 This report is expected to support and have a positive impact on Equality and Diversity.

Have you completed an Equality Impact Analysis?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If yes, please confirm that it is attached to the report in the appendices.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If you have not completed an Equality Impact Analysis, please explain your reasons.	This report is expected to support and have a positive impact on Equality and Diversity	

7.6 Risk

Risk	Consequence	Controls required
That new arrangements do not support good governance	Poor governance arrangements lead to inefficiencies and poor value for money	Proposals are developed with advice from Audit to ensure good governance

CONTACT OFFICERS

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APPENDICES ATTACHED TO THIS REPORT

Appendix No.	None
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BACKGROUND DOCUMENTS AVAILABLE

[Audit Committee minutes for 25.04.16](#)

TRACKING INFORMATION

Assistant Director	Portfolio Holder	Solicitor to the Council	SMT	Scrutiny Committee
27/06/16	27/06/16	27/06/16	07/07/16	
Executive (Cabinet)	Audit Committee	Council	Section 151 Officer	Monitoring Officer
	21/07/2016		27/06/16	27/06/16
Human Resource Services Manager	Leader	Ward Councillor(s)		
27/06/16				