



Audit, Risk & Assurance Committee

Date	13 January 2020
Report title	Performance Management and Reporting
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Report has been considered by	WMCA Strategic Leadership Team

Recommendation(s) for action or decision:

Audit, Risk & Assurance Committee is recommended to:

- (1) Note the content of the report.
- (2) Note the proposed developments and improvements planned.

1. Purpose

- 1.1. The purpose of the report is to provide an overview of the various elements of the performance management and reporting arrangements at the WMCA. It follows a request from the Chair and Committee to learn more about current practice and planned improvements, to inform consideration about the effectiveness, consistency and oversight of performance monitoring across the WMCA.

2. Introduction: the current performance monitoring and reporting framework

- 2.1. As a Corporate Body, the WMCA is accountable for the performance of its role and responsibilities. There is an array of reporting and communication about both the organisation's performance (financial and delivery) and the regional economic context within which the organisation operates and is trying to influence and impact on.

- 2.2. Performance reporting occurs on annual, six monthly, quarterly and monthly cycles. The main components of the current performance monitoring and reporting framework are:

- **Annual Plan and Annual Plan Review:** The Plan is published annually at the WMCA Board annual general meeting and sets out the priorities of the WMCA, provides a strategic context for the WMCA as an organisation, and articulates what is being delivered and planned across each of the agreed portfolios. A six-monthly review of the Plan is reported to the WMCA Board and provides a summary of delivery progress including updates against delivery milestones/indicators. The WMCA Strategic Leadership Team (SLT) reviews delivery against the Plan twice a year (to be increased to quarterly), with relevant portfolio sections used as part of individual WMCA Directors performance appraisals and regular 1-1s with the Chief Executive.
- **State of the Region Report:** An annual analysis produced by the Black Country Consortium's Economic Intelligence Unit (EIU) to provide a contextual overview of the WMCA's economic performance during the year. It is based on a range of outcome indicators, including those that feature in the Strategic Economic Plan (SEP). This effectively sets the context within which the WMCA is developing and delivering its plans. There is a deliberate read across and synergy to the Annual Plan as many of the indicators feature in the Annual Plan as the outcomes which the WMCA delivery, influence and support is aimed influencing or impacting on (but for which the WMCA is not solely accountable or responsible).
- **Strategic Risk Register:** The register of the key risks to the organisation and its ability to perform and deliver against its plans is regularly monitored, re-assessed and updated by both the WMCA Strategic Leadership Team (SLT) and this committee (quarterly). The Annual Plan references the key risks within the Register that have the biggest potential to impact the performance of the WMCA in terms of disrupting or delaying planned delivery.
- **Financial Monitoring:** The WMCA Strategic Leadership Team (SLT) consider a monthly monitoring report and dashboard summarising performance against

revenue budget and capital programme. A detailed financial monitoring report is also presented to each WMCA Board meeting providing an update on performance against the budget and capital programme, highlighting variances and mitigating actions and providing the basis for debate, discussion and decision-making. The reports also provides information about the investment programme, treasury management and administered funds.

- **Investment Programme Monthly Monitoring Report and Dashboard:** A standing item on the agenda of the Investment Board, the report and dashboard provides members with an Investment Programme status report. It provides the information for the Board to assess the progress being made across the Programme as a whole, with information on projects forecast start and completion vs approvals, funding, and expenditure, to support its decision-making process. The dashboard has been reviewed and refreshed to a new clearer format with approval to instigate its use from January 2020.
- **Programme and portfolio performance monitoring:** Delivery against specific individual portfolio priorities is monitored by the relevant Board or Committees:

Portfolio	Monitoring and Reporting arrangements
Transport	The Transport Delivery Committee (TDC) considers regular Financial Monitoring Reports as well as quarterly Capital Programme updates which provide the Committee with a progress monitoring update on the approved TfWM led 2019/2020 programmes and projects.
Housing and Land	The Housing and Land Delivery Board considers a quarterly update on the various work streams and deliverables which have been agreed by the Housing & Land Delivery Board and contained within the 2019 WMCA Annual Plan. It also receives updates on progress in investing housing and regeneration funding. The monitoring and evaluation is also reported to HMG as part of monitoring commitments under the 2018 Housing Deal.
Productivity and Skills	The Skills Advisory Board receives updates on progress against the Regional Skills Plan. There is also a comprehensive reporting framework in place to ensure effective delivery of the Adult Education Budget (AEB) in line with regional and local priorities. This includes the application of risk-based performance management principles applied to all AEB providers, including those funded through grant.
Economy and Innovation	The Strategic Economic Delivery Board oversees performance against delivery plans of the Local Industry Strategy. Summary delivery and economic performance dashboards are reviewed at every Board. The CA Board will receive an overview report of delivery twice yearly, with the next report due on 17 th January.

Environment & Energy, HS2	The Energy Capital Board reviews progress against the action plan at every meeting. This plan is based on the regional energy strategy and WMCA objectives. The Environment Board meets quarterly and will oversee delivery of the #2041 action plan. The performance regime is under development alongside the plan, which ARAC is being briefed on as a separate agenda item.
Public Service Reform and Social Economy	The Public Service Reform Board considers at each meeting an update on activities across the PSR workstreams with key items of note as well as an update on the business improvement programme supporting People, Process and Culture.
Culture and Digital	WM5G Ltd has a Board and meets monthly. It is funded by DCMS, WMCA and LEPs who all have representation at the Board. Updates on activity are presented to SED Board and can the project can be considered at Investment Board as it is part funded by the Investment Programme.
Well Being	The Wellbeing Board considers at each meeting an update on activities across workstreams with key items of note, as well as an update on WM on the move, the Thrive action plan and broader health inequality contextual analysis.
Inclusive Communities	The main (directly funded) activity currently relate to the implementation of the Leadership Commission recommendations, including the Inclusive Leaders Pledge initiative and Young Combined Authority (YCA) which are monitored at an officer level with regular updates to the Portfolio Lead Member and performance review meetings with the organisation commissioned to support the YCA.

- **Performance reporting to Government:** The WMCA also provides regular updates on progress with delivery to government departments, in line with the expectations of grant-funded activity, pilot activity, housing and skills deals, and devolution agreements.
- **Organisational Health/Performance Dashboard:** The WMCA Corporate Management Team (CMT) considers a dashboard of internal/operational metrics covering HR (absence, turnover and diversity), finance and procurement, environmental performance, communications, health & safety, and FOI requests. The dashboard is supplemented by more detailed information on staffing and health and safety. It is designed to enable the CMT (Heads of Service) to monitor the organisation's corporate health, and determine whether there are areas requiring a more detailed review or investigation.
- **Monthly 'Snapshot' Brief:** A recently launched monthly bulletin for WMCA Board and Programme Board members containing the latest facts, figures and news, designed to support them when engaging with and/or representing the Combined Authority. Whilst predominantly intended as a communications tool, the Brief does report performance in terms of delivery highlights and achievements.

- **Monthly economic monitor:** qualitative and quantitative economic analysis is provided on a monthly basis by City REDI. This report was originally developed for the Brexit Economic Contingency Group and support the real time statistical analysis provided as new releases are made available. The latest available report can be found here: <https://blog.bham.ac.uk/cityredi/west-midlands-economic-monitor-november-2019/>

2.3. The reporting set out above are the key facets of the overall performance management framework and approach. The diagram at **Appendix 1** illustrates the various reporting and communication, including frequency of reporting and the audience it is aimed at and/or available to. Some elements have only recently been introduced, not yet fully rolled out or are in development (see section 3 below).

3. **Planned improvement and potential developments**

3.1. While there is a comprehensive range of reporting, it is recognised the current framework needs to develop and evolve further to facilitate a more integrated and rounded view of organisational wide performance and delivery on a regular basis. This was highlighted by the Internal Audit review of Performance Management and Business Planning arrangements earlier undertaken in 2019.

3.2. Since then work has been done to develop new practice and reporting to both strengthen and consolidate performance information. Some of this is reflected in paragraph 2.1 above. Other current and planned developments include:

- A 'Monthly Summary Scorecard' is being developed to provide a more integrated report that will include metrics and narrative on economic, financial and delivery (including the annual plan deliverables that were due for delivery that month). The Scorecard will be presented to both the SLT and CA Board.
- A 'Quarterly Portfolio Report' to SLT will provide a dashboard and narrative on delivery and impact in each of the priority portfolios. This will ensure a more consistent format for reporting progress and performance in respect of each portfolio – including annual plan delivery milestones, and key programme updates.
- 'In My Place' webpages on the WMCA website will help to provide a focus on delivery in a place (rather than by portfolio) and will be introduced during January 2020. They will be regularly refreshed regularly.
- A specific Overview and Scrutiny Committee session that focusses on performance and delivery. This could focus on the annual plan delivery and be undertaken to coincide with the half year or annual review process.
- Analysis of the most salient statistical releases is cascaded as updated data becomes available. A weekly review / preview of the week's key releases is being piloted, and the distribution list is being reviewed.

4. Supporting infrastructure and capacity

- 4.1 There are other related frameworks and activity that provide elements of performance management, including a Single Assurance Framework (the Committee received a report on this at their meeting on 24th September 2019 as part of the item on Investment Programme Governance Audit Update), and the monitoring and evaluation activity that measures benefits and impact across programmes.
- 4.2 The Constitution sets out the key responsibilities and accountabilities, with the Protocol for Mayor/member and officer relations stating: 'Both the Mayor and members are responsible to the electorate and/or their appointing Constituent Councils or Non-Constituent Councils and for their office. Officers are responsible to the Authority, its committees and joint committees. Their job is to give advice to the Mayor, Members and the Authority and to carry out work under the direction and control of the Authority, its committees and joint committees and to support the Authority in the exercise of its functions and duties.'
- 4.3 There are specific committees within the WMCA governance arrangements that provide oversight, challenge and assurance – not least this Committee. The Overview and Scrutiny Committee also plays an active role in holding the Mayor, portfolio lead members and WMCA Directors to account for delivery and performance.
- 4.4 As reported to the Committee in September 2019, a 'Strategic Hub' is being established following the Corporate Services Review. This will develop the organisation's capacity and expertise to develop, manage and support a more comprehensive and integrated performance management framework.

5. Financial implications

There are no specific financial implications arising from this report. All the developments described are already budgeted for.

6. Legal implications

There are no specific legal implications arising from this report.

7. Equalities implications

There are no equalities implications arising from this report.

8. Other implications

None

APPENDIX 1: PERFORMANCE REPORTING AND COMMUNICATION

Frequency	Performance Reporting	Communications	Stakeholders/Audience
Annual		Annual Plan / Review SOTR	CA Board / Public CA Board / Public
6 monthly		Annual Plan Review	CA Board / Public
Quarterly		Quarterly Portfolio Report Strategic Risk register Individual portfolio reporting*	ARAC / Public Boards and Committees
Monthly	Org health dashboard Financial monitoring report Investment Prog Dashboard		CMT SLT Investment Board
		Monthly summary scorecard (economic, financial and delivery (annual plan delivery milestones and impact?))	
Weekly		Snapshot brief Citi Redi monthly economic monitor Statistical release Weekly review / preview	CA Board Members and Programme Board Public (website) Internal

*as set out in the table in section 2.2 of the report, the exact frequency and rhythm of reporting for individual portfolios varies.