Alarm National Performance Model for Risk Management in the Public Services

	Leadership & Management	Strategy & Policy	People	Partnership, Shared Risk & Resources Processes	Processes	Risk Handling & Assurance	Outcomes & Delivery
Level 5: Driving	Senior management uses consideration of risk to drive excellence through the business, with strong support and reward for well-managed risk-taking	Risk management capability in policy and strategy making helps to drive organisational excellence	All staff are empowered to be responsible for risk management / The organisation has a good record of innovation and well-managed risk-taking / Absence of a blame culture	Clear evidence of improved partnership delivery through risk management and that key risks to the community are being effectively managed	Management of risk and uncertainty is well-integrated with all key business processes and shown to be a key driver in business success	Clear evidence that risks are being effectively managed throughout the organisation / Considered risk-taking part of the organisational culture	Risk management arrangements clearly acting as a driver for change and linked to plans and planning cycles
Level 4: Embedded & Working	Risk management is championed by the CEO / The Board and senior managers challenge the risks to the organisation and understand their risk appetite / Management leads risk management by example	Risk handling is an inherent feature of policy and strategy making processes / Risk management system is benchmarked and best practices identified and shared across the organisation	People are encouraged and supported to take managed risks through innovation / Regular training and clear communication of risk is in place	Sound governance arrangements are established / Partners support one another's risk management capability and capacity	A framework of risk management processes in place and used to support service delivery / Robust business continuity management system in place	Evidence that risk management is being effective and useful for the organisation and producing clear benefits / Evidence of innovative risk-taking	Very clear evidence of very significantly improved delivery of all relevant outcomes and showing positive and sustained improvement
Level 3: Working	Senior managers take the lead to apply risk management thoroughly across the organisation / They own and manage a register of key strategic risks and set the risk appetite	Risk management principles are reflected in the organisation's strategies and policies / Risk framework is reviewed, developed, refined and communicated	A core group of people have the skills and knowledge to manage risk effectively and implement the risk management framework / Staff are aware of key risks and responsibilities	Risk with partners and suppliers is well managed across organisational boundaries / Appropriate resources in place to manage risk	Risk management processes used to support key business processes / Early warning indicators and lessons learned are reported / Critical services supported through continuity plans	Clear evidence that risk management is being effective in all key areas / Capability assessed within a formal assurance framework and against best practice standards	Clear evidence that risk management is supporting delivery of key outcomes in all relevant areas
Level 2: Happening	Board/ Councillors and senior managers take the lead to ensure that approaches for addressing risk are being developed and implemented	Risk management strategy and policies drawn up, communicated and being acted upon / Roles and responsibilities established, key stakeholders engaged	Suitable guidance is available and a training programme has been implemented to develop risk capability	Approaches for addressing risk with partners are being developed and implemented / Appropriate tools are developed and resources for risk identified	Risk management processes are being implemented and reported upon in key areas / Service continuity arrangements are being developed in key service areas	Some evidence that risk management is being effective / Performance monitoring and assurance reporting being developed	Limited evidence that risk management is being effective in, at least, the most relevant areas
Level 1: Engaging	Senior management are aware of the need to manage uncertainty and risk and have made resources available to improve	The need for a risk strategy and risk-related policies has been identified and accepted / The risk management system may be undocumented with few formal processes present	Key people are aware of the need to understand risk principles and increase capacity and competency in risk management techniques through appropriate training	Key people are aware of areas of potential risk in partnerships and the need to allocate resources to manage risk	Some stand-alone risk processes have been identified and are being developed / The need for service continuity arrangements has been identified	No clear evidence that risk management is being effective	No clear evidence of improved outcomes