

Early Management of the Risks to Successful Delivery

A framework for action, with tools and guidance

Introduction

The National Audit Office, the Office of Government Commerce and others have highlighted how early risk assessment and management can help to ensure policies can be successfully delivered. The Risk Programme, with the NAO have produced [*How to manage the risks to successful delivery: a tool for policy makers*](#).

Where a Regulatory Impact Assessment is prepared, this already requires risks to be outlined at an early stage of policy development (including consideration of the wider social, economic and environmental risks as well as public sector impacts). We need to ensure this is done well. [Guidance](#) is available on the [RIU website](#).

It has been agreed that no [IT-enabled initiatives](#) should be announced before an analysis of risks and implementation options has been undertaken. Before decisions are taken and announcements made there should have been:

- [Initial identification and assessment of both risks and opportunities](#);
- A free and frank discussion of the risks, drawing in a range of views and perceptions, including those of Ministers, senior officials, those involved in delivery and those affected by the risks; and
- Consideration of how you would [develop plans to manage the risks](#), and deal with contingencies.

An independent review, such as an [OGC Gateway Review 0](#), can provide assurance about whether risks have been adequately considered. The use of [project management techniques](#) in the early stages of policy development is also recommended, to provide a framework for managing risks.

Policy-making about risks to the public needs to apply [principles of openness, transparency and involvement](#), with decisions made in a proportionate and consistent manner, based on best available evidence, and ensuring responsibilities for managing risks lie with those best placed to control them. Good [communications](#) on risk issues is especially important.

HOW TO MANAGE THE RISKS TO SUCCESSFUL DELIVERY -

A TOOL FOR POLICY MAKERS

The risks to successful delivery of policies need to be managed effectively to secure planned service improvements, and to retain the trust of citizens and the credibility of public services. The Risk Programme Steering Group with the assistance of the National Audit Office (drawing on their VFM studies) have identified ten main areas where departments need to pay particular attention from the outset of policy development if they are to deliver successfully:

| Action required to address common risks | Desired outcome |
|--|--|
| 1. Developing a clear analysis of the policy options... | ...to ensure an overall policy direction that addresses real need and attracts support More... |
| 2. Creating clear ownership and well focused leadership... | ...to drive through delivery More... |
| 3. Defining effective measures of success.... | ...to provide a clear direction for implementation, and shared understanding of priorities More... |
| 4. Taking proper account of the external environment... | ...so that policies are sufficiently flexible to respond to external changes More... |
| 5. Setting realistic aims and approaches for policy delivery... | ...to ensure that those delivering the policy have an achievable plan More... |
| 6. Securing buy-in from those affected and those responsible for frontline implementation... | ...to harness sufficient commitment and support for successful delivery More... |
| 7. Establishing well thought through delivery implementation plans... | ...to secure or develop the capacity and capability for delivery More... |
| 8. Identifying, analysing and managing risks, and establishing appropriate contingency arrangements... | ...so that policies are resilient to risk and innovative opportunities can be successfully pursued More... |
| 9. Establishing an effective framework for monitoring and evaluating performance... | ...so that timely action can be taken to remedy emerging problems and make sure that desired outcomes are achieved More... |
| 10. Ensuring robust and professional management of the policy delivery process itself... | ...so that decision makers are confident about the information provided to them More... |

The potential consequences of not addressing these ten areas, and actions to support successful delivery, are set out in more detail below.

1. Developing a clear analysis of the policy options ... to ensure an overall policy direction that addresses real need and attracts support.

Inadequate understanding of the strengths and weaknesses of potential policies, how success can be achieved and the barriers to doing so, and the effects on the wider policy environment, can result in resources being invested in activities that may be overly ambitious or unwanted by citizens. Opportunities for innovation can be lost.

Key actions:

- Assessing the balance of risk and reward in any new policy and considering the impact that this might have on existing policies, including critical dependence or contradictory priorities,
- Identifying key stakeholders likely to be affected and ensure the proposed policy is exposed to a broad range of views,
- Consulting citizens to develop a complete understanding of the types of services and delivery methods required, and determining whether these are equitable and cost-effective,
- Testing whether policies will be practical by getting advice from those with experience of delivery,
- Learning lessons from the performance of existing policies and benchmarking any plans against the best in the private sector or other parts of the public sector and overseas.

Further guidance:

- [Options appraisal guidance from OGC's Policy to Successful Delivery](#)
- [Develop strategic options from the Strategy Unit's Strategy Survival Guide](#)
- [Viewfinder: A Policy maker's guide to public involvement](#)
- [Building an evidence base from the Strategy Survival Guide](#)

2. Creating clear ownership and well focused leadership ... to drive through delivery.

Diffuse ownership and poorly focused leadership can result in confusion, inaction and waste. If Ministers, heads of departments and Departmental Boards do not clearly demonstrate the importance they attach to successful policy making and provide active leadership, staff throughout the organisation will be left unclear about what they are supposed to do.

Key actions:

- Ensuring the where possible, a single specific individual with a known track record of delivery is given clear responsibility for the successful development and implementation (whole life) of the policy,
- Making sure the individual has practical experience of the area under consideration and has a competent team in support,
- Providing that individual with the clear authority required to develop and deliver all aspects of the policy,
- Where policies extend across organizational boundaries ensuring clear accountability and governance arrangements are established over the development and implementation of policy,
- Resisting pressure to make final decisions until all the issues have been analysed based on complete evidence, and the policy and its implementation arrangements have been fully tested.

Further guidance:

- [Guidance on Senior Responsible Officers from the OGC Successful Delivery Toolkit](#)

3. Defining effective measures of success ... to provide a clear direction for implementation, and shared understanding of priorities.

If departments do not have clear objectives and priorities, they may divert considerable resources and effort away from the delivery of improved frontline services by setting off in the wrong direction and investing in activities that are peripheral to their strategic priorities.

Key actions:

- Ensuring policies have clear objectives and avoiding creating a diffuse set of initiatives covering many low priority issues,
- Developing and agreeing from the outset clear criteria for assessing whether a policy has been successful,
- Ensuring the Management Board has a clear view of what benefits the policy will delivery, the criteria against which success will be judged and how the policy will contribute to delivery of the department's strategic priorities,
- Aligning objectives and targets with those of partner organisations throughout the delivery chain and testing their understanding about the priorities for resource allocation and delivery.

Further guidance:

- [Clarifying outcomes and defining policy objectives guidance from *Policy to Successful Delivery*.](#)

4. Taking proper account of the external environment ... so that policies are sufficiently flexible to respond to external changes.

Failure to take account of how circumstances may change over time can result in investment in policies that quickly become redundant. Policies need to be designed and implemented with sufficient flexibility to review progress and determine that intended policy benefits are still being delivered.

Key actions:

- Making use of scenario-planning exercises to assess all the various potential impacts of the policy,
- Identifying and defining options to cover different future scenarios and providing meaningful choices to decision makers,
- Ensuring options clearly set out technical feasibility, potential implementability and any opportunity costs,
- Considering whether the policy and proposed delivery mechanisms are sufficiently flexible and resilient to cope with changes, so that the department can respond speedily, flexibly and responsively to shifts in technology, consumer behaviour, and social and economic trends,
- Identifying the circumstances in which underlying policy assumptions might become invalid and the likelihood of these circumstances arising,
- Establishing arrangements to review regularly and retest the underlying assumptions of the policy and to reconsider whether the policy in its current form should continue.

Further guidance:

- [Scenario development guidance from the *Strategy Survival Guide*](#)

5. Setting realistic aims and approaches for policy delivery ... to ensure that those delivering the policy have an achievable plan.

Shortfalls in resources and fraud or abuse of systems can often be traced back to inadequate trialling and testing of policies prior to implementation.

Key actions:

- Developing a rigorous and professional business case for proceeding with the policy which identifies the full resource requirements over the life of the policy,
- Identifying all the costs of the policy should include those that fall on citizens and businesses,
- Exploiting the collective knowledge and experience of the department and delivery partners in assessing the balance between costs, quality and timeliness, and determining whether this balance is realistic in terms of the expectations for service delivery,
- Using appropriate techniques (such as modelling) to identify factors that if not addressed will lead to policy failure or unintended or undesirable effects and retesting (including repeat pilot) any changes or remedial measures,
- Considering how different policy options will work in practice by testing and piloting them prior to implementation, ensuring that lessons learnt are taken on board in full implementation and looking to involve citizens and other stakeholders in the testing of policies wherever possible.

Further guidance:

- [Guidance on delivery planning from *Policy to Successful Delivery*](#)
- [Planning delivery guidance from *Strategy Survival Guide*](#)

6. Securing buy-in from those affected and those responsible for frontline implementation ... to harness sufficient commitment and support for successful delivery.

Failure to communicate the policy, its intended benefits and delivery mechanisms to the target citizen group, or those responsible for its delivery, or establish robust partnerships with delivery partners, can lead to failures such as poor take-up, or waste through error and fraud.

Key actions:

- Consulting and engaging fully with the intended beneficiaries of the policy
- Consulting and engaging fully with the implementers of the policy as well as other stakeholders and interest groups important for successful delivery
- Where delivery is dependent on one or more main partners ensuring all parties are clear about partnership arrangements including decision-making processes, the risks to be owned or transferred, and arrangements for raising concerns
- Developing explicit communication strategies for all those involved in the delivery of a policy, including frontline staff, and testing their understanding
- Developing communication strategies that are tailored to the different citizen groups intended to be benefited by the policy and testing their understanding so that expectations and demand can be managed more effectively
- Developing media handling strategies

Further guidance:

- [Guidance on communicating information about policy initiatives from *Policy to Successful Delivery*](#)
- [Managing Stakeholders and Communications from the *Strategy Survival Guide*](#)
- [Viewfinder: A Policy maker's guide to public involvement](#)
- [Specific guidance on *Communicating Risk*](#)

7. Establishing well thought through implementation plans ... to secure or develop the capacity and capability for successful delivery.

Departments increasingly rely on an increasingly diverse range of partner organisations in delivery chains to implement policies. Policies may be partially or completely unsuccessful if in-house implementation teams and partners do not have the appropriate resources, infrastructure, systems and skills to deliver.

Key actions:

- Establishing implementation plans that set out clear roles and responsibilities for all involved, identifying resources, and setting out key milestones,
- Assessing the capabilities of the in-house development and implementation team and if necessary seeking external expertise,
- Assessing the capacities and capabilities of all those involved in delivering policy to identify any weak links in the delivery chain and to address any shortcomings or constraints,
- Determining how best to involve all those in the delivery chain in decision making processes and how to respond to and address their concerns,
- Determining how resources can be allocated to provide incentives to achieve targets and quality standards, encourage partnership, and encourage investment and innovation (for example, by providing certainty over levels of funding in future years).

Further guidance:

- [Guidance on delivery planning from *Policy to Successful Delivery*](#)
- [OGC's *Successful Delivery Pocket Book*, specifically pages 12 and 13, *Delivery Planning Overview*](#)
- [Reviewing Organisational Capacity from the *Strategy Survival Guide*](#)
- ['Plan the roll out' from the *Strategy Survival Guide*](#)

8. Identifying, analysing and managing risks, and establishing appropriate contingency arrangements ... so that policies are resilient to risk and innovative opportunities can be successfully pursued.

Failure to manage the risks inherent in all policies can give rise to services that are not delivered on time, or cannot respond to sudden changes in demands for them, or are of poor quality or are not cost-effective.

Key actions:

- Senior management need to support and promote effective identification and management of risk in policy development and delivery,
- Embedding the systematic identification and management of risks to successful policy development and delivery at all levels in the organisation and throughout the delivery chain,
- Right from the outset analysing the factors that might lead to slippages in time, cost, quality or delivery and ensure that all the right stakeholders with the appropriate experience and skills are involved in the process,
- Developing early warning indicators to identify, monitor and analyse risks as the policy proceeds,
- Establishing effective contingency plans and crisis management arrangements to enable rapid corrective action or the continued delivery of services should any of the identified risks materialise.

Further guidance:

- [Guidance on risk management in delivery planning from *Policy to Successful Delivery*](#).
- [OGC's *Successful Delivery Pocket Book*, specifically page 18, *Managing Risks*](#)

9. Establishing an effective framework for monitoring and evaluating performance ... so that timely action can be taken to remedy problems and make sure that desired outcomes are achieved.

If performance measures, targets and the arrangements for monitoring and evaluation are weak or inappropriate they can hinder the timely identification of problems and can potentially distort behaviour amongst those responsible for policy implementation and delivery.

Key actions:

- Defining clear performance measures that will enable performance and resource consumption to be monitored,
- Ensuring that reliable, complete and timely information to underpin monitoring will be available to and from all delivery partners,
- Setting out the arrangements for holding those responsible for implementation to account on a regular and timely basis,
- Establishing a clear framework and methodology for evaluating the effectiveness of the policy agreed with delivery partners and stakeholders,
- Establishing arrangements for feeding back the results of evaluation into planning.

Further guidance:

- [Guidance on review and control, and assessing progress from *Policy to Successful Delivery*.](#)

10. Ensuring robust and professional management of the policy delivery process itself ... so that decision makers are confident about the information provided to them.

Policies can fail or be seriously delayed because policy making teams do not have the right skills, use the right techniques or identify and manage the risks associated with failure or delay of, for example, associated new legislation on which the policy depends.

Key actions:

- Using available guidance and good practice, both from internal Departmental sources, and from central resources such as the [Policy Hub](#),
- Using project management methods to organise policy making activity,
- Arranging external review – e.g. an OGC gate zero review – to provide assurance,
- Ensuring external perspectives are adequately fed into the work,
- Ensuring that those involved in developing policy advice have the appropriate experience of, or access to skills in, human resource management, financial planning and project management,
- Reserving the right to cancel the policy and establish from the outset the arrangements for doing this so that decisions can be taken decisively and quickly in case of emerging problems.

Further guidance:

- [Project and programme management techniques from *Policy to Successful Delivery*](#)
- [Managing people and the project from *Strategy Skills Survival Guide*](#)

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Links used and further guidance

Here is a list of the links used within this document. They draw on 4 main sources¹ which, in addition to specific links here, have much good material on effective policy making.

Introduction

- Regulatory Impact Assessment Guidance, <http://www.cabinet-office.gov.uk/regulation/ria-guidance/>
- RIU website, <http://www.cabinet-office.gov.uk/regulation/>
- DAO GEN (01/03) letter on IT-enabled initiatives, <http://www.hm-treasury.gsi.gov.uk/fmra/accounting/dao/DAO1.03.doc>
- OGC *Successful Delivery Toolkit*, guidance on risks and risk identification http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/getting_started/risks.htm
- OGC *Successful Delivery Toolkit*, guidance on managing risks
- http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/delivery_planning/risks.htm
- OGC Gateway review O http://www.ogc.gov.uk/embedded_object.asp?docid=1001451
- Project and Programme Techniques guidance from the OGC http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/proj_prog_manage_techniques/techniques.htm
- Principles of Managing Risks to the Public, HM Treasury http://www.hm-treasury.gov.uk/media/8B2AE/risk_principles_220903.pdf
- Guidance on *Communicating Risk*, GICS and UK Resilience <http://www.ukresilience.info/risk/>

Section 1.

- *Options appraisal guidance from OGC's Policy to Successful Delivery*, http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/getting_started/options.htm
- Develop strategic options from the Strategy Unit's *Strategy Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/phases/st_develop.htm
- *Viewfinder*: A Policy maker's guide to public involvement, http://www.policyhub.gov.uk/docs/viewfinder_1_22.10.022.pdf
- Building an evidence base from the *Strategy Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/skills/evidence_base.htm

Section 2.

- Guidance on Senior Responsible Officers from the OGC *Successful Delivery Toolkit*, <http://www.ogc.gov.uk/sdtoolkit/keyissues/sro/index.html>

Section 3.

- Clarifying outcomes and defining policy objectives guidance from *Policy to Successful Delivery*, http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/getting_started/policy_outcomes.htm

¹ OGC *Successful Delivery Toolkit*, Strategy Unit *Strategy Survival Guide*, OGC *Policy to Successful Delivery*, Cabinet Office *Policy Hub*

Section 4.

- Scenario development guidance from the *Strategy Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/skills/eb_scenarios.htm

Section 5.

- Guidance on delivery planning from *Policy to Successful Delivery*, http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/delivery_planning/delivery_planning.htm
- Planning delivery guidance from *Strategy Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/skills/planning_delivery.htm

Section 6.

- Guidance on communicating information about policy initiatives from *Policy to Successful Delivery*, http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/delivery_planning/communications.htm
- Managing Stakeholders and Communications from the *Strategy Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/skills/managing_stakeholders.htm
- Viewfinder: A Policy maker's guide to public involvement, http://www.policyhub.gov.uk/docs/viewfinder_1_22.10.022.pdf
- Specific guidance on *Communicating Risk*, <http://www.ukresilience.info/risk/index.htm>

Section 7.

- Guidance on delivery planning from *Policy to Successful Delivery*, http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/delivery_planning/delivery_planning.htm
- OGC's *Successful Delivery Pocket Book*, specifically pages 12 and 13, *Delivery Planning Overview*, http://www.ogc.gov.uk/sdtoolkit/keyissues/delivery/pocketbook_27-8-02.pdf
- Reviewing Organisational Capacity from the *Strategy Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/phases/rt_review.htm
- 'Plan the role out' from the *Strategy Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/phases/pt_plan.htm

Section 8.

- Guidance on risk management in delivery planning from *Policy to Successful Delivery*, http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/delivery_planning/risks.htm
- OGC's *Successful Delivery Pocket Book*, specifically page 18, *Managing Risks* http://www.ogc.gov.uk/sdtoolkit/keyissues/delivery/pocketbook_27-8-02.pdf

Section 9.

- Guidance on review and control, and assessing progress from *Policy to Successful Delivery*, http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/delivering/review_and_control.htm

Section 10.

- Policy hub, <http://www.policyhub.gov.uk>
- Project and programme management techniques from *Policy to Successful Delivery* http://www.ogc.gov.uk/sdtoolkit/keyissues/getting/content/proj_prog_manage_techniques/techniques.htm
- Managing people and the project from *Strategy Skills Survival Guide*, http://www.number-10.gov.uk/su/survivalguide/skills/managing_people.htm