

Integrated Planning, Monitoring and Reporting

1. Purpose

This procedure describes the integrated planning, monitoring and reporting cycle of the European Chemicals Agency, including the preparation of the Single Programming Document (SPD).

This procedure aims at organising the preparation of these activities in a coherent way throughout the Agency and ensuring that any improvement actions identified are included in the planning. Moreover, the procedure ensures a link between multi-annual and annual planning, as well as annual and multi-annual reporting.

2. Scope

This procedure applies to the strategic, financial and human resources planning and reporting in the Agency, and is implemented by all ECHA Directorates.

3. Description

3.1. General

The annual planning and reporting cycle establishes the main mechanisms for the Agency's performance management. ECHA Financial Regulation (MB/WP/03/2014) Art 32 and Art 33 set the requirements for the annual and multi-annual programming to be prepared in the form of a Single Programming Document (SPD), including the resource planning of the Agency. Art 47 sets the requirements for the Consolidated Annual Activity Report (CAAR). The REACH Regulation (Art 78) sets the requirements for the adoption of the Agency's Work Programmes and General Report.

Strategic and activity related objectives, are included in the relevant sections of the SPD.

The structure of the annual work programme as set out in the SPD is based on an Activity-Based Management approach. The Agency also defines metrics to monitor the progress in achieving set objectives. These results are presented in the General Report and other reports, as described in section 3.3.2 of this PRO.

3.2. Actors

The following actors are involved in the process of integrated planning, monitoring and reporting.

- The Planning, Monitoring and Reporting (PMR) Team consists of representatives of Executive Office, Finance and Human Resources which collaborate on actions regarding planning, monitoring and reporting.
- All Directorates at ECHA, represented by their relevant Directors; this also includes their relevant Heads of Unit (HoU) as appropriate.
- The Management Board (MB) of ECHA and the Management Board Working Group (MBWG) on Planning and Reporting.
- The Executive Director (ED) of ECHA.
- The relevant bodies for evaluations including the Evaluation Coordination Function (ECF) and the Evaluation Working Group (EWG).

3.3. Detailed description

3.3.1. Planning

Jun N-1	<p>PMR team launches N+1 planning and prepares zero draft of SPD.</p> <p>PMR team prepares planning calendar and tables it for discussion and adoption at DCM.</p> <p>Directors hold an initial discussion on multi-annual trends in strategic areas and on specific trends and evolutions foreseen in year N+1.</p> <p>Directors discuss on resource outlook over years N+1 to N+3. This refers to Section 3.2.2 of the SPD: New tasks; growth of existing tasks; efficiency gains; negative priorities / decrease of existing tasks; redeployment.</p> <p>Finance launches estimation of budget needs and communicates on to the Directorates that they can start deliberating upon their budget needs.</p>
Jun–Sep N-1	<p>PMR team prepares/updates planning templates/tool(s) where N and N+1 input will be captured, pre-filling as much data as possible. This will also include instructions.</p> <p>Directors focus on N+1 and brainstorm on N+2, N+3.</p> <p>Each Director prepares first draft of key actions and outputs including metrics.</p> <p>Directors provide qualitative input on the multi-year trend of the strategic action areas.</p> <p>Directors provide input on resource outlook over years N+1 to N+3 for Section 3.2.2 of the SPD: New tasks; growth of existing tasks; efficiency gains; negative priorities / decrease of existing tasks; redeployment.</p> <p>Directors prepare their contributions regarding the estimates of revenue from fees and charges, administrative and operational</p>

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	<p>expenditure, statutory staff as well as seconded national experts for Annexes I and II of the SPD.</p> <p>PMR team prepares consolidated draft 1 of SPD (based on Directors' input).</p>
Sep N-1	<p>Directors' prioritisation event of N+1.</p> <p>Directors decide on what are the key actions and outputs and the corresponding full time equivalent human resource levels for N+1 per activity to use as planning assumption.</p> <p>Directors discuss and align their contributions regarding the estimates of revenue from fees and charges, administrative and operational expenditure, statutory staff as well as seconded national experts for Annexes I and II.</p> <p>PMR team amends SPD draft 1 as per prioritisation discussion.</p>
Sep-Oct N-1	<p>Directors draft strategic areas for N+2 and N+3.</p> <p>Finance prepares Annex II and HR prepares Annexes III and IV for N+1 to N+3.</p> <p>Directors finalise their contributions regarding the estimates of revenue from fees and charges, administrative and operational expenditure, statutory staff as well as seconded national experts for Annexes I and II.</p>
Oct N-1	<p>Directors review drafting of N+2 and N+3 strategic action areas.</p> <p>Directors decide during DCM on resource outlook over years N+1 to N+3 for Section 3.2.2 of the SPD: New tasks; growth of existing tasks; efficiency gains; negative priorities / decrease of existing tasks; redeployment.</p> <p>Submission of estimation of budget needs.</p> <p>PMR team amends SPD draft 1 as per strategic areas input.</p>
Oct-Nov N-1	<p>Directors consulted on SPD including draft budget N+1.</p> <p>PMR team updates draft 1 of SPD for Management Board consultation. It takes into account all input received so far (annual planning N+1, multi-annual activity planning, multi-annual HR plan, and draft budget).</p>
Nov N-1	<p>Directors review draft 1 of SPD in a dedicated meeting.</p> <p>MBWG on Planning and Reporting provides feedback on draft 1 of SPD.</p>
Dec N-1	<p>MB adopts draft 1 of SPD (the N+1 content is revised and adopted in September N, however the multi-annual content is considered final).</p>
Dec N-1 – Jan N-1	<p>HR calculate actual HR figures for N-1.</p> <p>Finance calculates actuals for N-1.</p>

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	<p>PMR team conducts a technical update of the SPD draft 1 with N-1 actuals.</p>
Jan N	<p>PMR team submits SPD draft 1 to the European Commission (COM).</p>
May-Sep N	<p>Receive opinion from the COM and the draft EU budget. Kick-off of the draft 2 of the SPD.</p>
May-Jun N	<p>Directors update activity and project information in the SPD draft 2 based on draft 1, taking into account comments from the COM if available.</p> <p>Directors identify the risks that may potentially threaten the objectives of the SPD in accordance with ED decision ED/65/2015 and assess their likelihood and impact.</p> <p>Quality and Internal Control Officer compiles the risks and presents them to the Executive Director for ranking. Based on the ranking, Directors conclude which risks are to be included in ECHA Corporate Risk Register.</p> <p>Directors decide on the risk response, and actions are recorded in the relevant sections of the SPD.</p> <p>PMR team finalises the draft 2 of the SPD for the approval of the ED after consultation at the DCM.</p>
Jun-Jul N	<p>PMR team sends draft 2 of the SPD to the MB for consultation. MB Consultation is limited to N+1 content.</p>
Jul N	<p>Finance launches the preparation of the draft budget for N+1 so as to receive detailed budget needs.</p>
Jul-Aug N	<p>MB provides comments on draft 2 of the SPD.</p> <p>Directors address comments made by the MB and prepare draft 3 of the SPD including N+1 figures.</p> <p>Directors prepare detailed lists of needs and projects, including anticipated budgetary requirements and expected timetable for use.</p> <p>Submission of input for draft budget N+1 by the Directors.</p> <p>On the basis of the provided input Finance begins to prepare the detailed draft budget N+1.</p>
Aug N	<p>DCM approves draft 3 of the SPD.</p>
Sep N	<p>MB Working Group on Planning and Reporting reviews MB comments.</p> <p>MB adopts draft 3 of the SPD.</p> <p>If necessary, the MB can be provided with preliminary figures for the draft budget N+1.</p>

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	DCM launches ULP writing exercise.
Sep-Oct N	HoUs gather ULP information for N+1. HR gather corporate level allocations. PMR team consolidates ULPs and highlights issues for DCM.
Oct N	Finance finalises the detailed draft budget N+1. DCM reviews budget and resource allocations for N+1. Review and adjustment of tasks and resource allocations based on the aggregation of bottom-up planning (ULPs).
Nov N	HoUs update the ULPs following DCM feedback. HR finalise Establishment Plan (Annex I & III). Finance finalises the final budget (Annex I & II). MB Working Group on Planning and Reporting reviews draft 3 SPD Annexes I, II & III.
Dec N	The MB adopts the final SPD (including the Annexes).

3.3.2. Implementation & monitoring of the SPD**Amending budget**

N+1	During the financial year, one to three Amending Budgets may be prepared, to adjust expenditure and/or income, depending on the needs of the Agency. This procedure is similar to that for draft budget preparation.
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Monthly DCM updates and metrics reports

The purpose of the DCM monthly update is information sharing on recent and upcoming events that might be of relevance to other Directorates.

The purpose of the Metrics monthly report is to review the trends in key corporate metrics, and support the identification of early warning signs of emerging issues. The metrics to be tracked every year are established by the DCM during January N+1

Every month (except Mar, Jun, Sep and Dec N+1)	Directors normally hold internal reviews prior to DCM, and develop a summary view of monthly performance. The executive summary is a 1-page report covering the narrative of the last month at the level of the Directorate. This is presented during round-table for discussion amongst other Directorates.
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Every month The values of the monthly corporate metrics are collected at the beginning of the next month by ExO and the corresponding charts are presented to DCM for information.

Monthly financial report

Jan – Dec N+1 Finance produces a report on the cumulative budget execution and fee income on a monthly basis.

Quarterly fee income

April, July, October N+1 Finance produces a report on the cumulative fee income on a quarterly basis.

The actual collected fee income is reported by finance.

The estimates for the remainder of the year as well as the narrative explaining any deviations from the forecasts are provided by the operational directorates.

Term reviews

The purpose of this report is to review progress of the Agency at an activity level. The report is also used as a trigger for any decisions (e.g. corrective action) and related changes required to the ULP.

May N+1

The PMR team launches the bi-annual review exercise.

HoUs update their ULPs and metrics reporting templates with progress information. Executive Office (ExO) consolidates ULP and metrics progress into the corporate activity-based dashboard.

HR consolidate staff allocations for Jan to Apr N+1 and converts data to activity-based view.

Finance produces a report on the cumulative budget execution and fee income for Jan to Apr N+1.

Directors collect and review data on work programme progress, audit actions, risks, non-conformities and improvements, then finalise their findings and proposed actions in their Bi-annual report and submit it to the DCM.

At DCM, Directors review progress of work programme activities and agree on corrective actions, as needed.

Sep N+1

The Sep N+1 bi-annual review is conducted in similar way to the May N+1, both in purpose and data collection requirements. Also the Sep review focuses on progress towards yearly objectives and

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identifies corrective actions that can be carried out by the end of the year.

Note: The September N+1 report contains data both for May-Aug and overall progress Jan-Aug.

Note: The progress for the months Sep to Dec N+1 will not be reviewed like for the other two periods, but reviewed as part of the annual activity reporting.

MB report

The purpose of this report is to disseminate progress at the activity level to relevant external stakeholders and highlight topics of relevance to the MB.

Mar, Jun, Sep & Dec
N+1 and Mar N+2

The PMR team launches the Quarterly report to the MB, inviting Directorates to present information in form of slides at the level of the activities, with a single slide with the key message(s) for the quarter.

Finance reports on cumulative budget execution and fee income at a high level.

HR declare use of Establishment Plan posts.

ExO collates all of the above information and presents to the DCM for review and ED for confirmation of the key messages, after which the report is presented to the MB.

General Report (GR) and Consolidated Annual Activity Report (CAAR)

The yearly corporate reporting cycle is closed by producing the GR and CAAR. The GR is a public report requested by REACH covering the activities of ECHA in the previous year. The CAAR is a report intended for institutional stakeholders, requested by ECHA's Financial Regulation with the purpose to disseminate progress of the last year on ECHA's the activity level and to underpin the recommendation for the Executive Director's discharge.

Q4 N+1

The PMR team launches the internal preparation of the CAAR for year N+1, consisting of: Achievements of the year (General Report); governance and management; and, assessment of the effectiveness of internal control systems.

This leads to the declaration of assurance by the Authorising Officer (i.e. the ED).

Jan N+2

The Directorates provide their contributions by the end of Jan N+2.

Feb N+2

Directors perform their Management Review, through an analysis of audits, non-conformities, risks, desk reviews and self-assessments. The Management Review is performed against

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ECHA's Integrated Management Standards, in compliance with the requirements of the Financial Regulation on internal control systems, as well as compliance with ISO 9001 and ISO 14001.

HR and Finance provide a report on the final budget execution and post allocation.

HR conduct the job screening exercise.

The Authorising Officer conducts his own assessment of the performance of the internal control systems.

The Strategic Planning and Monitoring Officer prepares the draft part 1 of the CAAR (Achievements of the year i.e. the General Report) to be approved by the Authorising Officer after consultation of the DCM.

The Quality and Internal Control Officer prepares the rest of the CAAR (Governance and management; and, assessment of the effectiveness of internal control systems) to be approved by the Authorising Officer.

Mar N+2

MBWG discusses the CAAR and drafts the assessment of the CAAR to be adopted by MB.

The Authorising Officer (i.e. the ED) sends the CAAR to the MB.

The MB adopts the final General Report and conducts an assessment of the CAAR.

The MB sends the CAAR along with its assessment to the European Parliament, the Court of Auditors, the Council, and the COM.

Impact assessments, Evaluations and Fitness Checks

Q4 N

The Evaluation Coordination Function (ECF) establishes ECHA's ex-ante and ex-post evaluation governance structure, as well as the multi-annual and annual evaluation rolling plans for the planned ex-post evaluation(s). The plan for the year N+1 is added to the ECHA Audits and Evaluations calendar, to provide a corporate overview of the topics that will be audited or evaluated during the year.

N+1

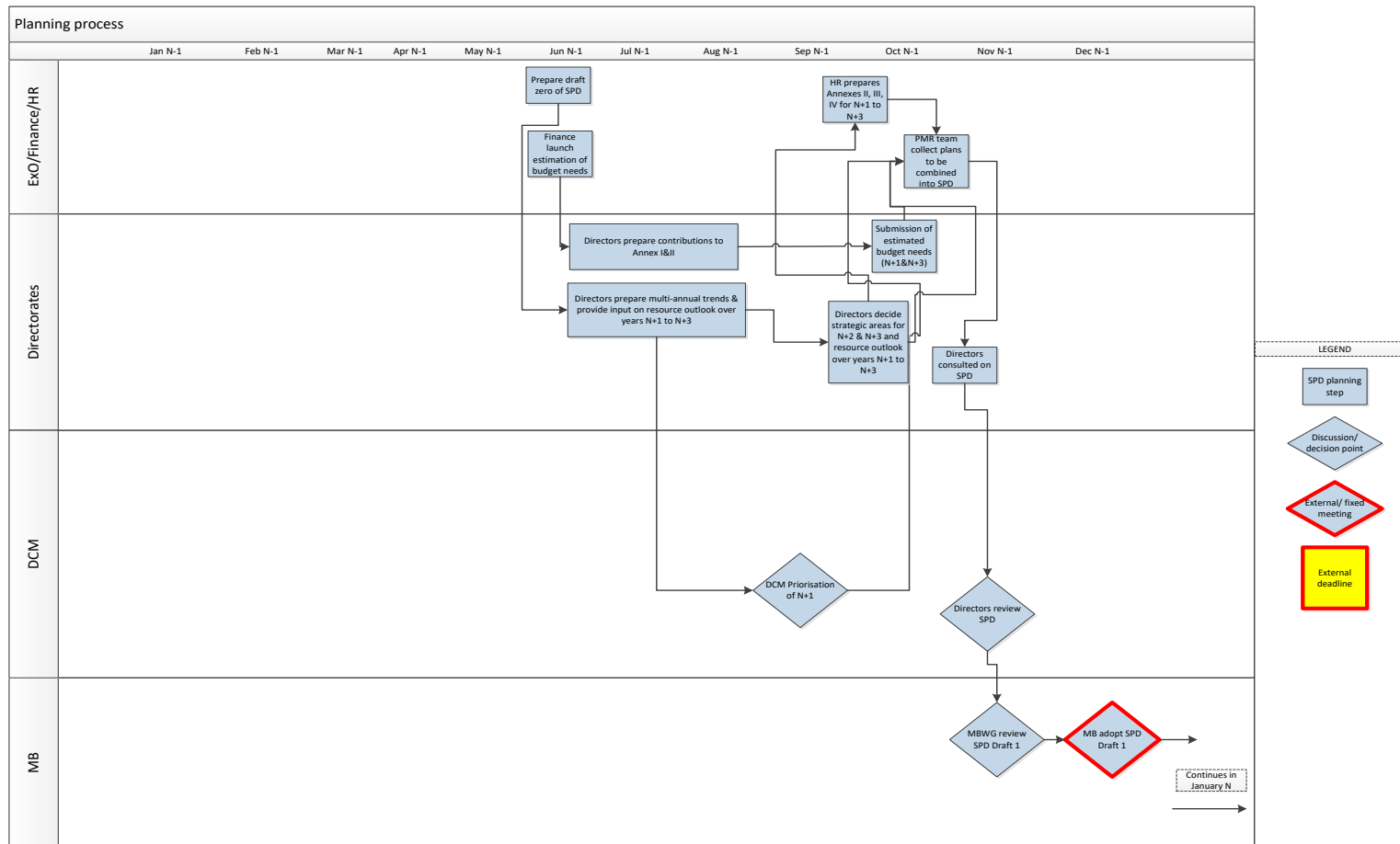
The evaluations are conducted by Working Groups and the ECF as required by the ECHA Financial Regulation, in accordance to the rolling plan and the COM's guidelines.

N+1

The ED reports on the status of relevant evaluations and their outcome in the CAAR annually and to the Management Board and Commission bi-annually.

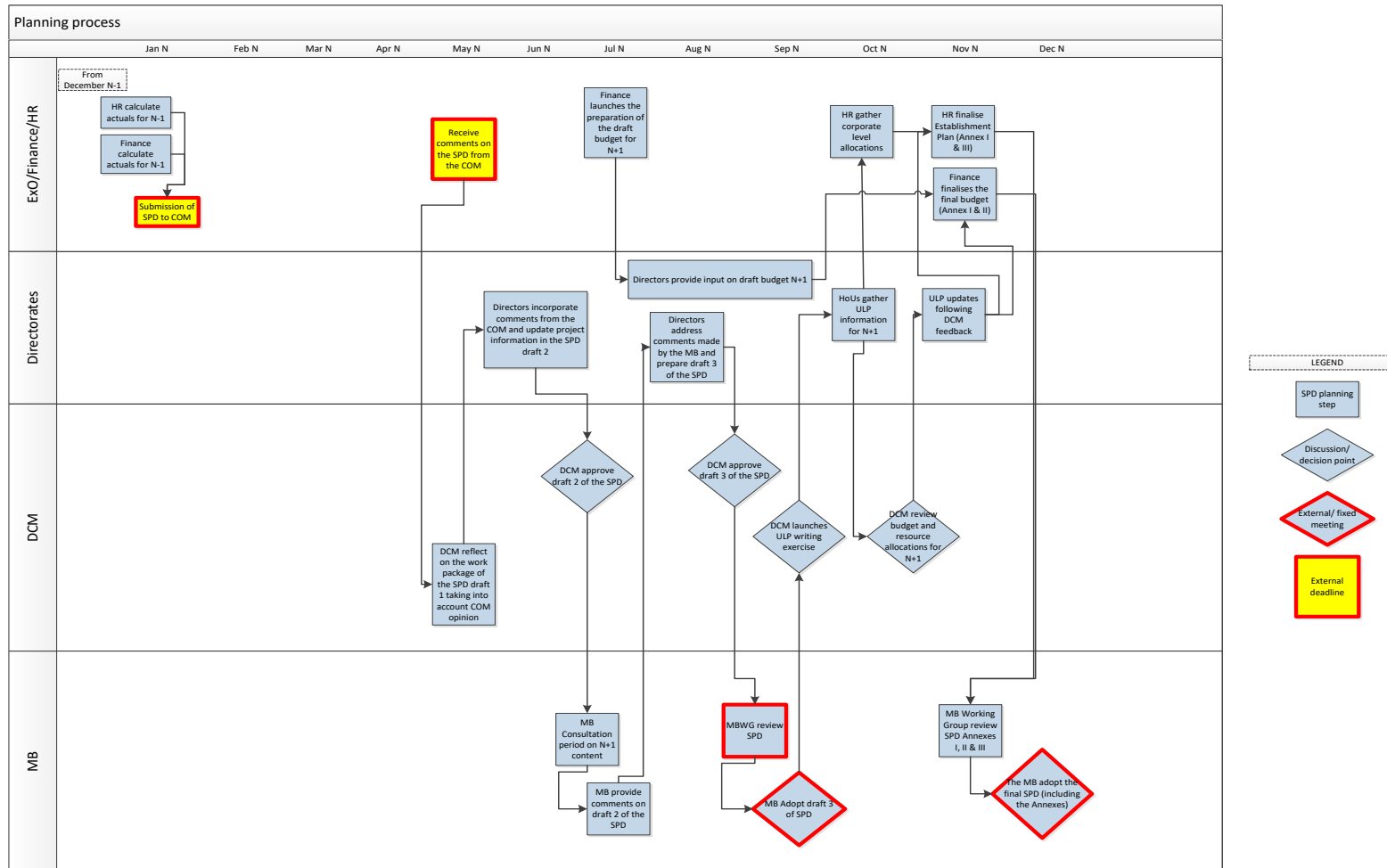
4. Flowchart

Figure 1: Planning flowchart for N-1



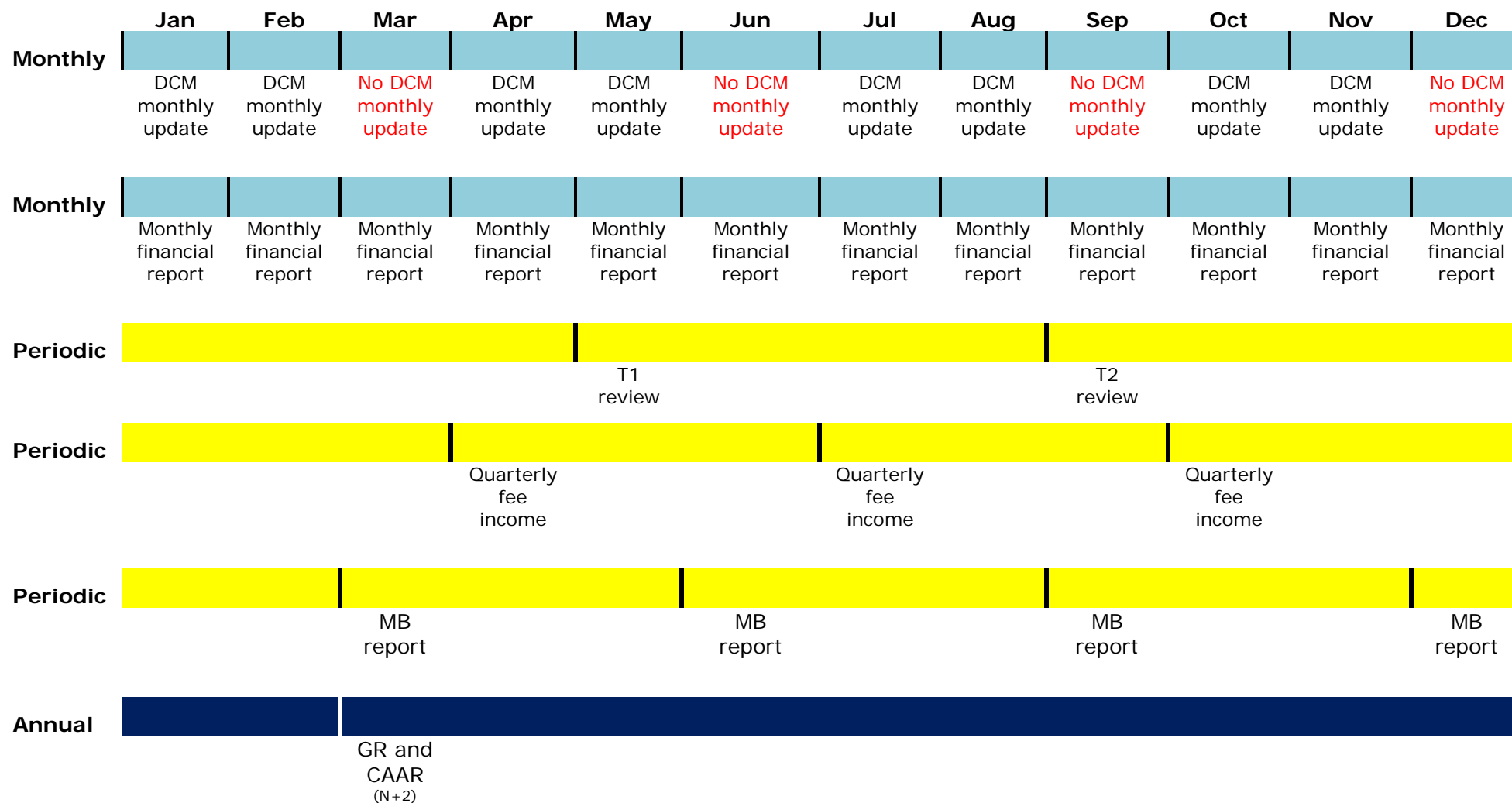
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Figure 2: Planning flowchart for N



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Figure 3: Reporting calendar for N+1



5. Definitions

Term or abbreviation	Definition
CAAR	Consolidated Annual Activity Report
COM	European Commission
DCM	Directors' Coordination Meeting, during which the Executive Director consults ECHA Directors on strategic issues
ECF	Evaluation Coordination Function
ED	Executive Director
EWG	Evaluation Working Group
ExO	Executive Office
GR	General Report
HoU	Head of Unit
HR	Human Resources
MB	ECHA Management Board
MBWG	Management Board Working Group on Planning and Reporting
PMR	Planning, Monitoring and Reporting
SPD	Single Programming Document
ULP	Unit Level Plan

6. Records

Record name	Security level	Comments
SPD Single Programming Document including annexes	Public	This is recorded as part of the MB records
General Report	Public	This is recorded as part of the MB records
Consolidated Annual Activity Report	Internal	This is recorded as part of the MB records
Final budget and Establishment Plan	Public	This is recorded as part of the MB records

7. References

Associated document code	Document name
EC 1907/2006	REACH Regulation
MB/WP/03/2014 & MB/55/2014	Financial Regulation of the European Chemicals Agency and its implementing rules
(2014)4305716 - 19/12/2014	COMMUNICATION FROM THE COMMISSION on the guidelines for programming document for decentralised agencies and the template for the Consolidated Annual Activity Report for decentralised agencies, <i>including</i> Annex 1 Guidelines for the programming document
ISO 9001:2015	Quality management systems - Requirements
ISO 14001:2015	Environmental management systems – Requirements with guidance for use
ED/65/2015	Decision by the Executive Director on Risk Management in ECHA

8. Annexes

N/A