

REPORT TO:	Overview Committee
DATE:	28 th November 2023
SUBJECT:	Performance and Governance Framework – Quarter 2 Monitoring Report 2023/24
PORTFOLIO HOLDER:	Councillor Craig Leyland, Leader of the Council and Portfolio Holder for Corporate Affairs (performance management) Councillor Richard Fry, Portfolio Holder for Finance (risk management)
REPORT AUTHOR:	Richard Baldwin
WARD(S) AFFECTED:	All
EXEMPT REPORT	No

SUMMARY

The report brings together information relating to the Council's Performance and Governance Framework at the end of Quarter 2 2023/24 (as at September 2023).

RECOMMENDATIONS

1. That the Overview Committee considers and notes the report

REASONS FOR RECOMMENDATIONS

To monitor delivery of performance and governance objectives and to support future planning and decision making within the Council.

OTHER OPTIONS CONSIDERED

Alternative reporting arrangements.

REPORT

Background

- 1.1 A joint performance management framework was agreed across the South & East Lincolnshire Councils Partnership for 2022/23 to support the delivery of services. Key Performance Indicators (KPIs) have been agreed to capture performance against the strategic priorities of the Partnership and the individual Councils.
- 1.2 A combined performance report has been presented to Strategic Leadership Team (SLT) and this information has then been split out by Council for Executive reporting.
- 1.3 This report presents the performance information for East Lindsey District Council for Quarter 2 of 2023/24 (as at September 2023).

Performance (Appendix A)

- 2.1 In total there are currently 77 KPIs for East Lindsey District Council, 37 of which are trend only indicators. 23 KPIs are meeting or exceeding their target, 6 KPIs are within tolerance, and 10 are below target. One is not available. Indicators were developed to stretch performance in teams.

Risk management (Appendix B)

- 3.1 The strategic risk register has been reviewed for Q2, as at the end of September 2023.
- 3.2 A summary of the risks, scores and changes since the last report are set out in the table below, with full details in Appendix B.

Risk	Risk score	Changes in Q2	Direction of travel
Budget	High (15)	No change to risk score. A&G have asked for a review of the wording in relation to reduction in funding and sensitivity analysis; also consider combining risks ELDC01 and ELDC02 (funding and budgets) due to crossover. The two financial risks have been combined and the wording reviewed, including reference to sensitivity analysis	↔
Local economy	Medium (9)	No change to risk score. A&G have asked for a review of the economic growth risk and economic hardship risk; why is the economic growth risk falling yet economic hardship risk rising. Risk scores reviewed - although linked, the two risks are not reliant on each other. No change at this time. Current proposals for an extension of Louth Industrial Estate are not currently included on the risk register. Overview Committee has requested that this be given consideration to be added to the register as a risk to the local economy. Rather than add an individual reference, we will review whether there needs	↔

Risk	Risk score	Changes in Q2	Direction of travel
		<p>to be reference to all industrial units or if they should be recorded as sub-risks. Under review.</p> <p>Also review of wording from Q1 report. Wording reviewed to include reference to infrastructure, local services and housing.</p> <p>Planned action added: Strategic Economic Plan for the sub-region</p>	
Lincshire flood defence	High (10)	No change to risk score. Overview Committee has requested that this risk is re-evaluated again as flooding would be a serious risk to the coastal economy. As per previous comments, it is considered reasonable to keep the scores the same as the Environment Agency have not adjusted the risk profile. Additionally, the Council is developing its Strategic Flood Risk Assessment update, which will enable a greater understanding of the risks and implications for the coast. Risks will continue to be managed by working in Partnership.	↔
Business continuity	High (15)	No change to risk score. A&G requested that a target date be included for the update of the plans. Target date added - by the end of Quarter 4 2023/24.	↔
Health and Safety	Medium (6)	No change to risk score.	↔
Local Plan	Medium (9)	No change to risk score.	↔
Safeguarding	Medium (8)	No change to risk score.	↔
Information	Medium (8)	No change to risk score.	↔
Treasury and capital	Medium (8)	No change to risk score.	↔
Service delivery	Medium (9)	No change to risk score.	↔
Technology Infrastructure failure	High (10)	No change to risk score.	↔
Cyber Incident	High (15)	No change to risk score.	↔
Capital Programme	Medium (6)	No change to risk score.	↔
General Fund Assets	Low (4)	No change to risk score. A&G have asked for a review to consider if a low risk should be on the strategic risk register. Asset management is important strategically and features in the draft sub-regional strategy so will remain on the risk	↔

Risk	Risk score	Changes in Q2	Direction of travel
		register for now and will be reviewed again at the end of the financial year. Engaged with partnership on progressing one I.T system and aligning other major works to ensure that we are utilising full resource.	
Economic Hardship	High (12)	No change to risk score. A&G have asked for a review of the economic growth risk and economic hardship risk; why is the economic growth risk falling yet economic hardship risk rising. Reviewed -although linked, the two risks are not reliant on each other. No change at this time.	↔
Implementation of the Environment Act 2021	High (16)	No change to risk score. A&G have asked for a review of the risk score which seems high compared to other risks. This is due to the continued uncertainty.	↔
Introduction of Extended Producer Responsibility	Medium (9)	No change to risk score.	↔
Identification and Suitability of future Depot Accommodation	Critical (20)	New risk	New
Capacity	High (12)	New risk identified across the partnership by SLT / peer review follow up	New
External Communication	Medium (6)	New risk identified across the partnership	New
Retention of staff	Medium (8)	New risk identified across the partnership	New
Third Party Service Delivery	Medium (9)	New risk identified across the partnership	New
Internal Communications	High (12)	New risk identified across the partnership	New

3.3 A new register of strategic risks to the partnership has also been developed, based on the original business case. The partnership risks and scores are set out below, with full details in Appendix B.

Risk	Risk score
Vision	Medium (9)
Trust	Medium (9)
Sovereignty	Medium (9)
Takeover	Medium (9)
Culture	Medium (9)
LGR	High (12)
Funding	High (16)
Staffing	High (12)

CONCLUSION

The performance and governance reporting and review arrangements support the Council to manage its services in an effective and efficient manner.

EXPECTED BENEFITS TO THE PARTNERSHIP

A Partnership approach has been agreed for 2023/24.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP

A Partnership approach has been agreed for 2023/24.

CORPORATE PRIORITIES

Whole report.

STAFFING

None specific to this report.

CONSTITUTIONAL AND LEGAL IMPLICATIONS

None specific to this report.

DATA PROTECTION

None specific to this report.

FINANCIAL

None specific to this report.

RISK MANAGEMENT

Section 3 of the report and Appendix B.

STAKEHOLDER / CONSULTATION / TIMESCALES

Consultation with SLT

REPUTATION

None specific to this report.

CONTRACTS

None specific to this report.

CRIME AND DISORDER

None specific to this report.

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None specific to this report.

HEALTH AND WELL BEING

None specific to this report.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None specific to this report.

ACRONYMS

- 2Y: 2 year rolling period
- A&G: Audit & Governance Committee
- B&B: Bed & Breakfast accommodation
- BAU: Business As Usual
- CC: Customer Contact
- DD: Direct Debit
- KPIs: Key Performance Indicators
- LGR: Local Government Reorganisation
- Q: Quarterly (Q1: April to June; Q2: July to September; Q3: October to December; Q4: January to March)
- NDR: Non-domestic rates (business rates)
- R&B: Revenues & Benefits
- SLT: Senior Leadership Team
- YE: Year End (April to March)

APPENDICES

Appendices are listed below and attached to the back of the report: -

APPENDIX A	Q2 performance
APPENDIX B	Q2 risks

BACKGROUND PAPERS

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

CHRONOLOGICAL HISTORY OF THIS REPORT

The Q2 strategic risks were reported to Audit & Governance Committee on 22nd November 2023

REPORT APPROVAL

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