



Report To:	Executive Board
Date:	18 th September 2024
Subject:	Quarter 1 24/25 Performance and Risk Report
Purpose:	To provide an update on performance and risk as at the end of June 2024
Key Decision:	No
Portfolio Holder:	Councillor Craig Leyland, Leader of the Council and Portfolio Holder for Corporate Affairs (performance management) Councillor Tom Kemp, Portfolio Holder for Finance (risk management and finance)
Report Of:	James Gilbert, Assistant Director – Corporate
Report Author:	Richard Baldwin, Strategic Performance Analyst
Ward(s) Affected:	All
Exempt Report:	No

Summary

This is the quarterly report covering performance and risk monitoring information for Quarter 1 of 2024/25 (as at the end of June 2024).

Recommendations

1. That Executive Board considers any further action in respect of the performance and risk information contained within the report and appendices.

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

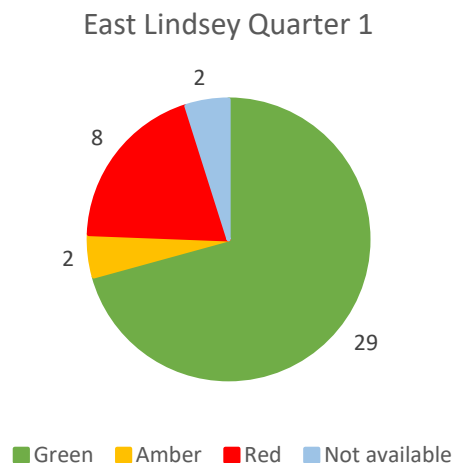
Alternative reporting arrangements.

1. Background

- 1.1 A joint performance management framework was agreed across the South & East Lincolnshire Councils Partnership for 2024/25 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 This report presents the information for East Lindsey District Council for Quarter 1 of 2024/25 (as at the end of June 2024).

2. Performance (Appendices 1 and 2)

- 2.1 In total there are 114 KPIs for East Lindsey District Council. These are set out by priority in Appendices 1 and 2 following the adoption of the Sub-regional Strategy.
- 2.2 There are 41 targeted indicators where performance is within the direct control of the Council, with past data or comparisons available on which to base those targets. Indicators were developed to stretch performance in teams. Green indicators are on target, amber indicators are within tolerance and red indicators are off target. Commentary is provided in Appendix 1 for red indicators and for indicators which are not available.



- 2.3 Shading has been added to the past quarters' data where possible, to show whether it was on target previously, to help provide more visual context for direction of travel. The shading is deliberately more muted for past data to keep the focus on the current performance. Where targets have changed since the previous year, this has been noted in the commentary, otherwise targets are the same.
- 2.4 There are also 73 trend indicators, which show context for policy decisions and resource allocation, set out in Appendix 2. The trend indicators have been reviewed to consider if any can become targeted measures if past data is now available. No changes are proposed at this time.
- 2.5 Additional commentary has been added to the workforce measures as requested. Also, the staff turnover KPI now relates to voluntary turnover, with the traditional reported figure and explanation in the commentary. Both staff turnover and sickness

absence trend measures have changed to quarterly rather than year to date figures for improved clarity.

- 2.6 Graphs have been removed from Appendices 1 and 2 where there is no previous data to report or where all performance is zero, to avoid confusion. Some of the OFLOG measures are still to be confirmed so are not yet available for Q1.

3. Risk management (Appendix 3)

- 3.1 The strategic risk register has been reviewed for Q1, as at the end of June 2024.


- 3.2 A summary of the risks and scores are set out in the table below, with full details in Appendix 3.


East Lindsey Strategic Risks	Risk score	Direction of travel
ELDC01: Budget	High (12)	↔
Update in Q1: EL A&G suggest considering these elements: More visibility of potential of business rates rebate and property fund divestment, impending MRP; potential for significant loss of money; property bonds. Wording reviewed. Risk description and causes updated. New risk relating to business rates added at ELDC26.		
ELDC03: Local economy	Medium (9)	↔
Update in Q1: To be reviewed by new Director in Q2		
ELDC04: Lincshore flood defence	High (10)	↔
ELDC05: Business continuity	High (9)	↔
ELDC06: Health and Safety	Medium (6)	↔
ELDC07: Local Plan	Medium (9)	↔
ELDC08: Safeguarding	Medium (8)	↔
ELDC09: Information	Medium (8)	↔
ELDC10: Treasury and capital	Medium (8)	↔
ELDC11: Third Party Service delivery	Medium (9)	↔
Update in Q1: Treatment and score reviewed as requested. No changes at this time. An explanation about how we use the term 'tolerate' in risk control is set out in paragraph 3.3 for clarity.		
ELDC12: Technology Infrastructure failure	High (10)	↔
Update in Q1: Treatment and score reviewed as requested. No changes at this time. As part of business continuity planning, services are considering in detail how they would continue to operate should an ICT outage occur.		
ELDC13: Cyber Incident	High (15)	↔
Update in Q1: These mitigations afford ICT awareness of emerging threats. We are about to commission an external validation of our cyber response plan for ICT. Score remains the same.		
ELDC14: Capital Programme	Medium (6)	↔
ELDC15: General Fund Assets	Low (4)	↔
ELDC16: Economic Hardship	High (12)	↔
ELDC17: Implementation of the Environment Act 2021	High (16)	↔
ELDC18: Introduction of Extended Producer Responsibility	Medium (9)	↔
ELDC19: Identification and Suitability of future Depot Accommodation	High (15)	↔
Update in Q1: Treatment and score reviewed as requested. No changes at this time.		


East Lindsey Strategic Risks	Risk score	Direction of travel
ELDC20: Capacity	High (12)	↔
Update in Q1: Discussions remain ongoing with services in regard to capacity and how through the change of working practices it may be possible to increase capacity		
ELDC21: External Communication	Medium (6)	↔
ELDC22: Retention of staff	Medium (8)	↔
Update in Q1: We are on the verge of launching our own recruitment academy which seeks to recruit and develop apprentices specifically in those services where it is harder to recruit.		
ELDC23: Service Delivery	Medium (9)	↔
ELDC24: Internal Communications	High (12)	↔
Update in Q1: Treatment and score reviewed as requested. No changes at this time.		
ELDC25: Net Zero Target	Medium (8)	↔
ELDC26: National Review of Business Rates	High (10)	New risk in Q1
ELDC27: Domestic Retrofit programme	High (12)	New risk in Q1


Risk Scoring Matrix						
Impact	Critical		4; 12; 26	13		
	High	15	8; 9; 10; 22	1; 16; 24	17	
	Medium		6; 14; 21	3; 5; 7; 11; 18; 23	20; 27	19
	Low				25	
	Minimal					
		Rare	Unlikely	Possible	Likely	Almost certain
		Likelihood				

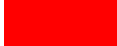
Risk Score Colour

Minimal Risk 

Low Risk 

Medium Risk 

High Risk 

Critical Risk 

3.3 As set out in the risk policy, we use the 4Ts of risk control:

- Terminate – rarely, we may be able to stop doing the activity altogether and thereby remove the risk altogether
- Tolerate – accept the risk and live with it because it is within our risk appetite and the cost of mitigating action would outweigh the benefits
- Transfer – move all or part of the risk to a third party or through insurance; however, sometimes accountability remains, particularly with a Council, so caution is advised
- Treat - take action to control the likelihood and/or impact and set a target to move the risk to within the risk appetite once the action has been implemented

3.4 The strategic risks for the Partnership have also been reviewed for Q1, as at the end of June 2024.

3.5 A summary of the Partnership risks and scores are set out in the table below, with full details in Appendix 3.

SELCP Partnership Risks	Risk score	Changes in Q1	Direction of travel
SELCP-01: Vision	Medium (9)	No change to risk score	↔
SELCP-02: Trust	Medium (9)	No change to risk score	↔
SELCP-03: Sovereignty	Medium (9)	No change to risk score	↔
SELCP-04: Takeover	Medium (9)	No change to risk score	↔
SELCP-05: Culture	Medium (9)	No change to risk score	↔
SELCP-06: LGR	High (12)	No change to risk score	↔
SELCP-07: Funding	High (16)	No change to risk score	↔
SELCP-08: Staffing	High (12)	No change to risk score	↔
SELCP-09: PSPS	Medium (6)	EL Councillors requested consideration of PSPS as a specific risk to the Partnership – new risk added	New

Risk Scoring Matrix						
Impact	Critical					
	High			7		
	Medium	9	1; 2; 3; 4; 5	6; 8		
	Low					
	Minimal					
		Rare	Unlikely	Possible	Likely	Almost certain
		Likelihood				

Risk Score Colour

Minimal Risk ■

Low Risk ■

Medium Risk ■

High Risk ■

Critical Risk ■

3.6 The fraud risks have also been reviewed for Q1, as at the end of June 2024.

3.7 A summary of the fraud risks and scores are set out in the table below, with full details in Appendix 3. Further work is planned in relation to fraud risk in 2024/25.

Fraud Risks	Risk score
1: Asset - Equipment	Minimal (1)
3: Assets – Land and Property	Minimal (1)
4: Procurement – Contracts	Medium (8)
5: Procurement – Contract Payments	Medium (8)
6: Council Tax – Credit Refund and Income Fraud	Medium (9)
7: Council Tax Fraud	Low (4)
8: Council Tax Support Scheme	Low (4)
9: National Non-Domestic Rate (NNDR) Fraud	Medium (9)
10: Housing Benefit Fraud	Low (4)

Risk Scoring Matrix					
Critical					
High		4; 5			
Medium			6; 9		
Low		7; 8; 10			
Minimal	1; 3				
	Rare	Unlikely	Possible	Likely	Almost certain
	Likelihood				

Risk Score	Colour
Minimal Risk	Green
Low Risk	Light Green
Medium Risk	Yellow
High Risk	Orange
Critical Risk	Red

4. Conclusion

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

Implications

South and East Lincolnshire Councils Partnership

A Partnership approach has been agreed for 2024/25.

Corporate Priorities

Whole report. Performance information is set out by priority.

Staffing

No implications specific to this report. KPIs and risks relating to staffing are included in the report.

Workforce Capacity Implications

No implications specific to this report. KPIs and risks relating to workforce capacity are included in the report.

Constitutional and Legal Implications

No implications specific to this report

Data Protection

No implications specific to this report

Financial

No implications specific to this report

Risk Management

Section 3 of the report and Appendix 3.

Stakeholder / Consultation / Timescales

Consultation with SLT

Reputation

No implications specific to this report. Potential reputational risks are included in the report.

Contracts

No implications specific to this report. KPIs and risks relating to contracts and procurement are included in the report.

Crime and Disorder

No implications specific to this report.

Equality and Diversity / Human Rights / Safeguarding

No implications specific to this report.

Health and Wellbeing

No implications specific to this report.

Climate Change and Environmental Implications

No implications 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
- EAP: Employee Assistance Programme
- KPIs: Key Performance Indicators
- LGR: Local Government Reorganisation
- OFLOG: Office for Local Government
- 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 1	Q1 performance targets
Appendix 2	Q1 performance trends
Appendix 3	Q1 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

Name of Body	Date
Overview Committee	3 rd September 2024
Audit & Governance Committee	11 th September 2024

Report Approval

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