



Report To:	Overview Committee
Date:	19 th November 2024
Subject:	Q2 2024/25 Performance and Risk Report
Purpose:	To provide an update on performance and risk as at the end of September 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 2 of 2024/25 (as at the end of September 2024).

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

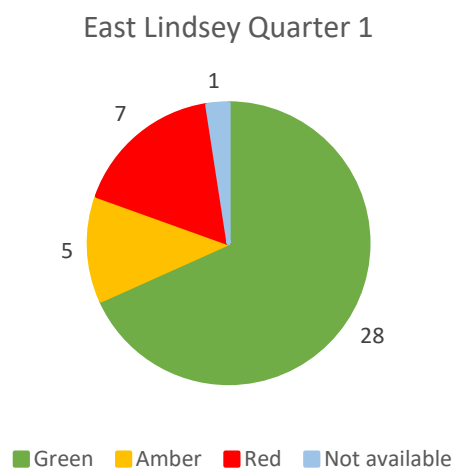
Alternative reporting arrangements.

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 2 of 2024/25 (as at the end of September 2024).

2. Performance (Appendix 1)

- 2.1 In total there are 116 KPIs for East Lindsey District Council. These are set out by priority in Appendix 1 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 two indicators which are not available.



- 2.3 Shading has been added to the past quarter's 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 75 trend indicators, which show context for policy decisions and resource allocation. 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 voluntary staff turnover and

sickness absence trend measures have changed to quarterly rather than year to date figures for improved clarity. Traditional measure of staff turnover remains year to date in line with industry standards.

3. Risk management (Appendix 2)





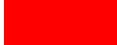
3.1 The strategic risk register has been reviewed for Q2, as at the end of September 2024.

3.2 A summary of the risks and scores are set out in the table below, with full details in Appendix 2.

East Lindsey Strategic Risks	Risk score	Direction of travel
ELDC01: Budget	High (12)	↔
ELDC03: Local economy	Medium (9)	↔
Update in Q2: The new Director of Economic Development has reviewed this risk.		
ELDC04: Lincshire flood defence	High (10)	↔
Update in Q2: The change of government in and of itself does not alter the risks in relation to the uncertainty of flood defence schemes. The Council continues to work with partners, such as LCC and the EA on matters pertaining to flood risk and future of the coastal defences. Work on the updated Strategic Flood Risk Assessment is well underway with results expected relatively shortly. Furthermore, the EA will be presenting to the Planning Policy Committee on this issue at its meeting on the evening of 17th October.		
ELDC05: Business continuity	High (9)	↔
Update in Q2: Updated by risk owner		
ELDC06: Health and Safety	Medium (6)	↔
Update in Q2: Updated by risk owner		
ELDC07: Local Plan	Medium (6)	↔
ELDC08: Safeguarding	Medium (8)	↔
ELDC09: Information	Medium (8)	↔
ELDC10: Treasury and capital	Medium (8)	↔
ELDC11: Third Party Service delivery	Medium (9)	↔
ELDC12: Technology Infrastructure failure	High (10)	↔
Update in Q2: 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 Q2: 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)	↔
Update in Q2: AD recommends deletion as a strategic risk to the Council and this has also been deleted at Boston and South Holland		
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)	↔

East Lindsey Strategic Risks		Risk score	Direction of travel
ELDC20: Capacity		High (12)	↔
Update in Q2: 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 Q2: 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 (6)	↓
Update in Q2: Reduced likelihood and impact scores; overall risk score reduced from high (12) to medium (6)			
ELDC25: Net Zero Target		Medium (8)	↔
Update in Q2: Updated by risk owner			
ELDC26: National Review of Business Rates		High (10)	↔
ELDC27: Domestic Retrofit programme		High (12)	↔
Update in Q2: Updated by risk owner			
ELDC28: Health		Medium (9)	New risk
Update in Q2: New risk; identified from review of risks across the partnership			

Risk Scoring Matrix						
Impact	Critical		4; 12; 26	1, 13		
	High	15	8; 9; 10; 22	16	17	
	Medium		6; 14; 21; 24; 27	3; 5; 11; 18; 23; 28	20; 27	19
	Low			7	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 Q2, as at the end of September 2024.

3.5 A summary of the Partnership risks and scores are set out in the table below, with full details in Appendix 2.

SELCP Partnership Risks	Risk score	Direction of travel
SELCP-01: Vision	Medium (8)	↓
Update in Q2: Risk reviewed, likelihood reduced, impact increased. Overall risk score changed from 9 to 8.		
SELCP-02: Trust	Medium (9)	↔
SELCP-03: Sovereignty	Medium (9)	↔
SELCP-04: Takeover	Medium (9)	↔
Update in Q2: Proposed to be removed for Q2		
SELCP-05: Culture	Medium (6)	↓
Update in Q2: Likelihood reduced. Overall risk score reduced from 9 to 6.		
SELCP-06: LGR	High (12)	↔
SELCP-07: Funding	High (16)	↔
SELCP-08: Staffing	High (12)	↔
SELCP-09: PSPS	Medium (6)	↔

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

Risk Score Colour

Minimal Risk ■

Low Risk ■

Medium Risk ■

High Risk ■

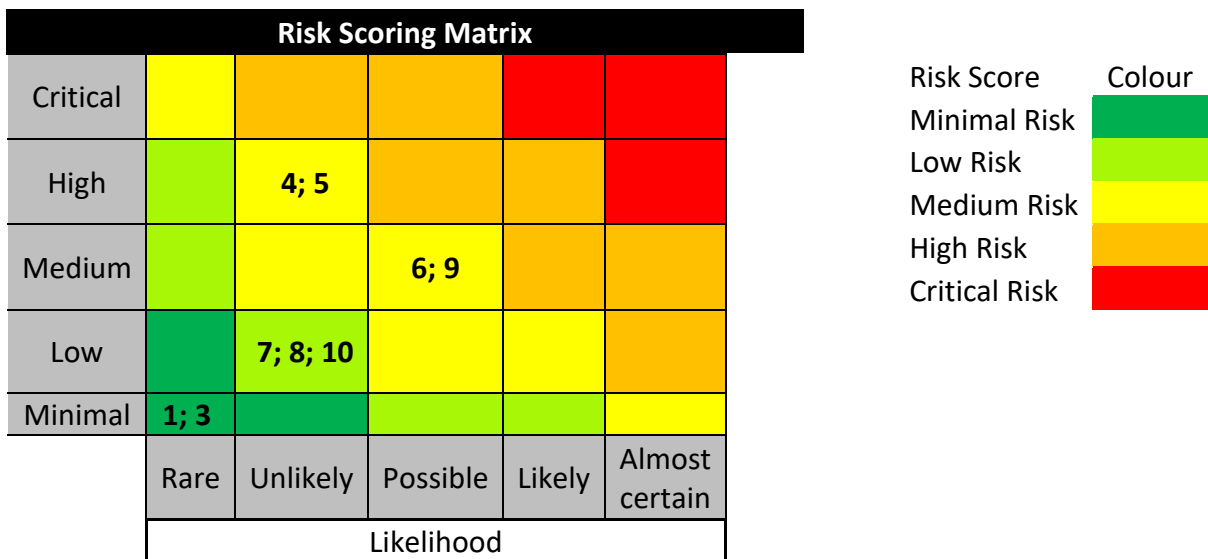
Critical Risk ■

3.6 The fraud risks have also been reviewed for Q2, as at the end of September 2024.

3.7 A summary of the fraud risks and scores are set out in the table below. 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)

Fraud Risks	Risk score
8: Council Tax Support Scheme	Low (4)
9: National Non-Domestic Rate (NNDR) Fraud	Medium (9)
10: Housing Benefit Fraud	Low (4)



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 2.

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	Q2 performance
Appendix 2	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

A report on this item has not been previously considered by a Council body.

Report Approval

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