



<b>REPORT TO:</b>	CABINET
<b>DATE:</b>	13 <sup>TH</sup> DECEMBER 2023
<b>SUBJECT:</b>	QUARTER 2 REPORT – PERFORMANCE AND RISK
<b>KEY DECISION:</b>	NO
<b>PORTFOLIO HOLDERS:</b>	COUNCILLOR DORRIAN – LEADER OF THE COUNCIL
<b>REPORT OF:</b>	JAMES GILBERT, ASSISTANT DIRECTOR – CORPORATE
<b>REPORT AUTHOR:</b>	SUZANNE ROLFE, INSIGHTS AND TRANSFORMATION MANAGER
<b>WARD(S) AFFECTED:</b>	ALL
<b>EXEMPT REPORT?</b>	NO

#### **SUMMARY**

This is the quarterly report covering performance and risk monitoring information for Quarter 2 of 2023/24 (as at September 2023).

#### **RECOMMENDATION**

1. That the Cabinet notes the quarterly performance and risk monitoring information for Q2 of 2023/24
2. That the Cabinet recommends the Risk Management Framework at Appendix C to Council for approval, with delegation to the Assistant Director – Governance to make any small amendments to the Framework in future in consultation with the Leader as portfolio holder

#### **REASONS FOR RECOMMENDATIONS**

Members are accountable for the delivery of the Council's priorities and this monitoring information should be used as a tool to report on progress and highlight any key challenges forecast

#### **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 2023/24 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 for Quarter 2 of 2023/24 (as at September 2023) has been presented to Senior Leadership Team (SLT) and this information has then been split out by Council for reporting to Cabinet.

## 2. PERFORMANCE (APPENDIX A)

- 2.1 In total there are 62 KPIs, 30 of which are trend only indicators. Of the 31 target measures, 20 are on or better than target, 6 are within tolerance and 5 are worse than target. One is not available. Indicators and targets were developed to stretch performance in services.

## 3. RISK MANAGEMENT (APPENDICES B and C)

- 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
Economic hardship	High (12)	No change to risk score; A&G requested a review of the scoring - likelihood of 3 seems too low; The risk score is based on national, regional and local intelligence. More than happy to review though if there is further intelligence provided.	↔
Health	Medium (9)	No change to risk score; reference to dentistry added as requested by A&G	↔
Local economy	Medium (9)	No change to risk score; A&G requested a review of the score as medium seems low. The assessment is based on the information we have from various sources – local, regional and national. No change to the score recommended at this time.  Planned action added: Strategic Economic Plan for the sub-region.	↔
Sustainability	Medium (6)	No change to risk score	↔
Budget	High (15)	No change to risk score	↔
Civil contingency risks	Medium (8)	No change to risk score	↔
Infrastructure risks	Medium (8)	No change to risk score. Planned action added: Strategic Economic Plan for the sub-region.	↔

Risk	Risk score	Changes in Q2	Direction of travel
Capital Programme	Medium (6)	No change to risk score	↔
General Fund Assets	Low (4)	No change to risk score. Engaged with partnership on progressing one I.T system and aligning other major works to ensure that we are utilising full resource	↔
Cyber Incident	High (15)	No change to risk score	↔
Technology infrastructure failure	High (10)	No change to risk score	↔
Implementation of the Environment Act 2021	High (16)	No change to risk score	↔
Introduction of Extended Producer Responsibility	Medium (9)	No change to risk score	↔
Identification and Suitability of future Depot Accommodation	Critical (20)	New risk	New
Waste Collection Round Pressures	Medium (9)	New risk	New
Capacity	High (12)	New risk identified across the partnership by SLT / peer review follow up	New
Third Party Service Delivery	Medium (9)	New risk identified across the partnership	New
External Communication	Medium (6)	New risk identified across the partnership	New
Retention of staff	Medium (8)	New risk identified across the partnership	New
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)

3.4 A revised Risk Management Framework has been drafted for the Partnership at Appendix C. This is presented for comment by Cabinet and for recommendation to Council for approval. This has been reported to Audit & Governance Committee on 20<sup>th</sup> November 2023 for their comments. There have been no changes recommended to the Framework itself. Suggested improvements to the reporting of the risk registers will be incorporated from Quarter 3.

## **CONCLUSION**

Overall, performance in Q2 of 2023/24 is in line with targets and remedial action is in place where required.

Strategic and operational risks continue to be managed in accordance with the Risk Management Framework.

## **EXPECTED BENEFITS TO THE PARTNERSHIP**

A Partnership approach is in place, which provides the ability to share best practice and resilience to mitigate key risk areas

## **IMPLICATIONS**

### **SOUTH AND EAST LINCOLNSHIRE COUNCIL'S PARTNERSHIP**

A Partnership approach is in place.

### **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 Appendices B and C.

### **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
APPENDIX C	Draft Risk Management Framework

### 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 and draft Risk Management Framework were reported to Audit & Governance Committee on 20<sup>th</sup> November 2023 for comment prior to Cabinet.

### REPORT APPROVAL

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