



# B O S T O N

## B O R O U G H C O U N C I L

REPORT TO:	<b>CABINET</b>
DATE:	<b>9 SEPTEMBER 2020</b>
SUBJECT:	<b>QUARTER 1 REPORT – PERFORMANCE, RISK AND FINANCE</b>
PORTFOLIO HOLDER:	<b>COUNCILLOR SKINNER – LEADER (PERFORMANCE)</b> <b>COUNCILLOR WELTON – DEPUTY LEADER (RISK)</b> <b>COUNCILLOR NOBLE – FINANCE</b>
REPORT AUTHOR:	<b>CHIEF FINANCE OFFICER</b>
EXEMPT REPORT?	<b>NO</b>

### **SUMMARY**

This is the quarterly report covering performance, risk and finance monitoring information for Quarter 1 of 2020/21 (April to June 2020).

### **RECOMMENDATIONS**

1. To note the quarterly monitoring information for Q1.
2. To agree the specific finance recommendations, summarised below:
  - F1: To approve the reserve movements detailed in Table 6
  - F2: To approve the updated capital programme as detailed in Table 8
  - F3: That the supplementary estimates in respect of Rough Sleeper Initiative and Verify Earnings & Pension be approved, as set out in table 11.
  - F4: That the supplementary estimates in respect of COVID-19 be approved, as set out in table 12.

### **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

### **ALTERNATIVES CONSIDERED**

Alternative reporting arrangements

## REPORT

### **Performance (Appendix A)**

#### **1. Areas of success / improvement**

- Sickness absence (Cllr Skinner)
- Planning applications (Cllr Welton)
- Switchboard (Cllr Welton)
- Benefit and Council Tax Support processing times (Cllr Noble)
- Information requests (Cllr Noble)
- Broadly compliant food businesses (Cllr Stevens)
- Fly tip response times (Cllr Stevens)
- Number of non-local authority owned empty properties returned into occupation (Cllr Griggs)

#### **2. Areas of concern / watching brief**

- Impacted by Covid-19:
  - Supporting business growth and promoting the Borough (Cllr Welton)
  - Business rates and council tax collection rates (Cllr Noble)
  - Car parking income (Cllr Noble)
  - Swim sessions (Cllr Brown)
  - Gym memberships (Cllr Brown)
  - Commercial waste income (Cllr Stevens)
  - Market income (Cllr Abbott)
  - Housing completions and housing standards (Cllr Griggs)

#### **3. Other items of note**

- The Food Standards Agency suspended the food safety inspection programme towards the end of March 2020 in light of Covid-19. The Environmental Health team have been dealing with a high number of Covid related service requests – 1,659 in the quarter.
- Increase in fly tipping incidents

### **Risk (Appendix B)**

#### **4. Update on risks in Quarter 1**

- 4.1 Each quarter we monitor our strategic risks – those risks which could impact most on the achievement of our corporate priorities as set out in the current Corporate Plan – Prosperity; People; Place; Public Service.
- 4.2 The strategic risks have been reviewed by CMT, particularly with regard to the impact of Covid-19 and the Strategic Alliance with East Lindsey District Council. These will be reviewed again in light of the new Corporate Plan and change in management structure in Q2.
- 4.3 Summary of strategic risks (full details in Appendix B)

Corporate Priority	Risk name	Risk owner	Risk score	Risk rating	Management assurance (RAG)
1: Prosperity	Flood risk	Michelle Sacks	8	Medium	Amber
	Growth and local economy	Michelle Sacks	12	High	Red
2: People	Housing	Andy Fisher	16	High	Red
	Welfare	Paul Julian	4	Medium	Green
	Health	Phil Perry	9	Medium	Green
3: Place	Town Centre	Phil Perry	12	High	Amber
4: Public Service	Population change	Andy Fisher	6	Medium	Green
	Budget	Paul Julian	12	High	Amber
	Capacity	Phil Drury	9	Medium	Green
	Transformation Programme	Paul Julian	6	Medium	Amber
	Brexit	Michelle Sacks	9	Medium	Green
Overall	Civil contingency risks	Andy Fisher	16	High	Amber
	Compliance	Michelle Sacks	6	Medium	Green
	Reputation	Phil Drury	6	Medium	Green
	Strategic Alliance	Michelle Sacks	8	Medium	Amber

4.4 Operational risks have been reviewed in Q1 as agreed, with exception reporting of high operational / project risks, and any changes to management assurance levels, set out below:

- Cremator maintenance and repair – day to day arrangements in place but overall risk remains high
- Financial risks – controls in place and overall strategic risk above
- Fraud risk – controls in place
- Housing Register – project underway to review options to replace IT system currently provided by a third party
- Loss / theft / corruption of data – controls in place; cyber security arrangements strengthened in light of increased risk
- Loss of key staff in People Services – management assurance changed from green to amber in light of temporary posts. This will be addressed as part of the strategic alliance review.

## **Financial management (Appendix C)**

### **5. Finance headlines:**

- Key financial events during Quarter 1 2020/21 (section 1)
- Revenue budget (section 2): table 1 details net spend for the year against budget by service area, table 2 by portfolio holder and table 3 by corporate priority.
- Variations to budget (section 3)
- Controlling Migration Fund (section 4, table 4)
- Trading income (section 5; table 5)
- Earmarked reserves (section 6; table 6) – recommendation for Cabinet to approve the reserve movements as detailed in the table
- Treasury management (section 7; table 7)
- Capital (section 8; table 8) – recommendation for Cabinet to approve the updated capital programme as detailed in the table
- Consultancy costs (section 9; table 9)
- Debt collection (section 10; table 10)
- Supplementary estimates (section 11; table 11) – recommendation for Cabinet to approve the supplementary estimates in respect of Rough Sleeper Initiative and Verify Earnings & Pension as set out in the table
- Supplementary estimates – COVID-19 (section 12; table 12) – recommendation for Cabinet to approve the supplementary estimates in respect of COVID-19 as set out in the table
- Insurance (section 13; table 13)
- Procurement exemptions (section 14) – none in Quarter 1
- Localisation of Business Rates and Council Tax Support Scheme (section 15; table 14)
- Other financial matters (section 16)

## **CONCLUSION**

Overall, performance in Quarter 1 of 2020/21 was in line with targets but has been heavily impacted by Covid-19 lockdown as anticipated.

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

### **FINANCIAL IMPLICATIONS**

The financial implications are set out in the 'Finance' section of the report, with specific recommendations highlighted in the recommendations section at the beginning of this covering report

### **LEGAL & EQUALITY IMPLICATIONS**

Local Government Act 1999

**ANY OTHER IMPLICATIONS**

The performance and risk implications are set out in the relevant sections of the report, with specific recommendations highlighted in the recommendations section at the beginning of this covering report

**CONSULTATION**

Consultation has been undertaken with CMT.

**APPENDICES**

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

APPENDIX A	Q1 performance
APPENDIX B	Q1 risks
APPENDIX C	Q1 finance

**BACKGROUND PAPERS**

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