

Performance Reporting – 2018/19 Six Month Monitoring Report April - September 2018

Purpose of report

For decision.

Summary

This performance monitoring report presents a summary of the LGA's performance against its business plan and its internal priorities over the period 1 April to 30 September 2018.

This report was presented to and endorsed by the Audit Committee on 27 November 2018.

Recommendation

That the LGA Leadership Board approves the six-month monitoring report and highlights any areas for further action or for report back.

Action

Officers to initiate any required action.

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Background

1. The Business Plan for 2018/19 was presented to Leadership Board and the Executive in September, following some minor changes, the final plan was agreed at the Informal Group Leaders meeting in October. The objectives for Finance and Policy will be updated for the next report.
2. The Strategic Risk Register is circulated quarterly to the Corporate Leadership Team (CLT) to update current risks and propose additional risks which are then presented to Strategic Management Team (SMT).
3. A separate risk register has been included under major projects for the LG Mutual work as requested by SMT in July as this was deemed a high risk area on the Strategic Risk Register.
4. The LGA has established an Information Governance Group (IGG) who monitor how information is used in the LGA and log all data breaches. As part of the performance report, information on the data breaches will now be included.

Performance monitoring

5. This report fall into five sections:
 - 5.1. The five policy focus areas identified in the business plan – *Britain's exit from the EU, Devolution and Funding for Local Government, Inclusive growth, jobs and housing, Children, education and schools and Adult Social care and Health.*
 - 5.2. Improvement Support via the KPI's developed for reporting to MHCLG (including feedback from service recipients).
 - 5.3. Our own efficiency and effectiveness – via our corporate health indicators.
 - 5.4. Major projects dashboard.
 - 5.5. Strategic Risk Register.

Commentary

6. Of the 27 objectives, 15 are flagged as green and 12 as amber. There are currently no objectives flagged as 'red', indicating that all objectives are currently on track to be delivered.
7. The table below summarises the position on the deliverables contained in the MoU as at the end of the second quarter:

	Green	Amber	Red	Total
Deliverables	9	43	0	52

Key highlights include:

- 7.1. Almost 800 councillors already participated or booked on our leadership courses.
 - 7.2. 64 peer challenges delivered with 79 confirmed/in discussion for delivery in Q3 and Q4.
 - 7.3. Continued to provide intensive support to councils with the most severe challenges.
 - 7.4. Productivity experts deployed to date in 28 councils, helping them to save/generate in excess of £33m over the next 4 years.
8. There are three major projects at present, which relate to the refurbishment of Layden House and 18 Smith Square and the newly included establishment of LG Mutual. The refurbishment of 18 Smith Square is being kept on the major risk register whilst the ongoing issues have been resolved and occupation of the remaining floors is confirmed. A risk register for the LG Mutual work is included in the appendices, there is currently one risk flagged as red which relates to a challenge being made to the mutual project. This is being mitigated by obtaining legal advice at every stage of the project.
 9. Following a significant increase in the outstanding debt between 3 to 12 months in quarter one (17%), this has now dramatically improved with only 7% of debt falling into this category. Debt between 0-2 months has increased to 89%, showing a significant improvement in debt management.
 10. There have been four incidents of data breaches reported with the IT and Business Management team. Two of the four incidents were due to lost/stolen phones. These pose little risk as they are password protected and can be wiped remotely. One incident was a personal email address been set to external recipients and the other an invoice sent to the wrong team within LGA. ICO were contacted and confirmed the incidents were low risk and did not need any further action.
 11. The following changes have been made to the risk register as per CLT's request and SMT's approval:
 - 11.1. The likelihood of SR1 has been increased from level one to two, making this a yellow risk, requiring regular monitoring.
 - 11.2. Both the impact and likelihood for SR8 have been increased to five and three respectively, causing this to become an amber level risk, requiring management action and regular reports to SMT and Leadership Board.
 - 11.3. The risk regarding engaging with combined authorities has been closed and removed from the risk register. The LGA has established groups with combined authorities and mayors and these engagements continues to develop.
 - 11.4. The following risks have been included in the register:

Risk	Impact	Likelihood	RAG	Mitigating Actions
The establishment of the LGA Mutual and LGA as a founder impacts on our own insurance arrangements.	5	3	15	LGA will liaise with brokers to ensure there are not gaps in our insurance and are fully covered.
UKMBA fails to launch a bond.	5	3	15	Additional resources to communicate offer to the sector and seek investors.
The LGA fails to deliver effectively the complex series of changes to its company structures, and the underpinning transition of staff, contracts, systems, finances and insurances.	5	3	15	Regular consultations with external Company Law specialists Cross-organisational transition team in place Creation and maintenance of detailed transition plan Regular staff communications
The creation of the LGA Mutual and its complex supporting company framework, working to similar timeframes as the wider restructure puts additional legal and timing challenges on the organisation with potential risk to the LGA's own insurance arrangements.	5	3	15	Consider whether to retain current LGA insurance arrangement for a further year until mutual is fully established.