

The Highland Council
Finance, Housing and Resources Committee -
28 August 2013

Agenda Item	23.c
Report No	FHR/ 110/13

Finance Service - Quarterly Performance Report

Report by Director of Finance

Summary

This report provides a review of Statutory and Key Performance Indicators. Information is provided on which SPIs can be reported annually or on a quarterly basis by the Finance Service. For those that can be reported on a quarterly basis a performance report for Quarter 1 of 2013/14 is provided.

1. Background

- 1.1 Over the past 12 months there has been work at a national level to consider appropriate indicators for national benchmarking across local government in Scotland. This work has been led by SOLACE and has resulted in a set of 55 benchmarking indicators across the different local government functions. While further work is planned to review and develop this work, information for 2010/11 and 2011/12 has been published and can be found on our performance pages at:

<http://www.highland.gov.uk/yourcouncil/howyourcouncilperforms/solace.htm>
- 1.2 Audit Scotland also published their intention to include the SOLACE indicators in the requirements for Statutory Performance Reporting. As a result of this a review of all SPIs in the Council was carried out. The Finance Service has considered the new requirements for performance reporting and has agreed a set of Statutory and Key Performance Indicators for 2013/14.
- 1.3 At Council level there has been an opportunity to review and refine the discretionary indicators the Council will use going forward. The new SPI set for the Council totals 180 indicators. It should be noted that the review has removed 71 discretionary indicators but 55 SOLACE, 37 statutory housing and 11 other Service indicators have been added. Following a report by the Accounts Commission on statutory performance reporting by local government in Scotland, some further refinement may be required. A list of the current SPIs for the Finance Service is attached as **Appendix 1**.

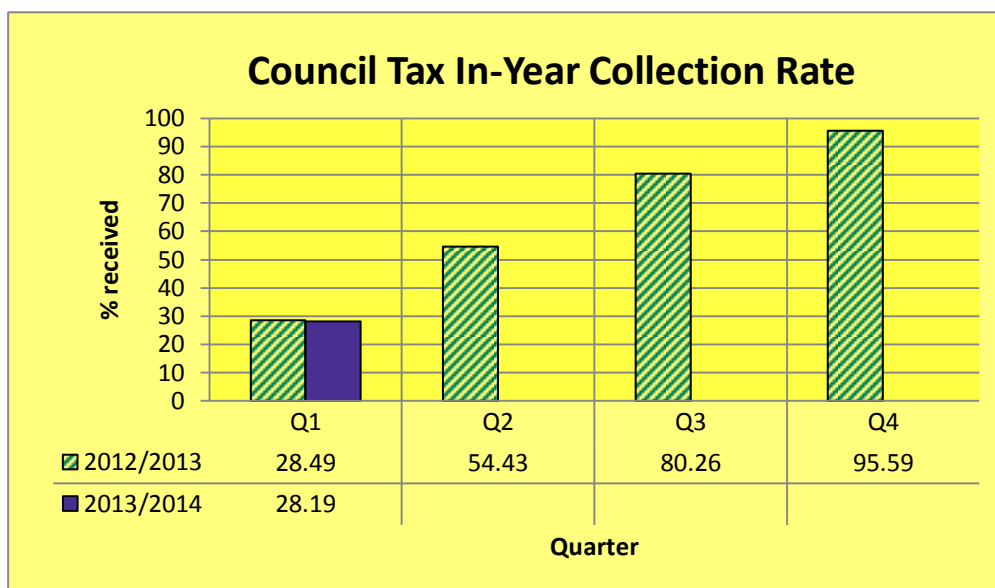
1.4 Quarterly Performance reporting to Service committees on SPI performance is required where data is available. This is shown in section 2 below. In addition detailed information on SPI07, payments of invoices, for all Services within the Council is provided in **Appendix 2**.

1.5 This regular report will build a quarter by quarter view of performance for Committee.

2. Finance Service, Quarterly performance reporting

2.1. Council Tax In-Year Collection Rate

2.1.1.



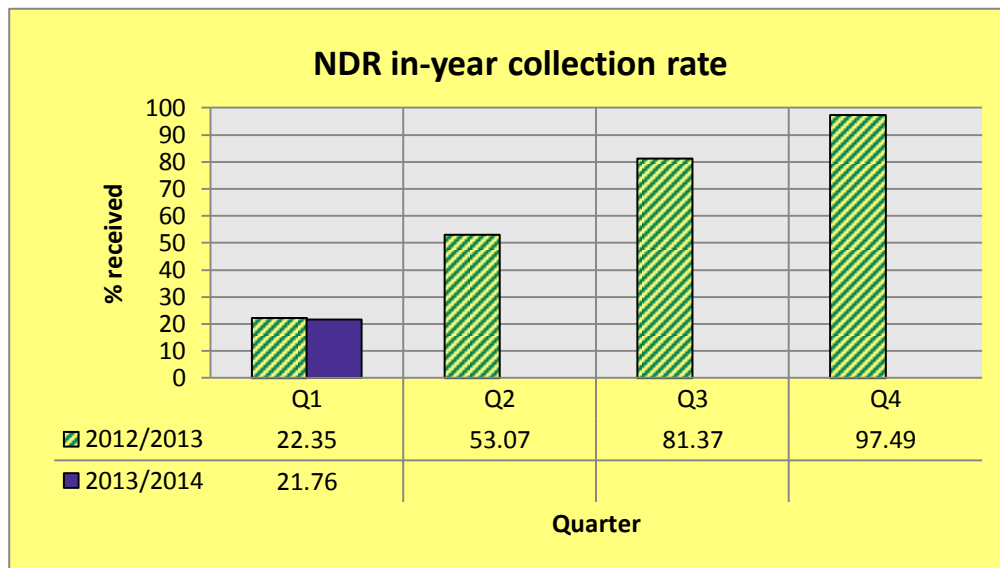
2.1.2. This indicator is a measure of how taxpayers are paying and the effectiveness of the council in collecting Council Tax.

2.1.3. At the end of quarter one, the Council Tax in-year collection rate is down by 0.30% compared to the previous year, but a 0.36% increase in the number of Council Tax payers moving to 12 monthly instalments means a change to the profile of the income. It is too early in the year to predict the outturn.

2.1.4. Since April 2013, the percentage of Direct Debit payers has risen by 2.52% from 64.7% to 67.2%, reflecting the introduction of paperless Direct Debit facilities.

2.2. Non Domestic Rates in-Year Collection Rate

2.2.1.



2.2.2. This indicator is a measure of the effectiveness of the Council in collecting Non Domestic Rates due in the current year, but can also be a barometer of how businesses are doing locally.

2.2.3. At the end of quarter one, the Non Domestic Rates in-year collection rate shows a reduction of 0.59% compared to the previous year, and again, it is too early in the year to predict the outturn.

2.2.4. The Council continues to use all relevant measures available under the Rating regime to assist local businesses in difficult times and this has had a beneficial effect. These measures include encouraging payment by monthly instalments and having the highest take-up in Scotland for awarding relief under the government's Small Business Bonus Scheme. Information on SBBS is promoted on the NDR website, the annual information leaflet, bills, DD mandates and annual reminders. Proactive action is taken by including an application form with each NDR bill for all properties where the rateable value apparently falls within the SBBS threshold.

2.3. Business Improvement District (BID) Levy

2.3.1.

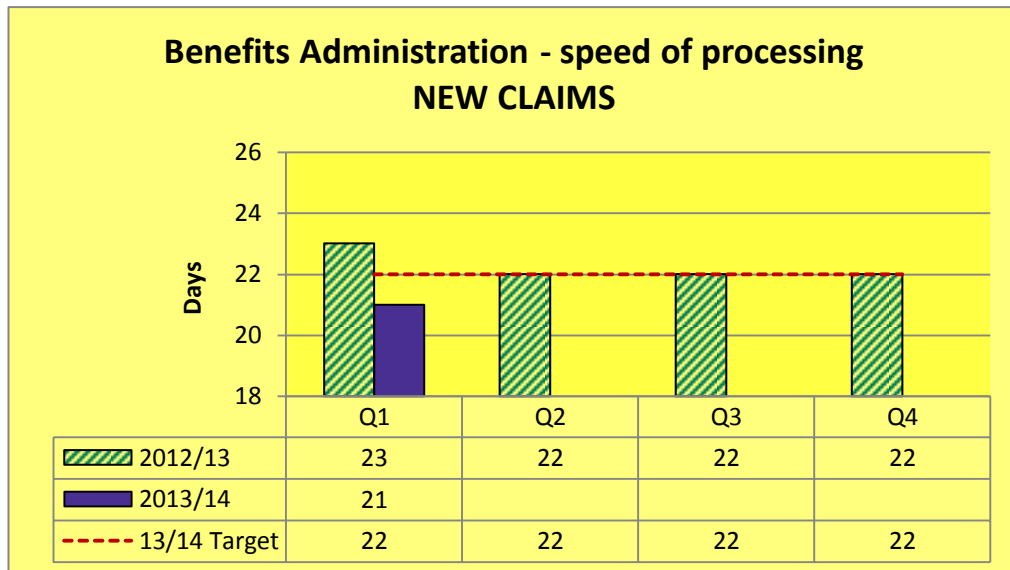
Performance as at	2012	2013
30 June	68.58	76.05

2.3.2. This indicator is a measure of how relevant businesses in Inverness are paying the Business Improvement District levy.

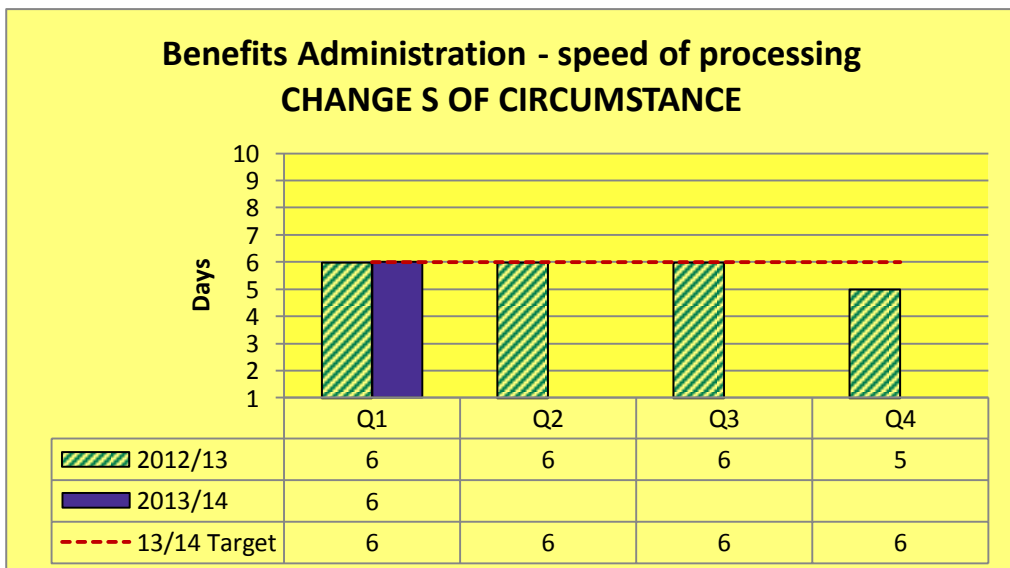
2.3.3. The collection rate for 2013/14 shows an improvement of 7.47% in the first quarter. This reflects earlier payments by some businesses.

2.4. Benefits Administration - Speed of Processing (days)

2.4.1.i.



2.4.1.ii.

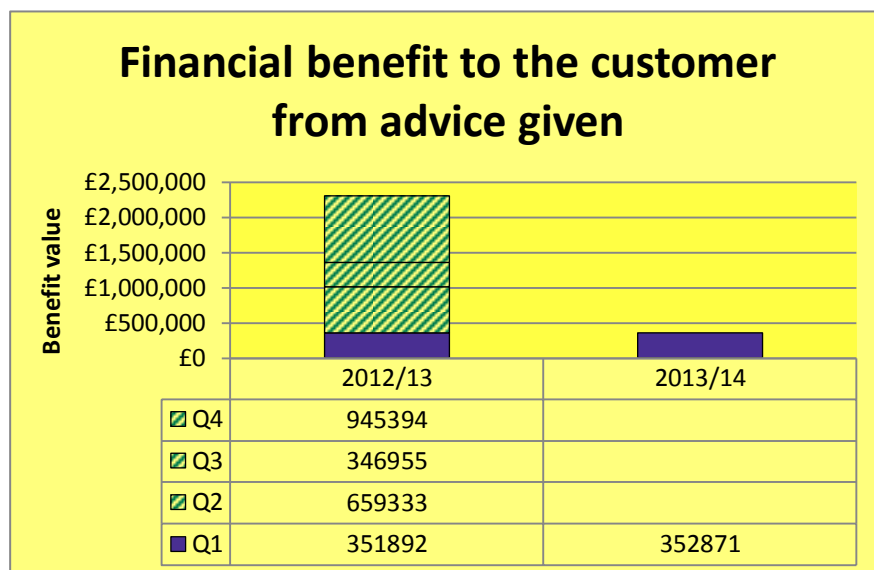


2.4.2. These indicators reflect the Council's ability to process work as quickly as possible to ensure applicants receive their entitlement on time and at the correct rate.

2.4.3. Performance for 2013/14 quarter 1 is showing an improvement for new claims processing compared to the previous year, has matched the prior year performance and bettered the current year target for new claims processing. Processing of changes of circumstance is on target.

2.5. Customer Income Maximisation and Money Advice

2.5.1.



2.5.2. This indicator measures the total annual increased amount of benefit being awarded in Highland. Gains achieved in 2013/14 reflect a continuing need to assist customers through the complexities of finding out about, and applying for welfare benefits.

2.6 Money Advice

2.6.1.

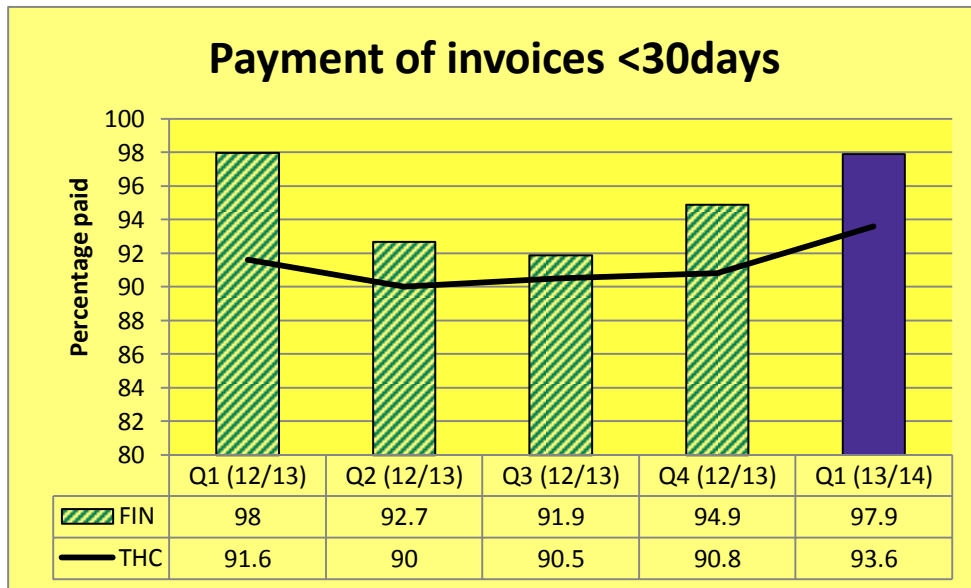
Performance as at 30 June	2012	2013
Customer Contacts	267	257
Total debt presented by clients	£2,024m	£1,137m
% queries completed in time from first contact to initial interview of 10 days	92.9	100.00

2.6.2. These indicators measure the number of customer contacts and levels of debt dealt with by the Council's Money Advice Team.

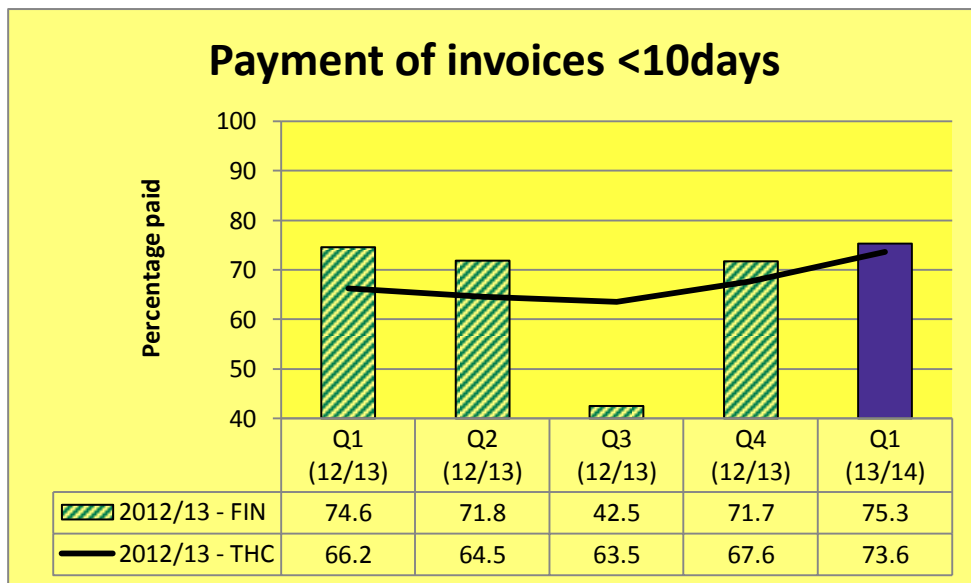
2.6.3. The amount of debt presented has decreased due to a contraction in personal bank lending including debt consolidation, however many cases dealt with by the Council's Money Advice team are of increased urgency due to the fact that the 'payday lending' debt amount has increased from £9,078 to £53,798 or by 493% from 10/11 to 12/13.

2.7 Payment of Invoices

2.7.1.i.



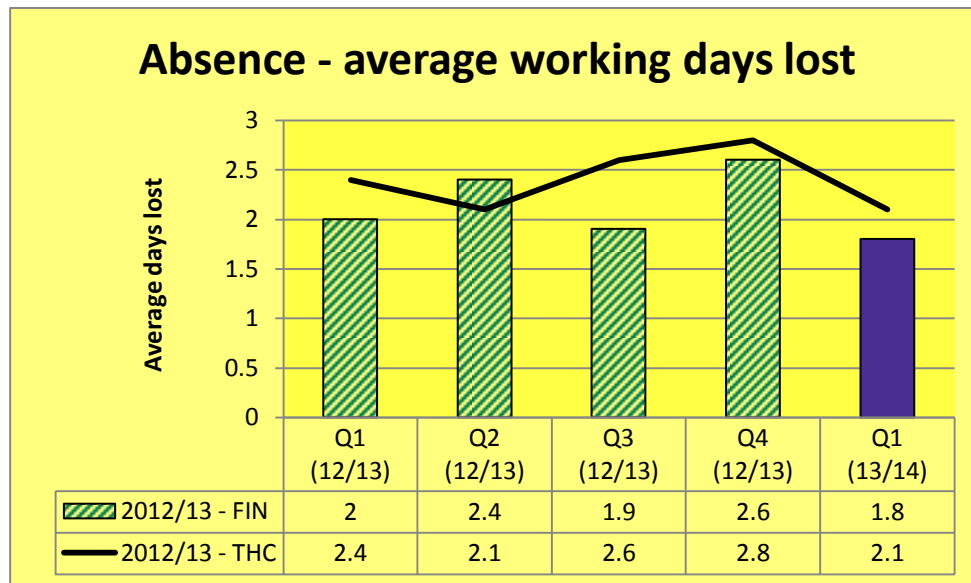
2.7.1.ii.



2.7.2. These indicators measure the efficiency of the Council as a whole in paying invoices. They look at the number of invoices paid within 30 calendar days and 10 days respectively of receipt, as a percentage of all invoices paid.

2.8 Attendance Management

2.8.1.



2.8.2. This indicator shows the average number of days' sickness absence per employee for the quarter. The Finance Service performance has improved in the first quarter.

2.8.3. The service aims to keep staff absences as low as possible and follows the Council's personnel policies and guidance, implementing measures such as "return to work" interviews and discussions with staff.

3. Recommendations:

The Committee is asked to consider and approve the new corporate approach to Statutory and Key Performance Indicators, and the initial reporting for the Finance Service in respect of Quarter1 from 1 April to 30 June 2013.

Designation: Director of Finance

Author: WDD Lamont

Date: 19 August 2013

APPENDIX 1

Statutory Performance Indicators	Report ref:	Frequency
The average number of working days per employee lost through sickness absence for: b) All other local government employees	2.8	Quarterly
The gross administration cost per benefits case		Annual
The cost of collecting Council Tax per dwelling		Annual
Current year income from Council Tax: a) The income due from Council Tax for the year, net of relief and rebates b) The percentage of a) that was received during the year	2.1	Quarterly
The number of invoices paid within 30 calendar days of receipt as a percentage of all invoices paid	2.7	Quarterly
The number of invoices paid within 10 calendar days of receipt as a percentage of all invoices paid	2.7	Quarterly
Internal Audit - cost of audit/£1m net expenditure		Annual
Insurance - cost/claim processed		Annual
Creditors - unit cost/creditor invoice issued		Annual
Payroll - cost/payslip produced		Annual
Pensions - cost per member		Annual
Cost of Accounting % Net Rev Budget + HRA		Annual
Cost of completing the Annual Accounts		Annual
Cost NDR collection/chargeable property		Annual
% NDR collected by year end	2.2	Quarterly
Cost sundry debtors/debtors account issued		Annual
% income sundry debtors collected during year		Annual
Cost Corporate Finance % Net Revenue Budget		Annual
Cost Procurement section % Net Revenue Budget		Annual

Other performance measures	Report ref:	Frequency
Processing time housing benefit – new claims (average days)	2.4	Quarterly
Processing time housing benefit – change in circs (average days)	2.4	Quarterly
Number of customer contacts	2.6	Quarterly
Total debt presented by clients (£m)	2.6	Quarterly
% Money advice queries completed in time from first contact to initial interview (10days)	2.6	Quarterly
Increase in financial benefit to customers from the advice given	2.5	Quarterly
Business Improvement District (BID) Levy	2.3	Quarterly

APPENDIX 2

INVOICE PAYMENT <30 DAYS								
	2012/13				2013/14			
Service	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
CE	89.6	89.9	92.4	86.9	93.6			
ECS	92.0	86.3	90.0	88.6	94.9			
FIN	98.0	92.7	91.9	94.9	97.9			
H&P	87.0	90.7	89.0	91.6	90.3			
P&D	92.6	91.1	90.4	91.8	92.4			
HSC	93.7	91.9	91.1	89.1	92.4			
TECS	92.3	91.8	91.6	92.0	94.9			
HC Total	91.6	90.0	90.5	90.8	93.6			

INVOICE PAYMENT <10 DAYS								
	2012/13				2013/14			
Service	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
CE	67.3	73.4	75.2	72.2	78.2			
ECS	54.7	49.0	54.3	56.6	67.5			
FIN	74.6	71.8	42.5	71.7	75.3			
H&P	81.6	78.0	84.9	82.1	87.3			
P&D	64.7	59.2	47.0	60.8	77.7			
HSC	74.7	67.4	67.0	65.0	73.0			
TECS	60.2	65.0	60.4	67.7	66.3			
HC Total	66.2	64.5	63.5	67.6	73.6			