

The Highland Council
Resources Committee - 28 May 2014

| | |
|-------------|------------------|
| Agenda Item | 8 |
| Report No | RES/06/14 |

Finance Service - Quarterly Performance Report

Report by Director of Finance

Summary

This report provides a summary of key and statutory performance indicators for the Finance Service as at 31st March 2014.

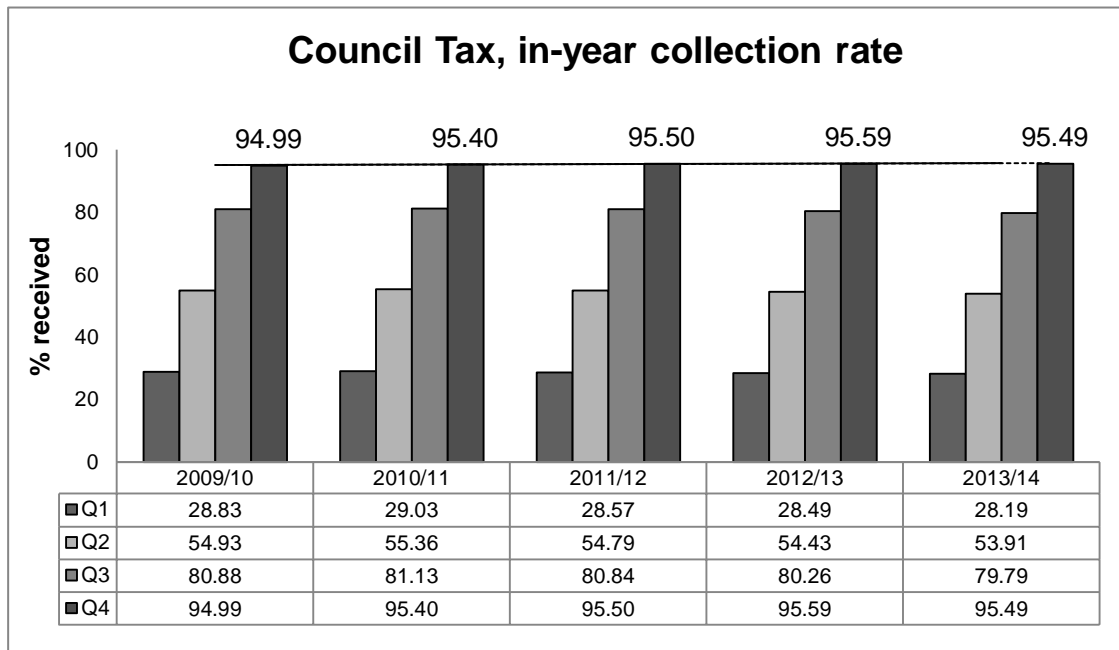
1. Background

- 1.1 This report includes performance against the Accounts Commission's Statutory Performance Indicators (SPIs) together with key performance measures for the Finance Service.
- 1.2 Current year figures are compared with those from the corresponding period in the previous financial year where these are available. In addition, figures from previous years are included where appropriate so that trends may be identified.
- 1.3 Where definitions have changed, direct comparisons can only be made within the time period to which that definition has applied.
- 1.4 Reports will continue to be brought to Committee on these performance indicators on a quarterly basis so that trends can be monitored.
- 1.5 A list of the current SPIs for the Finance Service is attached as **Appendix 1**.
- 1.6 Detailed information on SPI07, payment of invoices for all Services within the Council is provided in **Appendix 2**.
- 1.7 Although performance is generally good across the range of indicators presented within this report, there are additional indicators that suggest that the Finance Service has a high unit cost. The Service is therefore undertaking further work in this area as part of the requirement to deliver further efficiency savings.

2. Finance Service, Quarterly performance reporting

2.1 Council Tax In-Year Collection Rate

2.1.1

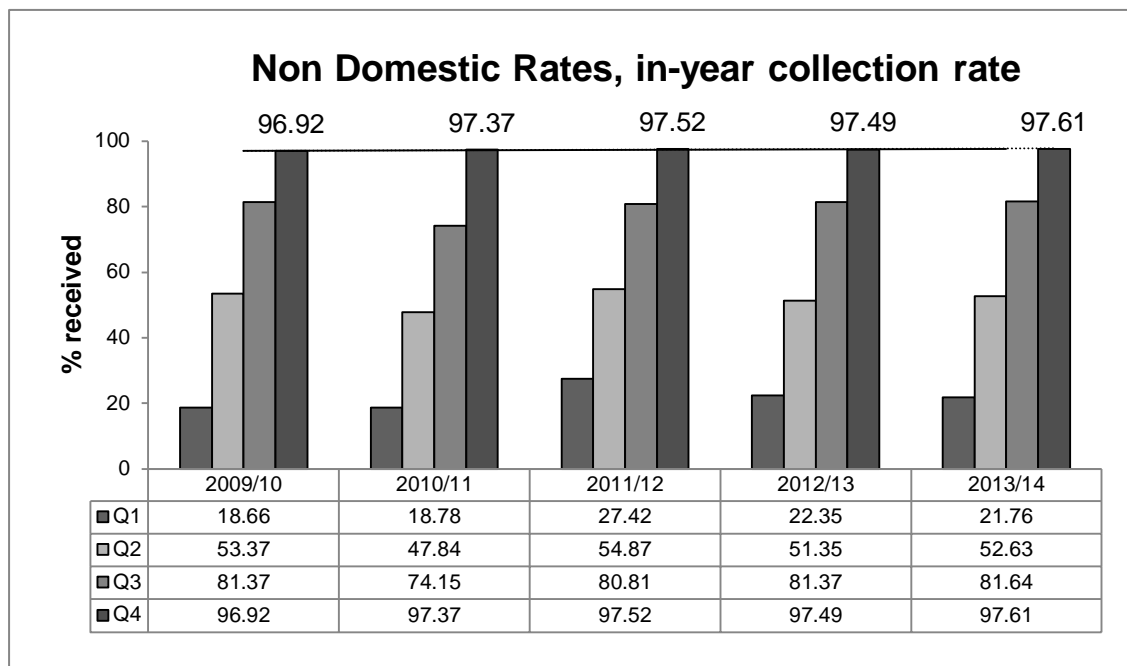


2.1.2 Council Tax in-year collection rate has reduced slightly on 2012/13 performance to 95.49%, however collection rate has remained relatively consistent between 95.4% and 95.6% for the past 4 years. Collection rates continue to be monitored on a regular basis.

2.1.3 Direct debits now make up 65.47% of bill payment which represents 75.86% of net billed value.

2.2 Non Domestic Rates in-Year Collection Rate

2.2.1

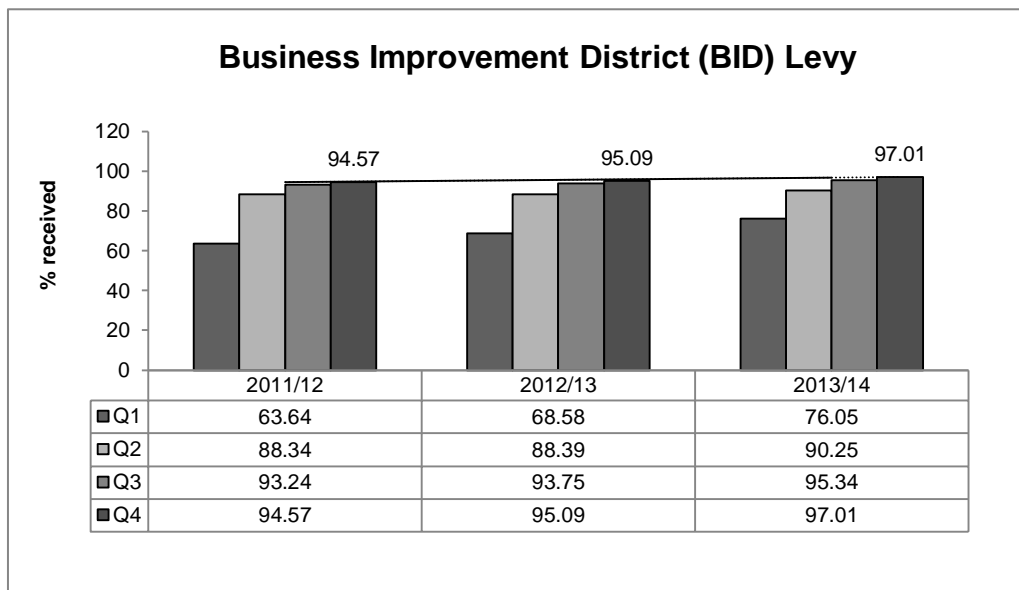


2.2.2 At the end of quarter four, the Non Domestic Rates in-year collection rate shows an increase from the previous year to 97.61%.

2.2.3 The Council continues to use all relevant measures available under the Rating regime to assist local businesses in difficult times; measures include encouraging payment by monthly instalments and directing businesses to available rate relief schemes.

2.3 Business Improvement District (BID) Levy

2.3.1

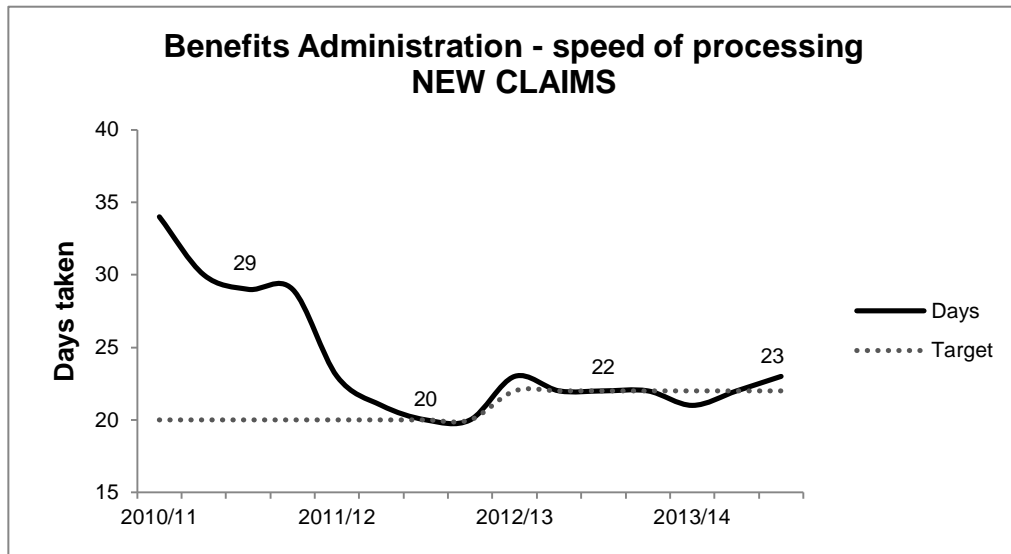


2.3.2 This indicator is a measure of how relevant businesses in Inverness are paying the Business Improvement District levy.

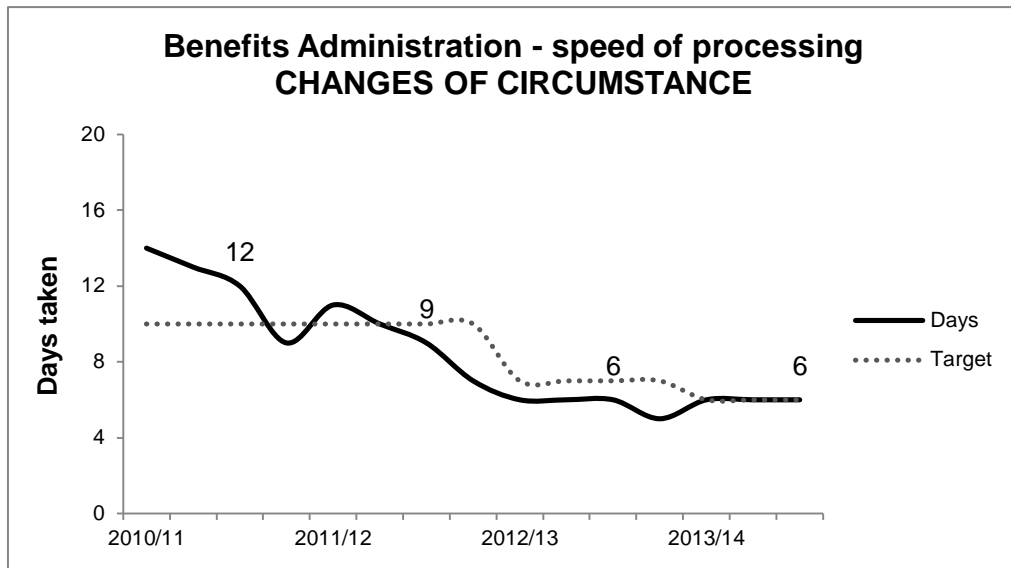
2.3.3 As with previous quarters in 13/14 Q4 has seen an increase from comparable periods in the previous two years. The continually improving collection rate reflects the pro-active approach to collection by the Council.

2.4 Benefits Administration - Speed of processing (days)

2.4.1.i



2.4.1.ii



2.4.2 These indicators measure the time taken from when the Council receives a Housing Benefit New Claim, or is notified of a Housing Benefit Change of Circumstance, to when the Council informs the customer of their Housing Benefit entitlement. Housing Benefit New Claims and Changes of Circumstance performance continue to compare well against targets and indeed against the performance of other Scottish Local Authorities. New Claims performance is one day over target and efforts will be made to bring it back in line with target. This performance has been achieved despite the involvement of staff in Welfare Reform related matters including Scottish Welfare Fund and high volumes of Discretionary Housing Payment applications.

2.5 Customer Income Maximisation and Money Advice

| Financial benefit to the customer from advice given (£000) | | | |
|--|--------------|--------------|--------------|
| | 2011/12 | 2012/13 | 2013/14 |
| Quarter 1 | 294 | 352 | 353 |
| Quarter 2 | 573 | 659 | 217 |
| Quarter 3 | 480 | 347 | 392 |
| Quarter 4 | 387 | 945 | 673 |
| Year to date | 1,734 | 2,304 | 1,635 |

2.5.2 This indicator measures the total annual increased amount of benefit being awarded in Highland. In capturing this information on customer gains for reporting purposes, the Council has to rely upon customers updating the staff with the outcomes of work done on their behalf.

2.6 Money Advice

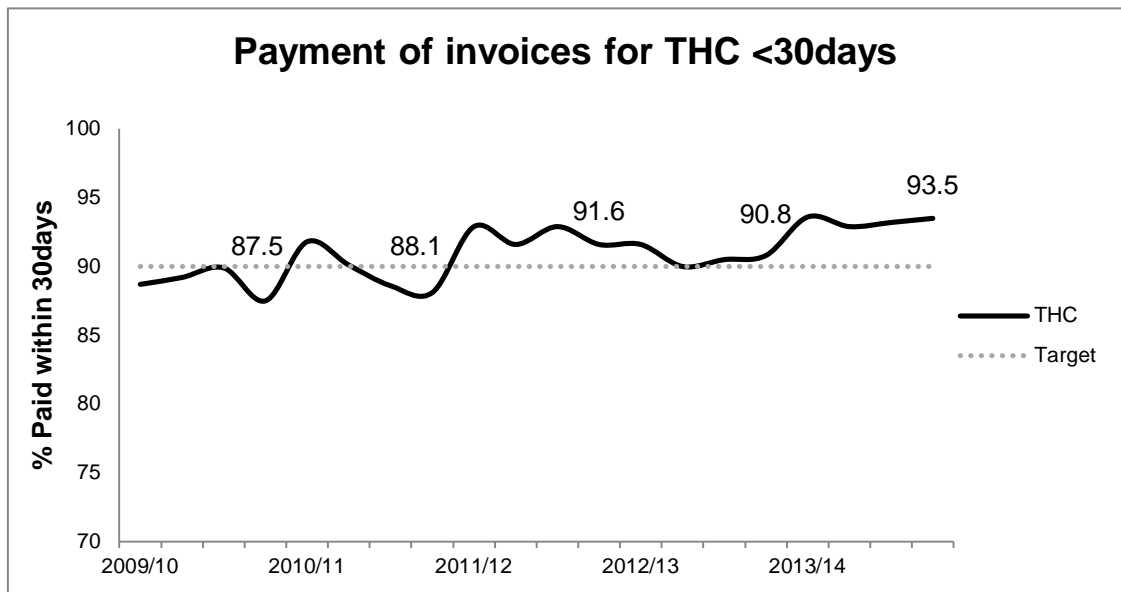
| Performance – Q4 | 2011/12 | 2012/13 | 2013/14 |
|--|---------|---------|---------|
| Customer Contacts | 345 | 273 | 479 |
| Total debt presented by clients (£m) | 2,076 | 1,862 | 2,805 |
| % queries completed in time from first contact to initial interview of 10 days | 96.60 | 97.90 | 97.01 |

| Performance – 13/14 | Q1 | Q2 | Q3 | Q4 | YTD |
|--|-------|-------|-------|--------------|-------|
| Customer Contacts | 257 | 275 | 264 | 479 | 1,275 |
| Total debt presented by clients (£m) | 1,137 | 1,358 | 1,779 | 2,805 | 7,080 |
| % queries completed in time from first contact to initial interview of 10 days | 100 | 98.27 | 97.01 | 90.55 | 96.46 |

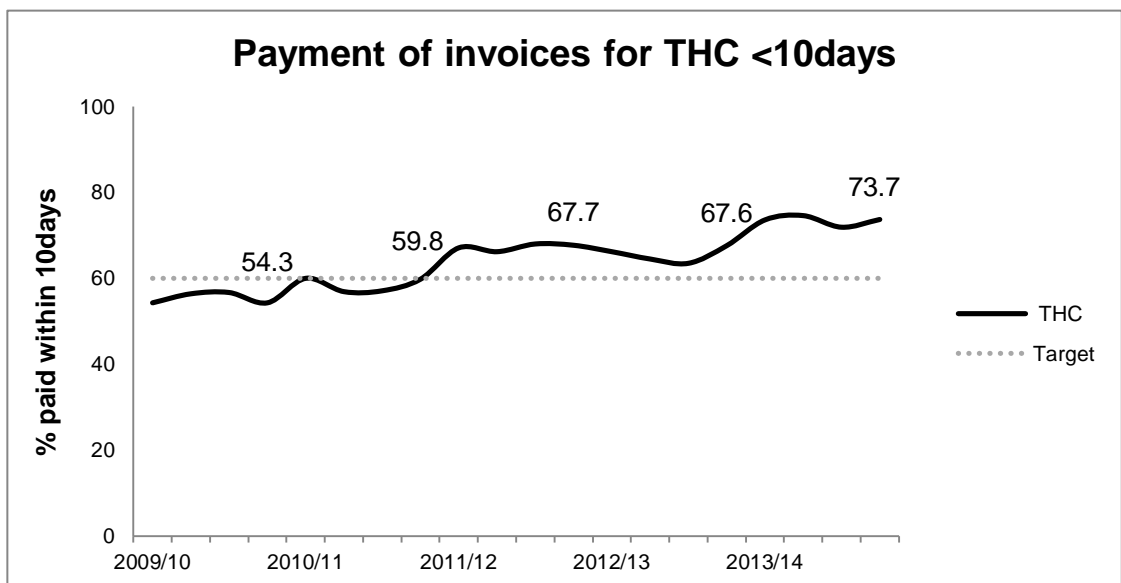
2.6.2 These indicators measure the number of customer contacts and levels of debt dealt with by the Council's Money Advice Team.

2.7 Payment of Invoices

2.7.1.i



2.7.1.ii

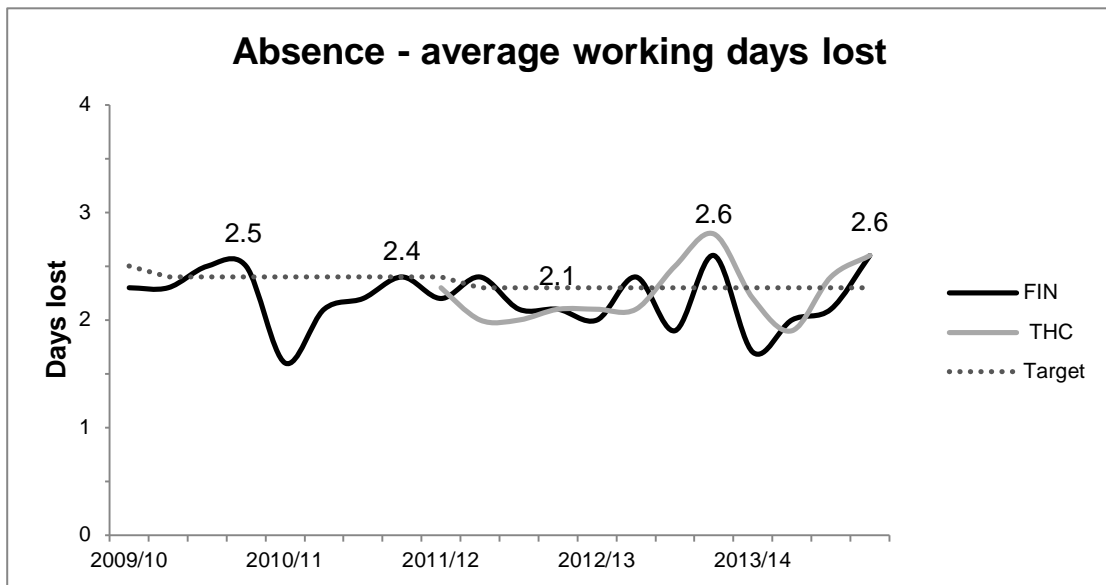


2.7.2 These indicators measure the efficiency of the Council as a whole in paying invoices. They look at the number of invoices paid within 30 calendar days and 10 days respectively of receipt, as a percentage of all invoices paid. Performance at Service level is detailed in Appendix 2.

2.7.3 Improvements have been achieved in the payment of invoices within both 30days and 10days against all prior years.

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 latest statistics show an increase over previous quarters. The Finance Service Management Team is looking at further detail to see what measures, if any, can be taken to reverse the situation.

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. Implications

3.1 There are no implications arising from this report.

Recommendations:

The Resources Committee is asked to :

- (a) Note these statutory and key performance indicators

Designation:

Director of Finance

Author:

Caroline Urquhart, Development Officer, Finance

Date:

16 May 2014

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 | | | | | | | | | |
|------------------------------------|---------|------|------|------|---------|------|------|------|------|
| Service | 2012/13 | | | | 2013/14 | | | | |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | YTD |
| CE | 89.6 | 89.9 | 92.4 | 86.9 | 93.6 | 93.2 | 93.3 | 90.6 | 92.6 |
| ECS | 92.0 | 86.3 | 90.0 | 88.6 | 94.9 | 91.1 | 93.0 | 93.9 | 93.4 |
| FIN | 98.0 | 92.7 | 91.9 | 94.9 | 97.9 | 96.0 | 96.1 | 96.9 | 96.7 |
| H&P | 87.0 | 90.7 | 89.0 | 91.6 | 90.3 | 95.1 | 94.5 | 93.7 | 93.4 |
| P&D | 92.6 | 91.1 | 90.4 | 91.8 | 92.4 | 94.5 | 92.5 | 92.0 | 92.8 |
| HSC | 93.7 | 91.9 | 91.1 | 89.1 | 92.4 | 89.4 | 89.9 | 94.2 | 91.6 |
| TECS | 92.3 | 91.8 | 91.6 | 92.0 | 94.9 | 92.7 | 92.1 | 91.6 | 92.8 |
| HC Total | 91.6 | 90.0 | 90.5 | 90.8 | 93.6 | 92.9 | 93.2 | 93.5 | 93.3 |

| INVOICE PAYMENT <10 DAYS | | | | | | | | |
|------------------------------------|---------|------|------|------|---------|------|------|------|
| Service | 2012/13 | | | | 2013/14 | | | |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| CE | 67.3 | 73.4 | 75.2 | 72.2 | 78.2 | 80.4 | 76.6 | 77.3 |
| ECS | 54.7 | 49.0 | 54.3 | 56.6 | 67.5 | 64.6 | 65.2 | 66.0 |
| FIN | 74.6 | 71.8 | 42.5 | 71.7 | 75.3 | 73.1 | 60.1 | 73.6 |
| H&P | 81.6 | 78.0 | 84.9 | 82.1 | 87.3 | 92.0 | 91.5 | 88.9 |
| P&D | 64.7 | 59.2 | 47.0 | 60.8 | 77.7 | 76.1 | 71.7 | 75.0 |
| HSC | 74.7 | 67.4 | 67.0 | 65.0 | 73.0 | 70.0 | 67.8 | 72.7 |
| TECS | 60.2 | 65.0 | 60.4 | 67.7 | 66.3 | 66.2 | 63.4 | 65.5 |
| HC Total | 66.2 | 64.5 | 63.5 | 67.6 | 73.6 | 74.6 | 71.9 | 73.4 |