

Agenda Item	5.c
Report No	RES/39/23

The Highland Council

Committee: Corporate Resources

Date: 7 December 2023

Report Title: Resources and Finance – Revenue Monitoring and Performance Reporting for Q2 1 July – 30 September 2023

Report By: Depute Chief Executive

1. Purpose/Executive Summary

1.1 This report provides Members with the Quarter 2 revenues and performance monitoring position for the period to 30 September 2023. The Service budget for 2023/24 is £13.404m with a predicted end of year underspend forecast of £0.218m.

1.2 This report also provides performance information on:

- Corporate Indicators;
- Contribution to the Corporate Plan;
- Service Plan progress;
- Mitigation of Service Risks; and
- Service updates out with the Corporate Indicators or Service Plan.

A list of the current SPIs for the Resources and Finance Service, together with the frequency of reporting, is provided at **Appendix 6** to this report.

The content and structure are intended to:

- Assist Member scrutiny and performance management;
- Inform decision making to aid continuous improvement, and
- Provide transparency and accessibility.

1.4 Some activities delivered by the Resources and Finance Service, such as Loans Fund and Council Tax Income, are contained within the Corporate Revenue Monitoring Report, which is a separate item on the Committee agenda. To ensure transparency, performance information relating to Council Tax is also contained within this report.

2. Recommendations

2.1 Members are invited to:

- Consider** the Service's revenue monitoring position;
- Scrutinise** the Service's performance and risk information.

3. Implications

3.1 Resource

The budget of £13.4m available to the Resources and Finance Service is 2.1% of the total general fund for the totality of the Council's services (£619.314m). The Service has a budgeted staffing establishment of circa 437 FTEs. Corporate leadership in financial governance, human resources and provision of shared business support services are key responsibilities of the Service. Also, the Service provides the corporate leadership role for the core revenues streams (Council Tax, Non-Domestic Rates and Sundry Debt Income), and the strategic and operational delivery of financial assessments and provision of welfare services for our residents. Our responsibilities within the Revenues part of the Service involve engaging with every household and business in Highland.

3.2 Legal

This report contributes to the Council's statutory duties to report performance and secure best value in terms of; Section 1(1)(a) of the Local Government Act 1992, and Section 1 of the Local Government in Scotland Act 2003, respectively.

3.2.1 For the provision of welfare support, the Council has a legal duty to provide such services for specified groups, which, as detailed in the Welfare Budget, includes for example the outsourced services delivered by Citizens Advice. These duties are specified in the Social Work (Scotland) Act 1968, the Carers (Scotland) Act 2016 and the Child Poverty (Scotland) Act 2017.

3.2.2 The Service is also responsible for ensuring policies are in place, and support is provided for managers and employees to ensure the Council continues to comply with all employment and health and safety requirements.

3.3 Community (Equality, Poverty, Rural and Island)

The extent of the strategic role and significant support provided by the Service to reduce poverty, alleviate financial insecurities, and promote equalities are evidenced by the Welfare Budget.

3.4 Climate Change/Carbon Clever

There are no implications arising as a direct result of this report although section 14 of this report provides information relating to carbon clever delivery through the Welfare Budget.

3.5 Risk

Risk implications to the budget position, and budget assumptions, will be kept under regular review and any risks identified reported to future Committees. There is a risk that cost-of-living pressures continue to result in additional and increased demand. This includes for example, for the provision of critical demand-led financial assessments and welfare services as reported in the welfare budget set out in **Appendices 3-4** to this report.

3.6 Health and Safety (risks arising from changes to plant, equipment, process, or people)

There are no immediate health and safety implications arising from this report.

3.7 Gaelic

There are no implications arising as a direct result of this report.

4. Resources and Finance Revenue Budget Monitoring 2023/24

4.1 **Appendix 1** to this report provides the Quarter 2 monitoring statement for 2023/24 showing the forecasted year end outturn for 2023/24. The Directorate is showing an estimated year end outturn of £13.186m against a net annual budget of £13.404m, representing a forecast underspend of £0.218m. This does not include the Welfare Budget which is reportedly separately at Appendices 3-4.

4.2 Directorate

The Directorate pressure of £0.369m reflects savings held centrally which relate to recruitment and vacancy management targets as agreed in previous Council budget strategies. This pressure is intended to be offset by underspends from vacancies across the rest of the Service in order to result in a balanced position overall.

4.3 People (Annual Budget: £3.630m)

The budget for People mainly relates to staff and corporate training. This budget is reporting a predicted year end underspend of £0.155m arising mainly from part year staffing vacancies.

4.4 Revenues and Business Support (Annual Budget: £6.766m)

For this section, the forecasted underspend is £0.285m which is mainly arising from staffing underspends across the Section and income collections in excess of target.

4.5 Corporate Finance (Annual Budget: £3.116m)

The forecasted underspend in Corporate Finance of £0.147m is mainly arising from part year staffing underspends mainly within the Accounting Team.

4.6 Welfare – Revenues & Business Support (Annual Budget: £52.1m)

This demand-led budget reflects the benefits and entitlements managed within the Revenues & Business Support section of the Service. The continued pressure on the Scottish Welfare Fund for both Crisis Grants and Community Care Grants is being closely managed with the aim of delivering this service within budget. Universal provision of period products for communities has recently transitioned to be managed within the Revenues & Business Support section and monitored within the Welfare Budget. The forecasted underspend of £0.158m, in the overall Welfare Budget, relates to the Council Tax Reduction scheme and is based on the current forecast of caseload using trend data from previous years. A range of activities continue to promote eligibility to this scheme and processing times, as reported in section 12 continue to deliver high levels of performance.

5. Resources & Finance Savings 2023/24

5.1 The agreed savings for the Service are detailed at **Appendix 5**. There is a risk that the digitisation of legal support and savings from postages will not complete as originally anticipated due to other Council-wide ICT/digital transformation priorities, including the replacement of People and Finance systems. Digitisation of recruitment and timesheets will not complete during 2023/24. In both cases these are offset by underspends elsewhere in the budget and the intention is that these savings will still be made but over a longer time period.

6. Service Performance - Corporate Indicators

6.1 Service performance in relation to Absence, Complaints, FOIs, and Invoice Payments are set out in the following sub-sections. As the Resources & Finance

Service is SPI-owner for Sickness Absence and Invoice Payments, the corporate position is also detailed below.

6.2 Service Attendance Management

6.2.1 Staff absence is a nationally benchmarked indicator. Effective absence management supports staff, maintains productivity, and contributes to the Council’s benchmarked performance.

6.2.2 In Quarter 2, the Service lost an average of 2.91 days per employee compared to an average of 2.09 for the Council as a whole.

6.2.3

Resources and Finance

Average number working days per employee lost through sickness absence

Average Days Lost	Q3 21/22	Q4 21/22	Q1 22/23	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24
Resources and Finance	2.04	1.90	2.07	2.36	2.21	2.48	2.38	2.91
Highland Council	1.83	2.22	2.24	1.58	1.89	2.88	2.48	2.09

6.2.4 An analysis of the absence reasons reveals that the rise can be attributed to a combination of an increase in short-term viral illnesses and a small increase in long-term absences related to mental health. Service managers will continue to keep this under review, working alongside the Service HR Business Partner and adhering to attendance management policies and guidance.

6.3 Corporate Sickness Absence – SPI Owner

6.3.1 The corporate absence data outlined in table in 6.2.3, and in **Appendix 7** to this report, indicates an overall upward trend in full time equivalent (FTE) days lost in 2022/23.

The decrease for the Highland Council overall from Q1 to Q2 23/24 is likely to be attributed to school holidays during July & August and aligns with the historical trend observed in previous years during Q2.

Upon analysis of the corporate data, it is evident that mental health related absences remain prevalent across the various services. HR Business Partners are actively engaged in supporting Services to fully understand the trends and causal factors contributing this.

It is recognised that personal financial pressures are affecting employee’s health and wellbeing. In response to this, the e-learning available to managers has been updated, enabling managers to provide employees with appropriate support. Additionally, employees can access our Employee Assistance Programme, which provides independent advice to address financial and also wellbeing and mental health concerns.

Furthermore, our Attendance Support Officers continue to play a vital role in assisting both managers and employees. Their support extends to situations where absence has become complex, necessitating occupational health input, or when an employee faces a life changing or terminal diagnosis. They also assist when redeployment needs to be considered.

6.4 Service Complaints Response Times

6.4.1 Monitoring complaints provides important feedback which can facilitate decision making and service design. Services are responsible for responding to complaints which are issued on their behalf by the Customer and Resolution Improvement Team ('CRIT').

6.4.2 Performance for complaints during Quarter 2 against a corporate target of 80% was as follows:

6.4.3

Complaints - Resources and Finance

Number of closed complaints and the % compliant with the legislative timescale

Frontline Resolution within 5 days

	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
Resources and Finance	32	78 %	20	85 %	26	77 %	24	88 %	12	83 %	8	88 %	20	90 %	16	81 %
Highland Council	207	62 %	161	62 %	170	61 %	163	90 %	137	93 %	101	90 %	160	92 %	135	79 %

Investigation Resolution within 20 days

	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
Resources and Finance	2	100 %	2	50 %	5	20 %	2	50 %	3	33 %	1	0 %	4	100 %	7	71 %
Highland Council	68	54 %	48	44 %	65	46 %	54	31 %	49	47 %	63	41 %	97	63 %	85	49 %

Escalated Resolution within 20 days

	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
Resources and Finance	5	60 %	5	80 %	3	67 %	2	100 %	4	75 %	1	100 %	3	100 %	1	100 %
Highland Council	45	51 %	57	37 %	38	18 %	34	32 %	22	36 %	15	33 %	32	50 %	32	41 %

The Service's performance for Q2 exceeded corporate performance in all categories of complaints.

6.5 Service Freedom of Information (FOI) Response Times

6.5.1 FOI requests are co-ordinated by the Customer Resolution and Improvement Team (CRIT) in collaboration with the Service teams which hold information relevant to the request.

6.5.2 The performance for FOI response times during Quarter 2 against a corporate target of 90% was as follows:

6.5.3

Freedom of Information Requests - Resources and Finance

% of FOIs closed compliant with the legislative timescale

% FOIs Compliant - Resources and Finance	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
		37	76 %	57	79 %	67	81 %	40	83 %	50	90 %	60	82 %	42	83 %	32

% FOIs Compliant - Highland Council	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
		414	84 %	400	76 %	462	73 %	364	82 %	478	81 %	536	75 %	399	84 %	333

Tables display the number of FOIs closed within the quarter and % of those that were compliant with the legislative timescale (20 working days) for the service and the Highland Council overall.
The Scottish Information Commissioner requires the Council to achieve a minimum compliance rate of 90%.

6.5.4 There has been an improvement on the Service’s performance compared with the previous quarter. Service performance fell slightly short of Q2 corporate performance as well as the target of 90%.

6.6 Service Invoice Payment Times

6.6.1 Payment of invoices within 30 days of receipt is a Council Statutory Performance Indicator. The Council also monitors the number of invoices paid within 10 days of receipt. The performance for invoice payment times within 30- and 10-days during Quarter 2 against a target of 95% and 77%, respectively, was as follows:

6.6.2

Resources and Finance - Invoice Payments

Invoice Payment within 30 days	Q3 21/22	Q4 21/22	Q1 22/23	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24
Resources and Finance	99.0 %	97.8 %	97.9 %	99.0 %	98.6 %	96.5 %	98.8 %	99.5 %
Highland Council	94.2 %	89.1 %	94.1 %	94.2 %	95.1 %	94.9 %	95.1 %	96.7 %

Invoice Payment less than 10 days	Q3 21/22	Q4 21/22	Q1 22/23	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24
Resources and Finance	88.5 %	73.9 %	90.5 %	96.6 %	84.9 %	83.6 %	91.1 %	98.4 %
Highland Council	67.8 %	53.1 %	67.5 %	73.4 %	70.4 %	71.6 %	72.8 %	80.9 %

6.6.3 For the Resources & Finance Service, during Q2 2023/24, 99.5% of invoices were processed within 30 days against the corporate target of 95% and 98.4% of invoices were processed within 10 days against the corporate target of 77%. Budget holders within the Service continue to focus on these important indicators, and administering invoices continues to be a key priority within the overall responsibilities of the Business Support Team.

6.6.4 Corporate Invoice Payments – SPI Owner

6.6.4.1 These indicators measure the Council’s efficiency at paying invoices within 10 days and 30 days of receipt as a percentage of all invoices paid. The Shared Business Support Team reporting to the Head of Revenues & Business Support and the Creditors Team, reporting to the Head of Corporate Finance, are responsible for payment of invoices once approved by budget holders and for those matched to Purchase Orders.

- 6.6.4.2 For Q2, 80.9% of invoices received were paid by Services within 10 days, which is above the corporate target of 77%. Q2 performance has significantly improved on the Q2 2022/23 position of 69.7%. Performance by Service is detailed at **Appendix 8** to this report.
- 6.6.4.3 Budget holders and their teams are mindful of the importance of prompt payment although there are valid reasons why some invoices cannot be paid within the 10-days timescales. The Council introduced the 10-day local measure several years ago to support businesses, sole traders and other creditors through prompt payment of invoices.
- 6.6.4.4 For the statutory performance indicator of 30 days to pay an invoice, Q2 corporate performance increased to 96.7% compared with 93.7% in Q2 2022/24 and is above the corporate target of 95%. The Revenues & Business Support section continues to collaborate with Services to identify process and system changes to deliver continuous improvements for both the 10 days and 30 days indicators.

7. Service Contribution to the Corporate Plan

- 7.1 The Corporate Plan 2022/27 was approved by Council on 9th March 2023 - the Indicators and Actions contributing to the priorities set out in the Corporate Plan are shown below.

Measures and Actions	Previous
★ CP5.01 ERDs being completed - RSF	Q2 23/24 ●
★ CP5.01 Finance element of new HR system [OneCouncil] implemented	Q2 23/24 ●
★ CP5.01 Identify and agree Corporate Training priorities: achieve compliance with training	Q2 23/24 ●
★ CP5.01 Identify and agree Corporate Training priorities: improve ERD recording	Q2 23/24 ●
★ CP5.01 Identify and agree Corporate Training priorities: Managers mandatory	Q2 23/24 ●

8. Service Plan Progress

- 8.1

Delivering Financial Excellence Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
% of Sundry Debt Income Received - QTR	Q1 23/24	88.7 %	Q2 23/24	88.2 %	85.0 %	
Produce a capital budget	Q1 23/24	On Target	Q2 23/24	Completed		Ongoing
Produce monitoring statements	Q1 23/24	On Target	Q2 23/24	On Target		Ongoing
Revenue budget produced annually	Q1 23/24		Q2 23/24			Completed Q3 22/23
Undertake value for money exercise on contracts	Q1 23/24	Completed	Q2 23/24			Due to complete Q4 22/23

8.2

Joint procurement strategy Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Development of Supplier Relationship Management Model	Q1 23/24	No Significant Progress	Q2 23/24	No Significant Progress	No Significant Progress	Due to complete ?
Implementation of Contract Ownership training	Q1 23/24	Completed	Q2 23/24			Due to complete ?
Procurement governance processes and guidance refresh	Q1 23/24	On Target	Q2 23/24	On Target	On Target	Due to complete ?

8.3

Digital Revenues and Welfare Services Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
% take-up of digital access to account information	FY 21/22		FY 22/23			On Hold - ICT
Implement capabilities to enable digital access to account information	Q1 23/24	No Significant Progress	Q2 23/24	Some Slippage		

8.4

Social and Economic Empowerment Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Prompt processing of changes in circumstances	Q1 23/24	1.6	Q2 23/24	1.9		
Prompt processing of new claims	Q1 23/24	10	Q2 23/24	9		

8.5

People Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Accident Injury Rate	FY 21/22	125	FY 22/23	151	161	HC update - due June
Employee Engagement Survey carried out and results reported	Q1 23/24	Some Slippage	Q2 23/24	Completed		Completed Q2 23/24
Employee Retention - QTR	Q1 23/24		Q2 23/24			Revised for Service Plan 23/24
ERDs being completed - RSF CP5.01	Q1 23/24	On Target	Q2 23/24	On Target		90% completion rate
Exit Interview questionnaire introduced	Q1 23/24		Q2 23/24			Completed Q3 22/23
Wellbeing Survey carried out and results reported	Q1 23/24	Some Slippage	Q2 23/24	Some Slippage		

8.6

People and Finance Systems Programme Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Agree approach to procuring Resource Planning Systems	Q1 23/24		Q2 23/24			Completed Q4 22/23
Deliver replacement for the current finance systems	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 23/24
Develop roadmap for systems operated by RSF service	Q1 23/24		Q2 23/24			Completed Q3 22/23
Procure Resource Planning System	Q1 23/24		Q2 23/24			Completed Q3 22/23

9. Resources and Finance Performance Information

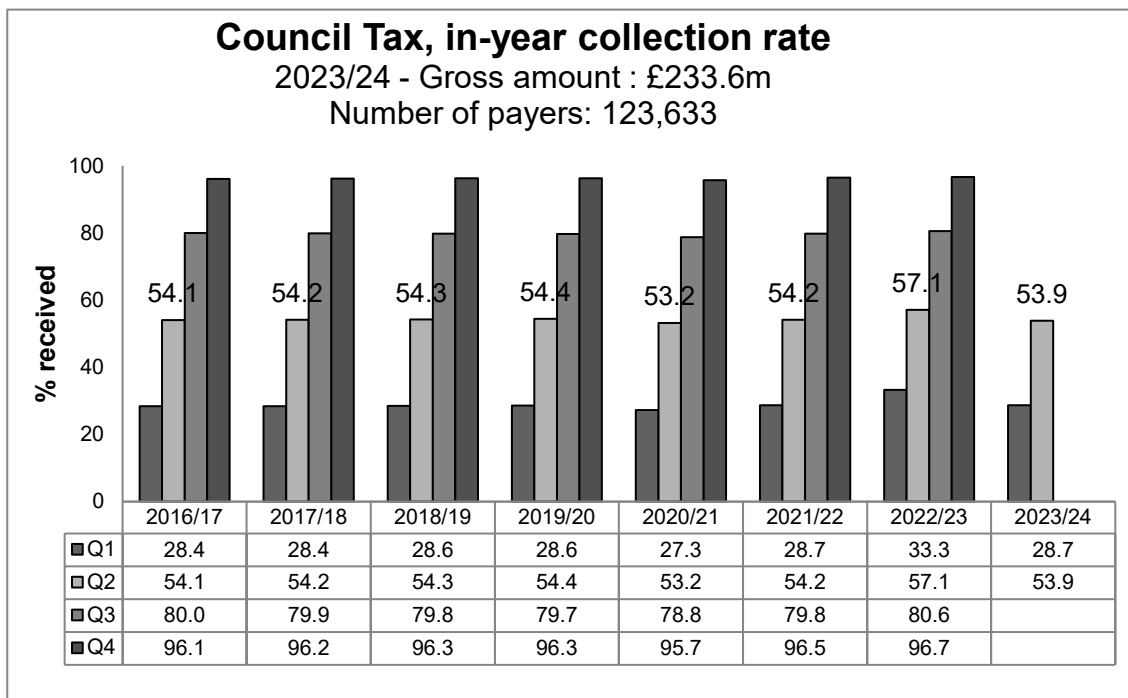
9.1 The following paragraphs provide performance information for the Service.

9.2 Revenues and Business Support - Council Tax In-year Collection Rate

9.3 A collection rate of 53.9% is reported for Q2 2023/24 which is below the reported performance during Q2 2022/23. During 2022/23 a significant value of Cost of Living Awards had been credited to Council Tax accounts. Comparison between Q2 2021/22 and 2023/24, shows similar collection rates.

9.4 Council Tax contributes around 20.1% of the Council’s general fund and is used to bridge the difference between the block grant and the Council’s estimated expenditure. There is therefore a sharp focus on council tax collections’ performance and actions to mitigate performance fluctuations. For example, Direct Debits now make up 76.25% of council tax bill payments (Q2), which is slightly up on the performance for the comparable period last year, representing 84.6% of Council Tax receipts. Direct Debit continues to be the Council’s preferred payment method as it is secure and efficient, and convenient for customers.

9.5 Direct debit payments and the value of receipts supports collections performance, reduces bank charges resulting in financial savings, and enables the Council to better predict future income levels, which are important for treasury management and financial planning purposes.



9.6 The Revenues Team continues to focus on recovering unpaid sums in respect of the current and prior years and works closely with the Council’s appointed Sheriff Officers to focus on those debts where Summary Warrants have been granted.

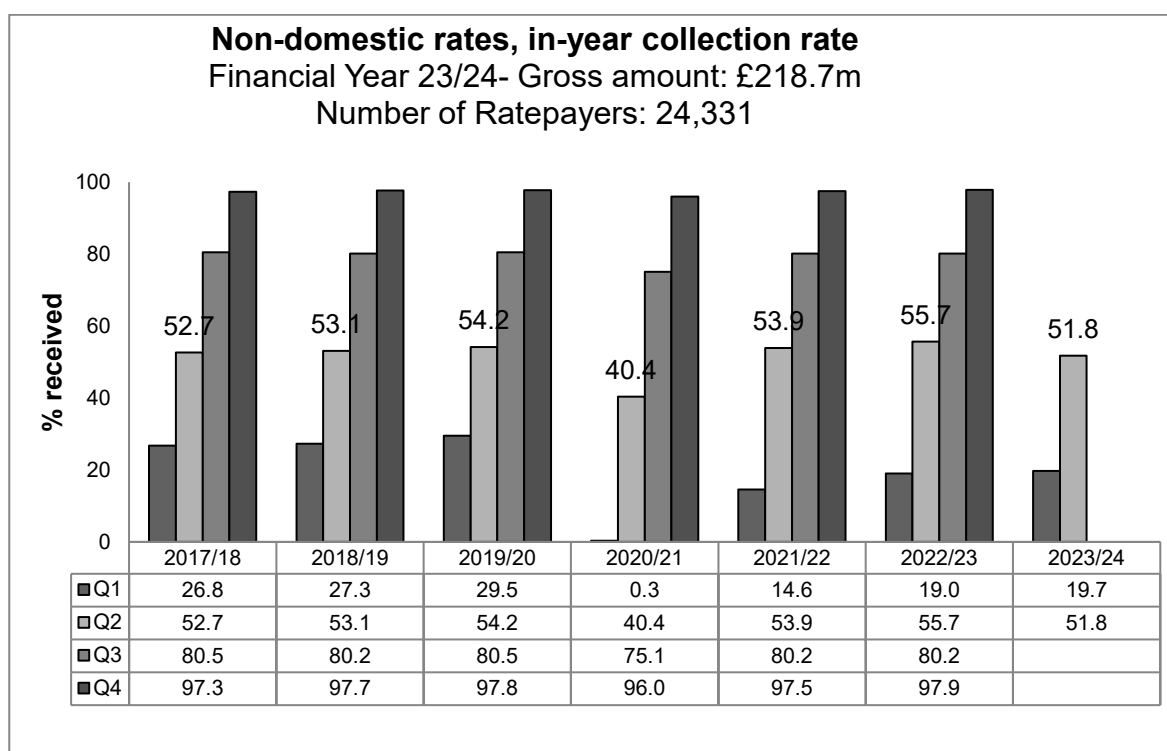
9.7 The number of Council Tax payers included in the above bar chart shows the position as at 1 April 2023. As new builds come onto the market and are made available for ownership, private rented and social housing, and properties transfer between Council Tax and Non-Domestic Rates, there is a natural movement in the tax base and number of council tax payers throughout the year. The annual billing

position is therefore used year on year to provide trend data and to develop business intelligence. Having such rich data, helps to inform improved performance and decision making.

10. Revenues and Business Support - Non-Domestic Rates In-Year Collection Rate

- 10.1 The Council's total revenue funding provided by the Scottish Government is made up of 3 components: General Revenue Grant (GRG); Distributable Non-Domestic Rate Income (NDRI) and specific ring-fenced grants.
- 10.2 Economic volatility is very quickly evident from fluctuations in Non-Domestic Rates income and underlines the importance of understanding and acting upon the trend information detailed in the table below. Keeping abreast and responding to external influences continue to be an important focus for the Revenues Team.
- 10.3 The collection rate for Q2 of 51.8% shows a decrease when compared with the same period in the previous year of 55.7% and less than the pre-pandemic position. This is attributable to delays with the provision of software necessary to implement legislative change to enable assessment and billing of rates bills. The Non-Domestic Rates team continue to identify potential entitlement to relief and to progress recovery in accordance with legislative timescales. NDR comprises around 22.0% of the Council's general fund.

10.4



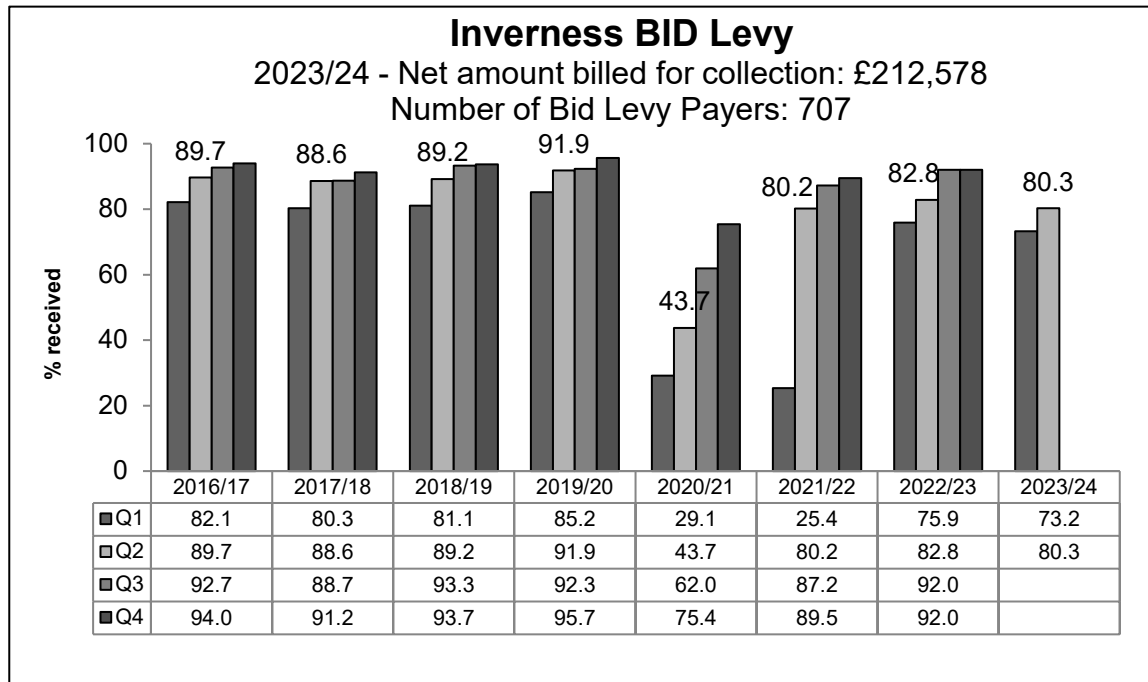
11. Revenues and Business Support - Business Improvement Districts (BID)

- 11.1 The Revenues Team is responsible for administration and collection of the 3 BIDs currently operating within Highland and for the recovery of the associated annual administrative costs from each BID. Officers continue to progress billing and recovery of each BID in accordance with planned annual schedules.
- 11.2 When monitoring collection performance for each BID, Members will wish to note that billing for the Inverness and the Inverness & Loch Ness Tourism BID levies was

undertaken in line with previous years, i.e., April 2022. The Nairn BID billing year commences in October each financial year.

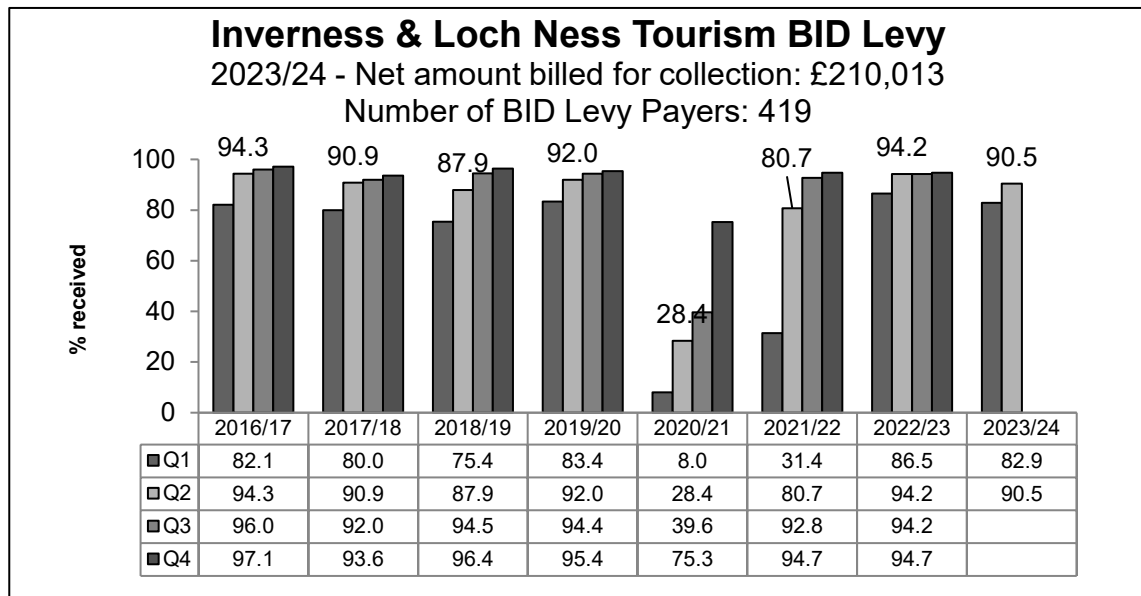
11.3 Inverness BID Levy

The figures below indicate a decrease on Q2 performance compared with the previous year and almost aligned with the 2021/22 Q2 position. The Revenues Team continue to pursue the outstanding sum with the aim of maximising collections for Inverness BID.



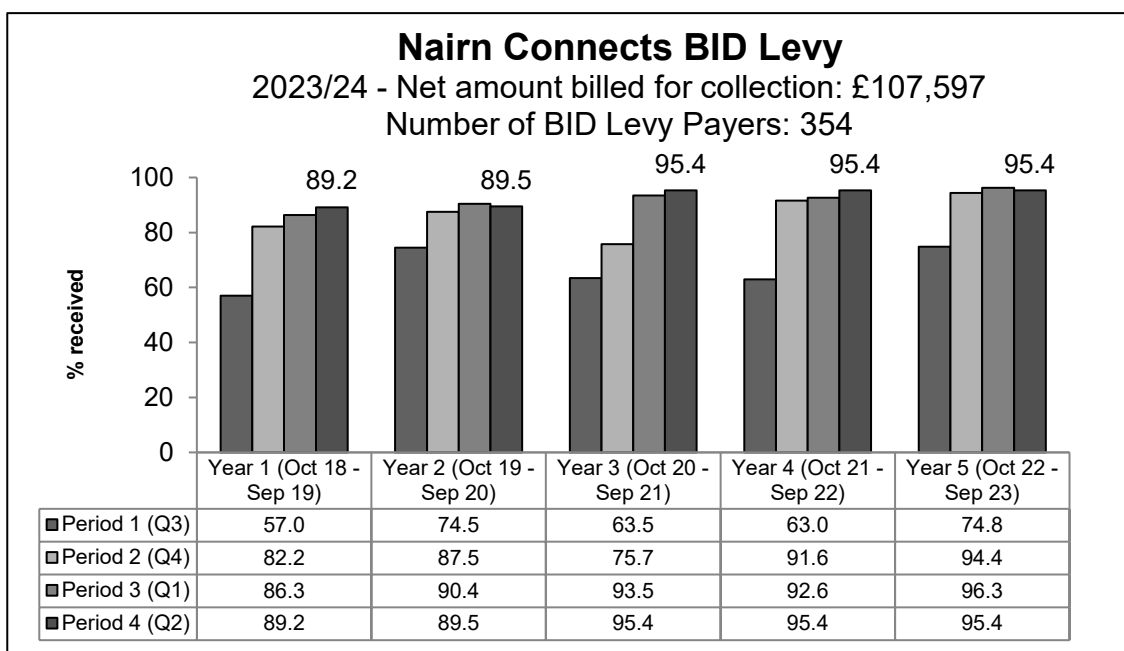
11.4 Inverness & Loch Ness Tourism BID Levy

By the end of Q2, 90.5% of the BID levies have been paid which is lower than the same period in 2022/23.



11.5 Nairn Connects BID Levy

The Nairn Connects billing year commences 1 October each year. Performance in Period 4 (Q2) shows a collection rate of 95.4%, maintaining the level of performance from the previous years.



12. Revenues and Business Support - Single Grant Applications (SGA)

12.1 The Shared Business Support team provides support for all Council Services, including in the administrative process for Single Grant Applications (SGAs).

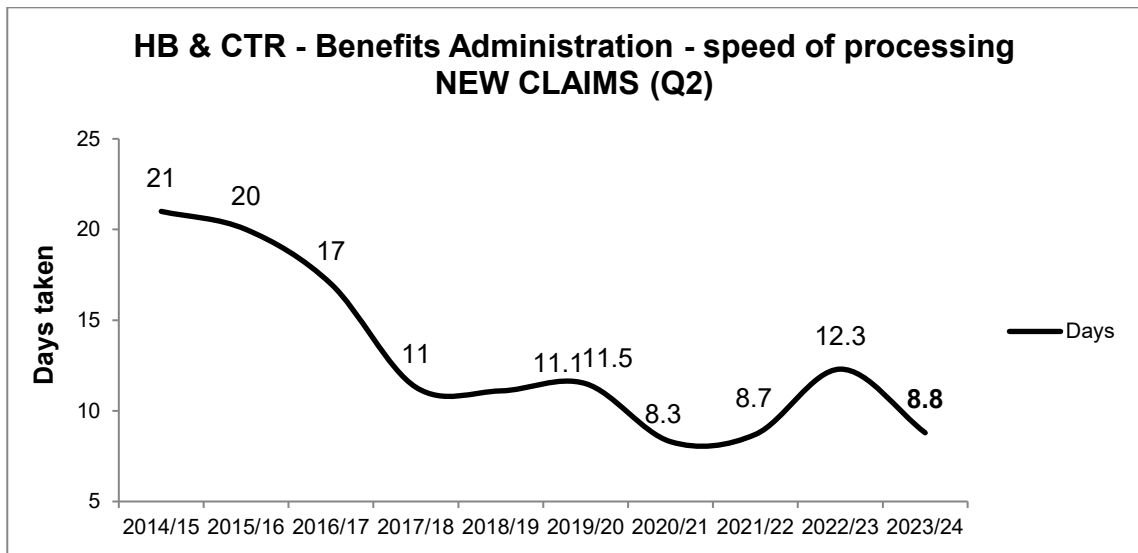
12.2 158 single grant applications were received during Q2, 2023/24 of which 100% were processed within the 5 days target, bringing our 23/24 performance to date to 99.6%. The comparable figures for Q2 2022/23 were 101 applications with a performance figure of 86.1%, demonstrating a significant increase in performance.

Single Grant Applications	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 to date
Percentage logged, acknowledged & distributed within 5 days target	99.2%	97.9%	98.9%	99.2%	97.1%	97.8%	99.6%

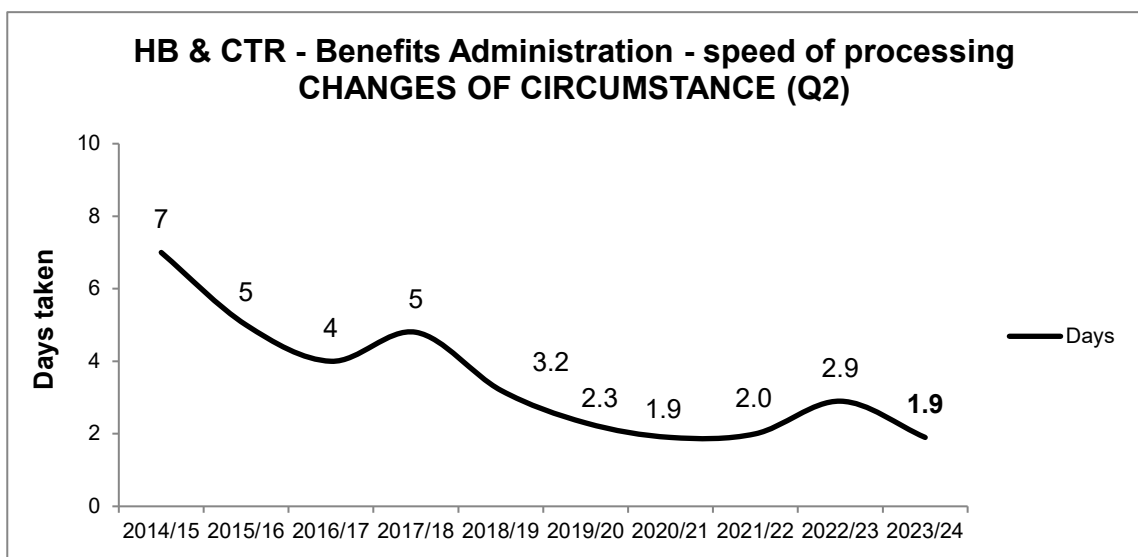
13. Speed of processing performance: Housing Benefit and Council Tax Reduction

13.1 This indicator is reporting a small improvement in performance when compared with the same period in 2022/23.

13.2



13.3



13.4 This improved performance of 1.9 days for Q2 2023/24 compared with 2.9 days for the same period 2022/23 demonstrates the Council's commitment to ensuring the right amount of benefit is paid to the right people, at the right time.

13.5 For Housing Benefit, 90.1% of all claims received relate to Changes in Circumstances. Prompt processing of Changes in Circumstances supports the Welfare Budget, and in particular the Housing Benefit budget, as the overall value of benefit overpayments created are lower than would otherwise be the case, enabling more successful recovery of overpaid benefits and therefore a lower Bad Debt Provision. The latest statistics published by the DWP for Housing Benefit relates to Q1, and reports that the Highland Council was ranked 4th equal for New Claims (up from 5th in Q4) and remain as 1st equal in Scotland for Changes in Circumstances, maintaining our Q4 position.

13.6 Officers continue to collaborate with UK Government, Scottish Government and CoSLA to develop and progress welfare-related matters.

14. Climate Change/Carbon Clever

14.1 A framework agreement for second-hand and recycled domestic furniture and the provision of new goods supports delivery of the Scottish Welfare Fund. For the

period July-September 2023, almost 3,260kg of waste was diverted from landfill, and 8.64 metric tons of CO2e were avoided.

15. Service Risks

- 15.1 In addition to leading on several Corporate Risks, which are reported to Audit Committee every quarter, the Service maintains a Service Risk Register. Corporate Risks for the Service are detailed in Appendix 9.

Designation: Interim Depute Chief Executive

Date: 24 November 2023

Author: Sheila McKandie, Head of Revenues and Business Support

Background Papers: DWP Published Data

RESOURCES AND FINANCE SERVICE Revenue Expenditure Monitoring Report

1 April 2023 to 30 September 2023

	£000	£000	£000	£000
BY ACTIVITY	Actual Year To Date	Annual Budget	Year End Estimate	Year End Variance
Directorate	-1,094	-108	261	369
People	1,397	3,630	3,475	-155
Revenues & Business Support	4,561	6,766	6,482	-285
Corporate Finance	2,238	3,116	2,969	-147
Total	7,101	13,404	13,186	-218
BY SUBJECTIVE				
Staff Costs	8,273	13,511	13,265	-246
Other Costs	55	2,750	3,053	303
Gross Expenditure	8,328	16,261	16,318	57
Grants	-392	-745	-778	-32
Other Income	-835	-2,111	-2,354	-243
Total Income	-1,227	-2,857	-3,132	-275
	7,101	13,404	13,186	-218

Notes

1. % age of Annual Expenditure*	Jun 2324	53%
	Jun 2223	25%

*These percentage figures represent the proportion of budget spent at the end of the quarter reported, with comparison to the same reporting position last year.

Appendix 2

RESOURCES AND FINANCE SERVICES BUDGET 2023/24 - SEPTEMBER MONITORING

BY ACTIVITY	GROSS EXPENDITURE				VARIANCE ANALYSIS		GROSS INCOME				NET TOTAL			
	£'000 Annual Budget	£'000 Actual YTD	£'000 Year End Outturn	£'000 Year End Variance	£'000 Staff Costs Variance	£'000 Other Costs Variance	£'000 Annual Budget	£'000 Actual YTD	£'000 Year End Outturn	£'000 Year End Variance	£'000 Annual Budget	£'000 Actual YTD	£'000 Year End Outturn	£'000 Year End Variance
Directorate														
Directorate	(108)	(1,037)	261	370	367	2	(0)	(0)	(0)	(0)	(108)	(1,037)	261	369
Resources & Finance Change Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Salary Sacrifice	0	(57)	0	0	0	0	0	0	0	0	0	(57)	0	0
Resources and Finance COVID	0	0	0	0	0	0	0	0	0	0	0	0	0	0
People														
HR Services	1,196	643	1,162	(34)	(34)	1	0	0	0	0	1,196	643	1,162	(34)
Workforce Planning Learning & Development	655	366	652	(3)	12	(15)	(114)	(65)	(124)	(10)	541	301	528	(13)
Health, Safety & Wellbeing	761	255	645	(115)	(55)	(61)	0	0	0	0	761	255	645	(115)
Payroll	1,177	214	1,185	8	7	1	(44)	(17)	(46)	(1)	1,132	197	1,140	7
Revenues & Business Support														
Revenues	4,327	2,298	4,219	(108)	(192)	84	(2,191)	(1,086)	(2,488)	(297)	2,137	1,213	1,731	(405)
Business Support	4,992	3,402	5,079	87	(197)	283	(363)	(54)	(329)	34	4,630	3,348	4,750	121
Corporate Finance														
Accounting & Insurance	2,612	1,024	2,454	(158)	(157)	(1)	(415)	(4)	(415)	(0)	2,197	1,020	2,039	(158)
Procurement	723	231	723	0	0	0	0	0	0	0	723	231	723	0
Creditors	194	117	206	12	9	3	0	0	0	0	194	117	206	12
Pensions	1	871	0	(1)	(854)	853	0	(1)	0	0	1	870	0	(1)
TOTAL	16,531	8,328	16,588	57	(1,093)	1,150	(3,127)	(1,227)	(3,402)	(275)	13,404	7,101	13,186	(218)

Welfare Monitoring				
1 April to 30 September 2023				
	£000 Actuals To Date	£000 Annual Budget	£000 Year End Outturn	£000 Year End Variance
BY SERVICE				
Housing Benefit	3,108	3,122	3,122	0
Council Tax Reduction Scheme	13,749	13,943	13,785	(158)
Scottish Welfare Fund Grants	529	1,243	1,243	0
Educational Maintenance Allowances	175	-	-	0
School Clothing Grants	728	813	813	0
Advice Services	825	930	930	0
Milton Activity Hub Grant	(2)	-	0	0
Other Welfare	331	736	736	0
Paypoint prepayment*	120	-	-	0
Welfare Total	19,563	20,787	20,629	(158)
BY SUBJECTIVE				
Staff Costs	13,940	0	13,940	13,940
Other Costs	35,032	52,085	52,044	(41)
Gross Expenditure	48,972	52,085	65,984	13,899
Grants	(15,353)	(30,944)	(31,061)	(117)
Other Income	0	(136)	(136)	0
Total Income	(15,353)	(31,080)	(31,197)	(117)
	33,619	21,005	34,787	13,782
	14,056			
% of Annual Expenditure				
This year	94.1%			
Last year	79.8%			

WELFARE BUDGET 2023/24 - SEPTEMBER MONITORING

	GROSS EXPENDITURE				GROSS INCOME				NET TOTAL			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Annual Budget	Actual YTD	Year End Outturn	Year End Variance	Annual Budget	Actual YTD	Year End Outturn	Year End Variance	Annual Budget	Actual YTD	Year End Outturn	Year End Variance
BY ACTIVITY												
Housing Benefit	33,646	18,502	33,646	0	(30,524)	(15,394)	(30,524)	0	3,122	3,108	3,122	0
Council Tax Reduction Scheme	13,943	13,749	13,785	(158)	0	0	0	0	13,943	13,749	13,785	(158)
Scottish Welfare Fund												
Community Care Grants	966	411	966	0	0	0	0	0	966	411	966	0
Crisis Grants- awarded	277	118	277	0	0	0	0	0	277	118	277	0
Educational Maintenance Allowances												
Allowances	420	132	420	0	(420)	43	(420)	0	0	175	0	0
School Clothing Grants Awarded												
Awarded	813	728	813	0	0	0	0	0	813	728	813	0
Advice Services												
Citizens Advice Bureau	1,066	825	1,066	0	(136)	0	(136)	0	930	825	930	0
Milton Activity Hub Grant												
Milton Activity Hub Grant	0	0	2	2	0	(2)	(2)	(2)	0	(2)	0	0
Other Welfare												
Free School Meals Holidays	736	329	736	0	0	0	0	0	736	329	736	0
Families Distress & Trauma Fund	0	2	115	115	0	0	(115)	(115)	0	2	0	0
Universal Period Products	218	116	218	0	0	0	0	0	218	116	218	0
Paypoint prepayment*												
Paypoint prepayment*	0	120	0	0	0	0	0	0	0	120	0	0
TOTAL	52,085	35,032	52,044	(41)	(31,080)	(15,353)	(31,197)	(117)	21,005	19,679	20,847	(158)
		21,283				(15,353)			7,062	5,930		

* As required by the Financial Conduct Authority in relation to Crisis Grants, School Clothing Grants and Free School Meals

Resources & Finance Agreed Savings 2023/24			
Service Ref	Saving Description	Agreed Saving £m	BRAG status*
1.2	Revenues & Business Support - Review of postages	0.057	A
2.1g	Finance - Removal of vacant accountant post	0.055	B
2.1h	Finance - Removal of vacant accounting technician post supporting members expenses	0.019	B
2.1i	People - H&S - Removal of vacant 0.5 Fire Safety Officer	0.019	B
2.1j	People - Service Support - Removal of HC07 post	0.040	B
2.1k	Revenues & Business Support - Review of R&BS budget non-staffing lines	0.110	B
3.1	Revenues & Business Support - Improved Council Tax Collections	0.375	B
3.7b	Revenues & Business Support - Digitisation - Purchasing & Payment	0.052	A
3.7c	Revenues & Business Support - Digitisation - Legal Support	0.013	B
3.7d	People - Digitisation - Recruitment, timesheets	0.104	A
3.9	Revenues & Business Support - Revs and Bens Review of management / supervision	0.145	G
3.23	Revenues & Business Support - Review of Welfare Support Team structure	0.035	B
4.2	Revenues & Business Support - Review of Information and Advice Services	0.080	B
7.10	Revenues & Business Support - Review of Housing Benefit	0.200	B
	TOTAL	1.304	

*

B	R	A	G
Completed	Significant delays	Some Slippage	On Track

Appendix 6

Other performance measures	Frequency
Processing time benefit – new claims (average days)	Quarterly
Processing time benefit – change in circumstances (average days)	Quarterly
Welfare Support	Quarterly
Business Improvement District (BID) Levy	Quarterly
Business Support – Single Grant Applications	Quarterly

Statutory Performance Indicators	Frequency
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	Quarterly
The number of invoices paid within 30 calendar days of receipt as a percentage of all invoices paid	Quarterly
The number of invoices paid within 10 calendar days of receipt as a percentage of all invoices paid	Quarterly
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	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

Average number of working days per employee lost through Sickness Absence

Service	20/21	21/22					22/23					23/24	
	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2
C&P	<i>Service splits not aligned to new services</i>	2.44	3.49	3.53	3.42	12.86	3.42	3.45	2.74	3.60	13.21	3.80	4.42
E&L – non-teaching		1.96	1.21	1.74	2.43	7.36	2.62	1.19	1.82	2.66	8.29	1.71	2.08
E&L – teaching		1.24	1.00	1.44	1.89	5.58	1.74	0.96	1.67	2.66	7.02	2.59	0.98
HW&SC		2.54	1.94	1.59	1.69	7.75	2.05	2.04	2.27	2.87	9.23	2.82	2.56
I&E		0.62	0.66	0.55	0.76	2.59	1.67	1.76	1.55	2.95	7.93	2.85	2.11
P&G		0.39	0.45	0.77	0.49	2.11	0.65	1.15	1.08	2.13	5.01	1.53	1.75
P&H		2.43	1.50	1.90	2.74	8.56	2.67	1.75	2.11	3.48	10.02	2.93	2.43
R&F		1.07	1.47	2.04	1.90	6.47	2.07	2.36	2.21	2.48	9.13	2.38	2.91
DCE		0.42	0.37	0.75	0.73	2.36	2.17	1.40	2.23	2.19	7.99	1.42	2.14
THC (non-teaching)	6.44	2.06	1.75	2.00	2.36	8.17	2.45	1.84	1.98	2.97	9.35	2.75	2.55
THC all employees (inc. teachers)	5.47	1.81	1.52	1.83	2.22	7.39	2.24	1.61	1.92	2.88	8.65	2.48	2.09

Invoice Payments <10 days														
Service	TARGET 22/23	16/17	17/18	18/19	19/20	20/21	21/22	22/23 Q1	22/23 Q2	22/23 Q3	22/23 Q4	22/23	23/24 Q1	23/24 Q2
C&P						83.6	76.4	78.1	78.6	75.2	72.7	75.9	81.2	90.6
E&L	77%					79.2	71.0	74.6	69.1	74.4	77.8	74.3	76.9	72.8
HW&SC						82	78.4	92.5	91.7	85.8	83.2	88.5	93.5	90.0
I&E						85.7	76.7	80.6	82.6	83.9	81.6	82.2	86.9	85.7
P&G						87.4	81.3	85.0	83.9	90.5	88.7	86.9	93.4	90.8
P&H						71.7	62.8	40.5	47.4	50.0	55.9	48.2	55.4	72.3
R&F						83.1	84.9	90.5	96.6	84.9	83.6	92.0	91.1	98.4
DCE						84.0	69.9	94.7	88.6	92.5	88.3	91.1	95.2	86.8
Capital						82.1	70.7	64.6	64.3	77.4	70.2	68.9	70.5	71.2
THC							63.3	79.5	73.7	75.3	77.6	69.3	67.5	73.4

Invoice Payments <30 days														
Service	TARGET 22/23	16/17	17/18	18/19	19/20	20/21	21/22	22/23 Q1	22/23 Q2	22/23 Q3	22/23 Q4	22/23	23/24 Q1	23/24 Q2
C&P	95%					96.6	94.9	97.2	97.2	96.8	96.4	96.9	97.5	98.4
E&L						92.2	91.8	92.2	86.1	91.8	91.7	90.8	93.4	88.8
HW&SC						95.7	94.9	97.6	97.5	97.5	96.3	97.2	98.6	97.9
I&E						96.6	96.1	98.1	96.3	97.2	96.2	97.0	97.8	97.7
P&G						96.8	97.1	97.8	97.2	97.4	94.4	96.6	98.5	95.4
P&H						92.9	93.1	91.0	93.4	94.7	95.6	93.6	93.0	97.5
R&F						96.9	98.3	97.9	99.0	98.6	96.5	98.4	98.8	99.5
DCE						99.0	95.5	98.7	90.9	97.3	100.0	96.8	98.8	98.9
Capital						95.4	93.2	92.3	89.9	95.4	94.1	92.8	95.4	94.1
THC		94	96.8	95.7	95.9	94.1	93.8	94.1	94.2	95.1	94.9	94.6	95.1	96.7

Service Risks

Ref	Risk Owner	Description	Risk Type	Risk Rating		Mitigation
				Q1	Target	
CR1	Head of Corporate Finance	Financial Sustainability	Financial	A1	C2	Some slippage
CR6	Head of People	Workforce Planning	Financial	C2	C2	On target
CR26	Head of People	Managing Long-term Absence	Staffing & Financial	C2	D2	On target
CR29	Head of People	Lack of Occupational Health Provider	Reputational, Financial, Legal	D2	D2	On target
CR32	Head of Corporate Finance	Delivery of new Enterprise Resource Planning (ERP) system	Reputational, Financial, Legal	B2	D2	Some slippage

Risk ratings are derived as follows:

