

Report to the Council

Committee: Cabinet

Date: 21 February 2017

Subject: Finance

Portfolio Holder: Councillor G Mohindra

Recommending:

That the report of the Finance Portfolio Holder be noted.

Accountancy

This is always a very busy time of year for the Accountancy Service with the work to compile the budget and produce a variety of reports to the many meetings that consider the budget. As there is a separate report on the budget I will not say anything more about it here.

The quarter three position on the key performance indicators will be considered at the March meeting of the Finance and Performance Management Cabinet Committee, but I will take this opportunity to give a brief update on the various indicators for Finance.

The key performance indicator for Accountancy is concerned with how quickly we pay undisputed invoices. Currently 97% of undisputed invoices are paid within 30 days, this is in line with the target and an improvement on the position at the end of the third quarter last year. A tighter target is in place for local suppliers who we try to pay within 20 days, performance on this target improved by 3% in quarter 3 to 84%.

Benefits

For Benefits there are key performance indicators covering the processing of both new claims and changes of circumstance. At the end of the third quarter new claim processing is just ahead of the target of 22 days with performance at 21.98 days. This is an improvement on the second quarter figure of 22.72 days. The other processing indicator for changes of circumstance is currently at 7.69 days, compared to a target of 6 days. However, performance on this indicator always improves significantly in the fourth quarter so I am confident that the target will be achieved by the year end.

On 7 February the Resources Select Committee received an update on the work done on housing benefit and local council tax support fraud and compliance. Members may recall that our Benefit Fraud Investigators were required to transfer to the Department for Work and Pensions (DWP) to join the Single Fraud Investigation Service in October 2015. This necessitated a restructure of the Benefits Division to create a Compliance Team and a change in the way suspected frauds are dealt with. The report set out the ongoing difficulties in dealing with the Single Fraud Investigation Service. However, the steps taken by the Compliance Team have been so effective that additional income has been earned from the DWP under the Fraud and Error Reduction Incentive Scheme.

Revenues

The key performance indicators for Revenues cover the in-year collection rates for Council Tax and Non-Domestic Rates. At the end of December the collection rate for Council Tax was 78% which was ahead of both the target of 77.09% and last year's collection rate for the third quarter of 77.91%. Non-Domestic Rates is behind the target of 78.67% with 78.02% having been collected. This is primarily because a large number of businesses have now moved to paying over 12 months instead of 10 and going forward we will need to consider amending the quarterly targets to take account of this trend. As this is a timing issue, I still anticipate this indicator achieving its target by the year end.