

# ***Report to the Council***

**Committee: Cabinet**

**Date: 22 February 2018**

**Subject: Finance**

**Portfolio Holder: Councillor G Mohindra**

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**Recommending:**

**That the report of the Finance Portfolio Holder be noted**

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## **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 the financial position here.

One of the reports that comes as part of the budget package covers the Council's approach to Treasury Management. As we have £185 million of borrowing and £30 million of investments this is a key part of our financial management. To aid Members in understanding this complex area a training seminar is provided annually. This event took place on 23 January and was well attended. If any Members are interested in Treasury Management but were unable to attend copies of the slides are available from Accountancy.

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 second quarter. A tighter target is in place for local suppliers who we try to pay within 21 days, performance on this target improved by 2% in quarter 3 to 87%.

## **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 behind the target of 21 days with performance at 21.1 days. This is an improvement on the second quarter figure of 21.82 days. The other processing indicator for changes of circumstance is currently at 7.35 days which is better than the target of 9 days. Performance on both indicators usually improves in the fourth quarter so I am confident that the targets will be achieved at the year end.

## **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 77.74% which was behind both the target of 77.84% and last year's collection rate for the third quarter of 78%. This is primarily because a number of dwellings came onto the valuation list late in the quarter. It is anticipated that this income will be collected over the rest of the year and that the annual target will be achieved. Non-Domestic Rates is ahead of the target of 78.06% with 78.19% having been collected, this also exceeds last year's performance at this stage of 78.02%.

There has been some adverse publicity for local authorities that have not fully utilised their shares of the £300 million of funding the Government made available to assist businesses facing increased non-domestic rate bills. I would like to take this opportunity to reassure Members that our share for 2017/18 of £299,000 will have been fully utilised by the year end in accordance with the scheme approved by Cabinet in October.