

To: POLICY AND RESOURCES (FINANCE) SUB-COMMITTEE		Subject: DEPARTMENT OF FINANCE PERFORMANCE MONITORING REPORT – PERIOD 1 <sup>st</sup> January to 31 <sup>st</sup> March 2005
From: DIRECTOR OF FINANCE		
Date: 29 <sup>th</sup> April 2005	Ref: SW/JMCK	

1. **Introduction**

- 1.1. The purpose of this report is to advise Committee of current performance against a selection of key performance indicators across the Finance Department for the period 1<sup>st</sup> January to 31<sup>st</sup> March 2005.
- 1.2. Several important changes have been made to improve this report for 2004/05. These are explained in the following paragraphs.
- 1.3. As part of the Council's three-year service improvement and financial planning process, departments produced comprehensive service improvement documents covering all aspects of their operations and resources. The service improvement plan details departmental key actions, service developments and arrangements for performance monitoring and improvement actions.
- 1.4. The performance monitoring report for 2004/05 integrates more closely with the service improvement plan. As part of the performance management framework detailed in the service plan, departmental performance standards will continue to be reported quarterly. Performance areas included in this report mirror those areas set out in the service plan.
- 1.5. Integrating reporting in this way further strengthens the overall corporate approach the Council has taken in targeting and achieving objectives through the three-year planning process.

2. **Background**

- 2.1 Performance measurement and the use of Key Performance Indicators are recognised as important tools in reviewing progress against defined standards and targets. Using the key actions within the service improvement plan, performance measures have been established which aim to report on progress in meeting these actions. Also included within the performance measures are the nationally agreed KPI's which are used to measure performance across all Scottish authorities.
- 2.2 A total of 16 performance areas are included in the report covering the priority actions for the department. The divisions of Accounting Services, Revenues, IT and Internal Audit are included each with respective indicators for key performance areas.
- 2.3 It is also important to note that due to the changing demands in delivering a modern public service and to meet the needs of stakeholders, performance measurement requirements must be frequently reviewed and indicators kept up to date. Any recommendation for changes to indicators will be highlighted in future reports.

### **3. Consideration of Indicators**

#### **3.1 Accounting Services**

Six key performance areas, detailed in the service improvement plan for 2003-06, will be used to report on performance during the year. These areas are analysed over paragraphs 3.1.1 to 3.1.6.

##### **3.1.1 (1) Financial Controls & Reporting**

Sound Financial Management and prudent administration of the Council's financial affairs are key strategic issues for the Council. It is essential that control mechanisms exist to ensure that operational objectives funded through revenue expenditure and capital investment are met in the most economic, efficient and effective way.

Firstly, considering the revenue budget performance, at the provisional outturn stage, an actual underspend of £2.745 million was realised which is equivalent to a budget deviation of 0.51%. This is due to a combination of pro-active long-term debt management and departmental efficiencies. *Detailed figures at Appendix 1-A*

Following adjustment of the Capital Investment programme – adjustments for identified carry forward from 2003/04 and slippage and acceleration in the current year - the total capital investment programme for 2004/05 stands at £73.977m. Projected outturn expenditure is £64.265m or 86.87% of the current programme.

*Detailed figures at Appendix 1-B*

##### **3.1.2 (2) Budget Planning**

Spending Review 2004 provided details of the Scottish Executive's plans for public spending over the three-year period 2005/06 to 2007/08. The Local Government Finance Settlement issued in December 2004 informed the Council of the level of general grant funding that it will receive over the three year period. This, together with details of other grant funding, forms a key part of the Council's financial planning strategy for the next three years.

During quarter 4, the Council's budget for 2005/06 was approved. This has allowed work to commence on the Council's three-year Financial Plan 2005/06 to 2007/08. Work will continue to develop the budget strategy, including identifying core service costs, efficiency savings, growth options and council tax levels.

##### **3.1.3 (3) Prudential Arrangements for Capital Finance**

The approved Treasury Management Strategy for 2004/05 contains a number of indicators that require to be regularly monitored to ensure compliance with the requirements of the Prudential Code.

As at the end of March 2005, total borrowing remained well below approved limits. Although other long-term liabilities continue to exceed that initially estimated, these remain at the level highlighted in the quarter 3 monitoring report, and reflect the introduction of finance leases as a method of funding projects.

Based on projected capital expenditure levels as at February 2005, a healthy prudential margin is anticipated at the year-end. This illustrates that the increased capital investment levels are affordable and sustainable, thereby satisfying the key requirements of the Prudential code. *Projected performance against key 2004/05 indicators is shown in Appendix 2.*

#### 3.1.4 (4) Best Value Plans

The Finance Department has begun to identify the financial aspects of the Duty of Best Value, which will assist the Council to prepare for the audit of Best Value in 2006. This has involved reviewing the Best Value Task Force guidance and information from Audit Scotland to anticipate the areas that the final audit is likely to focus on. *For more details see Appendix 3a.*

Performance of the Trading Accounts of the 6 former DSOs continues to be monitored. In addition, a review of all of the potential trading operations of the Council has been developed and questionnaires issued to all departments to ensure that the requirements of the guidance on Trading Accounts are being met.

Improvement recommendations from the recent Best Value Review of Insurance and Risk Management have continued to be implemented. *For details, see Appendix 3b.*

#### 3.1.5 (5) Insurance and Risk

The Department provides corporate advice on the safeguarding of Council assets as well as the administration and management of risk and insurance services. The following insurance indicators highlight the level of claims the department is currently managing.

- **Number of Employers Liability Claims**  
During the fourth quarter ended 31<sup>st</sup> March 2005, 9 claim incidents occurred against the Council, a decrease when compared to 21 incidents in the previous year's quarter 4. The total of 43 for the year is a decrease on 54 in the previous year. *See Appendix 4A for further details.*
- **Number of Public Liability Claims raised**  
Up to the end of the fourth quarter for 2004/05, 1227 claim incidents occurred. This compares with 1222 in the previous year and represents a 0.4% increase. *See Appendix 4B for further details*
- **Number of Motor Claims per number of Vehicles**  
For the fourth quarter of this year, total motor vehicle claim incidents were 164 against an insured fleet total of 1021, meaning that 16.1% of fleet vehicles were involved in accidents. The total of 563 for the year is a decrease of 48 on the number during the previous year. *See Appendix 4C for further details*

#### 3.1.6 (6) Treasury Management

The Council holds a well-balanced loan portfolio, comprising both fixed rate and variable rate debt. However, improvements have been identified in the Service Improvement Plan 2004/05, with a key target to achieve full year interest savings of £750,000 being established. This target is of course very much dependant on prevailing economic conditions and the opportunities for rescheduling debt at competitive rates. Following debt rescheduling activity during the year, loan interest savings of approximately £300,000 were achieved for 2004/05, with full year savings from 2005/06 to 2012/13 of approximately £700,000 also being achieved. *Further details regarding the Loan portfolio are given in Appendix 5.*

To improve management practices a number of Treasury Management policies have been updated during the year and enhancements have been made to the accuracy of cashflow information, which has on average improved cashflow forecasting by approximately 10%. Additional improvement areas have been identified for development during 2004/05 however, these were not progressed as anticipated and will now be addressed during 2005/06.

## 3.2 Revenue Services

The importance of having effective measures in place to maximise income collection is reflected in the Finance Department Service Improvement Plan for 2003-06. Similarly, the ability for the Council to pay invoices to suppliers within an agreed period is also critical. A number of initiatives are in place to improve collection rates and invoice payment times and the following indicators give an overview on how these initiatives are impacting on collection and payment performance.

### 3.2.1 **(7) Income Collected from Council Tax**

The net imposed figure for Council Tax for the year 2004/05 is £84.010m, which represents the amount after rebate income is received. The amount collected after the fourth quarter ended 31<sup>st</sup> March 2005 is £78.634m, which represents 93.60% of the annual total. This improved position compares to the 2003/04 quarter 4 total when £74.654m (93.21%) was collected.

### 3.2.2 **(8) Income Collected from Non Domestic Rates**

The net imposed figure for Non Domestic Rates for the year 2004/05 is £97.289m. The amount collected after the fourth quarter of 2004/05 is £93.235m, which represents 95.83% of the annual total. This reported position compares with £87.956m (94.75%) reported at the same stage last year.

### 3.2.3 **(9) Number of Invoices Paid within agreed times**

The improvement of invoice payment times is recognised as a key action in the departmental service plan and a target figure of 85% of all invoices to be paid within agreed terms has been set for 2004/05. Current analysis shows that 79.30% of invoices were paid within terms during the fourth quarter of 2004/05, compared with last year's figure of 81.33%. The cumulative total for the year is 78.07%, an improvement on last year's 77.57%. *Further details at Appendix 6C*

### 3.2.4 **(10) Aged Debt Profile**

Aged debt analysis provides an overview of unpaid debtors according to how long overdue the payment is from the original invoice date. The indicator provides an overview of the total debt outstanding at the end of quarter 4 and highlights any movement from the previous reported position.

The total debt outstanding at the end of the fourth quarter, 31st March 2005, is £6.860m. This is £1.708m lower than the reported position at 31st December 2004. The main reason for this is a number of high value invoice payments collected from other public sector bodies during the quarter. These were recorded within the invoices outstanding for a period of 31-60 days at the end of the previous quarter. *Further details at Appendix 6D.*

### 3.3 Internal Audit

#### 3.3.1 (11) **Audit Plan**

Internal Audit work for 2004-2005 progressed broadly in accordance with the approved annual plan, although some re-scheduling of work occurred partly due to staff turnover and partly due to requests from Departments.

The loss of productive time resulting from staff turnover has been greater than planned due to an unsuccessful attempt during the year to fill a job share vacancy at qualified auditor level and a post at Audit Technician level which has been left vacant pending a review of the current staffing structure within the section.

This loss of productive time has been offset by a lower than expected input relating to frauds and irregularities and some slippage in audit work required following delays in the transfer from Communities Scotland to the Council of responsibility for the Management of Development Funding. Despite these factors, the Internal Audit section has completed 91.7% of the 2004-2005 annual programme of work (against a performance standard of 90%).

A number of reviews of key or significant corporate systems have been completed in the fourth quarter including work on Creditors, Payroll, Best Value, Corporate Governance, Housing Benefits and Performance Management arrangements. We have also undertaken a number of follow-up audits where we ensure that actions previously agreed by management in response to earlier audit recommendations have been implemented.

The detailed nature of internal audit reviews mean that Internal Audit exercises invariably find some evidence of control weaknesses, either in the form of inadequate or ineffective controls, and generally, therefore, contain recommendations for improvements. The Audit Manager can confirm, however, that during the period covered by this report, there were no systems of control that he required to assess overall as either inadequate or ineffective.

He is also pleased to report that management continue to respond promptly and appropriately to the recommendations contained in Internal Audit reports and that there are no significant issues arising from the work of Internal Audit during the period that he requires to bring to the attention of the Committee. *Further details of the completed and ongoing Audit programme is contained at Appendix 7.*

### 3.4 IT Services

The three areas below have been chosen to reflect the priority areas contained within the service improvement plan and provide a background to key areas of performance in terms of both corporate support for customers and new development areas.

#### 3.4.1 (12) **System Management & Reliability**

This indicator measures the success in the supply and management of networked and stand-alone systems, software configurations and maintenance and customer support on applications and hardware. For quarter 4 (2004/05), availability of software applications, corporate servers and networks again performed well above the target of 98%, achieving 99.9%. This continues the high availability and performance established over the previous year. The IT Service Centre also managed to resolve 99% of fault calls within the target timescale of 2 working days, again maintaining a high level of support to customer departments.

### **3.4.2 (13) Corporate Desktop & Emerging Technologies**

The roll out of the new corporate desktop is continuing with the main offices in Administration, Chief Executives, Finance and Planning & Environment now completed. Community Services and Education HQ all scheduled for the second quarter 2005. The Home Working pilot in Planning and Environment has now started as of 14 February 2005 and will continue for a period of 6 months. Work is continuing on the field working pilot with Social Work and the first phase, wireless access via tablet PC's from the Bellshill area office, is due to start in the next few weeks. Work is continuing on a project to enable mobile access for Community Wardens to the e:Nquiry application. A pilot evaluation of Blackberry wireless devices to access an individual's mailbox is underway with representatives from all Departments and Elected members taking part.

### **3.4.3 (14) Modernising Government / Electronic Service Delivery (ESD) Targets**

IT services is heavily involved in assisting departments meet their Modernising Government/ESD targets as specified by the Scottish Executive. The main focus has been the support of the NLDirect (NLD) team in establishing the Customer Contact Centre (CCC), First Stop Shops (FSS) and the Council's web site.

After the successful deployment of the new version of e:Nquiry during November 2004, IT Services deployed the latest corporate reporting tool (Crystal Reports Enterprise) for NLD. This has allowed NLD to extract detailed information on the demand types experienced by the various access channels. NLD are now using this information via their Continuous Improvement Groups which meet to address problem areas with service delivery with the overall objective of reducing 'failure' demand in each service.

Work is progressing on enhancing the functionality of e:Nquiry. In a phased implementation, integration of e:Nquiry with back office systems (Housing Management System and the Flare Environmental System) is expected to be deployed during the next quarter with access to e:Nquiry via the Council's web site in the subsequent quarter.

IT Services and other NLC staff continue to attend and play a prominent role in various groups set-up to further the aims of MGF3. The three main areas being the establishment of a Citizens Account, the introduction of a National Concessionary Travel Smartcard and the implementation of a Corporate Address Gazetteer. NLD and IT Services have agreed to host a meeting of the Scottish Exec and other interested Councils in establishing a more meaningful set of performance indicators for the measurement of the ESD targets and any efficiency savings arising from MGF3 and the Efficient Government initiatives.

In preparation for the introduction of the Citizen's Account, IT Services successfully negotiated the purchase of the Multi-View software from the company Visionware. This is the de facto standard software in use by many Authorities for the matching of citizen's information across multiple systems.

## **3.5 People Management**

As identified within the Finance Department service improvement plan, the employees of the department are its key resource. It is vital that staff have the skills and motivation necessary to enable them to effectively deliver the responsibilities placed on them. The department is committed to the continued development of all staff.

### **3.5.1 (15) Staff Training**

The department wishes to build on its Investors in People accreditation in 2003 and has set out a comprehensive training plan, tailored to individual needs. Training needs are discussed at an individual level with each member of staff enabling a personal profile to be developed for the year ahead.

### 3.5.1 (16) Absence Management

For the 4<sup>th</sup> quarter of 2004/05, the total number of working days lost through absence was 805, which represents 4.72% of the total days available. Of this, 209 days (1.23%) were due to long-term illness. This compares unfavourably with the previous quarter's figure of 649.5 lost days (3.94%). The total number of working lost during the year was 2261.5 (3.34%). This compares favourably with the total of 3143.5 days (4.55%) in the previous year. *Further details at Appendix 8.*

## 4. Performance Summary

- 4.1 The department has performed well up to the end of the fourth quarter. Both revenue and capital budgets are on target to meet expenditure limits with only small deviations reported. Following the Spending Review 2004, the Council's budget for 2005/06 has been prepared and approved. Work will now be continue to develop the budget strategy for the following two years.
- 4.2 The Prudential Code for Capital Finance, newly introduced in 2004/05, enables the Council to increase its capital investment levels. At the end of quarter 4, projections show that borrowing is well below approved limits. A healthy prudential margin is anticipated at the year-end illustrating that the increased capital investment levels are affordable and sustainable. The Department has also set a target level to reduce interest payable on borrowing by £750,000 per annum. Market conditions have limited full year savings to £700,000. It is anticipated that additional opportunities will arise in the early part of 2005/06.
- 4.3 Council Tax and Non Domestic Rate Collection and Invoice Payment rates for the year show an improvement on comparable figures from last year. The Age Debt Profile for quarter 4 shows an improvement from quarter 3 following the collection of several high value invoices.
- 4.4 Internal Audit have completed a wide ranging series of reports up to the 31<sup>st</sup> March and many more have been started. Overall no inadequate or ineffective systems of control have been identified and management are responding promptly and appropriately to recommendations.
- 4.5 Council wide computer systems also remain at a high level of stability in both hardware and software applications providing nearly 100% user availability. Many new developments have also been continued in quarter 4 as the Council takes advantage of new more effective working solutions.
- 4.6 Comprehensive staff training plans have been developed. Absence figures are above the level reported for the previous quarter, but the total number of days lost during the year show a positive improvement from the previous year. This will continue to be closely monitored.

## 5. Recommendation

- 5.1 The Committee is requested to note the contents of this report.



**Director of Finance**

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DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT  
 QUARTER 4 : 2004/05

1. Financial Controls & Reporting

A. Revenue Expenditure : 2004/05 (£'000)

Department	Provisional Outturn		
	Budget	Actual	Variance
<i>Community Services</i>	78,600	78,487	113
<i>Education</i>	278,188	278,104	84
<i>Finance</i>	27,063	25,970	1,093
<i>Administration</i>	6,811	6,617	194
<i>Housing &amp; Property</i>	30,027	30,113	-86
<i>Joint boards</i>	54,221	54,191	30
<i>Personnel</i>	2,027	2,014	13
<i>Planning &amp; Environment</i>	41,769	41,543	226
<i>Chief Executive</i>	1,141	1,086	55
<i>PPP/Trading Surplus</i>	-2,341	-2,778	437
<i>Social Work</i>	108,973	108,967	6
<i>Financing Costs</i>	-34,386	-35,044	658
<i>Adjustment for Central Admin</i>	-48,815	-48,815	
<b>Total Expenditure</b>	<b>543,278</b>	<b>540,455</b>	<b>2,823</b>
Sources of Funding	543,278	543,200	-78
<b>Total Surplus / (Deficit)</b>	<b>0</b>	<b>-2,745</b>	<b>2,745</b>

<b>Housing Revenue Account</b>	0	-10	10
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<b>Deviation from Plan</b>	<b>0.51%</b>
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Actual vs  
Budget

B. Composite Capital Expenditure : 2004/05 (£'000)

Department	Current Programme	Projected Outturn	Projected Variance
<i>Administration</i>	931	801	130
<i>Chief Executive</i>	476	224	252
<i>Corporate : Design &amp; Project Management</i>	100	0	100
<i>Community Services</i>	15,068	14,654	414
<i>Education Programme</i>	16,770	15,928	842
<i>Finance/IT</i>	1,933	775	1,158
<i>Housing - Non HRA Grants</i>	4,615	4,441	174
<i>Housing - Property Services</i>	4,325	4,624	-299
<i>Planning &amp; Environment</i>	29,297	23,670	5,627
<i>Social Work</i>	3,462	2,148	1,314
<b>Programmed Capital Expenditure</b>	<b>76,977</b>	<b>67,265</b>	<b>9,712</b>
less : Slippage Factor	-3,000	-3,000	0
<b>Planned Expenditure Total</b>	<b>73,977</b>	<b>64,265</b>	<b>9,712</b>

<b>Deviation of projected outturn vs current programme</b>	<b>13.13%</b>
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Deviation of  
projected  
outturn vs  
current  
programme

## DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 4 : 2004/05

## 3. Prudential Arrangements for Capital Finance

## Capital Expenditure, Capital Financing Requirement and Prudential Margin

Capital Expenditure	Original 2004/05 Estimate (000s)	Projected Outturn 2004/05 (000s)
Total spend	92,758	109,561
<b>Financed By:</b>		
Borrowing	36,563	33,665
Capital receipts	30,043	38,781
Cash grants	11,742	20,756
Capital from Current Revenue	14,410	16,359

Prudential Margin Calculation	Original 2004/05 Estimate (000s)	Projected Outturn 2004/05 (000s)
Capital Financing Requirement	417,391	433,313
Net borrowing requirement	374,721	422,313
Prudential Margin	42,670	11,000

## Authorised Limit and Operational Boundary

	2004/05 Authorised Limit Estimate (£m)	2004/05 Operational Boundary Estimate (£m)	Maximum borrowing level during Q2 2004/05 (£m)
Borrowing	600	570	467
Other long term liabilities	0	0	0.02
<b>Totals</b>	<b>600</b>	<b>570</b>	<b>467.02</b>

## DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

## QUARTER 4 : 2004/05

## 4. Support the Implementation of the Councils Best Value Plans

## A BEST VALUE AUDIT PREPARATIONS

The Department has reviewed guidance from the Best Value Task Force and other information to identify the areas of the Finance function that are likely to be of particular importance in assisting the Council to demonstrate Best Value. In preparation for the full audit of Best Value, the Department has started to review the Council's arrangements for:

- Financial Planning and Control
- Financial Stewardship
- Asset Management, Planning and Performance
- Risk Management
- Procurement
- Financial Performance Measurement and Reporting

In addition, a review of the Council's trading operations was during quarter 4. This will ensure that the Council meets audit requirements relating to the creation of Trading Accounts for relevant services.

## B INSURANCE, RISK MANAGEMENT AND SAFETY

## Position as at 31/03/05

Processing Insurance Claims

- Process in-house non-injury claims below £500

Progress with the existing claims handler on handover plans and training completed. In-house processing to commence on 1.4.05.

- Appoint Loss Adjusters for larger value property insurance claims
- Implement recommendations from a Business Change Analysis and set targets for improvements in time taken to settle claims

Implemented. Loss Adjuster now in place.

Pilot exercises undertaken in Housing and Roads to assess improvements to the processing of claims. Housing pilot identified significant improvements and training has taken place within the other Housing area offices to implement improved practices. Analysis of Roads pilot commenced.

Insurance Strategy and Advice

- Continue to ensure competitiveness of charges for legal services to the Insurance Fund
- Seek Charter Mark accreditation for the Risk & Insurance Section
- Improve measurement of statistics to facilitate comparison of performance

Charter Mark awarded following assessment in July 2004

Contact through ALARMS of potential partners for benchmarking of performance

Review of Insurance Levels

- Review insurance / self-funding levels

Review carried out for 2004/05 and reported to Committee.

Information renewal terms reported to Committee, March 2005. Terms approved on existing funding levels.

The risk financing strategy will be reviewed as part of the tendering exercise that will be carried out in 2005.

Risk Management Activity

- Link departmental charges for insurance to claims experience

Review of potential models that would link more accurately departments' charges to their claims experience. It is anticipated that this model will be used for the 2005/06 Allocation.

- Increase focus on risk management activity

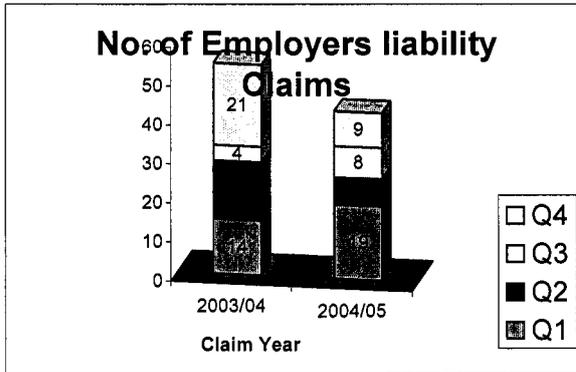
Visits to departmental management teams to discuss risk management and insurance processing. The Insurance Risk Management Working Group has been re-established and will meet in April 2005.

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT  
 QUARTER 4 : 2004/05

5. INSURANCE AND RISK MANAGEMENT

a. Number of Employers Liability Claims

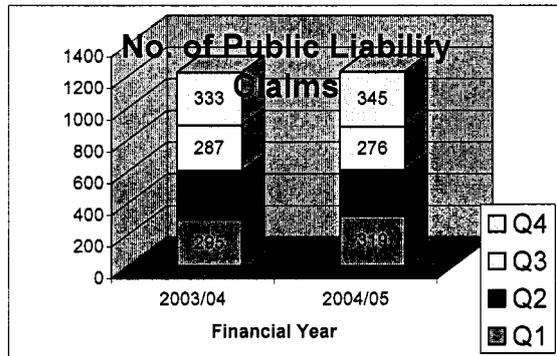
	Q1	Q2	Q3	Q4	Total
2003/04	14	15	4	21	54
2004/05	19	7	8	9	43



b. Number of Public Liability Claims

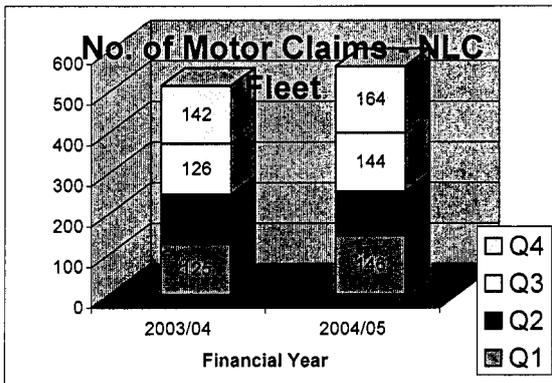
	Q1	Q2	Q3	Q4	Total
2003/04	295	307	287	333	1222
2004/05	319	287	276	345	1227

NLC Population	321,820
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5c. Number of Motor Claims across Council Fleet

	Q1	Q2	Q3	Q4	Total
2003/04	125	122	126	142	515
2004/05	146	109	144	164	563



## DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 4 : 2004/05

## 6. TREASURY MANAGEMENT PERFORMANCE

## Treasury Management Indicators

*Interest Rate Exposures*

	2004/05 Upper Limits	2004/05 Actual Held, Q4
Fixed interest rates	105%	108%
Variable interest rates	-5%	-8%

*Maturity Structure of Borrowing*

Maturity Structure of fixed borrowing	< 12 months	12 months to 2 years	2 to 5 years	5 to 10 years	10 years + above
Upper limit maturing	25%	25%	25%	25%	90%
Amount expected to mature in Period	0.35%	2.64%	2.98%	12.44%	81.59%

## DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

## QUARTER 4 : 2004/05

## REVENUES

## A. (7) INCOME COLLECTED FROM COUNCIL TAX

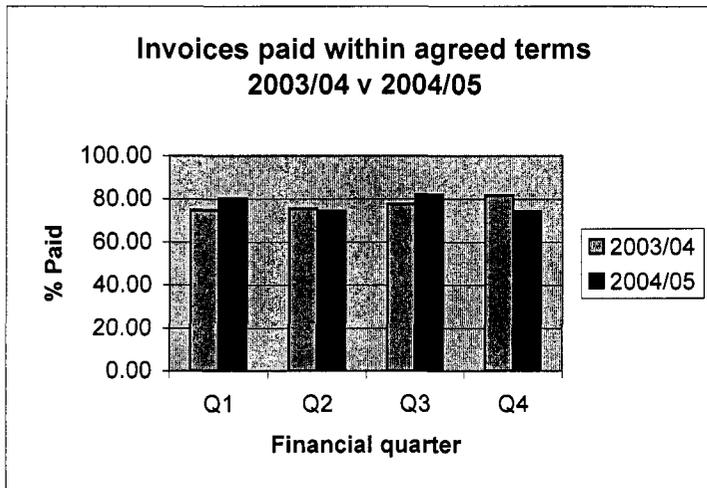
The net imposed figure for Council Tax for the year 2004/05 is £84.010m, which represents the amount due after rebate income is received. The collection target for 2004/05 was 93.5%. For the fourth quarter of 2004/05, ending 31st March, the amount collected was £78.634m (93.603%). This compares to the equivalent period in 2003/04 when 93.21% was collected.

## B. (8) INCOME COLLECTED FROM NON DOMESTIC RATES

The net imposed figure for Non Domestic Rates for the year 2004/05 was £97.289m. The amount collected after the fourth quarter of 2004/05, ending 31st March, is £93.235m, which represents 95.83% of the annual total. This reported position compares with 94.75% reported at the same stage last year.

## C. (9) PERCENTAGE(%) OF INVOICES PAID WITHIN AGREED TERMS

	Q1	Q2	Q3	Q4	Average
2003/04	74.80	75.46	77.59	81.62	77.59
2004/05	80.26	74.23	82.02	74.26	78.07



## D. (10) AGED DEBT PROFILE

No. of Days	Amount Outstanding 31st Dec 2004	Amount Outstanding 31st Mar 2005
31-60	2,397,543	842,235
61 - 90	298,992	298,259
91-120	237,954	306,396
121-365	2,137,119	2,080,901
Greater 365	3,496,744	3,332,100
<b>Total</b>	<b>8,568,352</b>	<b>6,859,891</b>

**DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT****QUARTER 4 : 2004/05****11. INTERNAL AUDIT****a. Summary of Internal Audit Reviews undertaken during Quarter 4 2004/05.**

<b>Department</b>	<b>Subject</b>
<input type="checkbox"/> Corporate	Capital Expenditure/contract management
<input type="checkbox"/> Corporate	Corporate Governance
<input type="checkbox"/> Corporate	Debtors - regularity
<input type="checkbox"/> Corporate	Performance Management
<input type="checkbox"/> Corporate	Compliance with contract standing orders
<input type="checkbox"/> Administration	Council House Sales
<input type="checkbox"/> Chief Executive's	Best Value
<input type="checkbox"/> Education	Arrangements for securing quality
<input type="checkbox"/> Education	Financial management in schools
<input type="checkbox"/> Finance	Payroll - manual
<input type="checkbox"/> Finance	Cheque control
<input type="checkbox"/> Finance	Cashbook reconciliation
<input type="checkbox"/> Finance	Creditors
<input type="checkbox"/> Housing and Property	Rent Arrears
<input type="checkbox"/> Housing and Property	Housing Benefit
<input type="checkbox"/> Social Work	Follow-up of previous reports
<input type="checkbox"/> Social Work	Commissioning and contracting

Internal Audit has also co-ordinated the Council's participation in the National Fraud Initiative (NFI), undertaken significant activity in relation to year-end stocktaking and inventory control arrangements and is co-ordinating the annual revision of the Council's Financial Regulations and Contract Standing Orders.

## DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

## QUARTER 4 : 2004/05

## People Management

## 16. Absence Management

The Finance Department's Absence Statistics for the last two quarters are as follows :-

Service	Oct - Dec 2004 (2003)		Jan - Mar 2005 (2004)	
	No. of days through illness	% illness	No. of days through illness	% illness
<i>Accounting Services</i>	71 (148)	2.29 (4.65)	95 (184)	3.08 (5.60)
<i>Revenue Services</i>	408.5 (561)	4.1 (5.60)	570 (396)	5.92 (3.87)
<i>I.T Services</i>	170 (163)	3.94 (3.88)	140 (137.5)	3.24 (2.93)
<b>Total</b>	649.5 (872)	3.74 (5.01)	805 (717.5)	4.72 (3.94)