

To: POLICY AND RESOURCES (FINANCE) SUB-COMMITTEE	Subject: DEPARTMENT OF FINANCE PERFORMANCE MONITORING REPORT – PERIOD 1 st October to 31st December 2005	
From: DIRECTOR OF FINANCE		
Date: 10th January 2006	Ref: LM/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 1st October to 31st December 2005.
- 1.2. Several important changes made to the previous year's report have been continued in this report. 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 2005/06 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 2004-07, 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 end of period 9, up to 9th December 2005, an actual underspend of £1,231,000 was realised which is equivalent to a budget deviation of 0.30%. Projected figures to 31st March 2006 currently anticipate a surplus of £833,000 or 0.15% of the overall net budget of £563 million. The projected deficit is a favourable movement from the last reported position and follows all departments having conducted detailed reviews of expenditure on essential areas. This exercise will continue to develop during the remainder of the year. In addition, management action has resulted in further improvement in the financial position of the Trading Accounts. *Detailed figures at Appendix 1-A*

Following adjustment of the Capital Investment programme – adjustments for identified carry forward from 2004/05 and slippage and acceleration in the current year - the total capital investment programme for 2005/06 stands at £76.749m. Actual expenditure to end of period 9 is £37.093m or 46.05% of the current programme. Actual investment commitments for the period are £68.409m or 84.93% of the programme. There is a projected overspend of £3.400m at the year end, but, in keeping with trends in previous years, it is anticipated that slippage will be reported throughout the year, bringing the programme back to the budgeted position. The programme will continue to be monitored closely by both the individual departments and the Corporate Resources Working Group. *Detailed figures at Appendix 1-B*

3.1.2 (2) Budget Planning

During quarter 3, work continued on developing the budget for 2006/07 and 2007/08, including the analysis of Efficiency Savings proposals received from departments for the coming year. In December, the Scottish Executive provided details of the Local Government Finance Settlement for 2006/07 and 2007/08. These grant figures were compared with those announced last year and the Council's budget was updated accordingly. The analysis of the grant settlement was also used to assist COSLA in its submissions to the Scottish Executive for additional funding to meet spending commitments.

Departmental budgets have been compiled to be presented to service committees along with Service Improvement Plans in January. The budget and the council tax level for 2006/07 will be announced on 9 February 2006.

3.1.3 (3) Prudential Arrangements for Capital Finance

The approved Treasury Management Strategy for 2005/06 contains a number of indicators that require to be regularly monitored to ensure compliance with the requirements of the Prudential Code.

During the quarter to the end of December 2005, the maximum level of borrowing undertaken remained well below approved authorised and operational limits.

The prudential margin calculated to the end of the third quarter is higher than that initially estimated for 2005/2006. This is due to temporary surplus cashflows that will reduce towards the end of the financial year as committed capital expenditure items are incurred.

Based on capital expenditure projections for 2005/06, it is anticipated that a healthy prudential margin will be achieved by the financial year-end. This illustrates that the increased capital investment levels anticipated for the year are affordable and sustainable, and satisfies the key requirements of the Prudential code. *Projected performance against key 2005/06 indicators is shown at Appendix 2.*

3.1.4 (4) Best Value Plans

Work has continued to ensure that the Department is prepared for the audit of Best Value in 2006. An assessment of readiness has been carried out and an action plan is underway to address a small number of areas where additional work is required. *For more details see Appendix 3a.*

Performance of the Trading Accounts of the 6 former DSOs continues to be monitored.

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**
Up to the end of the third quarter for 2005/06, 40 claim incidents occurred against the Council, an increase when compared to 34 incidents in the same period last year, an increase of 17.6%. *See Appendix 4A for further details.*
- **Number of Public Liability Claims raised**
Up to the end of the third quarter for 2005/06, 795 claim incidents occurred. This compares with 882 in the previous year and represents a 9.9% decrease. *See Appendix 4B for further details*
- **Number of Motor Claims per number of Vehicles**
For the third quarter of this year, total motor vehicle claim incidents were 150 against an insured fleet total of 1001, meaning that 15.0% of fleet vehicles were involved in accidents. The total number of incidents for the year to date is 381 compared with 399 for the same period last year, a reduction of 4.5%. *See Appendix 4C for further details*

3.1.6 (6) Treasury Management

The Council holds a well-balanced loan portfolio, comprising fixed rate and variable rate debt plus a variety of variable rate investments. However, the department continues to search for ways of improving its portfolio and achieving savings in loan interest charges. Rescheduling debt at competitive rates during 2005/06 has resulted in loan interest savings of approximately £174,000 for 2005/06, £185,000 per annum from 2006/07 to 2009/10, and £125,000 per annum thereafter until 2013/2014.

In line with the requirements of the prudential code, the council has set limits on its exposure to the effects of interest rate changes. At the end of the third quarter of 2005/2006 the actual levels remain below the approved fixed and variable rate exposure limits. Investment income levels continue to remain higher than those initially estimated, which results in the Council not only remaining below its approved exposure limits but also in a marginal reduction in net loan interest payments.

To minimise the risk of the council having to replace large sums of fixed rate debt at a time when there may be high interest rates prevailing, the council has set upper limits regarding its debt maturity structure. At the end of quarter 3 the maturity structure held is comfortably within defined limits.

Further details regarding the Loan portfolio are given in Appendix 5.

To allow for continuous improvement in Treasury management practices, the Treasury Management policies and procedures are continually monitored, reviewed and updated as appropriate during the year. During Quarter 3, the department updated its Counterparty list creating improved investment opportunities. Additionally, documented practices were updated to reflect improved dealing arrangements implemented in recent months.

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 2004-07. 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 2005/06 is £89.358m, which represents the amount after rebate income is received. The amount collected after the third quarter ended 31st December 2005 is £72.714m, which represents 81.38% of the annual total. This position compares to the 2004/05 quarter 3 total when £68.635m (81.40%) was collected. Due to public holidays, the number of days' collection included is less than last year. This will be closely monitored and it is anticipated that the year-end increases in collection rates will be continued.

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

The net imposed figure for Non Domestic Rates for the year 2005/06 is £97.283m. The amount collected after the third quarter of 2005/06 is £77.885m, which represents 80.06% of the annual total. This reported position compares with £78.845m (80.63%) reported at the same stage last year. Due to public holidays, the number of days' collection included is less than last year. This will be closely monitored and it is anticipated that the year-end increases in collection rates will be continued.

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 2005/06. Current analysis shows that 89.36% of invoices were paid within terms during the third quarter of 2005/06, compared with last year's figure of 82.14% for the same period, a significant improvement and the best quarter performance to date. The year to date figure is 85.05% compared with 79.50% for the same period last year. *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 3 and highlights any movement from the previous reported position.

The total debt outstanding at the end of the third quarter, 31st December 2005, is £7.552m. This is £1.676m below the reported position at 30th September 2005. The reduction in the amount outstanding reflects significant payments received from other public sector bodies. *Further details at Appendix 6D.*

3.3 Internal Audit

3.3.1 (11) Audit Plan

Internal Audit work for 2005-2006 has continued to be progressed broadly in accordance with the approved annual plan.

Activity in the period to 31 December 2005 included the completion of a number of reviews contained within the 2005-2006 approved annual plan. A further number of planned 2005-2006 outputs have been issued in draft form and will subsequently be finalised after receipt of management responses including agreed actions. 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.

The Audit Manager is also pleased to report that generally management continue to respond promptly and appropriately to the recommendations contained in Internal Audit reports and that there are no other 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 Internal Audit programme of work 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 3 (2005/06), availability of software applications, corporate servers and networks again performed well above the target of 98%, achieving 100% in both areas. This continues the high availability and performance established over the previous year. The IT Service Centre also managed to resolve 98.1% 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 now complete. A memo has gone to each department to confirm their final status. The Home Working pilot in Planning and Environment is now complete and a report on the outcome is currently being finalised. 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 continuing with all 20 pilot users now live and operational. Social Work staff are conformance testing the solution and their results are expected by the end of January 2006.

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 (now known as Customer First North Lanarkshire) team in establishing the Customer Contact Centre (CCC), First Stop Shops (FSS) and the Council's web site.

The testing of the back-office integration from e:Nquiry to the HSMS (Housing Management System) System has been completed by Customer First North Lanarkshire. The Flare system has been upgraded. This will allow user acceptance of the back-office integration to be completed by mid January with live implementation later that month.

The development of the web site interface for e:Nquiry is now complete. When live, this will allow the public to log service requests on-line. Security testing of the system will take place during February with a view to going live during quarter 4.

The hosting of the Council's web site is now live with a new supplier.

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 (now known as Customer First). IT and Customer First North Lanarkshire represented the Council at the December meeting of the Benefits Realisation group. Information previously provided by NLC was used as the basis for discussion at the meeting.

The process of issuing the National Concessionary Travel Card has now commenced with the objective of having all new smartcards issued by the 1 April 2006. NLC will use this national service for issuing cards until at least March 2007. A member of Community Services, supported by IT staff, is now chairing the Leisure card sub-group of the smartcard programme.

We are still awaiting a definitive technical specification from the Scottish Executive regarding the format and business processes surrounding the creation and maintenance of the Citizens Account and associated authentication before we can progress any meaningful work in this area.

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 and this has been confirmed by the successful Investors in People re-assessment in October.

3.5.1 (15) Staff Training

During 2005/06, the Finance Department has completed the Personal Development Review meetings and established the individual training needs of each of our staff members. From this we have compiled the required training list for the department and this now forms part of the departmental training plan. The training plan has been submitted to the Corporate Training Section and training is ongoing.

3.5.1 (16) Absence Management

For the 3rd quarter of 2005/06, the total number of working days lost through absence was 406, which represents 2.47% of the total days available. Of this, 46 days (0.28%) were due to long-term illness. This compares favourably with both the previous quarter's figure of 554 lost days (3.42%) and the total of 649.5 days (3.74) for the same period for the previous year. *Further details at Appendix 8.*

4. Performance Summary

- 4.1 The department has performed well up to the end of the third quarter. Both revenue and capital budgets are on target to meet expenditure limits with only small deviations reported. Work continued on developing the budget for 2006/07 and 2007/08, incorporating the Local Government Finance Settlement for these years.
- 4.2 The Prudential Code for Capital Finance, introduced in 2004/05, enables the Council to increase its capital investment levels. At the end of quarter 3, projections show that borrowing is well below approved limits and a healthy prudential margin is anticipated at the year-end illustrating that the increased capital investment levels are affordable and sustainable.
- 4.3 Council Tax and Non Domestic Rate Collections both show a small decrease from the previous year. It is still anticipated that the year-end increases in collection rates will be continued. Invoice Payment rates for the year to date show a significant improvement on both the average and the comparable period for last year. The Age Debt Profile for quarter 3 shows a lower total than the previous quarter. These will all continue to be closely monitored.
- 4.4 Internal Audit have completed a wide ranging series of reports up to the 31st December 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 100% user availability. Many new developments have also been continued in quarter 3 as the Council takes advantage of new more effective working solutions.
- 4.6 The Department successfully achieved Investors in People re-accreditation. Comprehensive staff training plans have been developed. Absence figures are below both the levels reported for the previous quarter, and the comparative period for 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

For further information please contact Les Moore on tel. no. 01698 302408

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT
 QUARTER 3 : 2005/06

1. Financial Controls & Reporting

A. Revenue Expenditure : 2005/06 (£'000)

Department	Figures to 9th December 2005			Figures to 31st March 2006		
	Budget	Actual	Variance	Budget	Projection	Variance
Community Services	46,337	46,175	162	77,391	77,454	-63
Education	187,016	186,883	133	282,111	282,106	5
Finance	12,620	12,012	608	28,878	28,389	489
Administration	4,287	4,175	112	7,005	6,820	185
Housing & Property	20,952	20,839	113	28,877	28,867	10
Joint boards	39,070	39,070	0	57,164	57,164	0
Personnel	1,230	1,210	20	2,107	2,098	9
Planning & Environment	27,800	27,479	321	44,020	44,020	0
Chief Executive	2,297	2,251	46	914	842	72
PPP/Trading Surplus	-1,584	-1,597	13	-2,395	-2,549	154
Social Work	71,773	72,060	-287	110,947	111,775	-828
Financing Costs	0	0	0	-24,152	-24,652	500
Adjustment for Central Admin				-49,857	-49,857	
Total Expenditure	411,798	410,557	1,241	563,010	562,477	533
Sources of Funding	320	310	10	563,010	563,310	-300
Total Surplus / (Deficit)	411,478	410,247	1,231	0	-833	833

Housing Revenue Account	-18,048	-18,219	171	0	-395	395
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Deviation from Plan	0.30%		0.15%
	Actual vs Budget		Project outturn vs budget

B. Composite Capital Expenditure : 2005/06 (£'000)

Department	Current Programme	Projected Outturn	Projected Variance	Actual Spend to 09/12/05	Committed to 09/12/05
Administration	630	630	0	258	446
Chief Executive	509	509	0	86	86
Corporate : Design & Project Management	250	250	0	0	0
Community Services	10,989	10,989	0	5,589	8,053
Education Programme	22,516	22,516	0	11,608	24,365
Finance/IT	1,225	1,225	0	212	372
Housing - Non HRA Grants	4,799	4,799	0	1,588	4,079
Housing - Property Services	3,032	2,832	200	1,337	2,835
Planning & Environment	32,848	32,848	0	14,608	24,592
Social Work	3,751	3,551	200	1,807	3,581
Programmed Capital Expenditure	80,549	80,149	400	37,093	68,409
less : Slippage Factor	-3,800	0	-3,800	0	0
Planned Expenditure Total	76,749	80,149	-3,400	37,093	68,409

	-4.43%	46.05%	84.93%
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Deviation of projected outturn vs current programme % of total programmed expenditure spent to date. % of expenditure committed against programmed expenditure

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT
 QUARTER 3 : 2005/06

3. Prudential Arrangements for Capital Finance

Capital Expenditure, Capital Financing Requirement and Prudential Margin

Capital Expenditure	Initial Estimate 2005/06 (000s)	Projected Out-turn 2005/06 (000s)
Total spend	103,170	115,423
Financed By:		
Borrowing	37,085	36,650
Capital receipts	37,971	44,988
Cash grants	16,064	19,680
Capital from Current Revenue	12,050	14,105

Prudential Margin Calculation	Initial Estimate 2005/06 (000s)	Position at 31 st Dec 05 (000s)	Projected Outturn 2005/06 (000s)
Capital Financing Requirement	444,876	435,079	435,079
Net borrowing requirement	437,322	409,557	426,395
Prudential Margin	7,554	25,522	8,684

Authorised Limit and Operational Boundary

	2005/2006 Authorised Limit (£m)	2005/2006 Operational Boundary (£m)	2005/2006 Maximum Borrowing in Q3 (£m)
Borrowing	519.00	484.00	477.26
Other long term liabilities	1.00	1.00	0.29
Totals	520.00	485.00	477.55

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 3 : 2005/06

4. Support the Implementation of the Council's Best Value Plans

A BEST VALUE AUDIT PREPARATIONS

The Department has completed a questionnaire that assesses its current status regarding the key elements of the Best Value audit. This was compiled by each Division and showed that the Department is making good progress in being able to demonstrate Best Value in the services it provides. A small number of areas has still to be completed and an action plan has been prepared to ensure that these are addressed.

To assist in its preparations, the Department has continued to review the Accounts Commission reports on the outcome of the Best Value audits of the councils whose audits have been completed to date.

B INSURANCE, RISK MANAGEMENT AND SAFETY

Position as at 31/12/05

Processing Insurance Claims

- Process in-house non-injury claims below £500 Implemented in-house processing of claims commenced on 1/4/05. Initial results show an increase in speed of finalising claims. An audit conducted by the insurer in October concluded that claims handling and litigation were being conducted to an "excellent" standard.
- Appoint Loss Adjusters for larger value property insurance claims Implemented. Loss Adjuster now in place.
- Implement recommendations from a Business Change Analysis and set targets for improvements in time taken to settle claims Pilot exercises undertaken in Housing and Roads to assess improvements to the processing of claims. Both pilots identified significant improvements - Housing : 83% reduction in time taken to provide a report on a claim; 80% reduction in reminders sent; Roads : 76% reduction in time for a report; 66% reduction in reminders. Training has taken place within the other Housing area offices to implement improved practices. Contact has been made with Roads to rollout the pilot to the remaining divisions.
Work has commenced to implement enhancements to the risk management information system that will improve the processing of claims.

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 Achieved. Charter Mark awarded following assessment in July 2004. Follow-up meeting in August 2005 confirmed the award.
- Improve measurement of statistics to facilitate comparison of performance 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.
The risk financing strategy will be reviewed as part of the tendering exercise that will be carried out in 2006. Preparatory work commenced for the tendering exercise due to commence in January.

Risk Management Activity

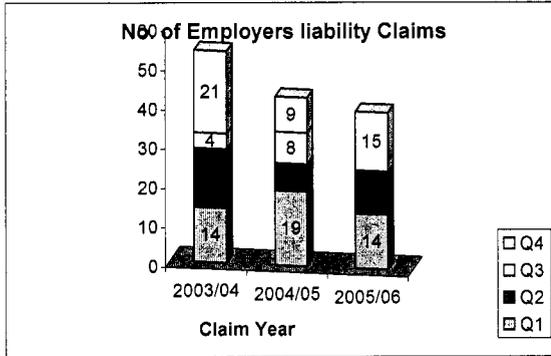
- Link departmental charges for insurance to claims experience Method of allocation of insurance costs was amended to reflect more accurately the number and value of insurance claims made by departments. The amended model was used for the 2005/06 allocation.
- Increase focus on risk management activity Visits to departmental management teams to discuss risk management and insurance processing.
The re-established Insurance Risk Management Working Group has identified potential risk management projects and a sub Group has been established to progress this.
Current risk management activity was highlighted to potential insurers in presentations held as part of the tendering exercise.

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT
 QUARTER 3 : 2005/06

5. INSURANCE AND RISK MANAGEMENT

a. Number of Employers Liability Claims

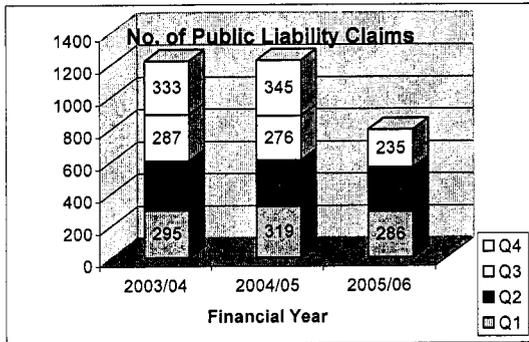
	Q1	Q2	Q3	Q4	Total
2003/04	14	15	4	21	54
2004/05	19	7	8	9	43
2005/06	14	11	15		40



b. Number of Public Liability Claims

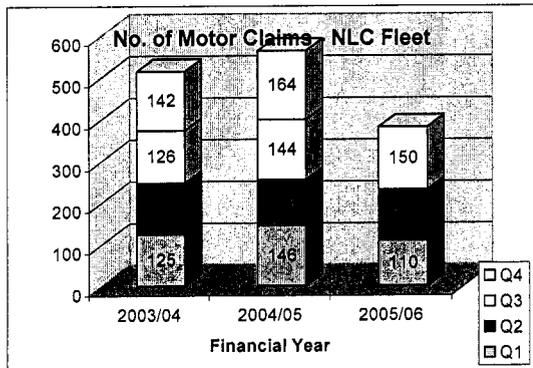
	Q1	Q2	Q3	Q4	Total
2003/04	295	307	287	333	1222
2004/05	319	287	276	345	1227
2005/06	286	274	235		795

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
2005/06	110	121	150		381



DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 3 : 2005/06

6. TREASURY MANAGEMENT PERFORMANCE

Treasury Management Indicators

Interest Rate Exposures

	2005/06 Upper Limits	2005/06 Actual Held, Q2
Fixed interest rates	110%	107%
Variable interest rates	25%	-7%

Interest Payments and Income due to Loans Outstanding/Funds Invested

	Initial Estimate 2005/2006 (000s)	Projected Out-turn as at Q3 (000s)	Variance (000s)	%
Interest Payable on Fixed Rate Debt	30,352	30,469	117	0.39%
Interest Payable on Variable Rate Debt	820	968	148	18.05%
Total Interest Payments	31,172	31,437	265	0.85%
Interest Receivable On Funds invested	-2,479	-2,997	-518	20.90%
Net Loan Interest Payments due	28,693	28,440	-253	-0.88%

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
Upper limit maturing	5.00%	5.00%	10.00%	25.00%	90.00%
Amount maturing in Period	0.38%	2.567%	5.19%	12.58%	79.29%

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 3 : 2005/06

REVENUES

A. (7) INCOME COLLECTED FROM COUNCIL TAX

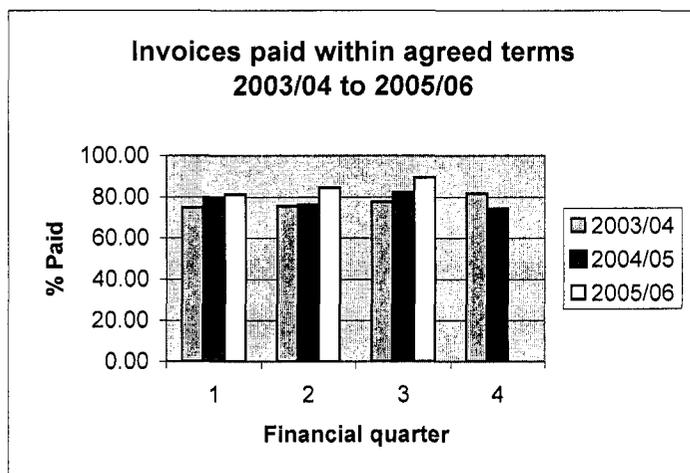
The net imposed figure for Council Tax for the year 2005/06 is £89.358m, which represents the amount due after rebate income is received. The collection target for 2005/06 was 93.5%. For the third quarter of 2005/06, ending 31st December, the total amount collected was £72.714m (81.38%). This compares to the equivalent period in 2004/05 when 81.40% was collected.

B. (8) INCOME COLLECTED FROM NON DOMESTIC RATES

The net imposed figure for Non Domestic Rates for the year 2005/06 was £97.283m. The amount collected after the third quarter of 2005/06, ending 31st December, was £77.885m, which represents 80.06% of the annual total. This reported position compares with 80.63% 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	79.58	76.21	82.14	74.26	78.07
2005/06	81.14	84.34	89.36		



D. (10) AGED DEBT PROFILE

No. of Days	Amount Outstanding 30th Sept 2005	Amount Outstanding 31st Dec 2005
31-60	1,389,575	1,574,248
61 - 90	970,080	520,316
91-120	519,922	197,038
121-365	2,701,589	2,092,604
Greater 365	3,646,535	3,168,016
Total	9,227,701	7,552,222

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 3 : 2005/06

11. INTERNAL AUDIT

a. Internal Audit Reviews finalised during Quarter 3 2005/06.

Department	Subject
<input type="checkbox"/> Corporate	Freedom of Information
<input type="checkbox"/> Corporate	Business Continuity Planning
<input type="checkbox"/> Administration	Licensing
<input type="checkbox"/> Education	Early Years (nurseries managed by NLC)
<input type="checkbox"/> Finance	Follow-up: Cash collection and council tax
<input type="checkbox"/> Finance	Debt Recovery
<input type="checkbox"/> Housing and Property Services	Capital Expenditure - Contracting (2 reports)
<input type="checkbox"/> Social Work	Direct Payments
<input type="checkbox"/> Planning & Environment	Contracting for provisions, goods and supplies

b. Internal Audit Reviews with draft report issued during Quarter 3 2005/06 but report not yet finalised.

Department	Subject
<input type="checkbox"/> Corporate	Compliance with contract standing orders
<input type="checkbox"/> Corporate	Payroll - regularity (overtime)
<input type="checkbox"/> Corporate	Community Planning and partnership working
<input type="checkbox"/> Corporate	Travel and Subsistence - regularity
<input type="checkbox"/> Community Services	Fleet Management
<input type="checkbox"/> Community Services	Leisure and Recreation
<input type="checkbox"/> Finance	ICT - Physical and Environmental Controls
<input type="checkbox"/> Finance	Non-Domestic Rates
<input type="checkbox"/> Housing and Property Services	Housing Benefit - Accuracy of benefit calculations
<input type="checkbox"/> Planning and Environment	European Funding

c. Internal Audit Reviews underway but not yet completed.

Department	Subject
<input type="checkbox"/> Corporate	Corporate Governance
<input type="checkbox"/> Corporate	Risk Management
<input type="checkbox"/> Corporate	Disclosure checks
<input type="checkbox"/> Corporate	Follow-up: Health and Safety
<input type="checkbox"/> Education	Payroll - Teachers
<input type="checkbox"/> Education	Financial Management
<input type="checkbox"/> Finance	Cash Collection
<input type="checkbox"/> Finance	Payroll - APT&C
<input type="checkbox"/> Finance	Council Tax
<input type="checkbox"/> Housing and Property Services	Housing Benefit - Compliance with DWP Performance Standards
<input type="checkbox"/> Social Work	Residential Accommodation for Elderly People
<input type="checkbox"/> Social Work	Debtors - regularity

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 3 : 2005/06

People Management

16. Absence Management

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

Service	Jul - Sep 2005 (2004)		Oct - Dec 2005 (2004)	
	No. of days through illness	% illness	No. of days through illness	% illness
<i>Accounting Services</i>	43 (52)	1.49 (1.76)	27 (71)	0.89 (2.29)
<i>Revenue Services</i>	361 (240)	3.81 (2.55)	321 (408.5)	3.39 (4.10)
<i>I.T Services</i>	150 (45)	3.77 (1.09)	58 (170)	1.47 (3.94)
Total	554 (337)	3.42 (2.04)	406 (649.5)	2.47 (3.74)