

To: POLICY AND RESOURCES (FINANCE) SUB-COMMITTEE		Subject: DEPARTMENT OF FINANCE PERFORMANCE MONITORING REPORT – PERIOD 1 st April to 30th June 2006
From: DIRECTOR OF FINANCE		
Date: 18th August 2006	Ref: LM/JMCK	

1. Introduction

- 1.1. The purpose of this report is to advise Committee of our performance against a selection of key performance indicators across the Finance Department for the period 1st April to 30th June 2006.
- 1.2. As part of the Council's three-year service improvement and financial planning process, departments produce comprehensive service improvement plans covering all aspects of their operations and resources. These plans include departmental key actions, service developments and arrangements for performance monitoring and improvement actions.
- 1.3. The performance monitoring report integrates more closely with the service improvement plan. As part of the performance management framework detailed in the service plan, departmental performance standards are reported quarterly.
- 1.4. Integrating reporting in this way strengthens the overall corporate approach the Council has 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 to review progress against defined standards and targets. Using the key actions in the service improvement plan, performance measures have been established. This allows progress to be reported 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 and performance indicators for the department across the divisions of Accounting Services, Revenues, IT and Internal Audit.
- 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 reviewed and indicators kept up to date. Any recommendation for changes to indicators will be noted 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 and are included in paragraphs 3.1.1 to 3.1.6 below.

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.

The revenue budget performance, at the end of period 4 on 21st July 2006, shows a projected surplus of £3.472m (2.24%). The current forecast indicates that the projected surplus for the year end of £2.019m (0.35%). The monitoring position represents an early stage within the new financial year and expenditure and income patterns have largely still to develop over the course of the year. Provision is included for estimated equal pay compensation claims. A funding framework has been agreed for the early year costs in respect of the implementation of job evaluation and single status which will be met by departments through their employee cost budgets. In the meantime, and until job evaluation issues have been resolved, accrued resources for this purpose will be held in reserve pending future need. The Revenue Budget performance will continue to be monitored and be the subject of further reports. *Detailed figures at Appendix 1-A*

Following adjustment of the Capital Investment programme – adjustments for identified carry forward from 2005/06, slippage, acceleration and additional grants in the current year - the total capital investment programme for 2006/07 stands at £83.663m. Actual expenditure to end of period 4 is £15.516m or 18.55% of the current programme. Actual investment commitments for the period are £39.630m or 47.37% of the programme. There is a projected overspend of £6,800m 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 1 the Financial Plan 2005/06 to 2007/08 was updated to reflect the Council's Budget for 2006/07. The updated Plan was approved by Committee in May 2006. Work is continuing to develop the budget strategy for 2007/08, including identifying core service costs, efficiency savings, growth options and council tax levels. The Council has also fed into work being carried out by COSLA and CIPFA to make representations to the Scottish Executive over the level of government grant support for 2007/08.

3.1.3 (3) Treasury Management - Prudential Arrangements for Capital Finance

The approved Treasury Management Strategy for 2006/07 contains a number of indicators that require to be regularly monitored to ensure compliance with the requirements of the Prudential Code.

The projected level of capital expenditure in 2006/2007 is estimated to be marginally higher than that initially estimated. This will be financed from additional cash grants, contributions from revenue, plus additional capital receipts. These increased sources of finance have resulted in a reduction in the estimated borrowing requirement for 2006/2007. Capital expenditure levels are monitored in detail as part of the Council's capital programme reporting mechanisms.

The prudential margin calculated to the end of the first quarter is higher than that initially estimated for 2006/2007. This illustrates that although capital investment levels are expected to be higher in 2006/2007, the capital plans are affordable, sustainable, and satisfy the key requirements of the Prudential code.

During the first quarter of 2006/2007, the maximum level of borrowing undertaken remained well below approved authorised and operational limits. *Projected performance against key 2005/06 indicators is shown at Appendix 2.*

3.1.4 (4) Treasury Management – Loans and Investments

The Council holds a well-balanced loan portfolio, comprising fixed rate and variable rate debt plus a variety of variable rate investments. The net borrowing balance at the 30th June 2006 is £424.5m representing a decrease of £6.7m from the position as at the 1st April 2006. This decrease is attributable to a number of factors namely

- The bank overdraft has fallen by £5.4m due to the falling level of payments made at 30th June 2006 in comparison with the previous quarter
- A decrease of £0.6m in North Lanarkshire Municipal Bank deposits utilised by the Council
- Investment levels showing a marginal increase of approximately £0.56m during the first quarter.
- Principal repayments of £0.14m on long-term loans

During the quarter under review the department monitored the economic climate in conjunction with its financial targets and Treasury Management strategy, and concluded that there was an opportunity to restructure the interest terms and maturity date in respect of a market loan held.

On the 6th June 2006 the Council restructured a £25.8m LOBO market loan, the original terms of the loan being an interest rate payable of 2.5% to 5th June 2007 with the interest rate then increasing to 4.75% with LOBO option and a maturity date of 5th June 2048.

The new loan terms negotiated resulting in a lower rate of 2.5% for an additional year until 5th June 2008 then 4.75% with LOBO option and an extended maturity date of 6th December 2066.

The net effect of this exercise on the Council's overall treasury position results in a positive net overall saving of £0.155m based on net present value analysis. In addition when comparison is made with the Council's existing revenue budget, net savings from carrying out the restructuring exercise will accrue of approximately £462k in 2007/2008 and £101k in 2008/2009.

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 first quarter of 2006/2007 the actual levels remain below the approved fixed and variable rate exposure limits.

The level of surplus balances available for investment during the first quarter has been lower than anticipated resulting in reduced interest receivable and subsequently net loan interest payments are projected to be £345k higher than the initial estimate.

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 1 the maturity structure held is comfortably within defined limits.

Further details regarding the Loan portfolio are given in Appendix 3.

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 the quarter, the department revised its documented practices to reflect new improved procedures for updating and maintaining the Treasury Management Information system.

3.1.5 (5) Best Value Plans

Work has continued to ensure that the Department is prepared for the audit of Best Value. An assessment of readiness has been carried out and was considered by the Member Officer Working Group on Best Value in May 2006. At the time of that meeting the state of readiness was assessed at 82%. An action plan is underway to address a small number of areas where additional work is required and the assessment score at the end of June had risen to 94%. All outstanding actions will be completed by the time the audit takes place.

Several of the Best Value criteria are influenced by the work of the Finance Department, including "Sound governance at a strategic, financial and operational level", "Sound management of resources" and "Competitiveness, trading and the discharge of the authority's functions". The Department has contributed to the preparation of the Council's submission in these areas, including financial management, financial planning, procurement, risk management and competitiveness.

Effective financial management is a key element of the Best Value criteria. To assess this, the Department has completed an appraisal of its financial management arrangements. This has been reviewed by Internal Audit, which recognised that the Department scored highly in all areas of financial management.

3.1.6 (6) 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 and the performance in processing liability claims.

- **Number of Employers Liability Claims**
During the first quarter of 2006/07, 15 claim incidents occurred against the Council, an increase when compared to 14 incidents in the same period of the previous year, an increase of 7.1%. *See Appendix 4A for further details.*
- **Number of Public Liability Claims raised**
During the first quarter of 2006/07, 219 claim incidents occurred. This compares with 286 in the same period in the previous year and represents a 23.4% decrease. *See Appendix 4B for further details*
- **Number of Motor Claims per number of Vehicles**
For the first quarter of this year, total motor vehicle claim incidents were 101 against an insured fleet total of 1060, meaning that 9.53% of fleet vehicles were involved in accidents. The number of incidents during the quarter compares with 110 in the same period of the previous year, a reduction of 8.2%. *See Appendix 4C for further details*

- **Percentage of Non-injury Claims Settled Within 6 Months**
One of the outcomes of a Best Value review of Insurance Risk Management and Safety was the need to speed up processing of liability claims against the Council. Therefore, a target was set to increase by 10% per annum the percentage of non-injury claims settled within a 6-month period. Since the target was set in 2004 the figure has increased from 26% to 54% at 31 March 2006. The percentage at 30 June 2006 was 63%.
- **Public Liability Claims Outstanding**
961 public liability claims were outstanding at the end of June 2006. This compares with a figure of 980 at the end of March 2006.

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 impact on collection and payment performance.

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

The net imposed figure for Council Tax for the year 2006/07 is £94.411m, which represents the amount after rebate income is received. The amount collected after the first quarter ended 30th June 2006 is £24.895m, representing 26.37% of the annual total. This position compares to the 2005/06 quarter 1 total when £23.443m (26.21%) was collected. This continues the improving trend in collection rate over a number of years. *Further details at Appendix 5A.*

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

The net imposed figure for Non Domestic Rates for the year 2006/07 is £100.390m. The amount collected after the first quarter of 2006/07 is £16.084m, representing 16.02% of the annual total. This reported position compares with £14.670m (14.72%) reported at the same stage last year. *Further details at Appendix 5B.*

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 2006/07. Current analysis shows that 87.89% of invoices were paid within terms during the first quarter of 2006/07, compared to last year's figure of 81.14% for the same period, a significant improvement. *Further details at Appendix 5C.*

3.2.4 **(10) Aged Debt Profile**

Aged debt analysis gives an overview of unpaid debtors and 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 1 and highlights any movement from the previous reported position.

The total debt outstanding at the end of the first quarter, 30th June 2006, is £10.016m. This is £2.735m above the reported position at 31st March 2006. This sum reflects the seasonal influence on our billing routines experienced at the end and start of the financial year. The most recent debt outstanding is influenced by this and underlying reasons for this are detailed below :-

- 31-60 days – Home insurance invoices issued in April.

- 91-120 days – high volume of year end invoices with the issue date 31st March including Improvement Grants, Buildings Insurance, and invoice to Communities Scotland for over £700k.

The Debt Recovery Team will target the debt in all areas and use all recovery initiatives at their disposal. *Further details at Appendix 5D.*

3.3 Internal Audit

3.3.1 (11) **Audit Plan**

Internal Audit work for 2006-2007 has continued to be progressed broadly in accordance with the annual plan which was approved by the Audit and Governance Panel in March 2006.

Activity in the period to 30 June 2006 included the completion of a number of reviews contained within the 2005-2006 approved annual plan together with reviews included in the 2006-2007 plan. A further number of planned 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.

More detailed progress reports on the work of Internal Audit, including consideration of issues arising from individual audit reports, are submitted to each meeting of the Audit and Governance Panel. The 2005-2006 Internal Audit Annual Report which contained the Audit Manager's overall assessment of the Council's internal control environment was submitted to the meeting of the Panel held on 6 June 2006. Copies of this report can be found on MARS or are available on request from the Audit Manager.

Further details of the completed Internal Audit programme of work is contained at Appendix 6.

3.4 IT Services

The four 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 1 (2006/07), availability of software applications, corporate servers and networks again performed well above

the target of 98%, achieving 99.7% in both areas. This continues the high availability and performance established over the previous year. The IT Service Centre also managed to resolve 96.5% of fault calls within the revised target timescale of 1 working day, again maintaining a high level of support to customer departments.

3.4.2 (13) Corporate Desktop & Emerging Technologies

The Home Working pilot report has been presented to the CMT and it was decided to remit the recommendations to the HR Working Group to progress. Wireless access is to be extended to the Education offices at Kildonan St. Coatbridge. The hardware for the consolidated storage in Coatbridge computer room has been deployed and configured. Migrations from the first phase of stand alone file servers to this new Storage Area Network (SAN) is now complete. The hardware and software for the Council's new Intranet platform has been installed, configured and tested and development of departmental site information is continuing. Major projects to upgrade the current desktop Microsoft Office and messaging software to latest versions have now commenced.

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

IT Services has completed its evaluation of available Application Firewalls (hardware that provides further protection from 'hackers' for the Council's web facing applications). The device has been ordered and subsequently delivered. The supplier is currently commissioning the device and IT staff are involved as regards a skills transfer in order to provide on-going support for device. Once the device is commissioned, an independent security company will be contracted to carry out 'penetration testing'. This replicates 'hacker' type attacks and highlights any deficiencies in our security. Once this testing has been successfully completed the Council's e:Enquiry system will be deployed allowing the public to request certain services via the website.

The successful installation of the firewall will also allow the extension of the Schedule of Consultations System (SOCS) to external partners via the web.

Previous issues with implementing the back-office integration between e:enquiry and the Flare (P&E) system have been resolved. This will be implemented as soon as possible. A request has also been made to extend the HSM back-office integration. This is currently being investigated.

The Council has provided a response to the Scottish Executive as regards our plans on the extended use of the National Entitlement Card for hosting Council application.

IT representatives have attended various sessions with the Scottish Executive regarding the Citizens Account and the National Authentication Infrastructure. A request has been made that North Lanarkshire Council to be included in the initial phases of this project. The project outcome is designed to allow Citizens to carry out on-line transactions that require a higher level of security.

3.4.4 (15) Customer Contact Centre

The Customer Contact Centre, now operating within the Finance Department's responsibility, continues to function effectively, offering a high level of service to customers. For Quarter 1 2006/07, Northline answered 79,767 calls from 82,208 calls received, giving an abandoned rate of only 2.7%. The majority of calls (59,047 – 74%) were answered within 10 seconds. *Further details at Appendix 7A.*

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 was confirmed by the successful Investors in People re-assessment in October 2005.

3.5.1 (16) **Staff Training**

During the first three months of 2006/07, the Finance Department has been completing the last of the Personal Development Review meetings and establishing the individual training needs of each of our staff members. We are using this information to develop our Departmental Training Plan. The training plan will be submitted to the Corporate Training Section as soon as possible. In the meantime prioritised training is being progressed.

3.5.2 (17) **Absence Management**

For the 1st quarter of 2006/07, the total number of working days lost through absence was 387, which represents 2.33% of the total days available. Of this, 134 days (0.81%) were due to long-term illness. This compares adversely with the previous quarter's figure of 335 lost days (1.84%) but favourably with the total of 589.5 days (3.44%) for the same period for the previous year.

Further details at Appendix 7B.

4. Performance Summary

- 4.1 The department has performed well up to the end of the first quarter. Both revenue and capital budgets are on target to meet expenditure limits with provision included for equal pay compensation claims. The Financial Plan has been updated to include the 2006/07 budget and work is continuing to develop the budget strategy for 2007/08.
- 4.2 The Prudential Code for Capital Finance enables the Council to increase its capital investment levels. At the end of quarter 1, the prudential margin is higher than initially estimated making the higher level of capital expenditure affordable, sustainable, and able to satisfy the key requirements of the prudential code.
- 4.3 Council Tax and Non Domestic Rates collection rates continue the improving trend shown over a number of years. The Invoice Payment rate for the year shows a significant improvement over the previous year and is over the target of 85%. The Aged Debt Profile for quarter 1 shows a higher total than the previous quarter but for specific reasons. All recovery initiatives will be actioned to control the level of debt.
- 4.4 Internal Audit have completed a wide ranging series of reports up to the 30th June 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 a level of user availability above target. Many new developments have also been continued in quarter 1 as the Council takes advantage of new more effective working solutions. The Customer Contact Centre is functioning effectively.
- 4.6 The Department has completed the last of the Personal Development Review meetings and has established the individual training needs of each of our staff members. Absence figures are above both the level reported for the previous quarter, but below the comparative period for the previous year. This will continue to be closely monitored.

5. **Recommendation**

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

A handwritten signature in black ink, appearing to read 'Peter Walker', written in a cursive style.

Director of Finance

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

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT
 QUARTER 1 : 2006/07

1. Financial Controls & Reporting

A. Revenue Expenditure : 2006/07 (£'000)

Department	Figures to 21st July 2006			Figures to 31st March 2007		
	Budget	Actual	Variance	Budget	Projection	Variance
Community Services	20,566	20,201	365	79,390	79,301	89
Education	66,885	66,897	-12	289,083	289,313	-230
Finance	5,612	5,454	158	27,857	27,264	593
Administration	1,290	1,237	53	7,051	6,972	79
Housing & Property	5,223	5,115	108	28,084	28,058	26
Joint Boards	18,620	18,620	0	53,067	53,067	0
Personnel	548	543	5	1,979	1,971	8
Planning & Environment	6,843	6,505	338	45,023	45,023	0
Chief Executive	611	569	42	726	726	0
PPP/Trading Surplus	-690	-501	-189	-2,522	-2,522	0
Social Work	29,619	27,015	2,604	117,737	117,737	0
Financing Costs	0	0	0	-29,228	-29,228	0
Adjustment for Central Admin				-50,483	-50,483	0
Total Expenditure	155,127	151,655	3,472	584,054	582,589	1,465
Sources of Funding	84	84	0	584,054	584,608	-554
Total Surplus / (Deficit)	155,043	151,571	3,472	0	-2,019	2,019
Housing Revenue Account	-2,068	-2,513	445	0	-1,346	1,346

Deviation from Plan	2.24%	0.35%
	Actual vs Budget	Project outturn vs budget

B. Composite Capital Expenditure : 2006/07 (£'000)

Department	Current Programme	Projected Outturn	Projected Variance	Actual Spend to 21/07/06	Committed to 21/07/06
Administration	718	718	0	223	260
Corporate	4,747	4,747	0	0	2,515
Community Services	13,522	13,522	0	2,013	2,039
Education Programme	18,174	18,174	0	4,277	15,800
Finance/IT	1,453	1,453	0	210	251
Housing - Non HRA Grants	4,096	4,096	0	820	3,305
Housing - Property Services	10,185	10,185	0	513	1,002
Planning & Environment	25,444	25,444	0	6,969	10,211
Social Work	5,324	5,324	0	491	4,247
Programmed Capital Expenditure	83,663	83,663	0	15,516	39,630
Total Resources	83,878	77,078	-6,800		
Slippage/(Overspend)	215	-6,585	-6,800		
			-8.13%	18.55%	47.37%

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 1 : 2006/07

3. Treasury Management - Prudential Arrangements for Capital Finance

Capital Expenditure, Capital Financing Requirement and Prudential Margin

Capital Expenditure	Initial Estimate 2006/2007 (£000s)	Projected Out-turn 2006/2007 (£000s)
Total spend	104,798	111,158
Financed By:		
Borrowing	33,776	26,012
Capital receipts	45,580	54,381
Cash grants	13,040	16,581
Capital from Current Revenue	12,402	14,184

Prudential Margin Calculation	Initial Estimate 2006/2007 (£000s)	Position as at 30/06/2006 (£000s)	Projected Outturn 2006/2007 (£000s)
Capital Financing Requirement	442,738	447,903	447,903
Net borrowing requirement	432,989	424,457	433,587
Prudential Margin	9,749	23,446	14,316

Authorised Limit and Operational Boundary

	2006/2007 Authorised Limit (£m)	2006/2007 Operational Boundary (£m)	2006/2007 Maximum Borrowing in Q1 (£m)
Borrowing	519.00	484.00	478.28
Other long term liabilities	1.00	1.00	0.25
Totals	520.00	485.00	478.53

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 1 : 2006/07

4 Treasury Management - Loans and Investments

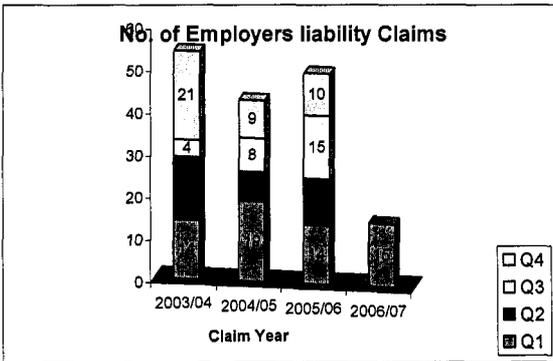
Treasury Management Indicators							
Loans and Investments as at 30th June 2006							
	Balance 1st April06 (£000s)	Debt Restructuring Early Redemption Refinancing (£000s)		New Borrowing (£000s)	Principal Repayment (£000s)	Net Cash Movements (£000s)	Balance 30th June06 (£000s)
Long-Term Loans							
PWLB	324,681	0	0	0	-74	0	324,607
Money Market Loans	117,250	-25,800	25,800	0	0	0	117,250
Municipal Bank	10,000	0	0	0	0	0	10,000
Covenants	3,928	0	0	0	0	0	3,928
Other Local Authorities	480	0	0	0	-69	0	411
	456,339	-25,800	25,800	0	-143	0	456,196
Short-Term Loans							
Temporary	0	0	0	2,150	-2150	0	0
Municipal Bank	19,903	0	0	0	-589	0	19,314
Internal Loans	6	0	0	0	0	0	6
Bank Overdraft	10,151	0	0	0	-5425	0	4,726
	30,060	0	0	2,150	-8164	0	24,046
TOTAL LOANS O/S	486,399	-25,800	25,800	2,150	-8,307	0	480,242
Investments							
Cash in Hand	3,345	0	0	0	0	-2,775	570
Bank Overdraft	51,700	0	0	0	0	3,500	55,200
Telebank Investment a/c	160	0	0	0	0	-160	0
TOTAL INVESTMENTS O/S	55,205	0	0	0	0	565	55,770
NET BORROWING	431,194	-25,800	25,800	2,150	-8,307	-565	424,472
Interest Rate Exposures							
	2006/07 Upper Limits	2006/07 Actual Held, Q1					
Fixed interest rates	110%	105.93%					
Variable interest rates	25%	-5.93%					
Interest Payments and Income due to Loans Outstanding/Funds Invested							
	Initial Estimate 2006/2007 (000s)	Projected Out-turn Q1 2006/2007 (000s)	Variance (000s)	%			
Interest Payable on Fixed Rate Debt	30,565	30,533	32	0.11%			
Interest Payable on Variable Rate Debt	831	851	-20	-2.41%			
Total Interest Payments	31,396	31,384	12	0.04%			
Interest Receivable On Funds invested	-2,916	-2,559	-357	-12.24%			
Net Loan Interest Payments due	28,480	28,825	-345	-1.21%			
Maturity Structure of 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	2.66%	0.23%	4.04%	13.61%	79.46%		

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT
 QUARTER 1 : 2006/07

6. INSURANCE AND RISK MANAGEMENT

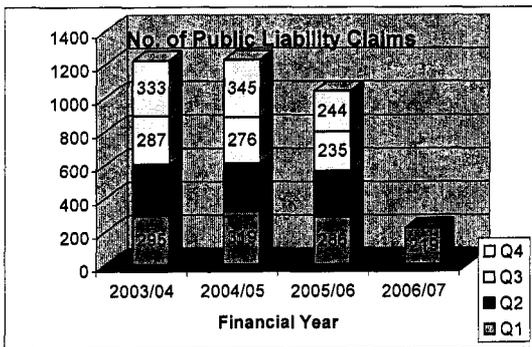
A. Number of Employers Liability Claims

	Q1	Q2	Q3	Q4	Total
2003/04	14	15	4	21	54
2004/05	19	7	8	9	43
2005/06	14	11	15	10	50
2006/07	15				



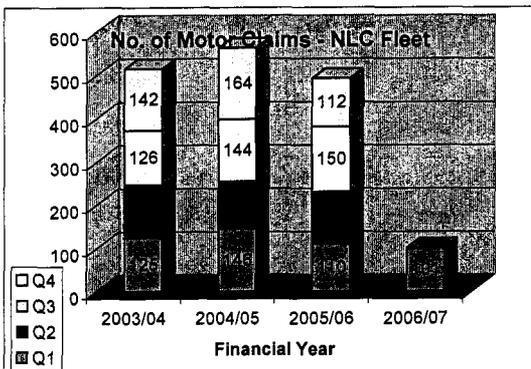
B. Number of Public Liability Claims

	Q1	Q2	Q3	Q4	Total
2003/04	295	307	287	333	1222
2004/05	319	287	276	345	1227
2005/06	286	274	235	244	1039
2006/07	219				



C. 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	112	493
2006/07	101				



DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 1 : 2006/07

REVENUES

A. (7) INCOME COLLECTED FROM COUNCIL TAX

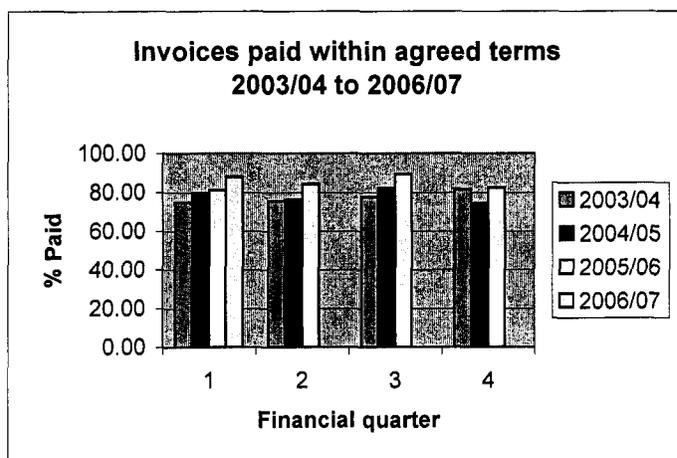
	Q1	Q2	Q3	Q4
2003/04	25.67	52.31	81.15	93.21
2004/05	26.55	53.55	81.40	93.60
2005/06	26.21	53.55	81.37	94.25
2006/07	26.37			

B. (8) INCOME COLLECTED FROM NON DOMESTIC RATES

	Q1	Q2	Q3	Q4
2003/04	15.49	40.83	77.72	94.75
2004/05	14.97	41.21	80.63	95.83
2005/06	14.72	42.10	80.05	94.91
2006/07	16.02			

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	82.24	84.29
2006/07	87.89				



D. (10) AGED DEBT PROFILE

No. of Days	Amount Outstanding 31st Mar 2006	Amount Outstanding 30th June 2006
31-60	1,360,665	1,684,161
61 - 90	780,921	702,301
91-120	155,839	2,308,204
121-365	1,929,104	1,829,692
Greater 365	3,053,995	3,491,651
Total	7,280,524	10,016,009

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 1 : 2006/07

11. INTERNAL AUDIT

a. Internal Audit Reviews finalised during Quarter 1 2006/07

Department	Subject
<input type="checkbox"/> Administration	Health and Safety: Follow-up
<input checked="" type="checkbox"/> Community Services	Time Capsule
<input type="checkbox"/> Community Services	Broadwood Stadium
<input type="checkbox"/> Community Services	Community Learning and Development Grants
<input type="checkbox"/> Corporate	Compliance with Contract Standing Orders
<input type="checkbox"/> Corporate	Corporate Governance: Follow-up
<input type="checkbox"/> Corporate	Payroll (APT&C) - Starters and Leavers
<input type="checkbox"/> Corporate	Corporate Governance - Dimension 1 (Community Focus)
<input type="checkbox"/> Corporate	Creditors (regularity)
<input type="checkbox"/> Corporate	Payroll (regularity) - Overtime
<input type="checkbox"/> Finance	Council tax - Recovery and Enforcement
<input type="checkbox"/> Finance	Payroll (Teachers)
<input type="checkbox"/> Finance	ICT Service Delivery Contract
<input type="checkbox"/> Finance	Follow-Up: Manual Payroll
<input checked="" type="checkbox"/> Housing and Property Services	Performance Information - regularity (Housing and Property Services)
<input type="checkbox"/> Housing and Property Services	Housing Benefit - Verification Framework: Compliance certificate
<input type="checkbox"/> Housing and Property Services	Homelessness
<input type="checkbox"/> Planning and Environment	Economic Development - project management arrangements

b. Internal Audit Reviews with draft report issued during Quarter 1 2006/07 but report not yet finalised.

Department	Subject
<input type="checkbox"/> Community Services	Performance Information/Management - regularity
<input type="checkbox"/> Corporate	Asset Management Planning
<input type="checkbox"/> Corporate	Personnel: Disclosure procedures
<input type="checkbox"/> Education	Education Maintenance Allowance
<input type="checkbox"/> Finance	Effective Financial Management
<input type="checkbox"/> Finance	Follow-Up: Cheque control and cashbook reconciliation
<input type="checkbox"/> Finance	Treasury Management
<input type="checkbox"/> Housing and Property Services	Capital expenditure - contract management arrangements
<input type="checkbox"/> Social Work	Criminal Justice

c. Internal Audit Reviews underway but not yet completed.

Department	Subject
<input type="checkbox"/> Chief Executive	PPP - Corporate management arrangements
<input type="checkbox"/> Community Services	Trading Accounts
<input type="checkbox"/> Corporate	Education 2010 PPP
<input type="checkbox"/> Corporate	ICT Security
<input type="checkbox"/> Corporate	Sustainable Development
<input type="checkbox"/> Corporate	Risk Management
<input type="checkbox"/> Corporate	Compliance with Sickness Absence policies
<input type="checkbox"/> Education	Performance Information/Management - regularity
<input type="checkbox"/> Housing and Property Services	Housing Benefit - accuracy of calculation
<input type="checkbox"/> Housing and Property Services	Housing Benefit - DWP Performance Standards (Security)
<input type="checkbox"/> Social Work	Compliance with National Care Standards
<input type="checkbox"/> Social Work	Residential Accommodation for Elderly People

DEPARTMENT OF FINANCE - PERFORMANCE MONITORING REVIEW REPORT

QUARTER 1 : 2006/07

A. (15) CUSTOMER CONTACT CENTRE

Service	Calls Taken	Average Waiting Time (seconds)	% Abandoned
Bookings	3,019	11	2.0%
General Enquiries	6,411	9	2.3%
Environmental	53,705	14	3.1%
Telepayments	15,333	11	1.7%
Anti-Social Behaviour Helpline	368	13	6.3%
Smoking Cessation Line	931	11	2.9%
Totals	79,767	11	2.7%

B. PEOPLE MANAGEMENT

(17) Absence Management

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

Service	Jan - Mar 2006 (2005)		Apr - June 2006 (2005)	
	No. of days through illness	% illness	No. of days through illness	% illness
<i>Accounting Services</i>	114 (95)	3.53 (3.08)	122 (69)	4.45 (2.24)
<i>Revenue Services</i>	200 (570)	1.85 (5.92)	225 (385.5)	2.29 (3.93)
<i>I.T Services</i>	21 (140)	0.50 (3.24)	25 (135)	0.65 (3.18)
<i>Directorate</i>	Included in Acct Services		15 (incl in Acct Services)	7.58
Total	335 (805)	1.84 (4.72)	387 (589.5)	2.33 (3.44)