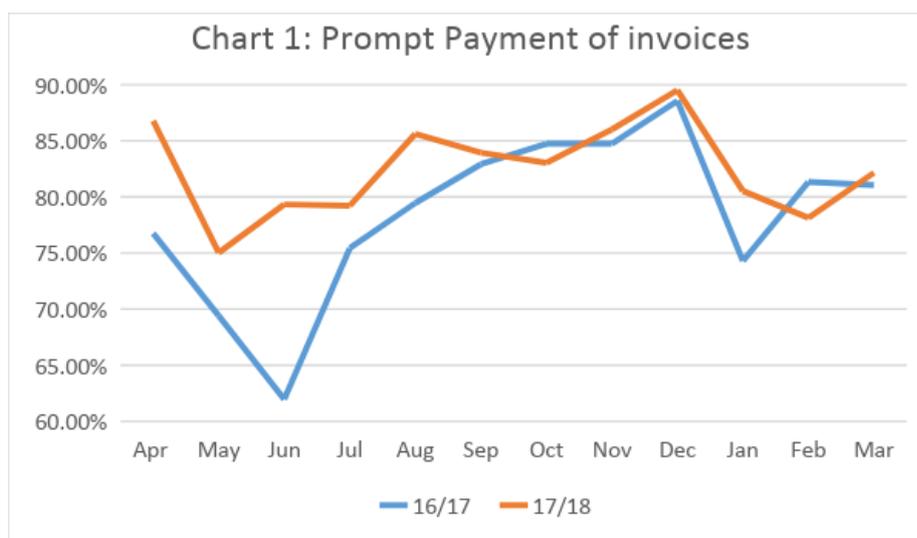


Performance Monitoring

1. Prompt Payment of Invoices (Invoices paid within 30 Days)

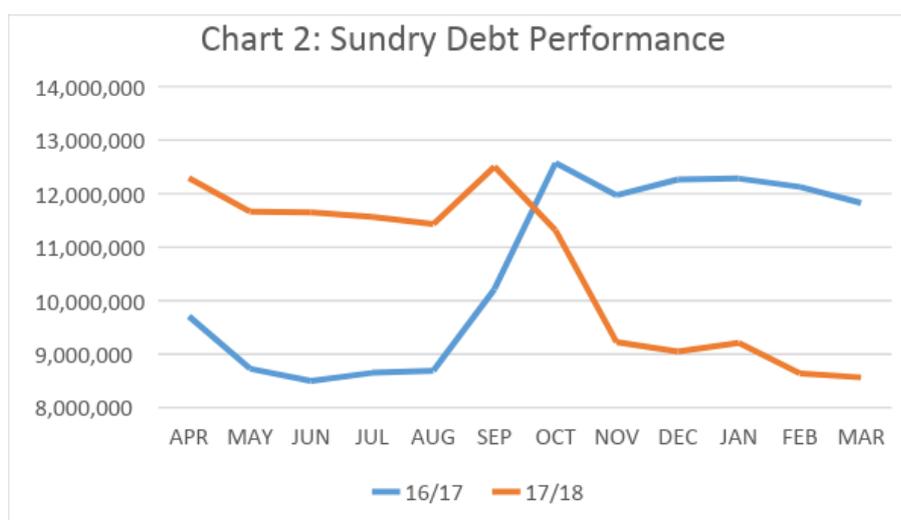
1.1. The cumulative position on prompt payment of invoices as at 31 March 2018 (the second full year of the Agresso finance system) was 82.45%, which is above the previous year's performance of 78.3%. Business processes are being continually reviewed and challenged in addition to improved performance and compliance through the use of SourceDogg (the new eProcurement system). This will further support improved performance in 2018/19. The performance for 2017/18 is shown alongside the equivalent 2016/17 figures in Chart 1.



1.2. During 2017/18 67,662 invoices were paid, of which 55,785 were paid within 30 days.

2. Sundry Debt Performance

2.1. The total outstanding Sundry Debt in excess of 6 months old (as at 31 March 2018) was £8.6m in total and is set out in Chart 2 (alongside comparative figures for 2016/17). Of this £8.6m figure, a total of 4.9m (57%) was in respect of the NHS/CCG debt.



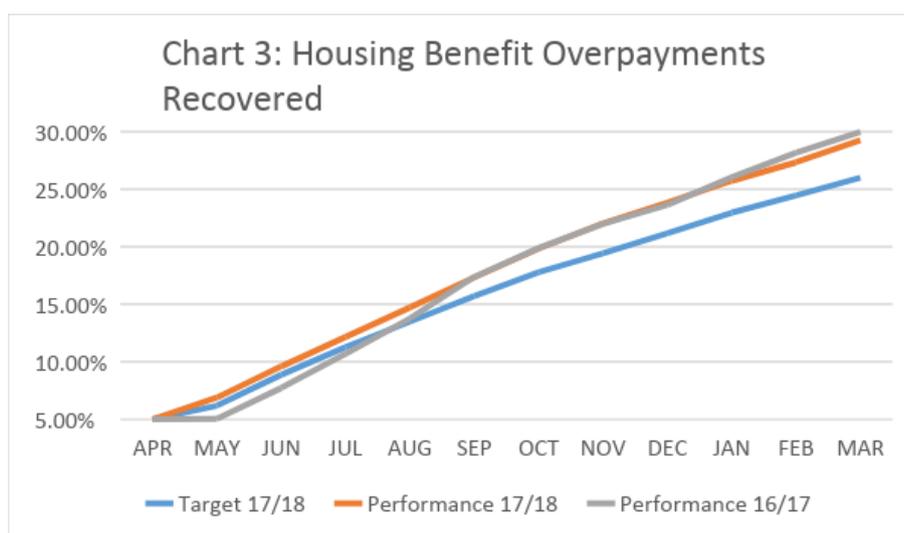
2.2. The top 20 debts owed to the Council at 31/03/18 totalled £4.4m, of which £2.0m was NHS/CCG. Of the £4.4m outstanding, £2.9m was less than a month old. A review of the end-to-end Sundry Debt recovery process has been undertaken and a new Accounts Receivable strategy and policy

have been developed. Key aspects of these include closer working between services and the AR team, Budget Holder accountability for debts, earlier intervention and more robust recovery action (i.e. legal action and use of enforcement agents), as well as clearer escalation processes and more timely write-offs. In addition, throughout 2017/18, finance staff have been engaged with CCG counterparts to address their outstanding debt. This is ongoing and a working group with key NHS partners is meeting in May to review and verify current data, and to address outstanding historic issues.

- 2.3. During 2017/18 a total of £56.9m was raised, whilst a total of £56.2m was collected (across all years of debt). In addition an aged debt gain share project has been undertaken over the last 16 months, looking at very historic debt which had 100% write-off provision against it. At the end of March 2018, a total of £0.142m had been collected with a further £0.028m on arrangement. An extension of this gain share project is currently being discussed which proposes to look at more recent debts.

3. Housing Benefit Overpayments

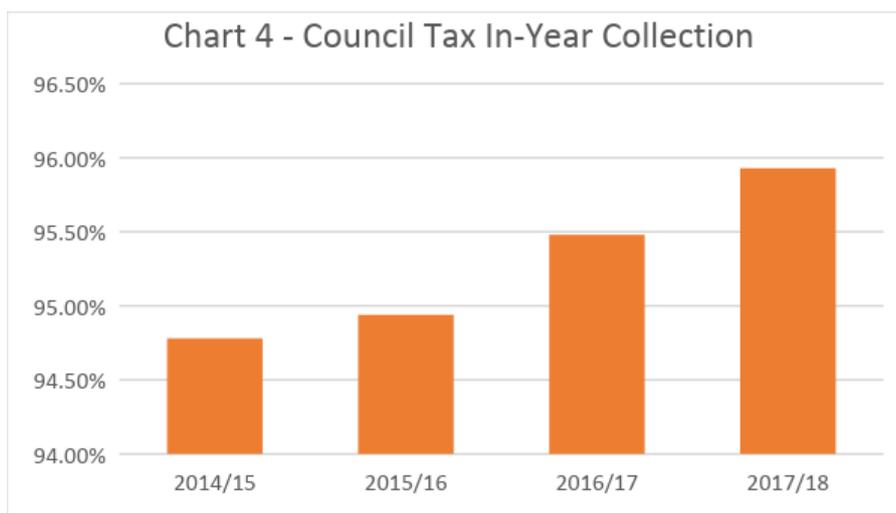
- 3.1. Chart 3 shows the total amount of housing benefit overpayments recovered against the cumulative target rate set for 2017/18 (and the 2016/17 figures).



- 3.2. Housing benefit overpayment collection as at the 31 March 2018 was 29.25% which is above the target of 26.0% but 0.76% lower than the figure for March 2017 (30.01%). The level of new debt raised has increased by £0.6m (15%), but recovered debt has also increased by £0.340m (11%). Identification of overpayments is being assisted by data matching with HMRC records to identify discrepancies in declared earnings. This is likely to give a short term increase in overpayments, but a longer term decrease as claims will be calculated on more accurate and up to date information. Most overpayments identified this way will attract 40% subsidy from central government in addition to any amounts actually recovered. Improvements have been made to the processes of the recovery of debt from DWP benefits, as well as increases in the number of attachments to earnings being applied. A fresh review of older debt is planned in 2018 with the aim of maximising the impact of these improvements.

4. Council Tax and Non Domestic Rates Collection

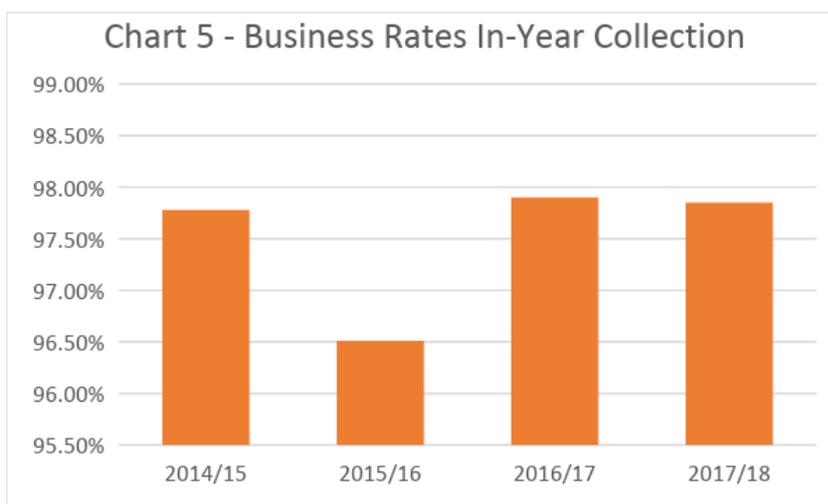
- 4.1. Chart 4 shows the performance for the collection of Council Tax over the last four years. In-year council tax collection at 31 March 2018 was 95.93%, which is 0.45% more than the amount collected by this stage in 2016/17.



4.2. The administration of the council's local Council Tax Support Scheme remains challenging and continues to impact overall council tax collected in the year. The continuing use of additional resources recruited into the team during 2016 have once again enhanced the increased performance in this area.

4.3. Improvements were also seen in the amount of Council Tax arrears collected with 16.60% achieved against a target of 14.31%. The arrears performance has benefited from more stringent recovery action being implemented during 2017, including an expanded portfolio of enforcement agents being utilised.

4.4. Chart 5 shows the performance for the collection of Non Domestic Rates over the last 4 years. To date, the in-year collection of Non Domestic Rates as at 31 March 2018 was 97.85%, which is 0.05% above the target set but a slight decrease of 0.05% compared with 2016/17.



4.5. Temporary additional resources employed in the business rates team in addition to targeted work on the debt lists and the continuing recovery action through enforcement agents, supported the achievement of the collection target. Business rates collection continues to remain challenging due to increasing use of avoidance tactics.

- 4.6. During 2017/18 the business rates team also implemented the three new discretionary schemes announced in the Spring Budget which benefited small business, public houses and those rate payers most impacted by the 2017 revaluation.
- 4.7. In terms of Non Domestic rates arrears, the amount achieved was 42.13% against a target of 30.00%.
- 4.8. In total, as a result of all four targets for Council Tax and Non Domestic Rates being exceeded, income received into the respective collection funds has been £1.3m higher than anticipated.

5. Write-off of Historic Debts

- 5.1. During 2017/18, a significant exercise was undertaken to write-off historic, uncollectable debts in relation to non-domestic rates, council tax, housing benefit overpayments and accounts receivable (sundry debt). The aggregate total value of debts written off over £10,000 was £4.6m. A further £1.9m was written off for debts under £10,000. In terms of financial context for these figures, it should be noted that the total write-off for each of these types of debt was less than 1% of the total raised (i.e. the amount expected to be received).
- 5.2. All cases requested for write-off followed a lengthy process to recover the outstanding money, sometimes dating back many years. The debts had been fully provided for in the council's debt provisions and as a result, there was no adverse impact on the Council's revenue position as a result of this write-off exercise. Writing off debt is standard practice and recommended as part of good budget management, and as such, future write-off exercises are now being proposed on a quarterly basis.