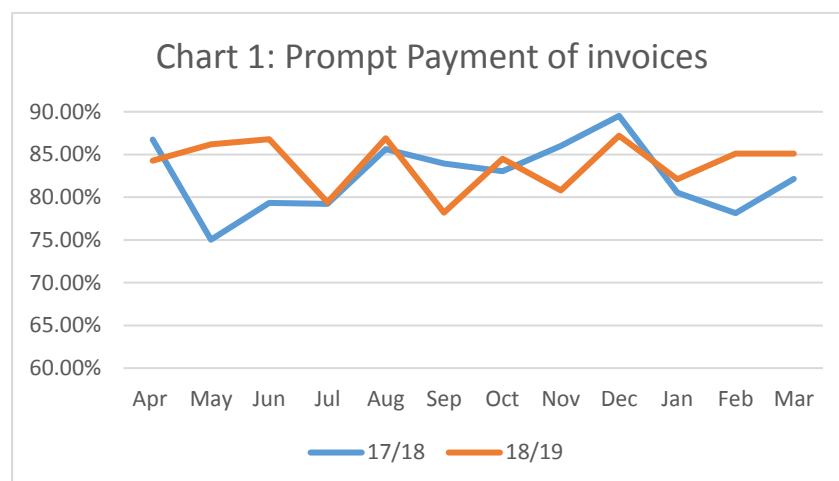


Appendix E – Performance Monitoring Prompt Payment of Invoices (Invoices paid within 30 Days)

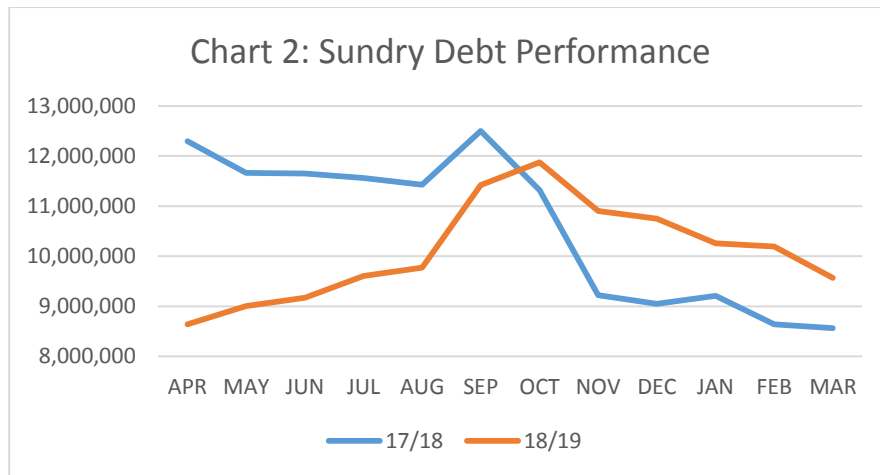
- 1.1. The cumulative position on prompt payment of invoices as at 31 March 2019 was 83.9% which is 1.4% above the previous year's performance of 82.5%. The performance for 2018/19 is shown alongside the equivalent 2017/18 figures in chart 1.
- 1.2. Within the last financial year the Agresso system has been developed to drive improved compliance to the Council's 'no PO, no pay' policy. At the same time, closer alignment to the procurement system has been achieved which will further support the on-boarding process for suppliers.



- 1.3. In 2018/19 a total of 66,406 invoices were paid, of which 55,785 were paid within 30 days. The total value of payments made was £331.3m of which:
- £328.6m was by BACS
 - £2.0m by cheque (763 payments)
 - £0.757m by CHAPS
- (99.4% of the total payments were made electronically (BACS and CHAPS), which equates to 98.3% of invoices being paid electronically).

2. Sundry Debt Performance

- 2.1. The total outstanding sundry debt in excess of 6 months old (as at 31 March 2019) was £9.6m in total and is set out in Chart 2 (alongside the comparative figures for 2017/18). Of this £9.6m figure, a total of £6.0m, or 63%, was in respect of the NHS/CCG debt (these latter figures are up by £1.1m, or 6% from the previous year).

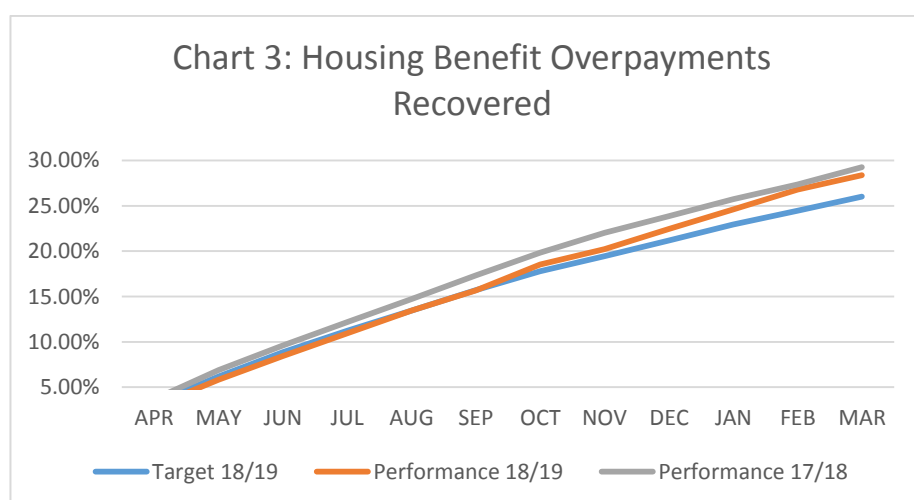


2.2. The top 20 debts owed to the Council at 31 March 2019, and which were more than 30 days old, totalled £14.5m of which £9.5m were for the NHS/CCG. A review of the end-to-end sundry debt recovery process is ongoing. One of the key outcomes of this will be the introduction of more control at the billing stage to improve accuracy and ensure evidence is in place to support latter stage recovery action (should it be required). Closer working between Serco's Accounts Receivable team, and council directorates continues to be positively developed.

2.3. In 2018/19 a total of £68.5m was raised, whilst £56.2m was collected (across all years). The difference between the two being £6.6m, which was not yet due, credit notes of £4.58m and write-offs of £0.8m. The two 'aged debt' projects continue to go well. At the end of 2018/19, a total of £0.325m had been collected across the two initiatives.

3. Housing Benefit Overpayments

3.1. Chart 3 shows the total amount of housing benefit overpayments recovered against the cumulative target rate set for 2018/19 (and the 2017/18 figures).



3.2. Housing benefit overpayment collection as at the 31 March 2019 was 28.38% which is above the target of 26.0% but 0.87% lower than the figure for March 2018 (29.25%). The amount of

debt carried forward from 2017/18 was just over £8m (£1m higher than 2016/17) and the amount of newly identified debt was £1.8m lower. As a result the age profile of the debt was much older.

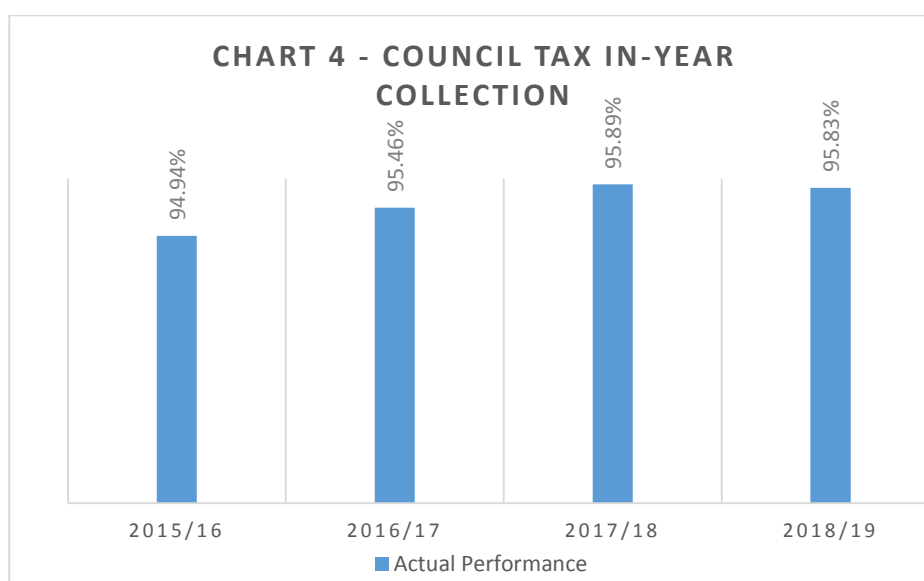
3.3. Overall overpayments are reducing for a number of reasons, the main ones being that:

- a) Benefits processing is significantly more up to date than it has been historically, leading to fewer overpayments caused by delays in processing;
- b) Recent data matching of earnings with DWP and HMRC has led to claims being more promptly updated when changes occur; and
- c) Universal credit is reducing the caseload of Housing Benefit claims. The reduction in identification of new debt is of overall benefit to the council, but does mean the achievement of the KPI becomes increasingly difficult.

3.4. Further resource has been assigned to the oldest debt in 2018/19. An additional £0.345m has been collected as a result, and this will continue into 2019/20.

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 2019 was 95.83%, which is 0.06% less than the amount collected by this stage in 2017/18.

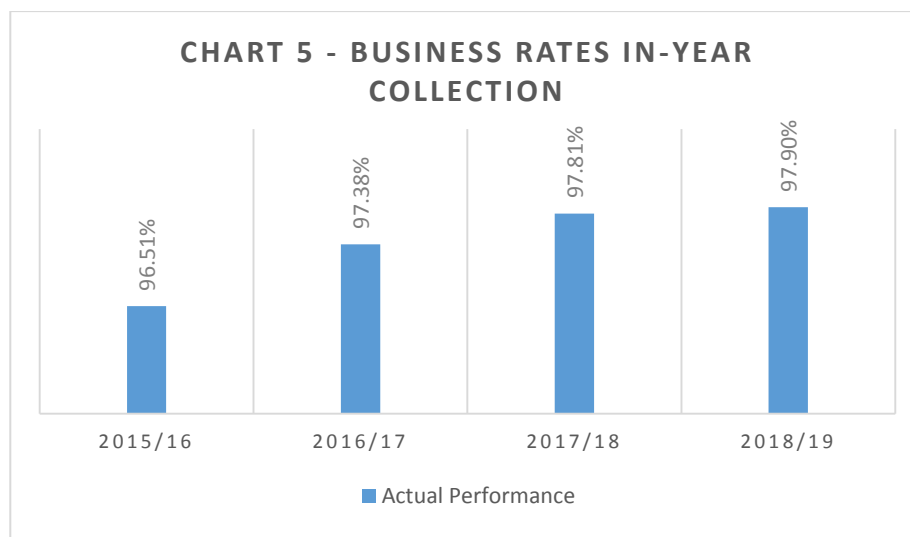


4.2. The amount of Council Tax arrears collected by the 31 March 2019 was 15.76%, achieved against a target of 14.31%. The arrears performance has benefited from the continuation of stringent recovery action during 2018, including the utilisation of enforcement agents where appropriate.

4.3. Administration of the Council Tax Support scheme continues to be challenging, affecting overall council tax collection rates. The continued roll out of Universal Credit is further adversely affecting collection due to the multiple changes incurred throughout the year, delaying recovery of the remaining debt. Changes have been made to the scheme in 2019/20 to reduce expenditure (forecast to be approximately £0.300m), although this will increase pressure on

recovery. A further review is planned during 2019 for 2020/21 and beyond, to modernise the scheme, reduce administration costs and simplify the scheme for claimants.

- 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 2019 was 97.9%, which is 0.1% above the target set and an increase of 0.09% compared with 2017/18.



- 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 2018/19 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 33.53% during 2018/19 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 £600k higher than anticipated.