

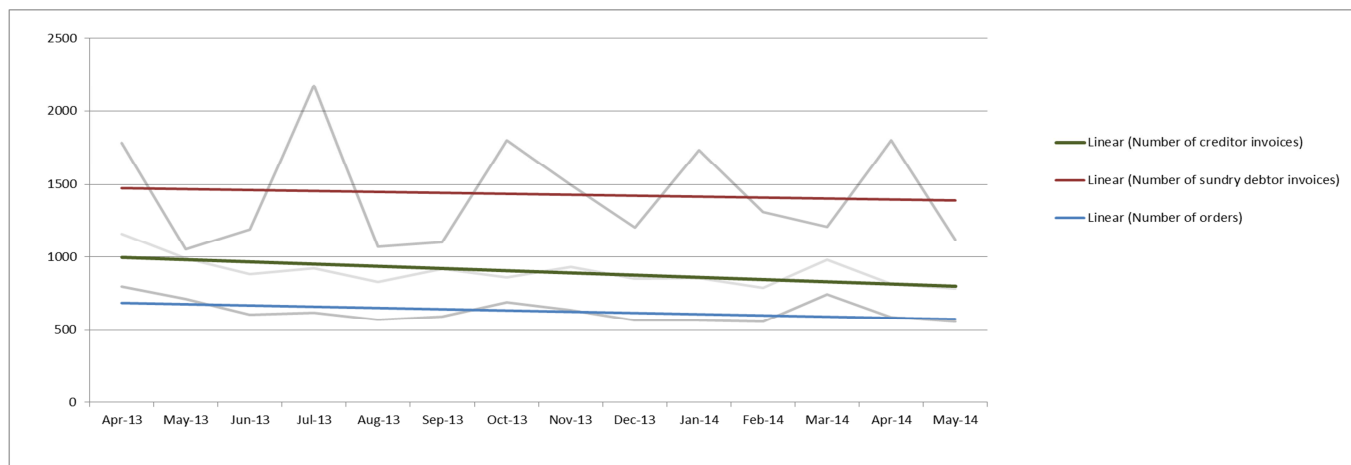
FINANCE

Portfolio Holder Statement Update

1. What have the measures in the Portfolio Holder Statement been telling you about how things are going in service during 2013/14?

Transaction Review

Finance is working with all service areas to seek to reduce the number of financial transactions (numbers of suppliers, orders, invoices, payments). These are depicted below:-



Initiatives undertaken include:-

- Seeking to set up a "procurement card" to improve manage of small value spend, in place of current credit cards (implemented May 2014).
- Setting up corporate contracts to seek to include all Council spend
- Working with suppliers to provide "amalgamated" orders.
- Help to officers in raising orders effectively, eg pro-actively raising annual orders.
- All creditor invoices to be processed by FSTeam. Work on-going with Housing & Property Services to migrate their invoices.
- Training on "orders" for all uses of the Financial Management system.

2. Which measures have been of particular interest or concern during the period and what have you learnt about your systems from these measures?

Business Rates Retention

The Business Rates base as reflected in the total rateable value has been very closely monitored during the year.

	Business Rate Growth (difference in RV from April 1st) 01/04/13 - 163,334,898
30/04/2013	-42,950
31/05/2013	1,803,415
30/06/2013	2,006,440
31/07/2013	2,485,400
31/08/2013	2,376,715

30/09/2013	2,534,715
31/10/2013	2,490,535
30/11/2013	2,613,990
31/12/2013	2,460,340
31/01/2014	2,525,307
28/02/2014	2,582,407
31/03/2014	2,520,913

It can be seen that there has continued to be steady growth throughout the year (the significant increase in May is due to a new superstore opening with an RV of over £1.6m). Despite this increase in RV, the debit has not grown at the same rate. This is largely due to back dated appeals continuing to be settled. Within the original Business Rates Settlement at the start of the new BRR system from April 2013, DCLG allowed for 5% nationally of backdated appeals (approximately £3m for WDC). Recent analysis towards the end of 2013/14 has shown that the value appeals likely to be settled may still cost £6m (the majority of this in relation to back-dating). This means that the Council will not get the full benefit from the increase in RV as the increased debit is initially having to be used to pay for the back-dating.

The situation is continuing to be closely monitored. More details on the impact of BRR on the Council's overall financial position will be included within the July Budget Review report.

3. What have you done to date as a result of learning from these measures?

Council Tax

The average time taken to process Council Tax correspondence has been far higher than in previous years, with high numbers of correspondence awaiting processing. The figures for 2013/14 are shown below.

	Days to process Council Tax correspondence	Numbers of correspondence in queue
30/04/2013	25 Days	2,788
31/05/2013	24 Days	2,349
30/06/2013	26 Days	2,737
31/07/2013	24 Days	3,080
31/08/2013	32 Days	3,367
30/09/2013	37 Days	2,966
31/10/2013	39 Days	3,095
30/11/2013	27 Days	2,696
31/12/2013	25 Days	2,041
31/01/2014	20 Days	1,753
28/02/2014	20 Days	1,826
31/03/2014	32 Days	3,362

These increases are due to staff shortages continuing throughout the year and the changes in selected council tax discounts (generating more correspondence). Actions taken to reduce the work outstanding include:-

- New generic job descriptions for “revenues officers” allowing them to work on council tax and business rates.
- Overtime working (including Saturdays).
- Working at front and back end of correspondence queue.
- Use of staff from FSTeam.
- Additional temporary staff resource to work on “national fraud initiative” cases looking at single person discounts, and also providing general support.

The situation is being very tightly monitored with all staff totally committed to reducing the backlog.

Collection Rates

The collection rates (based on total due for the whole year) for the year were:-

Council Tax 98.5% (98.7% for 2012/13)

Business Rates 98.7% (98.5% for 2012/13)

Whilst the council tax collection rate is slightly down compared to 2012/13, it is better than was predicted from monitoring during the year (when both CT and BR collection rates were down). These collection rates continue to be within the best in the country. The efforts taken to reduce the backlog in council tax correspondence are believed to have helped improve upon the collection rates.

4. What has been the impact of what you have done to date?

Budget Review

The Budget Review process has continued throughout the year, with regular reports to SMT and the Executive. Following the Final Accounts, the final overall General Fund variances were compared to the Original Estimate (rather than just the latest budget), for the last 4 years. Compared to the original budget there have been substantial underspends in recent years as shown below:-

- 2010/11 £1.541m
- 2011/12 £0.333m
- 2012/13 £0.520m
- 2013-14 £1.438m

The initial analysis of these variances has shown that in the earlier years, there were far more substantial variances on expenditure budgets driving the overall underspend. This has reflected expenditure budgets now being far tighter as any slack has been reduced, Service “Re-designs” during the year reducing budgets and budget managers continuing to seek to make savings.

Conversely, the net underspend in later years has primarily been driven by increased income. 4 years ago, the country was still in recession. This was significantly impacting upon some of the Council’s income streams (eg car park income, planning fees, investment returns). As the Country has come out of recession, some of these income streams have improved, generating income above that originally budgeted for.

This analysis is continuing to be carefully studied to confirm to what extent future budgets need to be realigned, noting the need to be caution.

5. What else do you plan to do as a result of learning from these measures?

The measures have been refined as part of the 2014/15 Service Delivery Plan to make sure they are easily understandable, relevant and can be collated without excessive work. This has entailed some system development work to be carried out. This should ensure that the measures will be shared and utilised by all teams within Finance.

6. Of your key projects (as identified in your portfolio holder statement) how many are on track in line with the original milestones? Of those that are not on track please indicate what the revised dates are.

Project	Progress	Original milestones	Revised milestones
Council Tax Reduction – amend scheme for 2014/15	New scheme introduced from April 2014.	December 2013 Council to agree scheme.	
Welfare Reforms – manage impact and prepare for Universal Credit	Lack of detail from central government and uncertainty how UC will be rolled out is delaying any detailed preparation. Benefits staff have received training on UC.	On-going	
Business Rates Retention – monitor and ensure all businesses are being correctly rated	Work on-going to plan – see earlier comments.	On-going	
Budget Review – continue review, review process in light of 2012/13 outturn	Review on-going. 2013/14 Outturn being analysed. Changes to be implemented in 2014/15.	Review to be completed by July 2013	Changes to be implemented by September 2014

APPENDIX D

Project	Progress	Original milestones	Revised milestones
Implementation of Income Management "On Line Returns" module	Delays with supplier and required software upgrade are delaying project. Supplier has now committed to commence in July 2014.	October 2013 target Live Date	September 2014 target live and rollout date.
Council Tax Penalty – introduction following April 2013 Executive approval	Project progressing to plan.	Charging in place from November 2013	Charging in place from December 2013
Transactional Review – continue to seek to reduce transaction numbers and increase overall efficiency	Various initiatives during the year to streamline transaction processing. All creditor invoices now processed by FSTeam.	On-going	
Risk Management Strategy – continue to promote good risk management in line with Strategy and Action Plan	Annual report presented to Finance & Audit October. Risk Registers receiving much consideration by F&A and officers. RM training for Senior Officers March 2014.	On-going	
Code of Financial Practice – officer training	Suitable E-Training module acquired and tailored to WDC.	Rollout Autumn 2013	Rollout early 2014/15
Finance Staffing/Workforce Planning	Consideration being given to workforce planning in light of all known and proposed changes.	On-going	
Review Housing & Property Accountancy support	Discussions delayed in absence of Head of H&PS.	On-going	December 2014

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Project	Progress	Original milestones	Revised milestones
Review Discretionary Budget and implement reductions from 2014/15	Selected discretionary budgets being reduced from 2014/15. In addition, all non-contractual supplies/services budgets being reduced by 2.5% per annum over 4 years. Finance worked with Service Areas to seek to ensure these budget reductions are achievable; and were included in 2014/15 Base Budget. Future monitoring as part of Budget Review.	December 2013	
Sign up to new Procurement Card and associated support system	Interim Procurement Manager prepared feasibility report. Procurement Cards now issued.	On-going	May 2014
Consider impact of Public Sector Internal Audit Standards	Internal Audit & Risk Manager studying requirements so as to report to F&A.		Report to November F&A
Assist local suppliers to tender for Council contracts.	New procurement software in place, enabling suppliers to tender for WDC contracts along with other neighbouring council contracts. Event recently held for local suppliers interested in tendering for catering contract.	On-going	

7. Does your Service Area Plan/Portfolio Holder Statement need to be amended? If so, please describe the changes.

Milestones to be amended as in section 6.

8. Customer Measures

The Customer Measures included in the Service Plan that have been used during the year are shown overleaf.

Customer Measures – those important to the people/organisations who use our services												
Note : these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change												
	04	05	06	07	08	09	10	11	12	01	02	03
Accurate and timely processing of Benefit claims (days)	22	24	22	23	22	20	19	20	26	24	24	24
Prompt payment of invoices within agreed payment terms	96.9 %	96.1 %	98.8 %	97.8 %	96.9 %	98.9 %	99.1 %	95.0 %	99.7 %	94.3 %	98.2%	99.3 %
Unqualified audit statement on Statement of Accounts						Yes						
Efficient and timely CT processing (days)	25	24	26	24	32	37	39	27	25	20	20	32
Efficient processing of change of circumstances (days)	11	10	10	8	7	4	5	4	7	6	6	6
Number of Benefits/Revenues calls to Customer Service Centre	5,112	4,401	3,728	4,534	3,972	4,006	3,904	3,623	3,447	4,640	4,082	5,908

