

BUSINESS PLAN MONITORING STATEMENT FOR THE FINANCE BUSINESS UNIT

FOR THE PERIOD APRIL 2005 TO JULY 2005

KEY MESSAGES

1. The unit has been involved in and delivered a number of significant pieces of work during the first quarter of the financial year, namely:

- Going live on the new financial system
- Completing the production of the Statement of Accounts
- Completing the Statement of Internal Controls analysis
- Managing the introduction of new performance targets for the benefits service

During that time performance across the unit has continued to be good.

2. The summary of KPI performance is as follows:

	CURRENT POSITION	FORECAST OUTTURN
Number of Green KPI's	8	19
Number of Blue KPI's	2	1
Number of Red KPI's	0	0
Number of KPI's not yet measured (year end)	10	0

3. The table shows that all the indicators, other than annual indicators are either above target or improved since the last financial year. The targets performing better than expected are in relation to either the speed and accuracy of processing benefit claims or the collection of Council Tax and NNER. Whilst the % of invoices paid within 30 days has surpassed last years performance and it is moving towards its year end target, it is not yet clear whether the target will be met. However we are able to monitor and manage this indicator for the first time since the introduction of the new financial system and we will continue to try and improve performance levels now and to the end of the year.

BUDGET UPDATE

4. The latest budget projections suggest that outturn will be less than the cash budget by £32,000, a summary of the position at July 2005 is shown below.

	£'000
Cash budget	1,195
Forecast outturn	
Net employee cost savings	(52)
Audit and inspection fees	(13)
Supplies and services	13
Reduced external contributions	20
Forecast outturn	1,163
Forecast underspend	(32)

PERFORMANCE AGAINST UNIT KEY PERFORMANCE INDICATORS

Indicator Description	Target 2005/06	Performance at 30 June 2005	Comments
Unit sickness absence	YTD 2.57%	1.29%	
Treasury management return	104% LIBID	94%	The amount of cash available to invest has reduced significantly in the first quarter of the year. Subsequently achieving good rates is proving illusive
Financial management monitoring	100%	66%	Capital monitoring report not produced due to power cuts in office
% budget spend year end forecast	100%	97.3%	Forecast is for spending to be slightly below targets
Audit reports issues on time	78%	75%	Mobile phone report required some redrafting
Group / individuals given funding support	5.75%	N/M	Funding Officer on maternity leave
% Capital annual budget committed	35%	34%	Target measured to September as first quarter figures not available
% of monetary saving made Gershon efficiencies	100%	N/M	

6. The table above shows that sickness absence remains low. With regard to the other items that are below the target figures, explanations are summarised in the comments field.

SERVICE DEVELOPMENTS

7. The key service development during the period has been the introduction of the new financial system. As well as introducing the new system a number of key processes have also been reengineered to ensure that the efficiencies factored into the Council's base budget are delivered. On top of the efficiencies a number of key improvements have been made, particularly in terms of the customer, examples of these include:

- The ability to track invoices
- Payment to supplier by BACS and emails of remittance advices
- Daily rather than weekly payments
- The procure to pay process is now predominantly paperless

Further developments and improvements in relation to the technology and customer service are currently ongoing.

Gary Hall
Director of Finance