

FINANCIAL MANAGEMENT PERFORMANCE INDICATORS

The indicators below are used by the Authority to measure key elements of the financial management and financial standing of the County Council.

These indicators supplement information presented to members of the key financial processes of budget and capital monitoring, budget setting and outturn reporting.

Overall performance shows actual performance for 8 out of 10 of the indicators being at or above the target. The accuracy of budget monitoring target was affected by a number of year end adjustments.

Budget & Capital Programme

| Aim of indicator | Indicator | Target | Current Performance | | Notes |
|--------------------------------|---|---------------|----------------------------|---|---|
| Accuracy of budget | Outturn divided by budget | 98.5% | 97.5% | ☹ | Slightly below target |
| Delivery of capital programme | Outturn divided by capital resources | 90.0% | 94% | ☺ | Above target. Slippage is mostly on Community Services and Adult Social Care Projects |
| Accuracy of budget monitoring | November forecast divided by outturn | 99.3% | 98.4% | ☹ | Increased underspends in most departments. Also impacted upon by PCT financial recovery plan and LAA. |
| Accuracy of capital monitoring | Capital programme resources divided by capital outturn. | 95% | 97% | ☺ | Above target |

Exchequer

| Aim of indicator | Indicator | Target | Current performance | | Notes |
|------------------------------------|--|---------------|----------------------------|---|--|
| Speed with which invoices are paid | Percentages of undisputed invoices for commercial goods and services that were paid within 30 days | 92% | 93% | ☺ | This is a significant improvement on 2005/06 which had an actual performance of 88%. |
| Effectiveness of debt recovery | Receivables – The value of debts aged over 42 days (excluding Adult Social Care) should not exceed 3.5% of the total value of debts raised in the previous 12 months | 3.5% | 3.1% | ☺ | Above target |
| | Receivables – The value of residential debts (excluding secured debt) aged over 42 days should not exceed | 4.3% | 4.2% | ☺ | Above target |

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|--|--|------|------|---|--------------|
| | 4.3% of the total value of debts raised in the previous 12 months | | | | |
| | Receivables – The value of home care debt aged over 42 days should not exceed 3.9% of the total value of debts raised in the previous 12 months. | 3.9% | 2.5% | ☺ | Above target |

Payroll

| Aim of indicator | Indicator | Target | Current performance | | Notes |
|----------------------------------|-----------------------------|---------------|----------------------------|---|--------------|
| Effectiveness of payroll service | Percentage of deadlines met | 100% | 100% | ☺ | Target |

Audit

| Aim of indicator | Indicator | Target | Current performance | | Notes |
|----------------------------------|---|---------------|----------------------------|---|--------------|
| Measure performance against plan | Number of planned audits undertaken divided by the number in the plan | 90% | 91% | ☺ | Above target |

In 2007/8 the performance targets will be unchanged except for the delivery of the capital programme which will be increased from 90% to 95%.

LOCAL AREA AGREEMENT 2006/7 OUTTURN

1. The year end position is reported below.
2. There are four separate funding streams for the LAA:
 - Pooled funding of £9.4m. This relates to former specific grants that are now pooled within the LAA. The Communities and Local Government department is operating a 5% limit on the carry forward of under spends on this element of the LAA.
 - Funding for the achievement of reward targets of £2.7m over the three years of the LAA. This is partly funded from LAA pump priming grant of £1.3m and the balance of £1.4m will be met from anticipated reward funding. In 2006/7 the budgeted expenditure is £1m.
 - Funding for the achievement of non-reward targets of £593,000. This is funded from a County Council cash contribution of £250,000, partner cash contributions of £100,000 and in kind partner contributions of £243,000.
 - In addition funding has also been aligned to the LAA. This is not monitored as part of the LAA.

Pooled Funding

3. an overall under spend of £0.47m is forecast. This is higher than the £0.27m anticipated at the six monthly reviews. This increase is mainly a result of the under spend on the Children's Fund.

4. The key variations are:

Children and Young People (CYP) (£8.3m budget - provisional under spend of £0.36m).

- Under spend (£0.2m) arising from reconfiguration of the early year's service and slower than anticipated progress with the Children's Centre programme.
- The majority of the Children's Fund under spend of £150,000 was planned to meet commitments in 2007/8.

Safer and Stronger Communities Block (£0.86m revenue and £0.22m capital budget).

- Revenue underspend (£28,000) mainly due to slippage in staff recruitment.
- Capital underspend of £86,000 as a result of slower than anticipated expenditure on CCTV schemes.

5. Overall the pooled underspend is just under the 5% limit imposed on carry forwards by the Communities and Local Government Department. To achieve this outcome, following consultation with GOEM, CYP pooled funding has been used flexibly within LAA funding rules.

Reward and Non Reward Funding

6. Overall an underspend of £0.34m is anticipated on reward funding and £82,000 on non reward funding. This mostly relates to slippage in recruitment.