

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	30th AUGUST 2018	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) kevin.stackhouse@south-derbys.gov.uk	DOC: s/finance/committee/2018-19/Aug 18
SUBJECT:	BUDGET and FINANCIAL MONITORING 2018/19	REF
WARD (S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendation

- 1.1 That the latest budget and financial position for 2018/19 as detailed in the report is considered and approved.

2.0 Purpose of the Report

- 2.1 To provide progress on performance against budgets for the financial year 2018/19.
- 2.2 Where applicable, the effects upon the Medium-Term Financial Plan (MTFP) are also noted.
- 2.3 The report details performance up to 30th June 2018 (unless stated otherwise) and is effectively the 1st quarter's update of income and expenditure for 2018/19.
- 2.4 The report covers:
- General Fund Income and Expenditure
 - Collection Fund
 - Housing Revenue Account
 - Capital Expenditure and Financing
 - Financial Performance Indicators

3.0 Detail

GENERAL FUND REVENUE ACCOUNT

- 3.1 Apart from Council Housing, day-to-day revenue income and expenditure on Council services is accounted for through the General Fund. The Net Expenditure is financed from the Council's Core Spending Power which contains:
- General Government Grant
 - Retained Business Rates
 - New Homes Bonus
 - Council Tax

- 3.2 The Base Budget for 2018/19, which was approved by the Council in February 2018, estimated a budget deficit of £161,270 for 2018/19. This was then updated for the increased budget for Rosliston Forestry Centre, additional grant income for Sharpes Pottery and an additional post in Conducting Elections to £237,006 as summarised in the following table.

£	
Base Budget	11,966,973
Reverse out Depreciation	-871,666
Minimum / Voluntary Revenue Provisions	336,860
Contingent Sums	592,967
Total Estimated Spend	12,025,134
Financing	-11,788,128
Estimated Deficit	237,006

Position as at June 2018

- 3.3 A summary of the position to date and the projected position for the year compared to the Base Budget for each Policy Committee is shown in the following table.

Budget Monitoring - June					
Summary by Policy Committee					
COMMITTEE	ANNUAL			RESERVES	
	BUDGET	PROJECTED ACTUAL	PROJECTED VARIANCE	EARMARKED	NET EFFECT ON GF
	£	£	£	£	£
Environmental and Development	4,292,902	4,248,501	(44,401)	(83,997)	39,595
Housing & Community	2,634,256	2,517,977	(116,279)	(117,269)	990
Finance & Management	5,039,814	4,429,806	(610,008)	(590,093)	(19,915)
TOTAL	11,966,973	11,196,284	(770,688)	(791,359)	20,670

- 3.4 Although the above table shows that projected net expenditure is £770,688 lower than the base budget, approximately £791k is due to grant income, external contributions and receipts received from developers under Section 106 agreements, for on-going projects and capital schemes which stretch beyond the current year 2018/19. This funding is transferred to specific reserves and drawn-down to finance expenditure when it is incurred.
- 3.5 Excluding transfers to earmarked reserves, the above table shows that based on current spending, there is a projected increase in overall net expenditure across General Fund Services of approximately £21k compared to the base budget for the year.
- 3.6 An analysis by main service area is shown in the following table.

Budget Monitoring - June

Summary by Main Service Area

MAIN SERVICE AREA	BUDGET			RESERVES	
	BUDGET	PROJECTED ACTUAL	PROJECTED VARIANCE	EARMARKED	NET EFFECT ON GF
	£	£	£	£	£
Economic Development	250,734	246,213	(4,521)	0	(4,521)
Environmental Services	514,570	488,141	(26,429)	0	(26,429)
Highways	44,548	46,680	2,131	0	2,131
Licensing and Land Charges	(2,925)	(12,379)	(9,454)	0	(9,454)
Planning	544,881	512,841	(32,040)	(32,955)	915
Town Centre	95,137	95,136	(0)	0	(0)
Waste Collection & Street Cleansing	2,149,087	2,239,942	90,855	10,000	80,855
Environmental Education	78,505	17,464	(61,042)	(61,042)	0
Central & Departmental Accounts	618,365	614,464	(3,901)	0	(3,901)
Community Development and Support	570,776	580,561	9,786	(3,066)	12,852
Leisure and Recreational Activities	188,054	185,568	(2,487)	(925)	(1,562)
Leisure Centres and Community Facilities	563,872	508,366	(55,506)	(56,084)	578
Parks and Open Spaces	889,563	899,456	9,893	17,573	(7,680)
Private Sector Housing	421,991	344,026	(77,965)	(74,766)	(3,199)
Central and Departmental Accounts	3,256,411	3,237,225	(19,186)	10,743	(29,929)
Revenues and Benefits	495,568	533,842	38,274	11,954	26,320
Electoral Registration	206,992	206,991	(0)	0	(0)
Corporate and Democratic Costs	567,571	568,245	674	0	674
Payments to Parish Councils	359,832	359,752	(80)	0	(80)
Concessionary Travel	0	(225)	(225)	0	(225)
Property and Estates	(166,557)	(178,633)	(12,076)	0	(12,076)
Pensions, Grants, Interest and Receipts	319,998	(297,391)	(617,389)	(612,791)	(4,598)
TOTAL	11,966,973	11,196,284	(770,688)	(791,359)	20,670

Overview of Spending to date

3.7 The main reasons for the projected variance at this stage, is shown in the following table.

	£'000
Salary savings (vacancies, maternity etc.) - E&D	-96
Salary savings (vacancies, maternity etc.) - F&M	-84
Salary savings (vacancies, maternity etc.) - H&C	-33
Increased Environmental Health Income	-14
Lettings from Industrial and Commercial Units	-12
Increased Personal Searches Fee Income	-8
External Legal Support	7
Markets Additional Costs	7
Tree & Sewer Works Unbudgeted	11
Building Control and Street Naming Income	11
Revenues and Benefits System Upgrades	14
NNDR Rateable Value Finder Fee	23

DMA Review Costs	25
Reduced Planning Fee Income	30
Vehicle Hire	35
Reduced Income Household Waste	37
Agency and Consultancy Costs	68
TOTAL - OVERALL PROJECTED VARIANCE	<u>21</u>

3.8 Budget savings are currently being made from vacant posts although these savings are partially offset by agency and consultancy costs to support service areas.

3.9 Planning, Building Control and Street Naming income are all lower than anticipated in the first quarter. This is reported as adverse for year-end but it is expected that the slow start to the year will pick up during the second quarter.

3.10 Household Waste is expected to be adverse on income by year-end due to a lower than expected final income receipt for 2017/18 from County Council.

3.11 Costs incurred using external resource to review the Council's management structure under the Decision Making Accountability (DMA) principle has been reported previously and can be absorbed within contingent sums set-aside within the MTFP.

3.12 The other main variance is the cost of vehicle hire which is due to growth of the District plus an aging vehicle fleet. Growth expenditure can be absorbed within contingent sums and new vehicles have been ordered.

Other Variances

3.13 Issues with Markets are still in negotiation and the outcome will be reported once settlements of the concerns are agreed.

3.14 The cost of employing an external company to source rateable value on businesses not currently on the Council's revenues system will result in costs in year which will be offset by the additional income generated through NNDR.

3.15 Increases on Industrial Unit income is due to a reduction in void properties and is expected to be a favourable variance by year-end.

3.16 Tree works on cemeteries and sewer works to help with the prevention of flooding were unbudgeted at the level incurred to date but were necessary to complete.

Contingent Sums

3.17 The following sums have been provided in the base budget but not allocated to specific budgets.

Pay and Grading review	10,000
Waste Collection and Recycling	100,000
Growth	314,522
Leadership Restructure Saving	92,000
Other Contingent Sums	76,445
Total	<u>592,967</u>

3.18 The other contingent sums relate to:

- Under utilised provision for the Pay Award agreed after the MTFP was reported in February (£26k)
- Provisions for the Apprenticeship Levy (£29k), implementation of the National Living Wage (£11k) and potential “off-payroll” payments (£10k)

Provisions

3.19 The following provisions were made in the Council’s accounts in 2017/18 for liabilities due in 2018/19.

	£
Planning appeals	108,000
Redundancy	63,811
Total Provisions	<u>171,811</u>

3.20 The provision for the redundancy has been settled and paid during the first quarter of 2018/19. Final costs for the provision for planning appeals are still to be determined.

Core Grants and Funding

3.21 The Council’s central funding, besides Retained Business Rates, is fixed for the year as shown in the following table.

Core Grants and Funding 2018/19		£
Council Tax		5,169,145
Retained Business Rates		3,813,010
Discretionary Business Rates Relief Scheme		49,000
New Homes Bonus		2,701,973
Collection Fund Surplus		55,000
Total Funding		<u>11,788,128</u>

3.22 The final amount for Business Rates will depend upon income and expenditure during the year, including any return from the Derbyshire 100% Business Rates Pilot.

3.23 As previously reported, Derbyshire was selected to be part of a 100% Business Rates Pilot for 2018/19. As part of the proposal, funding from Revenue Support Grant (RSG) of £338k was removed to be replaced by additional revenue retained through Business Rates.

3.24 The MTFP reported in February 2018 included the RSG and Business Rates as reported in October 2017 due to final detail of the 100% Business Rates Pilot still being under review at that stage.

- 3.25 For the purposes of this report and for clarity, RSG has been included within the Retained Business Rates figure in the above table.
- 3.26 The latest projection regarding Business Rates is detailed below and shows an anticipated increase of £1m revenue which has previously been reported.

	Estimate £'000	Projection £'000
Approved Precept	10,120	13,338
Revenue Support Grant	338	0
Tariff paid to Derby City Council	-6,393	-8,242
S31 Grants - Business Rates Relief	371	0
Payment of Levy to Derbyshire Pool	-967	0
Share of growth returned from the Pool	629	0
Business Rates surplus / deficit (-) 2018/19	-285	-363
Net amount received in retention system	3,813	4,733
Declared deficit 2017/18	-306	-306
Reversal of deficit 2018/19	285	363
Total Business Rates Retained	3,792	4,790

THE COLLECTION FUND

- 3.27 The Collection Fund is the statutory account that records the collection of Council Tax and Business Rates and shows how that income has been distributed to the Government and Preceptors on the Fund, including this Council.
- 3.28 Any surplus or deficit on the Fund is transferred to the General Funds of the Preceptors, in proportion to precepts levied each year. The projected position on the Fund for 2018/19, based on transactions up to 30th June 2018, is detailed in **Appendix 1**.
- 3.29 This shows that the projected surplus balance on Council Tax is approximately £1,701k, with a projected deficit balance of approximately £154k on Business Rates.

Council Tax

- 3.30 The projected balance at the year-end is approximately £1,701k compared to the budget estimate of £1,453k. This is due to the continuing increase in the tax base (number of properties).
- 3.31 The budget was based on a Tax Base of 32,467 Band D equivalent properties (after exemptions and discounts) with the total number of dwellings on the valuation list numbering 42,994. At the end of June 2018, the actual Tax Base amounted to 33,445 (+ 978) with the overall number of properties at 43,718 (+ 724).
- 3.32 During the Budget Round for 2018/19, the Council declared a surplus on the Collection Fund of £500,000 and this is being paid to Preceptors in the current financial year as shown in Appendix 1. It is anticipated that income will continue to increase with further residential development.
- 3.33 The Precepts are fixed payments for the year. The only other variable is the provision for bad debts which is calculated at the year-end. Even allowing for any

further increase in the estimated amount, there will be a continuing surplus on Council Tax. The Council's share is approximately 11% and the amount available will be considered during the 2019/20 Budget Round.

Business Rates

- 3.34 The majority of appeals lodged by local businesses with the Valuation Office from the 2010 Valuation have now been settled. Large provisions are still required in the accounts for the remaining outstanding 2010 appeals plus any new appeals lodged after the 2017 Valuation.
- 3.35 The deficit on the Fund is being charged back to the General Funds of the Preceptors in 2018/19, 50% of this is met by the Council. The deficit is likely to be lower than forecast in 2018/19, although this will depend on the outcome of appeals and any additional appeals that may be lodged arising from the latest Valuation.
- 3.36 As Appendix 1 shows, receipts are currently lower than forecast but this is anticipated to rise during the second half of 2018/19 due to a growth in the Tax Base, together with increases arising from the 2017 Rating Valuation.
- 3.37 The Council's share of the projected Fund deficit in 2018/19 (at 50%) is approximately £363k (£726k * 50%).

HOUSING REVENUE ACCOUNT (HRA)

- 3.38 The Council is required to account separately for income and expenditure in providing Council Housing.
- 3.39 The approved HRA Budget for 2018/19 was set with an estimated surplus of £1,098k.
- 3.40 The position on the HRA as at June 2018 is summarised in the following table.

Summary HRA 2018/19	BUDGET	PROJECTED	PROJECTED
	ACTUAL	VARIANCE	
	£000	£000	£000
Total Income	-12,626	-12,623	3
Contribution to Capital & New Build	2,543	2,543	0
Responsive & Planned Maintenance	3,098	3,035	-63
Interest on Debt	1,798	1,798	0
Supervision & Management	1,891	1,882	-9
Supported Housing & Careline Services	783	771	-12
Provision for Bad Debts	100	100	0
Provision for Debt Repayment	1,211	1,211	0
Asset Replacement Contribution	45	45	0
Contingent Sums	59	59	0
Surplus	-1,098	-1,179	-81

- 3.41 The above table shows that overall the HRA is now projected to show an increased surplus of £1,179k which is £81k more than originally budgeted. The main variances are shown in the following table.

	£'000
Salary savings (vacancies, maternity etc.)	-64
Insurance Claim Settlement	-26
Additional Careline Income	-9
Vehicle Hire	5
Agency and Consultancy Staff	14
Other Variances (net)	-1
TOTAL - OVERALL PROJECTED VARIANCE	-81

3.42 The main variances are due to vacant posts partially offset by agency and consultants to support services.

3.43 An insurance claim for a Council house fire in Melbourne during 2017/18 has now been settled. The costs of the fire were incurred in last financial year.

CAPITAL EXPENDITURE and FINANCING 2018/19

3.44 The Capital Programme for 2018/19 was approved by the Committee in February 2018. This has been updated following the budget out-turn in 2017/18 to reflect expenditure and funding carried forward from that year.

3.45 Progress in 2018/19 across the main projects and schemes in the updated programme is shown in the following table.

Capital Spending 2018/19 (as at June 2018)	Approved Budget £	B/fwd 2017/18 £	Updated Budget 2018/19 £	Spend to-date £
Council House Capital Works	2,118,000	0	2,118,000	283,522
New Build Schemes	751,513	0	751,513	495
Private Sector Housing Works	946,000	792,553	1,738,553	-60,974
Environmental and Heritage Schemes	268,948	-8,843	260,105	18,632
Swadlincote Woodlands Nature Reserve	37,000	0	37,000	0
Rosliston Forestry Centre - Play Project	130,000	0	130,000	0
Community Partnership Scheme	250,000	25,988	275,988	10,000
Eureka Park	0	0	0	16,223
Town Hall Windows	0	0	0	15,076
Vehicle Replacements	633,040	614,866	1,247,906	708,322
Depot Relocation	0	0	0	45,764
Property Maintenance, Development and Refurbishment	130,000	89,732	219,732	0
Total	5,264,501	1,514,296	6,778,797	1,037,060

Council House Capital Works and New Build Schemes

3.46 Major improvement works are currently under review and new tenders are required. Updates to the programme of works are to be reported later in the year. There is likely to be an underspend in this area in 2018/19 to carry forward into 2019/20.

3.47 The final New Build project at Lullington Road is still in the early stages and has a funding agreement in place with the Housing and Communities Agency. This project is to be picked up by the Strategic Housing Manager over the coming months with starts on site forecast in quarter 2.

Private Sector Housing Works

- 3.48 Income received from the Better Care Fund (BCF) in previous years has been carried forward awaiting approval of future schemes. The BCF Board have now approved projects and these have been reported to Housing & Community Services Committee in June 2018.
- 3.49 Expenditure on Disabled Facilities Grants are included within the BCF allocation and the capital programme will be updated in quarter 2 to show all approved schemes.

Environmental and Heritage Schemes

- 3.50 This relates to the Swadlincote Town Centre Scheme following the award of funding in 2016/17.
- 3.51 The scheme is progressing well with a number of the grant projects being undertaken over the summer months. This is the final year of the scheme and the full budget will be utilised during the year.

Leisure and Community Schemes

- 3.52 Match funding has been secured for the Swadlincote Woodlands Nature Reserve project and work is set to commence later in 2018/19.
- 3.53 The Rosliston Play Project is on hold until a full review of services at Rosliston Forestry Centre has been undertaken after the transfer back to the Council in April 2018. Any underspend will need to be carried forward into 2019/20.
- 3.54 The capital element of the Eureka Park project is now complete with final funding to be claimed from the HLF.
- 3.55 New windows for the Town Hall have been funded through revenue contributions and earmarked reserves alongside funding from the Swadlincote Heritage Town Centre Scheme.

Vehicle Replacements

- 3.56 Replacement of 8 refuse freighters has now been complete and 29 vans are on order with expected delivery in July.

Relocation of the Council Depot

- 3.57 The project was complete during 2017/18 with a final cost for network support being received in 2018/19. This cost can be contained within the contingency for provisional items and no further costs are expected to be incurred.

Housing Capital Receipts

- 3.58 There have been 11 council house sales up to 30th June 2018 as shown in the following table. The net amount retained of £679,400 has been transferred to the New Build Reserve

	Sales	Gross Receipts	Less Pooled	Retained	
	£	£	£	£	%
Quarter 1	11	757,300	-77,900	679,400	90%

3.59 There have been a further 2 sales since June making a total of 13 to-date in 2018/19.

General Capital Receipts

3.60 There has been one capital receipt in July 2018 of £290k for the Harworth collaboration and further sales of land at Staley Close and the old Depot site on Darklands Road are expected to generate receipts in 2018/19 of approximately £900k.

FINANCIAL and OTHER PERFORMANCE

3.61 In addition to the Corporate Plan, the Corporate Resources Directorate also maintain a set of key performance indicators to monitor the progress of its services. These indicators, although more operational, also relate back to the main aims in the Corporate Plan and are contained in the Directorate's Service Plan.

3.62 The indicators are maintained to ensure that each service area meets its intended outcomes and is a measure of its success. Several of the indicators are governed by statute. The targets are based on current benchmarks and are designed to improve on previous year's performance.

3.63 The indicators for 2018/19, together with progress to June 2018, are detailed in **Appendix 2**. Three indicators are currently behind target, Council Tax collection rate, Business Rates collection rate and FOI responses but they should be rectified over the remainder of the financial year.

Payments to Suppliers

3.64 Under the Public Contracts Regulations 2015, the Council is required to publish its speed in processing payments to suppliers. Under the Regulations, the Council should pay all undisputed invoices within 30-days of receipt.

3.65 Although there is no specific penalty if this regulation is not complied with, individual suppliers have the right, under Late Payments Legislation, to claim interest on late payments. The rate of interest is 8% above the prevailing Bank of England Base Rate (currently 0.75%).

3.66 Overall performance against this indicator is shown in Appendix 3. The Council's detailed performance in 2017/18, together with that to-date in 2018/19, is shown in the following tables.

	<u>No. of Invoices</u>	<u>No. Paid in 30 Days</u>	<u>% Paid in 30 days</u>	<u>No. Paid in 10 Days</u>	<u>% Paid in 10 days</u>
Apr-17	326	317	97.24%	223	68.40%
May-17	448	429	95.76%	313	69.87%
Jun-17	409	380	92.91%	289	70.66%
Jul-17	524	504	96.18%	320	61.07%
Aug-17	549	535	97.45%	381	69.40%
Sep-17	525	457	87.05%	351	66.86%
Oct-17	420	401	95.48%	266	63.33%
Nov-17	627	603	96.17%	464	74.00%

Dec-17	353	339	96.03%	199	56.37%
Jan-18	573	543	94.76%	373	65.10%
Feb-18	458	433	94.54%	324	70.74%
Mar-18	419	411	98.09%	318	75.89%
	5631	5352	95.05%	3821	67.86%

	<u>No. of Invoices</u>	<u>No. Paid in 30 Days</u>	<u>% Paid in 30 days</u>	<u>No. Paid in 10 Days</u>	<u>% Paid in 10 days</u>
Apr-18	383	373	97.39%	258	67.36%
May-18	513	496	96.69%	331	64.52%
Jun-18	468	459	98.08%	363	77.56%
	1364	1328	97.36%	952	69.79%

3.67 Standard benchmarks are 97.5% for all invoices to be paid within 30 days and 65% for 10-day payments. The Council did not receive any claims or make any payments for late interest in 2017/18 or to-date in 2018/19.

4.0 Financial Implications

4.1 As detailed in the report

5.0 Corporate Implications

5.1 None directly

6.0 Community Implications

6.1 None directly

7.0 Background Papers

7.1 None

APPENDIX 1

COLLECTION FUND MONITORING 2018/19 (as at 30th June 2018)

	Actual 2017/18	Estimated 2018/19	1st Qtr Projection 2018/19	Notes
	£'000	£'000	£'000	
COUNCIL TAX - INCOME & EXPENDITURE				
INCOME				
Council Tax Collectable	53,295	57,026	57,276	Estimated Increase in Tax Base and Precepts at 7%
EXPENDITURE				
County Council Precept	38,345	41,302	41,302	As approved by Full Council 26th Feb 2018
Police and Crime Commissioner Precept	5,715	6,253	6,253	As above
Fire and Rescue Authority Precept	2,297	2,426	2,426	As above
SDDC Precept	4,942	5,169	5,169	As above
SDDC Parish Precepts	756	773	773	As above
Increase in Bad Debts Provision	-68	570	573	Estimated at 1% of income
Total Expenditure	51,987	56,493	56,496	
Surplus for the Year	1,308	532	780	
COUNCIL TAX BALANCE				
Opening Balance 1st April	613	1,421	1,421	Per Final Accounts 2017/18
Share of Previous Surplus to County Council	-367	-367	-367	As approved by Full Council 26th Feb 2018
Share of Previous Surplus to Police	-56	-56	-56	As above
Share of Previous Surplus to Fire Authority	-22	-22	-22	As above
Share of Previous Surplus to SDDC	-55	-55	-55	As above
Surplus for Year (as above)	1,308	532	780	
Closing Balance as at 31st March	1,421	1,453	1,701	

BUSINESS RATES - INCOME & EXPENDITURE**INCOME**

Business Rates Collectable	24,457	26,635	25,761
Transitional Protection Payments	590	873	873
Total Income	25,047	27,508	26,634

Estimate as per NNDR1

EXPENDITURE

Central Government Precept	12,402	0	0
SDDC Precept	9,922	13,338	13,338
Derbyshire County Council Precept	2,232	13,071	13,071
Fire and Rescue Service Precept	248	267	267
Cost of Collection	91	91	91
Increase in Bad Debts Provision	145	266	258
Provision for Appeals	-428	473	335
Total Expenditure	24,612	27,506	27,360

Per NNDR1 Submission

As above

As above

As above

Estimated at 1% of income

Estimated at 1.3% of income (forecast is NNDR1)

Surplus / Deficit (-)

435	2	-726
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BUSINESS RATES BALANCE

Opening Balance 1st April	-1,339	-192	-192
Transfer of Previous Year's Surplus (-) / Deficit	356	382	382
Transfer of Previous Year's Surplus (-) / Deficit	285	306	306
Transfer of Previous Year's Surplus (-) / Deficit	64	69	69
Transfer of Previous Year's Surplus (-) / Deficit	7	7	7
Surplus / Deficit (-) for the Year as above	435	2	-726
Closing Balance as at 31st March	-192	574	-154

Per Final Accounts 2017/18

Per NNDR1 Submission

As above

As above

As above

Corporate Plan Aim	Measure	Annual target 2018/19	Performance as at June 2018
Maintain financial health	Deliver a balanced budget in accordance with the statutory timetable	Balanced budget agreed by the Council on 27 th February 2019	Not due until 2019
Maintain financial health	Produce regular budget monitoring information	Performance against budget reported to the Council on a quarterly basis	Completed
Maintain financial health	Through better procurement, generate budget savings directly or through supporting other services	Total cashable savings cover the costs of administration and management, estimated at £30,000 for 2018/19	Several tendering exercises currently on-going during the first quarter. No savings to report as yet
Maintain financial health	Collection of Council Tax	In-year Collection Rate of at least 98%	0.11% under target at Q1 but expected to be on target by year-end
Maintain financial health	Collection of Business Rates	In-year Collection Rate of at least 98%	1.13% under target due to Valuation Office adjustments to bills resulting in revised installment plans. Should be on-target by 3 rd quarter.
Maintain financial health	Housing Benefit Subsidy Local Authority Error Rate is below target threshold set by the DWP	Less than 0.48%	Not due until 2019
Maintain financial health	Arrears for Council Tax, Business Rates and Housing Benefit Overpayments	Reduction in the annual Provision for Bad Debts	Not due until 2019
Maintain financial health	Identification of Fraud	Value of fraud identified meets service costs of £35,000	Target met £87k achieved to-date (compared to £88k in 2017/18)
Maintain financial health	Lettings of Industrial and Commercial Properties	Achieve 90% occupancy of all units and less than 10% of properties with rent arrears greater than 3 months	98.51% of units let and 2.99% arrears greater than 3 months

Maintain financial health	Income from Land Searches	Service breaks-even	Due to additional income, a surplus of £9k is currently being achieved
Good Governance	Produce a draft set of Accounts and Financial Statements for Annual Audit and Inspection	31st May 2018	Completed
Good Governance	Completion of Approved Internal Audit Plan and outcomes reported to the Audit Sub-Committee	At least 90% completed (<i>this is monitored by the Audit Sub-Committee</i>)	On track. Audit Plan agreed and jobs allocated as reported to the Audit Sub-Committee on 30 th May 2018.
Customer Focus	Minimise downtime of IT	Downtime is less than 1% over the year	
Customer Focus	Prompt payment of invoices for goods and services	97% of undisputed invoices paid within 30 days	1,364 invoices from a total of 1,328 (97%) were paid within 30 days
Customer Focus	Prompt payment of invoices for goods and services	65% paid within 10 days for local suppliers	69% (952 invoices) were paid within 10 days
Customer Focus	Freedom of Information requests answered within the statutory time limit	98% of requests satisfactorily answered with 20 days	As reported to the Committee in June 2018, 96% and 92% answered on the six months to March 2017 and March 2018 respectively