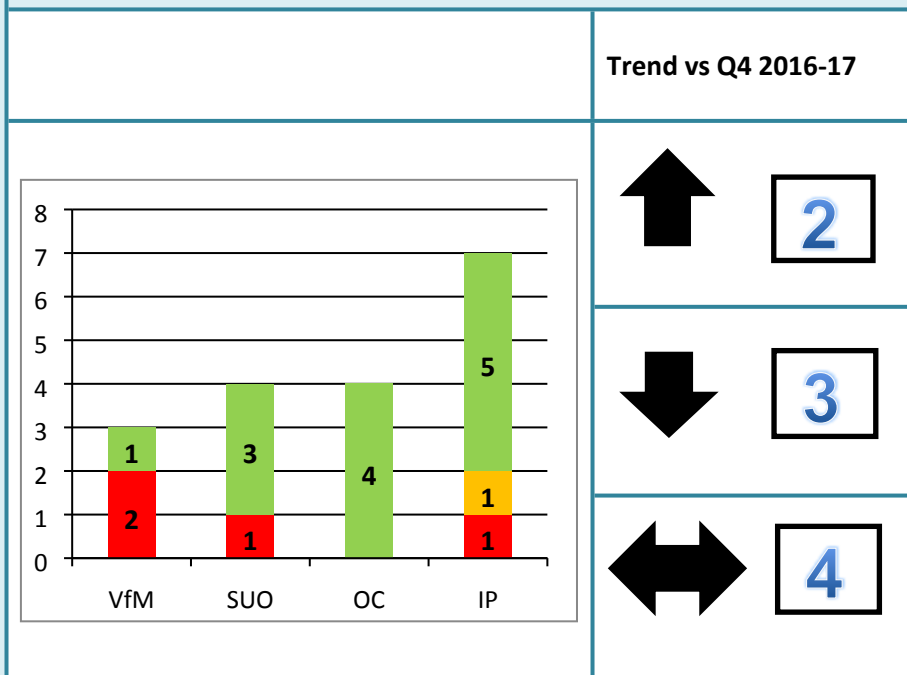


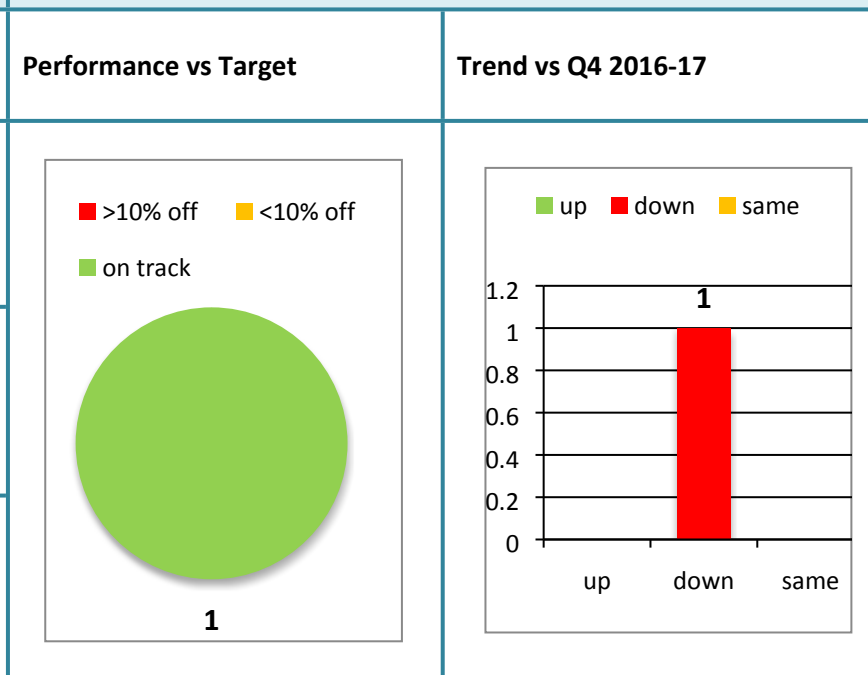
**Finance Performance** - The service continues to deliver against planned targets. The delivery of on-line Council Tax and benefits was delayed until Q1 2018-19 as it was reliant on the launch of the new Council website.

Commitments 2017-18	RAG – current progress against commitment			
	Total	Red	Amber	Green
Q4 2017-18 Directorate Commitments to delivering Corporate priorities				
Priority One – Supporting a successful economy	1	0	0	1
Priority Two – Helping people to be more self reliant	1	0	1	0
Priority Three – Smarter use of resources	4	0	1	3

**All Indicators (incl. Finance and sickness PIs)**



**National Indicators**



**Finance**

**Revenue Budget**

- The net revenue budget for the Directorate for 2017/18 is **£3.924m**
- The actual outturn was **£3.746m** following draw down of **£101k** from earmarked reserves, resulting in an **underspend of £178k**

**Efficiency Savings**

Savings (£000)	2017-18 YTD	%
Savings Target	414	100%
Likely to be achieved	339	82%
Variance	75	18%

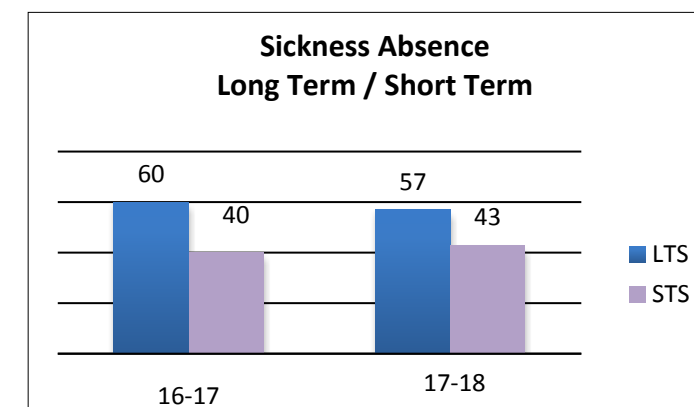
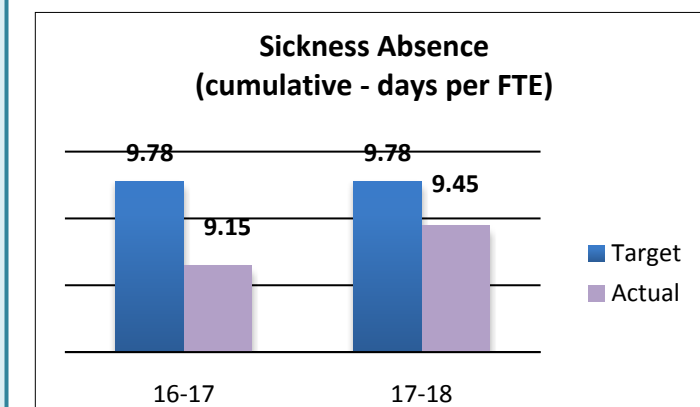
Additional financial information is provided at the end of the report.

**Human Resources**

**Staff Number (FTE)**

2016-17	2017-18
118.53	111.58

**Sickness**



Despite a slight increase in sickness levels, these remain below target.

**Implications of Financial Reductions on Service Performance and other Key Issues/challenges**

It has taken significantly longer than expected to deliver the initial online service officing, comprising Council Tax and Housing Benefits. This has meant that MTFS reductions have not been possible in this area

Whilst the service continues to deliver, it is apparent that the existing staff structures provide little/no resilience against either any extra workload or sickness levels.

**High Corporate Risks**

Risk	Improvement Priority	Likelihood	Impact	Overall
Making the cultural change necessary to deliver the MTFS	Links to all	5	4	20
Welfare Reform	Links to all	6	3	18
If an unfunded NJC pay claim for 2018 to 2019 is accepted the Council may fail to deliver its Medium Term Financial Strategy	Links to all	4	4	16

## FINANCE

### IMPROVEMENT PRIORITY ONE: SUPPORTING A SUCCESSFUL ECONOMY

Code	Action Planned	Status	Comments	Next Steps (for amber and red only)
<a href="#">P1.1.1</a>	Continue to work with the Cardiff Capital Regional skills and employment Board and other BCBC led projects to help shape employment opportunities, including continuing to capture apprentice opportunities, and develop a skilled workforce to meet those needs	GREEN	CIPFA trainee recruitment process was highly successful (66 applications) – appointment made and trainee started in September	

### IMPROVEMENT PRIORITY TWO: HELPING PEOPLE TO BE MORE SELF RELIANT

Code	Action Planned	Status	Comments	Next Steps (for amber and red only)
<a href="#">P2.4.1</a>	Work with partners and the third sector to identify the best way of providing services within local communities	AMBER	Cabinet report approved, procurement documents being prepared.	With the imminent implementation of Universal Credit full service (scheduled for 6 June 2018) – requirements of supporting citizens are currently under reconsideration.

### IMPROVEMENT PRIORITY THREE: SMARTER USE OF RESOURCES

Code	Action Planned	Status	Comments	Next Steps (for amber and red only)
<a href="#">P3.1.1</a>	Implement the planned budget reductions identified in the 2017-18 budget	AMBER	All savings proposals achieved with the exception of savings arising from digitalisation of housing benefits and council tax. Due to be implemented from April 2018.	Review staffing structures as digitilisation rolls out.
<a href="#">P3.2.1</a>	Increase the number of citizens using our online system to manage their council tax and housing benefit accounts and deliver financial savings	GREEN	On track for April 2018 go-live	
<a href="#">P3.2.2</a>	Automate most common internal processes to reduce transactions costs and streamline processes.	GREEN	The use of electronic feeders for invoice processing is reducing transaction costs of processing manual invoices. There are now over 70% of all invoices being processed in some form of electronic way.	
<a href="#">P3.3.6</a>	Review capital expenditure to ensure alignment with corporate objectives.	GREEN	Capital bids assessed against corporate priorities and against proposed funding framework. Bids discussed with Cabinet and built into MTFs for 2018-19 onwards.	

## FINANCE

PI Ref No, PI Type, PAM /Local link to Corp Priority	PI Description and preferred outcome	Annual Target 16-17	Annual Target 17-18	Year end 17-18 Cumulative and RAG	Trend Year end 17-18 vs 16-17	Wales Average 16-17 PAMs	BCBC Rank 16-17 PAMs	Comments
<b>Value for Money (V)</b>								
<b>FIN3.1.1</b> Local IP3	Value of proposed reductions to corporate budgets <i>Higher preferred</i>	938,000	£407,000	407,000	938,000	n/a	n/a	Annual Indicator Target setting: Budget reduction planned to achieve all savings required All corporate budget reductions achieved, including £300,000 on Council Tax Reduction Scheme
<b>FIN3</b> Local IP3	Cost of purchase to pay (P2P) process <i>Lower preferred</i>	n/a	Establish baseline	0	n/a	n/a	n/a	Annual Indicator Target setting: Reduce cost year on year
<b>FIN3.2.2.1</b> Local IP3	Percentage of invoices processed through digital purchase to pay (P2P) process <i>Higher preferred</i>	10	10	0	↔0	n/a	n/a	Annual Indicator Within the Basware process, there have been no electronic invoices during 17-18. However this will be developed throughout 18-19. There have been increases in using other types of electronic invoices through Feeders as an alternative and this percentage of total invoices was over 70% .
<b>Service user outcomes (O)</b>								
<b>DRE6.12.1</b> Local Other	Average time (days) taken to process housing benefit (HB) and council tax benefit (CTR) new claims <i>Lower preferred</i>	17 days	16 days	17.88days	↓12.49	n/a	n/a	Quarterly Target setting: National target
<b>DRE6.12.2</b> Local Other	Average time (days) taken to process housing benefit (HB and council tax benefit (CTR) change events <i>Lower preferred</i>	9 days	6 days	5.31days	↓4.06	n/a	n/a	Quarterly Target setting: Target set to maintain current performance Performance:
<b>FIN2.4.1</b> Local IP2	Number of citizens supported by new arrangements <i>Higher preferred</i>	n/a	Establish baseline	0	0	n/a	n/a	Annual Indicator Target setting: n/a This indicator was linked to PIP support (working with 3rd sector). The service to take this work forward is currently under review prior to going out to tender.
<b>FIN3.1.2.1</b> Local IP3	Total value of investments made in new financial instruments <i>Higher preferred</i>	£2 million	£2 million	£12.3m	0	n/a	n/a	Annual indicator
<b>DRE6.2.3</b> Local IP3	Percentage of undisputed invoices paid within 30 days <i>Higher preferred</i>	95%	95%	97.30%	↑95.86%	n/a	n/a	Quarterly Target setting: to run an efficient process which does not negatively impact on local businesses' cashflow Exceeded the target throughout the year of paying suppliers within 30 days
<b>Organisational Capacity (C)</b>								
<b>CHR002vii</b> CP feeder, PAM feeder IP3	Number of working days per full time equivalent lost due to sickness absence (Finance) <i>Lower preferred</i>	9.78	9.78	9.45	↓9.15	10.3	13	Quarterly Target setting: Set corporately. Target retained at current levels is challenging against current performance

PI Ref No, PI Type, PAM /Local link to Corp Priority	PI Description and preferred outcome	Annual Target 16-17	Annual Target 17-18	Year end 17-18 Cumulative and RAG	Trend Year end 17-18 vs 16-17	Wales Average 16-17 PAMs	BCBC Rank 16-17 PAMs	Comments
<b>FIN3.4.1</b> <u>Local</u> <u>IP3</u>	Number of working days lost per FTE through industrial injury (Finance) <i>Lower preferred</i>	0	0.008	0	↔0	n/a	n/a	Quarterly Target setting: Set through Health and Safety Management Group
<b>FIN3.4.2</b> <u>Local</u> <u>IP3</u>	Number of industrial injury instances (Finance) <i>Lower preferred</i>	0	1	0	↔0	n/a	n/a	Quarterly Target setting: Set through Health and Safety Management Group
<b>FIN1</b> <u>CP feeder</u> <u>IP1</u>	The number of apprentices in the service (Finance) <i>Higher preferred</i>	n/a	1	1	n/a	n/a	n/a	Annual indicator Target setting: To support the corporate plan target to see a 50% increase in apprenticeship opportunities
<b>Internal Processes (P)</b>								
<b>DRE6.2.2</b> <u>Local</u> <u>IP3</u>	Percentage of feeder invoices over all invoices processed <i>Higher preferred</i>	60%	70%	74.18%	↑71.92%	n/a	n/a	Quarterly Target setting: stretching but realistic target to deliver increased process efficiency Exceeded the target but next development area will be Electronic Invoices through Basware
<b>FIN3.2.1</b> <u>Local, CP</u> <u>IP3</u>	Percentage of Council Tax customers accessing on-line service through “my account” <i>Higher preferred</i>	30%	50%	0%	↔0%	n/a	n/a	Annual indicator Target setting: Improving target is set on current performance and plans for production Go-live now scheduled for April 2018; PI to be carried forward into 2018/19
<b>FIN4</b> <u>Local</u> <u>Other</u>	Council Tax – In year collection rate <i>Higher preferred</i>	n/a	97.1%	97.3%	n/a	n/a	n/a	Annual indicator
<b>FIN5</b> <u>Local</u> <u>Other</u>	Average Value of uncleared funds <i>Lower preferred</i>	n/a	5,000	4,217	n/a	n/a	n/a	Quarterly Indicator - New Indicator for 17-18 Target setting: n/a Performance:
<b>FIN6</b> <u>Local</u> <u>Other</u>	Number of days VAT return is submitted before deadline <i>Higher preferred</i>	n/a	10	24	n/a	n/a	n/a	Monthly Indicator: New Indicator for 17-18 Target setting: n/a
<b>FIN7</b> <u>Local</u> <u>Other</u>	Treasury Management – investment yield vs Welsh LAs average <i>Higher preferred</i>	n/a	0.1% above average	0.49%	n/a	n/a	n/a	Annual indicator Target setting: To exceed the Welsh Local Authority Investment Yield Average
<b>FIN2</b> <u>Local</u> <u>IP2</u>	In year collection rate achieved of BID levy <i>Higher preferred</i>	n/a	80% of in year business rates collection rate	78.5%	n/a	n/a	n/a	Annual indicator Target setting: Expected to be more challenging to collect due to some opposition plus low engagement from any new businesses which did not participate in the BID vote

## Value for money

PI Ref No	PI Description	Annual target 17-18 £'000	Performance as at Q4 2017-18						Comments
			Red		Amber		Green		
			£'000	%	£'000	%	£'000	%	
FIN3.1.1.2 CP feeder Priority 3	Value of proposed budget reductions (Finance)	414	0	0	75	18%	339	82%	Of total budget reduction target of £414,000, only £339,000 achieved. Shortfall was on CEX3 in respect of channel shift for council tax and housing benefits. This proposal was not achieved in full due to the delay in updating the Council website and consequent roll out of digitalisation (My Account).

## Additional Financial Information – Main Revenue Budget Variances

The net budget for the Directorate for 2017-18 was £3.924 million and the actual outturn was £3.746 million, following draw down of £101,000 from earmarked reserves, resulting in an under spend of £178,000. The most significant variances are:

CHIEF EXECUTIVES AND FINANCE	Net Budget £'000	Final Outturn £'000	Final Variance Over /(Under) Budget £'000	% Variance
Internal Audit	313	251	(62)	-19.8%
Housing Benefits Administration	689	482	(207)	-30.0%
Taxation and Sundry Debtors	41	156	115	280.5%

Internal Audit

- The under spend mainly relates to a rebate in respect of a reduced number of audit days received in the 2017-18 financial year as a result of staff vacancies within the service. There is currently a review of the service in progress.

Housing Benefits Administration

- There is an under spend in respect of the administration of housing benefit arising mainly from staffing vacancies, but also changes in staffing hours, additional annual leave purchases and unanticipated grant income.

Taxation and Sundry Debtors

- There is a shortfall of £91,000 on income from court costs, together with an over spend on staffing arising from the delay in implementing “channel shift” in line with 2017-18 MTFS proposals.

## Additional Financial Information – Budget Reduction Monitoring Variances 2017-18

Budget Reduction Proposal	Original RAG 2017-18 £'000	Amount of saving achieved £000	Mitigating Actions
To put Council Tax and some aspects of benefits online and to collaborate with others	150	75	Savings allocated between Housing Benefits & Council Tax and staffing reduction has been incorporated into the 18-19 structure. Council tax savings will not be achieved until Channel Shift has been incorporated for several months (fully implemented 24-4-18) and it is too early to identify if saving will be achieved in 18-19. Under spends realised elsewhere will mitigate overall.

## SICKNESS

## DIRECTORATE SICKNESS ABSENCE FINANCE

Unit	FTE 31.03.2018	QTR4 2016/17			QTR4 2017/18			Cumulative Days per FTE 2017/18	Cumulative Days per FTE 2016/17	Target 2017/18
		Number of FTE days lost	No. of Absences	Days per FTE	Number of FTE days lost	No. of Absences	Days per FTE			
Benefits and Financial Assessments	40.54	118.99	18	2.98	136.49	30	3.37	12.52	9.72	9.78
Finance	49.17	100.77	16	1.90	152.01	28	3.09	8.40	5.88	
Revenues	21.87	55.69	11	2.29	61.57	10	2.81	6.64	15.25	
<b>FINANCE DEPARTMENT</b>	<b>111.58</b>	<b>276.44</b>	<b>46</b>	<b>2.33</b>	<b>350.07</b>	<b>68.00</b>	<b>3.14</b>	<b>9.45</b>	<b>9.15</b>	

## Number of FTE days lost by absence reason - Cumulative 2017/18

Absence Reason	Total Number of FTE Days Lost	% of Cumulative days lost
Cancer	0.00	0.00%
Chest & Respiratory	84.14	7.96%
Eye/Ear/Throat/Nose/Mouth/Dental	107.36	10.16%
Genitourinary / Gynaecological / Pregnancy	0.00	0.00%
Heart / Blood Pressure / Circulation	0.00	0.00%
Infections	142.99	13.53%
Injury	0.00	0.00%
MSD including Back & Neck	42.18	3.99%
Neurological	182.91	17.31%
N1H1 Virus	0.00	0.00%
Other / Medical Certificate	0.00	0.00%
Pregnancy related	14.50	1.37%
Return to Work Form Not Received	0.00	0.00%
Stomach / Liver / Kidney / Digestion	137.26	12.99%
Stress / Anxiety / Depression / Mental Health	144.92	13.72%
Tests / Treatment / Operation	200.20	18.95%
<b>TOTALS</b>	<b>1056.46</b>	

**KEY:**

Commitments		Action	
Red	<p><b>A RED status usually means one or more of the following:</b></p> <ul style="list-style-type: none"> <li>• A significant negative variance against the budget or savings of more than 10%.</li> <li>• Delays against key milestone/s of more than 10% of the total length of the planned action.</li> <li>• Problems with quality that lead to significant additional costs/work.</li> <li>• Significant lack of resources which cannot be resolved by the directorate.</li> <li>• PIs identified to measure success of the commitment are mostly red.</li> <li>• Dissatisfaction or resistance from stakeholders that mean acceptance may be delayed all the benefits not achieved.</li> </ul>	CPA/Scrutiny committee should ask the pertinent chief officer/s to provide an explanation or conduct a review to identify the root causes of the red status and put in place an action plan to prevent further deterioration and minimise the damage caused to the overall organisation.	
		<p><b>Performance Indicators (RAG)</b></p> <p>Red (alert) Performance is worse than target by 10% or more</p>	
Amber	<p><b>An AMBER status usually means one or more of the following:</b></p> <ul style="list-style-type: none"> <li>• A negative variance against the budget or savings of less than 10%.</li> <li>• Delays against critical milestones less than 10% of the total length of the planned action.</li> <li>• Problems with quality but not causing delay.</li> <li>• Lack of resources which can be resolved by the pertinent chief officer/s (e.g. via virement within the budget or managing vacancies).</li> <li>• PIs identified to measure success of the commitment are a mixture of red, amber and green.</li> <li>• Dissatisfaction or resistance from stakeholders addressed by the pertinent chief officer/s.</li> </ul>	CPA/Scrutiny Committee should maintain a watching brief over Amber projects/commitments but not necessarily intervening. They may ask chief officers to provide mitigation actions to prevent amber from moving into the red.	
		<p><b>Performance Indicators (RAG)</b></p> <p>Amber (caution) Performance is worse than target by under 10%</p>	
Green	<p><b>A GREEN status usually means one or more of the following:</b></p> <p>The forecast expenditure is on budget.</p> <ul style="list-style-type: none"> <li>• Milestone/s on track to complete on time.</li> <li>• Quality at expected levels.</li> <li>• No resource problems.</li> <li>• PIs identified to measure success of the commitment are mostly green.</li> <li>• Stakeholders satisfied with the outcome.</li> </ul>	CPA/Scrutiny Committee can let officers progress with the delivery of the planned actions. Assurance from the underlying data should indicate that the milestone is truly green.	
		<p><b>Performance Indicators (RAG)</b></p> <p>Green (clear) Performance is equal to or better than target</p>	
<b>Performance Indicators (Trend)</b>		<b>Performance Indicator types</b>	
↑	Performance improved vs same quarter of previous year	CP	Corporate Plan indicator
↔	No change in performance vs same quarter of previous year	PAM	Public Accountability Measure (National Indicator)
↓	Performance declined vs same quarter of previous year		