

Key Financial Indicators – 28th February 2014		Agenda No: 5
<p>Corporate Priority: An organisation that delivers value – Providing value for money, Delivering excellent customer service, Improving out services through innovation</p> <p>Report presented by: Trevor Wilson, Head of Finance Report prepared by: Trevor Wilson, Head of Finance</p>		
Background Papers: Agenda item 10 Audit Panel 21 st September 2006		Public Report –
<p>Options: To accept or request further clarification on the financial performance indicators recorded as at 28th February 2014.</p>		<p>Key Decision: NO</p>
<p>Executive Summary:</p> <p>The attached schedule (Appendix A) of key financial indicators provides details of performance recorded for the financial year to 28th February 2014.</p> <p>Commentary:</p> <ul style="list-style-type: none"> a) The General Fund revenue account shows an underspend against profile of £327,000 for the year to 28th February 2014. This is an improvement and reflects higher levels of income received in January and February across a number of services including Development Control, Building Control, Recycling and Car Parks. b) The total budget for Salaries for the year is £13,851,500. Salaries are however over budget by £161,000 reflecting the non-achievement of the profiled efficiency factor for eleven months of £355,000, which had been expected would be achieved through turnover in staffing numbers. c) Expenditure on capital projects was £10.363million. Nearly two-thirds of the capital programme consists of the new leisure facility in Witham and local authority social housing grants. It is expected that expenditure of £2.159million will be incurred in March on these two specific grants and project. d) The collection rate as at the end of February is 97.43%, which compares to a rate of 98.17% for the same period last year. The rate is 0.74% lower and this is due in part to the introduction of the new local council tax support scheme and the introduction of the option to pay over twelve instalments rather than ten. The new support scheme requires all working age claimants to pay a minimum of 20% of their council tax liability. Additional actions are being taken to contact those residents who have not paid and to refer those that are experiencing financial hardship to the Citizens Advice Bureau for money advice. If after the referral it is determined that the resident is in exceptional financial hardship then an award from the Council's Exceptional Hardship Fund can be made. A total of 49 allocations have been approved from the Fund at a value of £11,630. 		

- e) The total Business Rates (National Non-Domestic Rates) debit for the year is £40.98million. The collection rate as at the end of February is 97.5%, which is 1.05% less than the rate achieved for the same period last year of 98.55%.
- f) A total of 1,390 write-offs of Council Tax, with a total value of £135,000, have been authorised in the period to 28th February: 543 in respect of the current year and 847 in respect of previous financial years.
- g) A total of 166 write-offs of Business Rates, with a value of £364,000, have been authorised in the period to 28th February: 40 in respect of the current year and 126 in respect of previous financial years.
- h) The amount of sundry debts owed to the Council, i.e. monies other than for Council Tax and NNDR, was £2.486million, of which £1.164million was in respect of Housing Benefit overpayments. The target for 2013/14 is to reduce the debt outstanding, excluding Housing Benefit overpayments, the Museum Trust debt (£116,000) and debts subject to a charging order (£41,000), to £575,000 or less by 31 March 2014.
- i) The summary of sundry debts in the attached schedule shows figures of: £125,000 for an invoice raised in respect of ground works at Wentworth Close, Braintree at the end of the month: and £94,000 to residents of Twin Oaks, Stisted. 343 sundry debts with small balances were authorised for write-off with a total value of approximately £9,000.
- j) Treasury Management. The rate of return achieved on investment of the Council's balances and funds in the year to 28th February was 0.62%, with new investments placed during February also achieving an average of 0.54%. Whilst this is below the budgeted return of 0.7% the amount of interest received is expected to be greater than the budget this is because the amount available for investment has been higher than expected (£42.8m compared to an estimate of £31.4m).
- k) Investments at Risk. Councillor McKee made a statement to Full Council, on 17th February 2014, on the outcome of the auction of Landsbanki investments held by a number of local authorities, including this Council. The statement also included detail of the positions regarding the Council's investments with Glitnir and Kaupthing, Singer and Friedlander. A copy of the statement is attached at Appendix B.
- l) Detail of the Council's investment portfolio as at 28th February 2014 is provided Appendix C.

Decision

Members are asked to accept the report of the Key Financial Indicators as at 28th February 2014.

Purpose of Decision:

To provide evidence that the Council adopts good practice in actively monitoring its financial performance and actively manages issues that may arise.

Any Corporate implications in relation to the following should be explained in detail

Financial:	Contained in the report.
Legal:	None
Safeguarding	None
Equalities/Diversity	None
Customer Impact:	No direct impact but process of monitoring financial performance provides assurance of this element of the Council's governance arrangements.
Environment and Climate Change:	None
Consultation/Community Engagement:	None
Risks:	Regular consideration of a suite of Financial Health Indicators is recommended good practice
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