

**Appendices
1, 2,3,4**



**Item No.
8 a**

**NORTHAMPTON
BOROUGH COUNCIL**

Overview and Scrutiny REPORT

Report Title	BVPI Performance Indicators Payment of invoices within 30 days
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AGENDA STATUS: PUBLIC

**Overview and Scrutiny Committee
Meeting Date: 13.01.2010**

Directorate: Finance and Support

1. Purpose

1.1 At the Overview and Scrutiny 3 Committee meeting on 12th November 2009, Councillors requested for further information to be provided on the BVPI performance indicator 8.

2. Recommendations

2.1 To note this update report in respect of payment of invoices within 30 days, BVPI8.

3. Issues and Choices

3.1 Report Background

3.1.1 Since the 1st April 2009, the accounts payable section are now a part of the Exchequers Services Team within the Finance Section. The accounts payable section, in Exchequers Services, are the final chain in the process of paying invoices.

3.1.2 The BVPI 8 states that invoices that are received by Northampton Borough Council should be paid within 30 days from the date of receipt.

3.1.3 BVPI 8 is no longer a reportable performance indicator, however this has been retained and is now an internal performance indicator.

3.1.4 The monitoring of BVPI8 performance is built into Service Plans and monitored through the Corporate Performance Review (CPR) process.

3.2 Issues

3.2.1 As detailed in Appendix One, the cumulative percentage for the payment of invoices within 30 days has improved over the past five years. However the cumulative percentage is for Northampton Borough Council as an entire organisation, the variances in Service area performance vary considerably.

3.2.2 This report will highlight service areas, which are performing above and those, which are not meeting the 95% target.

3.2.3 Heads of Services are responsible and accountable for ensuring all invoices processed for their service are paid within the 30-day deadline.

3.2.4 Appendix Items

- Appendix One Highlights the BVPI 8 performance figures cumulatively for Northampton Borough council as an entirety.
- Appendix Two highlights the Service areas performance monthly for the past 14 months.
- Appendix Three details the volume of invoices cumulatively for Northampton Borough Council as an entirety.
- Appendix Four displays the volume of invoices across the service areas for the past 14 months.

3.2.4 Performance issues

The payment of invoices within 30 days is monitored by Exchequers Services. Current processes are built around meeting BVPI 8 performance deadlines. Although performance is almost meeting the target as detailed in Appendix One, Appendix Two details the variances in performance across different service areas of Northampton Borough Council.

In the current economic climate many small and medium business have short-term cash flow difficulties, hence why the prompt payment of invoices is so fundamental to support our local businesses within the borough.

The Council decided last year to assist local small businesses during the current economic climate by paying them within 10 days.

3.2.5 Performance against the 95% payment target

Service areas, which are meeting or exceeding the target in relation to BVPI8 are: (highest are best performing)

- Northamptonshire Area Procurement Service
- Regeneration
- Public Protection
- Uniclass Invoices (These are invoices which are processed through the housing repairs systems and are contractor payments)

3.2.6 Service areas that are performing below the 95% target are detailed on Appendix Two with those services exceeding the target. The performance ranges between 81.56 and 94.51%. In order to support and assist these service areas, the Finance Section are taking the following steps:

- The Exchequer Team do send out monthly information to Heads of Service, advising them what their performance level is and who the responsible officers are who have not paid the invoices on time.
- The Director of Finance and Support also sends chaser e-mails stressing the importance of improving performance in this area.
- The Systems Team within Finance are also working with the Procurement Section to seek to improve the processes through the introduction of a more automated electronic system.
- It is necessary to consider the volume of invoices, which each service area processes. Some of the service areas listed below have in excess of One Thousand Invoices per year, this contrasts with other service areas have below Three Hundred per year. The volumes percentages vary slightly against the overall departmental percentages as the departmental percentages are an average of all invoices, instead of a percentage against volume.

Service Area	Number of Invoices
Finance and Asset	1,170
Customer Services and ICT	1,617
Landlord Services	1,271
Housing Needs and Support	1,422
Neighbourhood Services	2,315
Culture and Leisure	3,327

3.3 Choices (Options)

3.3.1 To contact all poor performing Heads of Service reminding them of the importance of getting invoices paid within 30 days to meet the BVPI 8 performance indicator and to support local businesses.

3.3.2 The importance of BVPI 8 needs communicating across the service areas to stress the importance of paying these invoices within a thirty day period. Heads of Service need to remain accountable for ensuring their service areas meet the target to pay all their invoices within a thirty day time period.

4. Implications (including financial implications)

4.1 Policy

4.1.1 No policy issues identified.

4.2 Resources and Risk

4.2.1 There are staffing issues, when a particular staff member is on leave or absent, Heads Of Service should ensure there is backup for staff who process invoices. Many of the reasons given for poor performance is when officers are on leave or on sickness there is not adequate backup to cover.

4.3 Legal

4.3.1 No legal issues identified.

4.4 Equality

4.4.1 No equality issues identified.

4.5 Consultees (Internal and External)

4.5.1 The Head of Finance and Assets in writing this report.

4.6 Other Implications

4.6.1 No other implications identified.

5. Background Papers

5.1 N/A

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Appendix One

Month	05/06	06/07	07/08	08/09	09/10
Apr	90.20	92.74	95.45	93.23	97.00
May	89.95	88.01	91.16	94.61	93.88
Jun	84.02	84.47	90.59	93.27	94.69
Jul	84.54	89.06	90.76	94.52	96.11
Aug	86.57	90.35	91.30	95.42	94.17
Sep	79.71	85.05	89.21	93.49	92.96
Oct	89.57	90.77	93.94	96.45	93.82
Nov	82.66	88.27	91.29	97.29	96.91
Dec	88.81	92.17	93.26	95.33	
Jan	83.88	85.75	82.17	84.14	
Feb	92.60	92.23	93.62	93.70	
Mar	90.42	92.45	93.42	96.30	
Cumulative for % Year	86.89	89.45	91.51	94.23	94.98
Target % for Year	95.00	93.00	94.00	95	95.00

Green
Yellow/Amber
Red

On or exceeding target
with in 2% below target
Greater than 2% below target

Appendix Two	Month	Heads of Service																	%				
		Human Resources	Finance & Asset	Revenues & Benefits	NAPS	Customer services & ICT	Strategy, Investment & Performance	Landlord services	Housing needs & support	Planning	Regeneration	Public Protection	Neighbourhood services	Culture & Leisure	Town Centre Operations	Policy & Community Engagement	Communicator	Performance & Improvement		LSP	Borough Solicitor	No assigned Budget Manager	Unclass Invoices
08/09	Oct	100.00	95.21			97.39	92.63	91.98	96.00	88.89	100.00	97.80	97.79	83.33	88.75	100.00	85.71	100.00	100.00	97.62	99.04	97.66	96.46
	Nov	94.12	95.08	100.00	100.00	98.41	87.23	94.85	97.56	100.00	93.18	97.83	98.79	96.43	96.00	100.00	100.00	100.00	94.87	100.00	97.78	97.29	
	Dec	100.00	91.67	100.00	100.00	97.67	80.28	96.74	95.83	100.00	97.44	92.86	95.53	70.37	87.50	100.00	100.00	100.00	100.00	94.37	97.00	97.00	96.33
	Jan	92.86	80.00	88.36		91.67	77.63	91.94	57.14	100.00	88.89	78.51	88.55	76.67	49.25	66.67	66.67	66.67		47.62	91.60	85.51	84.14
	Feb	95.24	95.12	100.00		94.20	85.71	90.29	89.47	100.00	100.00	94.74	93.16	75.00	80.00	66.67	100.00	100.00	100.00	85.00	96.04	95.06	93.70
	Mar	97.62	95.74		100.00		100.00	92.73	88.64	80.00	100.00	96.33	95.72	95.44	88.96	91.30		77.78	100.00	100.00	96.89	97.63	96.30
	Apr	96.77	100.00	100.00	100.00	90.42	100.00	93.27	89.04	84.00	100.00	98.57	94.48	96.36	88.64	98.53		100.00	100.00	100.00	98.14	99.04	97.00
	May	86.67	76.47	100.00	100.00	86.89	50.00	90.59	83.39	72.73	100.00	87.10	92.05	84.25	96.97	80.65	71.43	100.00	100.00	100.00	98.66	98.66	93.88
	Jun	96.55	95.92	90.00	100.00	93.38	50.00	84.80	88.89	100.00	100.00	98.11	85.62	94.49	97.50	97.65	84.21	100.00	100.00	100.00	97.27	97.57	94.69
	Jul	84.85	75.76	100.00	100.00	98.30	85.71	94.68	88.76	95.35	100.00	98.15	84.88	96.23	95.35	88.37	93.33	100.00	0.00	93.75	96.79	99.04	96.11
	Aug	100.00	89.66	73.68	100.00	92.86	94.12	83.53	73.58	95.83	100.00	89.74	87.42	87.97	93.02	86.00	100.00	100.00	100.00	60.00	100.00	98.39	94.17
	Sep	90.91	86.67	87.50	100.00	94.66	71.43	85.42	84.13	80.56	100.00	93.33	91.28	94.23	90.00	88.89	85.71		100.00	100.00	77.78	95.45	96.57
Oct	83.78	83.68	90.91	68.67	94.29	86.67	92.50	95.06	60.00	100.00	94.34	92.45	83.75	95.56	83.02	100.00	100.00	100.00	100.00	98.06	97.43	93.82	
Nov	90.63	94.87	96.15	100.00	98.43	94.74	97.22	88.99	97.62	68.67	100.00	98.04	97.56	96.43	92.86	100.00	100.00	100.00	66.67	94.44	97.79	97.77	96.91
Average		93.57	89.70	93.88	96.97	94.51	81.56	89.28	87.81	85.07	96.83	95.37	91.89	92.43	86.73	86.34	87.34	93.85	86.67	89.36	97.15	96.79	94.48
Green		7	6	7	10	5	4	1	2	6	12	8	4	7	6	3	5	8	8	7	12	13	7
Amber		1	1	4	1	4	2	2	1	0	0	3	2	2	1	0	1	0	0	3	1	0	5
Red		6	7	0	0	4	7	10	11	8	2	3	8	5	7	11	6	3	2	4	1	1	2

Appendix Three

Month	05/06			06/07			07/08			08/09			09/10		
	Total	Ontime	%	Total	Ontime	%	Total	Ontime	%	Total	Ontime	%	Total	Ontime	%
Apr	3,743	3,376	90.20	3,982	3,693	92.74	3,761	3,590	95.45	2,571	2,397	93.23	2,464	2,390	97.00
May	3,970	3,571	89.95	3,410	3,001	88.01	3,584	3,267	91.16	2,875	2,720	94.61	2,254	2,116	93.88
Jun	4,100	3,445	84.02	3,581	3,025	84.47	3,059	2,771	90.59	2,599	2,424	93.27	2,993	2,834	94.69
Jul	4,165	3,521	84.54	3,719	3,312	89.06	4,091	3,713	90.76	2,811	2,657	94.52	3,034	2,916	96.11
Aug	4,379	3,791	86.57	3,470	3,135	90.35	2,953	2,696	91.30	2,925	2,791	95.42	2,331	2,195	94.17
Sep	4,534	3,614	79.71	3,571	3,037	85.05	3,467	3,093	89.21	2,813	2,630	93.49	2,371	2,204	92.96
Oct	4,515	4,044	89.57	4,106	3,727	90.77	3,529	3,315	93.94	3,038	2,930	96.45	2,768	2,597	93.82
Nov	4,094	3,384	82.66	3,690	3,257	88.27	3,537	3,229	91.29	3,622	3,524	97.29	2,490	2,413	96.91
Dec	4,647	4,127	88.81	4,306	3,969	92.17	3,425	3,194	93.26	2,441	2,327	95.33			
Jan	3,201	2,685	83.88	2,906	2,492	85.75	2,877	2,364	82.17	2,428	2,043	84.14			
Feb	3,836	3,552	92.60	3,308	3,051	92.23	3,246	3,039	93.62	2,316	2,170	93.70			
Mar	4,197	3,795	90.42	4,185	3,869	92.45	3,649	3,409	93.42	3,382	3,257	96.30			
Cumulative for % Year	49,381	42,905	86.89	44,234	39,568	89.45	41,178	37,680	91.51	33,821	31,870	94.23	20,705	19,665	94.98
Target % for Year			95.00			93.00			94.00			95.00			95.00

Green On or exceeding target
Yellow/Amber with in 2% below target
Red Greater than 2% below target

Appendix Four

Heads of Service	Month	08/09												09/10											
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Total									
Human Resources	Total	32	34	20	14	21	42	31	15	29	33	11	22	37	32	373									
	Ontime	32	32	20	13	20	41	30	13	28	28	11	20	31	29	348									
	%	100.00	94.12	100.00	92.86	95.24	97.62	96.77	86.67	96.55	84.85	100.00	90.91	83.78	90.63	93.30									
Finance & Asset	Total	146	122	96	90	82	141	39	51	50	66	58	45	67	117	1,170									
	Ontime	139	116	88	72	78	135	39	39	48	50	52	39	56	111	1,062									
	%	95.21	95.08	91.67	80.00	95.12	95.74	100.00	76.47	95.92	75.76	89.66	86.67	83.58	94.87	90.77									
Revenues & Benefits	Total	25	26	19	22	20	0	27	16	20	21	19	24	33	26	298									
	Ontime	24	26	19	19	20	0	27	16	18	21	14	21	30	25	280									
	%	96.00	100.00	100.00	88.36	100.00		100.00	100.00	90.00	100.00	73.68	87.50	90.91	96.15	93.96									
NAPS	Total	0	3	4	0	0	1	2	3	2	3	1	2	6	3	30									
	Ontime	0	3	4	0	0	1	2	3	2	3	1	2	4	3	28									
	%		100.00	100.00			100.00	100.00	100.00	100.00	100.00	100.00	100.00	66.67	100.00	93.33									
Customer services & ICT	Total	115	126	86	60	69	0	167	122	151	176	112	131	175	127	1,617									
	Ontime	112	124	84	55	65	0	151	106	141	173	104	124	165	125	1,529									
	%	97.39	98.41	97.67	91.67	94.20		90.42	86.89	93.38	98.30	92.86	94.66	94.29	98.43	94.56									
Strategy, Investment & Performance	Total	0	1	2	0	2	2	3	2	2	14	17	28	30	38	141									
	Ontime	0	1	1	0	2	2	3	1	1	12	16	20	26	36	121									
	%		100.00	50.00		100.00	100.00	100.00	50.00	50.00	85.71	94.12	71.43	86.67	94.74	85.82									
Landlord services	Total	95	94	71	76	84	110	104	85	125	94	85	96	80	72	1,271									
	Ontime	88	82	57	59	72	102	97	77	106	89	71	82	74	70	1,126									
	%	92.63	87.23	80.28	77.63	85.71	92.73	93.27	90.59	84.80	94.68	83.53	85.42	92.50	97.22	88.59									
Housing needs & support	Total	187	194	92	124	103	88	73	66	100	89	53	63	81	109	1,422									
	Ontime	172	184	89	114	93	78	65	59	66	79	39	53	77	97	1,265									
	%	91.98	94.85	96.74	91.94	90.29	88.64	89.04	89.39	66.00	88.76	73.58	84.13	95.06	88.99	88.96									
Planning	Total	42	41	24	21	19	25	25	22	18	43	24	36	35	42	417									
	Ontime	33	40	23	12	17	20	21	16	16	41	23	29	21	41	353									
	%	96.00	97.56	95.83	57.14	89.47	80.00	84.00	72.73	88.89	95.35	95.83	80.56	60.00	97.62	84.65									

Regeneration	Total	9	18	6	11	6	12	15	3	11	8	2	5	10	3	119
	Ontime	8	18	6	11	6	12	15	3	11	8	2	5	10	2	117
	%	88.89	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	66.67	98.32
Public Protection	Total	35	44	39	54	24	60	70	31	53	54	39	30	53	69	655
	Ontime	35	41	38	48	24	59	69	27	52	53	35	28	50	69	628
	%	100.00	93.18	97.44	88.89	100.00	96.33	98.57	87.10	98.11	98.15	89.74	93.33	94.34	100.00	95.88
Neighbourhood services	Total	182	230	196	121	133	187	145	151	153	205	151	149	159	153	2,315
	Ontime	178	225	182	95	126	179	137	139	131	174	132	136	147	150	2,131
	%	97.80	97.83	92.86	78.51	94.74	95.72	94.48	92.05	85.62	84.88	87.42	91.28	92.45	98.04	92.05
Culture & Leisure	Total	272	330	179	131	190	305	220	254	236	265	241	222	277	205	3,327
	Ontime	266	326	171	116	177	291	212	214	223	255	212	187	232	200	3,082
	%	97.79	98.79	95.53	88.55	93.16	95.41	96.36	84.25	94.49	96.23	87.97	84.23	83.75	97.56	92.64
Town Centre Operations	Total	30	28	27	30	20	46	38	33	40	43	43	20	45	28	471
	Ontime	25	27	19	23	15	40	33	32	39	41	40	18	43	27	422
	%	83.33	96.43	70.37	76.67	75.00	86.96	88.64	96.97	97.50	95.35	93.02	90.00	95.56	96.43	89.60
Policy & Community Engagement	Total	80	75	56	67	55	115	68	31	85	43	50	36	53	42	856
	Ontime	71	72	49	33	44	105	67	25	83	38	43	32	44	39	745
	%	88.75	96.00	87.50	49.25	80.00	91.30	98.53	80.65	97.65	88.37	86.00	88.89	83.02	92.86	87.03
Communication	Total	10	13	4	3	9	0	0	14	19	15	9	7	8	10	121
	Ontime	10	13	4	2	6	0	0	10	16	14	9	6	8	8	106
	%	100.00	100.00	100.00	66.67	66.67			71.43	84.21	93.33	100.00	85.71	100.00	80.00	87.60
Performance & Improvement	Total	7	4	0	3	3	9	3	2	5	5	0	0	3	4	48
	Ontime	6	4	0	2	3	7	3	2	5	5	0	0	3	4	44
	%	85.71	100.00		66.67	100.00	77.78	100.00	100.00	100.00	100.00			100.00	100.00	91.67
LSP	Total	3	1	1	0	0	1	2	0	0	2	1	2	2	3	18
	Ontime	3	1	1	0	0	1	2	0	0	0	1	2	2	2	15
	%	100.00	100.00	100.00			100.00	100.00			0.00	100.00	100.00	100.00	66.67	83.33
Borough Solicitor	Total	42	39	14	21	20	32	16	11	21	32	10	9	19	18	304
	Ontime	41	37	14	10	17	32	16	11	21	30	6	7	19	17	278
	%	97.62	94.87	100.00	47.62	85.00	100.00	100.00	100.00	100.00	93.75	60.00	77.78	100.00	94.44	91.45

1,888
1,834
97.14
22,050
21,207
96.18
38,911
36,721
94.37

No Assigned Budget Manager	Total	104	83	71	131	101	225	161	149	183	156	101	132	155	136
	Ontime	103	83	67	120	97	218	158	147	178	151	101	126	152	133
	%	99.04	100.00	94.37	91.60	96.04	96.89	98.14	98.66	97.27	96.79	100.00	95.45	98.06	97.79
Uniclass Invoices	Total	1,622	2,116	1,434	2,428	1,355	1,981	1,255	1,193	1,690	1,667	1,304	1,312	1,440	1,253
	Ontime	1,584	2,069	1,391	2,043	1,288	1,934	1,243	1,177	1,649	1,651	1,283	1,267	1,403	1,225
	%	97.66	97.78	97.00	85.51	95.06	97.63	99.04	98.66	97.57	99.04	98.39	96.57	97.43	97.77
Overall Total	Total	3,038	3,622	2,441	3,407	2,316	3,382	2,464	2,254	2,993	3,034	2,331	2,371	2,768	2,490
	Ontime	2,930	3,524	2,327	2,847	2,170	3,257	2,390	2,117	2,834	2,916	2,195	2,204	2,597	2,413
	%	96.45	97.29	95.33	84.14	93.70	96.30	97.00	93.88	94.69	96.11	94.17	92.96	93.82	96.91