

REPORT TO	DATE OF MEETING
Shared Services Joint Committee	18 January 2010

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SUBJECT	PORTFOLIO	AUTHOR	ITEM
Performance Management Report	Deputy Leader	Susan Guinness Garry Barclay	

SUMMARY AND LINK TO CORPORATE PRIORITIES

This is the third performance management report for the current financial year, and illustrates the progress made so far against the key service developments and performance indicators in the 2009/10 Business Improvement Plan (BIP).

The report shows progress as at the end of November 2009 and therefore covers the first 8 months of the year.

The report also illustrates the Partnership's projected out-turn financial position to the end of this financial year as estimated in November 2009.

The Shared Services Partnership is a high corporate priority for both Councils.

RECOMMENDATIONS

That the Committee notes the progress on overall performance and comments as appropriate on the report.

DETAILS AND REASONING

The Joint Committee has previously approved the Service Level Agreement which sets out the key outputs required of the Partnership and the individual performance measures against which it will be judged. The BIP translated these outputs and measures into specific deliverables and targets which need to be achieved during 2009/10.

Full statements of the progress made on the key projects and the performance targets as at the end of November 2009 is shown at **Appendices 1 and 2**. The highlights from these statements are expanded on more fully in the body of the report.

EXECUTIVE SUMMARY

21 of the 25 key projects for this year have been completed or are on track and plans are in place to put the remaining 4 back on course.

Similarly only 5 of the 43 performance measures are at "red" status and there are mitigating circumstances in each case.

The Partnership is also operating well within its approved budget and is expected to be underspent against budget by £37,000 at the end of the financial year. An analysis of the variations of actual expenditure compared to original budget is shown later in the report.

KEY SERVICE DEVELOPMENTS

There are 25 key projects included in the BIP which represent service developments for 2009/10. Using a traffic light system, the progress is summarised in the table below.

Detail	Partnership Level	Assurance Services	Financial Services
Projects Green on track	2	12	7
Projects Amber	2	0	0
Projects Red	0	1	1
Total	4	13	8

The following paragraphs provide short commentaries on the green projects that have been completed during the period plus the amber and red projects that have, or may go over target.

PARTNERSHIP LEVEL PROJECTS

Projects Amber

Workforce Development Plan

This has now been drafted and is included as a separate item on the agenda.

Communications Strategy

The residual actions required in the Communications Strategy have now been incorporated in the Workforce Development Plan.

ASSURANCE SERVICES PROJECTS

Projects Red

Business Continuity Process (BCP) SRBC

Assurance Services has recently become responsible for providing Emergency Planning (EP) administrative support to both Councils and has also become responsible for BCP at Chorley in addition to South Ribble. Each Council will however retain responsibility for responding to emergency situations.

The need to update the EP at Chorley and develop an operating agreement for EP at each Council has become a priority and has caused slippage in enhancing the BCP at South Ribble.

The new merged arrangements have however created a potential opportunity whereby each Council could provide a BCP solution to the other on a reciprocal basis and this will be explored prior to updating the separate BCP's at each Council.

FINANCIAL SERVICES PROJECTS

Projects Green

Work is progressing to prepare for the International Financial Reporting Standard (IFRS) with valuations now undertaken for key assets. The Partnership will commence detailed consultation with external Audit in January 2010 to seek further guidance and approval of the work being undertaken.

Review to jointly procure Treasury Consultancy Services for both Councils is on track and will be put out to tender in the New Year.

With regard to integrating the Partnership Mortgage Administration systems and processes it is no longer considered worthwhile to progress this project due to the very low number of mortgages still in existence and the short period of time that is left before they are redeemed.

4 out of the original 8 projects have been completed as per the previous Joint Committee report.

Projects Amber

There are no Shared Financial Services projects that are Amber.

Projects Red

The status of the project to implement a common Financial Information System for both Authorities is currently classed as RED. The project has experienced a delay due to the time taken to identify a suitable delivery platform for shared IT systems that can be delivered within an acceptable timescale and, does not require significant investment in a new ICT infrastructure. It should be noted that this is a major project in terms of having the potential to improve the efficiency and effectiveness of many important processes and systems involved in financial management. Therefore to maximise benefits it is critical that decisions with regard to the best way forward are meticulously considered. It should also be noted that this approach to delivering financial systems is ahead of current practices within this environment and there is no 'off the peg' model to follow. The focus of the Partnership has also been directed towards establishing the Partnership within its first year of operation and the statutory obligation to publish the Councils' Statement of Accounts. Despite the delay a Business Case is due for completion shortly with a planned 'go live' date within the third quarter of 2010/2011.

PERFORMANCE TARGETS

The BIP contains 41 performance indicators which are all local indicators, many of which are new for 2009/10 and draw on the work of the National Audit Office (Value for Money in Public Sector Corporate Services 2007).

Again using a traffic light system, the progress against these indicators as at the end of November 2009 is shown in the table below.

Detail	Assurance Services (a)	Financial Services
Green on target	6	11
Amber – within 5% of target	0	1
Red – more than 5% off target	2	5
Not measured (b)	6	12
Total	14	29

(a) The Internal Audit elements of the Assurance Services figures are an aggregate of the separate performance indicators supplied to each Council's Audit / Governance Committees.

(b) These indicators are reported on a half-yearly or annual basis and as such the performance information is not within this document.

A detailed breakdown of the red targets is shown below:

ASSURANCE SERVICES

Measure	Target to date	Actual to date
% of Audit Time Utilised	66%	56%
% Audit Plan Completed	61%	49%

Red Targets

The % of Audit Time Utilised indicator is below target because the bulk of the audit time supplied by LCC will occur in the final quarter of the year.

The % of Audit Plan Completed indicator is below target as several audit reports are on the verge of being issued.

FINANCIAL SERVICES

Measure	Target	Actual to date
Credit notes as a % of total number of customer invoices raised	6%	6.79%
Proportion of outstanding debt that is more than 90 days old from date of invoice	14%	58.28%
10 working days – distribution of budget monitoring reports	100%	Not achieved
Sustainable Procurement – Attain level 3 of the National Action Plan Framework by 2009 (Level 5 by 2011)	Level 2 by December 2009	Not achieved

Red Targets

The Number of Debtor Days (Chorley only) has increased above the target due to larger in value invoices being raised, this indicator will return to green when the invoices have been paid.

The Credit Notes Indicator (Chorley only) is off target due to Chorley Market Traders being given credit notes to cover a number of days when they were unable to access the covered market due to refurbishment works.

The Outstanding Debt Indicator (Chorley only) is due to a large number of invoices in respect of Section 106 Agreements which have still to be settled.

At the end of November one Budget Monitoring Report was sent out late due to staff sickness absence and the Budget Monitoring Reports at South Ribble were sent out on the 14th day, the main cause for the delay was a financial information system failure.

Level 2 of the National Action Plan Framework for Sustainable Procurement has not been achieved by December 2009. This is due to the reduced resources available within the section as no suitable candidate was appointed during the recruitment process in 2009. It is now a priority for the post to be filled and resources directed at bringing this target back on track before the end of the year. A Sustainable Procurement policy has now been adopted at both Councils and awareness has been raised at the Procurement Training delivered to all staff involved in the Procurement Process. It was noted at a recent Lancashire Procurement Hub meeting that many Lancashire Authorities have yet to fully address this framework and the Hub are now considering how they can support this work.

Amber Targets

The cost of providing payroll is built into the payroll contracts and therefore cannot be improved upon with immediate effect. This measure will remain at £2.00 over target until payroll contracts are renewed.

BUDGET PERFORMANCE STATEMENTS

At each Joint Committee meeting up-to-date budget performance statements will be presented showing actual performance against the approved original 2009/10 partnership budget. Any variations will be highlighted together with any proposals for either reducing or increasing expenditure.

The following statements present the projected out-turn position as at 31st March 2010.

Cost Category	Annual Budget £000	Projected Out-turn as at 31st March 2010 £000	(Under)/Over Spend £000
Salary Costs	1,624	1,531	(93)
Other Staff Costs	34	34	-
Lancashire CC Audit Budget	30	54	24
Transport	14	12	(2)
Supplies and Services	32	66	34
TOTAL	1,734	1,697	(37)

Significant Variations

The variation in salary costs is primarily due to a number of posts which were not filled during the setting up stage of the Partnership and as such are temporary in nature. The largest element of this is in Internal Audit and the Joint Committee has previously agreed that this resource could be redirected to purchase additional audit days from Lancashire County Council. The actual pay award agreed was also less than had been originally estimated.

The major variations within the Supplies and Services budget heads are as follows:-

	<u>£000</u>
External Audit Fees	20.0
Procurement training for members and staff funded from vacant procurement post	5.3
Consultancy fees for Final Accounts Project Management	4.7
Cost of providing computer link via LCC network	4.3
Net other minor budget variations	<u>(0.3)</u>
Total budget variation for supplies and services	<u>34.0</u>

Service Area	Annual Budget £000	Projected Out-turn as at 31 st March 2010 £000	(Under)/Over Spend £000
Assurance Services			
Head of Service	66	63	(3)
Internal Audit	292	247	(45)
Risk Management	110	113	3
Financial Services			
Head of Service	76	96	20
Financial Accounting	200	206	6
Management Accounting	411	412	1
Systems & Exchequer	468	463	(5)
Procurement	111	97	(14)
TOTAL	1,734	1,697	(37)

Significant Variations

Internal Audit – Savings achieved by vacancies off set by expenditure on audit services bought in from Lancashire County Council.

Head of Shared Financial Services – Cost of external audit to be invoiced for payment in respect of 2008/09 (£11.9k) and 2009/0 (£7.5k) in March 2010. The fact that we are going to be billed for two years together at the end of this year is due to the amount of time taken to establish the external audit requirements for the Partnership with the Audit Commission.

Financial Accounting Budget - Additional resources were allocated to the externally audited Final Accounts process to assist in this key project for the partnership in its first six months of existence. This project was a major piece of work to be undertaken in conjunction with staff learning new roles, responsibilities and systems and embedding new processes.

Systems & Exchequer/Procurement – Savings brought about by vacancies offset by providing staff and member training.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of the Shared Services performance management arrangements, and the table shows any implications in respect of each of these.

FINANCIAL	The wider implications of the financial performance of the Partnership is the full year impact on both Council's Medium Term Financial Strategies. As per the main body of the report any underspend achieved at year end against the Partnership's budget will be passed on in total to both Councils by means of a reduced recharge.		
LEGAL	The partnership has been established with an informal structure which has low complexity and a low cost set up. The Shared Services Joint Committee, established under Section 101 of the Local Government Act 1972, provides the overall governance for this with its terms being set out in an Administrative Collaborative Agreement which has been signed by both Councils. Sound performance management arrangements are required to enable the Shared Services Joint Committee to effectively fulfil its obligations. Schedule 1 to this Agreement sets out the Service Level Agreements which form a key part of the performance management arrangements.		
RISK	Any new service delivery approach involves a significant element of risk, both in relation to the new arrangement itself and in making the transition to that new service delivery vehicle. The development of the partnership will increase the risk to each of the councils and this has been recognised and is being managed, individually and collectively. A full risk assessment is set out in the Partnership Business Improvement Plan for 2009/10.		
OTHER (see below)			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

1. Partnership Business Improvement Plan 2009/10.

APPENDIX 1 – KEY SERVICE DEVELOPMENTS 2009/10

Project / Task	Lead Officer	Start / Finish Dates	SMART Targets / Actions & Milestones	RED AMBER GREEN	Update
Partnership Level					
Corporate Inductions	SG & GB	May 09	None applicable	GREEN	Completed
Further development and integration of the Partnership Workforce Plan	SG & GB	Develop– June 09 Conclude – Mar 10	<ul style="list-style-type: none"> • Development of Plan including Training Needs Assessment - June 2009 • Implement Year One Actions - March 2010 	AMBER	Need to agree & implement year 1 actions.
Further development and integration of the Partnership Communications Strategy	SG & GB	Develop– June 09 Conclude – Mar 10	<ul style="list-style-type: none"> • Members • SMT's • Partnership MT • Partnership Staff • Publicity 	AMBER	Need to implement residual actions.
Development of an Exit Management Plan	SG & GB	By December 09	None applicable	GREEN	Now drafted
Internal Audit					
Revision of Quality System & re-branding of reports & standard documentation	CW	June 09	As above	GREEN	Completed
Retention of ISO 9001 standard	CW	January 2010 assessment	Update to incorporate merged audit processes	GREEN	On course
Review of Effectiveness & Embeddedness of RM Frameworks (SRBC & CBC)	CW	March 10	Strategic / Procurement / Projects / Partnerships Committee reports / Delegated decisions	GREEN	Programmed in Audit Plans
Review & re-organise electronic & manual filing systems	CW	June 09	Fully integrated archive & current storage	GREEN	Completed

Project / Task	Lead Officer	Start / Finish Dates	SMART Targets / Actions & Milestones	RED AMBER GREEN	Update
Risk Management					
Integration of strategic risk recording & reporting with performance management (SRBC & CBC)	AA	June 09	Papers to each Audit Committee (via SMTs) for approval	GREEN	Reporting systems now established for implementation. Separate reporting at CBC
Member & Officer RM Training & Awareness programmes (SRBC & CBC)	AA	March 10	Develop – June 09 Conclude – March 10	GREEN	AA feeding into SRBC governance training process. AA to update CBC intranet etc in 2010.
Review of compliance with the new CIPFA “Red Book” in relation to anti- fraud & corruption (SRBC & CBC)	AA	June 09	Production of reports for each Council with gap analyses and action plans	GREEN	Completed. Reports going to February Governance Committee & March Audit Committee.
Establishment of an Anti-Fraud & Corruption Risk Register at SRBC	AA	Sept 09	Completion of Register & Action Plan	GREEN	Now completed and results to be included in Red Book reports to Governance & Audit Committees.
Baseline review of BCP arrangements at SRBC	AA	June 09	Production of an action plan to address any issues identified	GREEN	Completed.
Establishment of half-yearly & annual BCP reporting process at SRBC	AA	Sept 09	A standard template to show elements of the BCP tested & training undertaken	RED	To explore the options of applying reciprocal BCP arrangements between CBC and SRBC or operating a separate BCP for SRBC.
Review insurance broker arrangements across the Partnership	AA	June 09	Establishment of a single provider	GREEN	Single broker now appointed
Convergence of insurance administration processes	AA	Sept 09	A common approach & procedures manual in situ	GREEN	Completed.
Preparatory work for future insurance procurement activity	AA	March 10	Prepare a timetable and plan to enable joint procurement to be undertaken	GREEN	Outline timetable for brokerage tender & main insurance tender agreed. Need to finalise dates with broker to converge LTA termination dates

Project / Task	Lead Officer	Start / Finish Dates	SMART Targets / Actions & Milestones	RED AMBER GREEN	Update
Financial Services As A Whole					
Provide a common partnership platform for all financial processes, (eg final account process) Audit Processes Budget Monitoring Financial Information System feeder systems	LH	Ongoing task throughout the year as part of continuous improvement	<ul style="list-style-type: none"> • Business Case • Implementation • Operational 	RED	The report prepared by the Authority's ICT departments referred to in the last Joint Committee performance report did not result in a proposal that could be delivered within a suitable timescales without significant investment. Problems have been experienced in identifying a 'future-proof' solution for this type of work which is very much ahead of current practices. The way forward is being documented into a Business Case due to be completed shortly. Implementation is planned for the third quarter of 2010/2011.
Accountancy Services					
Prepare for the International Financial Reporting Standard (IFRS)	GW	April 2009 to Sept 2009	<ul style="list-style-type: none"> • Comparator data required for 2009/10 	GREEN	Work is still in progress to compile comparator data for 2009/10, undertake asset valuations and complete other preparatory work but the 2010/11 roll-out timescale remains on course.
Review the Treasury Consultancy Services at Chorley	GW	April 2009 to March 2010	<ul style="list-style-type: none"> • Review of current arrangements and development of contract specification 	GREEN	The investigatory work is now complete. The tendering exercise will take place in the new year.
Harmonisation of external leasing advice & renewals across the partnership	GW	June 2009	<ul style="list-style-type: none"> • Agreement on Contract Specification 	GREEN	Completed. Corporate Procurement have negotiated a £1000 saving.

Project / Task	Lead Officer	Start / Finish Dates	SMART Targets / Actions & Milestones	RED AMBER GREEN	Update
System Development & Exchequer Services					
Integrate the Partnership Mortgage Administration systems and processes	LH	Jan 2010 to Mar 2010	<ul style="list-style-type: none"> Review of current arrangements and development of contract or systems specification 	GREEN	Due to the small number of mortgages in existence i.e. 3 at South Ribble and 7 at Chorley and the relatively short period of time left until all are repaid, it is no longer considered to be beneficial to integrate the two processes. In addition, the in-house Cygnus software system at Chorley is very old and therefore unlikely to be able to cope with the multi-company requirements.
Procurement Services					
Participate in regional developments and work programmes	JH	April 2009 to March 2010	<ul style="list-style-type: none"> RIEP Lancashire Hub 	GREEN	Completed. Procurement continues to attend the Performance Management and e-Procurement Groups and have taken advantage of a number of free training events. We have also taken advantage of collaborative procurements through the hub where beneficial including antivirus software, cash collection and PAT testing.
Produce and publish <ul style="list-style-type: none"> Equality Procurement Documentation Pocket Guides Intranet Information 	JH	May 2009	<ul style="list-style-type: none"> Production and publication of documents 	GREEN	Completed All documentation produced and published on the respective Councils' intranet. Awareness raised at recent Procurement training sessions held across both authorities.
Produce draft Joint Procurement Strategy	JH	Draft by April 2009	<ul style="list-style-type: none"> Draft Strategy to Chief Finance Officers Submit for Approval 	GREEN	Completed. Draft Strategy produced. Reports submitted to Scrutiny and Cabinet at South Ribble and Executive Cabinet at Chorley. Approved, and now in place at both Authorities. Awareness raised at separate staff and Member training sessions at both authorities.

APPENDIX 2 – PERFORMANCE TARGETS 2009/10

Key Measures	Lead Officer	Target 2008/9	Actual 2008/9	Target 2009/10	Target to date 2009/10	Actual to date 2009/10	Red Amber Green	Comments
Assurance As A Whole								
% Overall Commissioner & User Satisfaction Index (VFM Primary 6)	GB	None available	None available	80%	None available	Not Measured	Not Measured	Annual Indicator
Assurance Services Staff Satisfaction	GB	None available	None available	90%	None available	Not Measured	Not Measured	Annual Indicator
Use of Resources Score (UoR) (relevant KLOE)	GB	None available	New regime for UoR 2009	Level 3	Level 3	Achieved	GREEN	Achieved
Internal Audit (Aggregated for CBC & SRBC)								
% of Audit Time Utilised	CW	None available	100%	100%	66%	56%	RED	LCC input scheduled for last 2 quarters
% of Planned Time Used	CW	None available	88%	90%	60%	55%	GREEN	On target
% Audit Plan Completed	CW	None available	92%	92%	61%	49%	RED	Several reports on verge of being issued
Percentage of Management Actions Agreed	CW	None available	97%	97%	97%	100	GREEN	On target
% of Agreed Management Actions Implemented	CW	None available	100% Priority 1 Actions 80% Priority 2 Actions	100% Priority 1 Actions 80% Priority 2 Actions	80% Priority 1 Actions 70% Priority 2 Actions	83% Priority 1 Actions 71% Priority 2 Actions	GREEN	On target

Of the Agreed Management Actions Implemented - % Implemented On Time	CW	None available	100% Priority 1 Actions 80% Priority 2 Actions	100% Priority 1 Actions 80% Priority 2 Actions	100% Priority 1 Actions 80% Priority 2 Actions	100% Priority 1 Actions 100% Priority 2 Actions	GREEN	On target
Total Cost of Internal Audit Function as a % of Organisational Running Costs / Expenditure) (VFM Primary 1)	CW	None available	8.28%	8.28%	None available	Not Measured	Not Measured	Annual Indicator
% Professionally Qualified Internal Audit Staff as a % of Total Internal Audit Staff (FTEs) (VFM Secondary 1)	CW	None available	77%	88%	None available	Not Measured	Not Measured	Annual Indicator
The Number of Management Practices that have been adopted - See Public Audit Forum website at www.public-audit-forum.gov.uk	CW	None available	None available	5	None available	Not Measured	Not Measured	Annual Indicator
Risk Management								
Total Cost of the Risk Management Function as a % of Organisational Running Costs / Expenditure) (VFM Primary 1)	AA	None available	4.12%	4.12%	None available	Not Measured	Not Measured	Annual Indicator
Average customer satisfaction score per insurance claim (max 5.0)	AA	None available	4.5	4.6	None available	4.6	GREEN	On target

Finance As A Whole								
% overall commissioner & user satisfaction index (VFM Primary 6)	SG	Pre-Partnership	Pre-Partnership	80%	80%	Reported Annually	Reported Annually	Results of recent staff surveys are currently being analysed, the results are due out shortly
Financial Services Staff Satisfaction	SG	Pre-Partnership	Pre-Partnership	90%	90%	Reported Annually	Reported Annually	Results of recent staff surveys are currently being analysed, the results are due out shortly
Use of Resources (UoR) KLOES 1.1; 1.2; 1.3	SG	New regime implemented by Audit Commission for 2009/10	New regime implemented by Audit Commission for 2009/10	Level3	Level 3	Achieved	GREEN	Achieved
% of professional qualified finance staff (FTEs) as a % of total finance staff (FTEs) (VFM Secondary 1)	SG	Not available, pre-Partnership	Not available, pre-Partnership	The new shared financial structure requires 15% of FTE to be professionally qualified.	15%	25%	GREEN	Annual Indicator
The number of management practices that have been adopted See Public Audit Forum website at www.public-audit-forum.gov.uk	SG	Not available, pre-partnership.	Not available, pre-Partnership	5	None available	Reported Annually	Reported Annually	Annual Indicator
Accountancy								
Over/Underspends within 1% of manageable/cash revenue budget	SG	Pre-partnership	Pre-partnership	<1.0%	<1.0%	Reported Annually	Reported Annually	Annual Indicator
% variation between the forecast outturn at month 6 and the actual outturn at month 12 (VFM Primary 3)	SG	Pre-partnership	Pre-partnership	30.0%	Available at year end March 2010	Reported Annually	Reported Annually	Annual Indicator

Total cost of the finance function as a % of organisational running costs (expenditure) (VFM Primary 2)	SG	Pre-partnership	Pre-partnership	16.0%	16.0%	Reported Annually	Reported Annually	Annual Indicator
10 working days from period-end closure to the distribution of financial reports (VFM Primary 2)	SG	Pre-partnership	Pre-partnership	100%	100%	Not achieved	RED	During the 10 days for preparation in December the Financial Information System at South Ribble was unavailable for two days and a member of staff at Chorley was off on sick leave
Year end statutory accounts to contain no material errors and have an unqualified audit opinion.	SG	Pre-partnership	Pre-partnership	0	0	0	GREEN	Achieved
Achievement of Prudential Indicators.	SG	None available	None available	100% compliance with prudential indicators	100% compliance with prudential indicators	100% compliance with prudential indicators achieved	GREEN	Achieved at half year period, next reporting due at year end
Achievement of industry investment benchmarks	SG	None available	None available	London Inter Bank offered rate (LIBOR)	London Inter Bank offered rate (LIBOR)	Both Councils exceeded LIBOR	GREEN	Achieved at half year period, next reporting due at year end
Systems Development & Exchequer Services								
Supplier Payment within 30 days (local indicator) (linked to AVFM Secondary 10)	LH	97.5%	96.24%	97.5%	97.5%	97.54%	GREEN	On Target
% of supplier payments by electronic means (VFM Secondary 7)	LH	89.0%	74.6%	89.0%	89.0%	93.24%	GREEN	On Target
% of remittances to suppliers by electronic means	LH	83.0%	70.0%	83.0%	83.0%	89.73%	GREEN	On Target
% of Financial Systems availability	LH	99%	Not available	99%	99%	100.0%	GREEN	Indicator is for November 2009

% of debtor income received (before bailiff referral)	LH	75%	74.01%	75%	75%	98.01%	GREEN	On Target
Number of debtor days (VFM Secondary 4) (measured at year end only)	LH	90 days	121.79	90	90	142	RED	Result has increased over the 90 days due to larger in value invoices being raised recently. This indicator will decrease back within the target again when the invoices are paid
Cost of customer invoicing function per customer invoices processed (VFM Secondary 3)	LH	£25.00	£30.00	£25.00	£25.00	Not Measured	Not Measured	Annual Indicator
Credit notes as a % of total customer invoices raised (VFM Secondary 5)	LH	6%	6.24%	6%	6%	6.79%	RED	This indicator improves as the year progresses a majority of credit notes are raised at the beginning of the year on annual invoices – expected to be on target at year end
Proportion of outstanding debt that is more than 90 days old from date of invoice (VFM Secondary 8)	LH	14.0%	14.9%	14.0%	14.0%	58.28%	RED	Brought about by Section 106 invoices that have not been settled yet
Payroll admin cost per employee (VFM Secondary 11)	LH	£60.00	£60.00	£60.00	£60.00	£62.00	AMBER	Cost per employee fixed in contract price
Procurement Services								
Professionally qualified procurement employees (FTEs) as a % of total procurement employees (VFM Secondary 1)	JH	Pre-partnership	Pre-partnership	33%	33%	67%	GREEN	Annual Indicator
LIB/P12 Satisfaction with the corporate procurement function	JH	Pre-partnership	Pre-partnership	80%	80%	Reported Annually	Reported Annually	Annual Indicator
Cost of procurement function as a % of non-pay expenditure (VFM Primary 1b)	JH	Pre-partnership	Pre-partnership	1.46%	1.46%	Reported Annually	Reported Annually	Annual Indicator
Sustainable Procurement – Attain level 3 of the National Action Plan Framework by 2009 (Level 5 by 2011)	JH	Pre-partnership	Pre-partnership	Level 2 by December 2009	Level 2 by December 2009	To be reported annually against the Procurement Strategy	To be reported annually against the Procurement Strategy	Annual Indicator

Number of Council's Top 10 suppliers (by spend value) who have formal partnership/framework agreements with the authorities	JH	Pre-partnership	Pre-partnership	100%	100%	Reported Annually	Reported Annually	Annual Indicator
LIB/P22 Average invoice value	JH	None available	SRBC £1,008 CBC £1,127	None available	SRBC £1,035 CBC £1,169	SRBC £1,019 CBC £1,061 (as at sept)	Not reported in Nov	Quarterly Indicator - next report as at December 2009
LIB/P24 Average Spend per Supplier	JH	None available	SRBC £11,668 CBC £16,753	None available	SRBC £4,758 CBC £7,658	SRBC £6,534 CBC £9,052 (as at sept)	Not reported in Nov	Quarterly Indicator – next report as at December 2009