

<b>REPORT TO</b>	<b>DATE OF MEETING</b>
Shared Services Joint Committee	29 March 2010

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<b>SUBJECT</b>	<b>PORTFOLIO</b>	<b>AUTHOR</b>	<b>ITEM</b>
Performance Management Report	Deputy Leader	Susan Guinness Garry Barclay	4

## **SUMMARY AND LINK TO CORPORATE PRIORITIES**

This is the fourth 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 February 2010 and therefore covers the first 11 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 as at February 2010.

**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 Business Improvement Plan translates 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 February 2010 are shown at **Appendices 1 and 2**. The highlights from these statements are expanded on in the body of the report.

The Joint Committee will be advised of the final out turn position on the 2009/10 budget, projects and targets in the Annual Report and Accounts which will be presented to members at the June meeting.

## EXECUTIVE SUMMARY

20 of the 25 key projects for this year have been completed or are on track and plans are in place to address the remaining 5.

Similarly only 4 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 £54k 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	11	7
Projects Amber	2	0	0
Projects Red	0	2	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*

The WDP was presented for Members’ approval at the January 2010 meeting. Implementation has now been discussed with HR at both Councils and it has been agreed that shared services managers & staff will be invited to participate in both councils’ corporate training programmes and courses. In addition dedicated development sessions for shared services managers and a Professional Training Policy for all staff will be arranged. Monitoring of the WDP is a key project in the BIP for 2010/11.

#### *Communications Strategy*

There are some residual actions which have been carried forward to the 2010/11 BIP.

## **ASSURANCE SERVICES PROJECTS**

### ***Projects Red***

#### *Member & Officer RM Training & Awareness programmes (SRBC & CBC)*

This will be now undertaken as part of a wider project in 2010/11 to update all key governance policies & procedures and to roll out member & officer awareness programmes at both host authorities.

#### *Business Continuity Plans (BCP's)*

Work on updating BCP's was put on hold pending actual / impending structural changes at both Councils. This project has therefore slipped but is now being addressed as a priority item and has been carried forward to the 2010/11 BIP to be completed during the first quarter.

## **FINANCIAL SERVICES PROJECTS**

### ***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.

Feasibility work carried out now indicates that the best way forward to deliver a common Financial Information System is to utilise Chorley Council's current installation which will be expanded to accommodate two separate companies. A report will be submitted to Cabinet in due. In addition, following on from a recent meeting between Chorley and South Ribble, the respective ICT departments are now working on a joint report with regard to locating the system on a joint IT infrastructure. This is to be completed by end of May 2010.

## PERFORMANCE TARGETS

The BIP contains 43 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 February 2010 is shown in the table below.

Detail	Assurance Services (a)	Financial Services
Green on target	4	13
Amber – within 5% of target	4	2
Red – more than 5% off target	0	4
Not measured (b)	6	10
<b>Total</b>	<b>14</b>	<b>29</b>

(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 of some of these measures are not within this document.

**A detailed breakdown of the red and amber targets is shown below:**

### ASSURANCE SERVICES

Measure	Target to date	Actual to date
% of Audit Time Utilised	91%	79%
% of Planned Time Used	82%	78%
% Audit Plan Completed	84%	71%
% Agreed Management Actions Implemented	80% Priority1 70% Priority2	71% Priority1 55% Priority2

#### **Amber Targets**

% of Audit Time Utilised and % Planned Time Used – Outstanding LCC input is scheduled for March but the target will not be fully met due to a number of audits which members have agreed to defer to 2010/11.

% of Audit Plan Completed - Several audit reports are at draft stage and are on the verge of being issued.

% Agreed Management Actions Implemented – Several outstanding actions have been given revised dates to the end of March 2010.

## FINANCIAL SERVICES

Measure	Target	Actual to date
Credit notes as a % of total number of customer invoices raised	6%	24.66%
Proportion of outstanding debt that is more than 90 days old from date of invoice	14%	87.29%
10 working days – distribution of budget monitoring reports	100%	50%
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 Credit Notes Indicator (Chorley only) is off target due to Chorley Market Traders being given credit notes to cover periods of bad weather. Credit notes have also been issued as a result of debt recovery action where market leases have been terminated in the year and the invoice covers a full year charge. In addition, quinquennial Ground Rent invoices have been raised, however, some invoice recipients have moved within this period.

The Outstanding Debt Indicator (Chorley only) is mainly due to three larger invoices that have been disputed. Queries raised by debtors have been answered and payments will be made before the end of the financial year. Payment status is being monitored closely and revised procedures have been introduced to strengthen the process by which disputed debtor invoices are managed.

At the end of February the Budget Monitoring Reports at South Ribble were delayed by one working day due to staff sickness absence and additional variation analysis work being carried out. Temporary staff cover has now been arranged and is in place and the position is being monitored.

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 a priority for the service to bring this target back on track. 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.

Systems experienced downtime during February due to servers being virus checked.

## 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 statement presents the projected out-turn position as at 31<sup>st</sup> March 2010.

Cost Category	Annual Budget £000	Projected Out-turn as at 31 <sup>st</sup> March 2010 £000	(Under)/Over Spend £000
Salary Costs	1,624	1,522	(102)
Other Staff Costs	34	34	-
Lancashire CC Audit Budget	30	43	13
Transport	14	12	(2)
Supplies and Services	32	69	37
<b>TOTAL</b>	<b>1,734</b>	<b>1,680</b>	<b>(54)</b>

### 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:-

	<b>£000</b>
External Audit Fees	20.0
Cost of providing computer link via LCC network	8.3
Procurement training for members and staff funded from vacant procurement post	5.3
Consultancy fees for Final Accounts Project Management	4.7
Net other minor budget variations	<u>(1.3)</u>
<b>Total budget variation for supplies and services</b>	<b><u>37.0</u></b>

External Audit Fees - 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.

Consultancy Fees - 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.

## 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.

<b>FINANCIAL</b>	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.		
<b>LEGAL</b>	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.		
<b>RISK</b>	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.		
<b>OTHER (see below)</b>			
<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
<b>Partnership Level</b>					
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"> <li>• Development of Plan including Training Needs Assessment - June 2009</li> <li>• Implement Year One Actions - March 2010</li> </ul>	AMBER	Dedicated development sessions for shared services managers and a Professional Training Policy for all staff still need to be arranged.
Further development and integration of the Partnership Communications Strategy	SG & GB	Develop– June 09 Conclude – Mar 10	<ul style="list-style-type: none"> <li>• Members</li> <li>• SMT's</li> <li>• Partnership MT</li> <li>• Partnership Staff</li> <li>• Publicity</li> </ul>	AMBER	There are some residual actions which have been carried forward to the 2010/11 BIP.
Development of an Exit Management Plan	SG & GB	By December 09	None applicable	GREEN	Now drafted
<b>Internal Audit</b>					
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	Completed
Review of Effectiveness & Embeddedness of RM Frameworks (SRBC & CBC)	CW	March 10	Strategic / Procurement / Projects / Partnerships Committee reports / Delegated decisions	GREEN	On course
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
<b>Risk Management</b>					
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	RED	This will be undertaken as part of a wider project in 2010/11 to update key governance policies & procedures and to roll out member & officer awareness programmes at both host authorities.
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 April 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	Work on updating BCP’s was put on hold pending actual / impending structural changes at both Councils. This project has therefore slipped but will be addressed during the first quarter of 2010/11.
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	Single joint broker now appointed, also generating some financial savings. Now looking at options for converging the termination dates for each Council’s Long Term Insurance Agreements to generate procurement savings.

Project / Task	Lead Officer	Start / Finish Dates	SMART Targets / Actions & Milestones	RED AMBER GREEN	Update
<b>Financial Services As A Whole</b>					
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"> <li>• Business Case</li> <li>• Implementation</li> <li>• Operational</li> </ul>	RED	Draft SRBC Cabinet Report submitted for approval for 31/03/10 proposing that the Financial Information System for SRBC is provided by utilising Chorley Council's current installation which will be expanded to accommodate two companies. Approval sought to incur the Capital investment costs of implementation. Following on from a recent meeting between CBC and SRBC the respective ICT departments are now working on a joint report with regard to locating the system on a joint IT infrastructure. This is to be completed by end of May 2010.
<b>Accountancy Services</b>					
Prepare for the International Financial Reporting Standard (IFRS)	GW	April 2009 to Sept 2009	<ul style="list-style-type: none"> <li>• Comparator data required for 2009/10</li> </ul>	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"> <li>• Review of current arrangements and development of contract specification</li> </ul>	GREEN	Tenders have been received from 3 companies. Submissions have been assessed and Interviews took place at the Civic Centre, SRBC on 16 <sup>th</sup> March 2010. A final decision is to be made by members from both Council's and reported at the end of March 2010.
Harmonisation of external leasing advice & renewals across the partnership	GW	June 2009	<ul style="list-style-type: none"> <li>• Agreement on Contract Specification</li> </ul>	GREEN	Completed.  Joint procurement has resulted in a saving of £1000.

Project / Task	Lead Officer	Start / Finish Dates	SMART Targets / Actions & Milestones	RED AMBER GREEN	Update
<b>System Development &amp; Exchequer Services</b>					
Integrate the Partnership Mortgage Administration systems and processes	LH	Jan 2010 to Mar 2010	<ul style="list-style-type: none"> <li>Review of current arrangements and development of contract or systems specification</li> </ul>	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.
<b>Procurement Services</b>					
Participate in regional developments and work programmes	JH	April 2009 to March 2010	<ul style="list-style-type: none"> <li>RIEP</li> <li>Lancashire Hub</li> </ul>	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"> <li>Equality Procurement Documentation</li> <li>Pocket Guides</li> <li>Intranet Information</li> </ul>	JH	May 2009	<ul style="list-style-type: none"> <li>Production and publication of documents</li> </ul>	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"> <li>Draft Strategy to Chief Finance Officers</li> <li>Submit for Approval</li> </ul>	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
<b>Assurance As A Whole</b>								
% 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
<b>Internal Audit (Aggregated for CBC &amp; SRBC)</b>								
% of Audit Time Utilised	CW	None available	100%	100%	91%	79%	AMBER	Outstanding LCC input scheduled for March but target will not be fully met due to deferred audits agreed
% of Planned Time Used	CW	None available	88%	90%	82%	78%	AMBER	Outstanding LCC input scheduled for March but target will not be fully met due to deferred audits agreed
% Audit Plan Completed	CW	None available	92%	92%	84%	71%	AMBER	A number of reports are at draft report stage & are 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	71% Priority 1 Actions 55% Priority 2 Actions	AMBER	Several outstanding actions given revised dates to end of March 10

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 <a href="http://www.public-audit-forum.gov.uk">www.public-audit-forum.gov.uk</a>	CW	None available	None available	5	None available	Not Measured	Not Measured	Annual Indicator
<b>Risk Management</b>								
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	Customer survey to be undertaken in March 2010
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	On Target
The number of management practices that have been adopted See Public Audit Forum website at <a href="http://www.public-audit-forum.gov.uk">www.public-audit-forum.gov.uk</a>	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%	50%	RED	Budget Monitoring Reports were sent out on the 11 <sup>th</sup> working day at South Ribble due to additional variance analysis checks being carried out before release to Budget Holders.
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
<b>Systems Development &amp; Exchequer Services</b>								
Supplier Payment within 30 days (local indicator) (linked to AVFM Secondary 10)	LH	97.5%	96.24%	97.5%	97.5%	98.47%	GREEN	On Target
% of supplier payments by electronic means (VFM Secondary 7)	LH	89.0%	74.6%	89.0%	89.0%	93.89%	GREEN	On Target
% of remittances to suppliers by electronic means	LH	83.0%	70.0%	83.0%	83.0%	91.28%	GREEN	On Target
% of Financial Systems availability	LH	99%	Not available	99%	99%	94.90%	AMBER	Variation due to network downtime. Issue has been resolved

% of debtor income received (before bailiff referral)	LH	75%	74.01%	75%	75%	97.96%	GREEN	On Target
Number of debtor days (VFM Secondary 4) (measured at year end only)	LH	90 days	121.79	90	90	42	GREEN	On Target
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%	24.66%	RED	Increase in the number of credit notes raised due to weather conditions affecting market traders, change of addresses for quinquennial Ground Rents invoices raised in February and debt recovery action resulting in the termination of market leases paid in full at the beginning of the year
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%	87.29%	RED	Significant deviation is mainly as a result of disputed invoices. Action has been taken and issues relating to the three highest invoices, which contribute largely to this indicator, have now been resolved. Payment should follow shortly, however the position continues to be closely monitored
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	Not achieved	RED	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	None available	SRBC £1,236 CBC £934 (to Feb 2010)	GREEN	Expected to achieve target at year end
LIB/P24 Average Spend per Supplier	JH	None available	SRBC £11,668 CBC £16,753	None available	None available	SRBC £8,661 CBC £10,641 (to Feb 2010)	GREEN	Expected to achieve target at year end