



DERBY CITY COUNCIL

SCRUTINY MANAGEMENT COMMISSION

4 March 2008

Report of the Director of Corporate and Adult Services

BV8 - Percentage of invoices paid within 30 days

RECOMMENDATION

- 1.1 To note the process improvement actions to be taken by the Corporate and Adult Services Department in respect of this indicator.
- 1.2 To review and report performance against this indicator to Corporate and Adult Services Management team quarterly from 30 June 2008.

SUPPORTING INFORMATION

- 2.1 Invoice late payment statistics are produced for each department, centrally by Resources Department, on a monthly basis. The figure for Corporate Services is a combination of the following invoice input areas.

Corporate Services - Council House
Social Care - Council House (Input by Resources Department)
Design and Property Services, Roman House
Housing, Bio House

Between them, the above teams process approximately 3,000 invoices per month.

For the period April 2007 to January 2008 the departmental performance was 92.5% in comparison to a target for 2007/08 of 95.5%.

- 2.2 Previously, monitoring reports have been provided based on the performance of the department as a whole. Detailed departmental performance information has not been available since the transfer to Oracle financial system in April 2007.
- 2.3 A new report is now available with effect from January 2008, enabling analysis between different invoice processing sections of the department. This report will help in determining specific areas where performance can be improved. We now therefore have the tools to manage this issue effectively.

Individual monitoring for January 2008 shows the following:

Corporate Services - Council House	90.0%
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Social Care – St Mary’s Gate (Input by Resources Department)	95.9%
Design and Property Services, Roman House	88.6%
Housing, Bio House	83.5%
Corporate and Adult Services performance January 2008	93.1%

- 2.4 An investigation into where delays are occurring in the process reveals that whilst there have been some recent invoice processing backlogs, these have now largely been cleared. A pro-active approach will be taken to raise the profile of this indicator at departmental management and senior divisional management team level. The profile of the indicator will also be raised within departmental finance teams.
- 2.5 With effect from April 2008, performance against BV8 will be monitored on a monthly basis with quarterly reports to the departmental management team.
- 2.6 Budget managers will also be contacted in order to further raise the profile of invoice payments so that finance teams are able to receive and pay invoices promptly.
- 2.7 Where there are discrepancies on invoices managers will also be advised to return them to suppliers for correct invoices to be issued or to use the appropriate reason codes where there are genuine reasons for non payment of invoices.

For more information contact: Mick Styne, Business Support Manager 01332 258483 e-mail Background papers: mick.styne@derby.gov.uk List of appendices: None None
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IMPLICATIONS

Financial

1. Improving supplier payment terms will aid accurate budget monitoring.

Legal

2. None.

Personnel

3. None

Equalities impact

4. None

Corporate objectives and priorities for change

5. Improving value for money.