



REPORT TO: CORPORATE COMMITTEE ON 13 JUNE 2023

SUBJECT: PERFORMANCE REPORT (FINANCIAL SERVICES) – PERIOD TO MARCH 2023

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

1.1 To inform the Committee of the performance of the service for the period to 31 March 2023.

1.2 This report is submitted to Committee in terms of Section III (A) (4) of the Council's Scheme of Administration to monitor performance in accordance with the Council's Performance Management Framework.

2. RECOMMENDATION

2.1 It is recommended that Committee:

- (i) scrutinises performance in the areas of Service Planning, Service Performance and other related data to the end of March 2023;**
- (ii) notes the actions being taken to improve performance where required.**

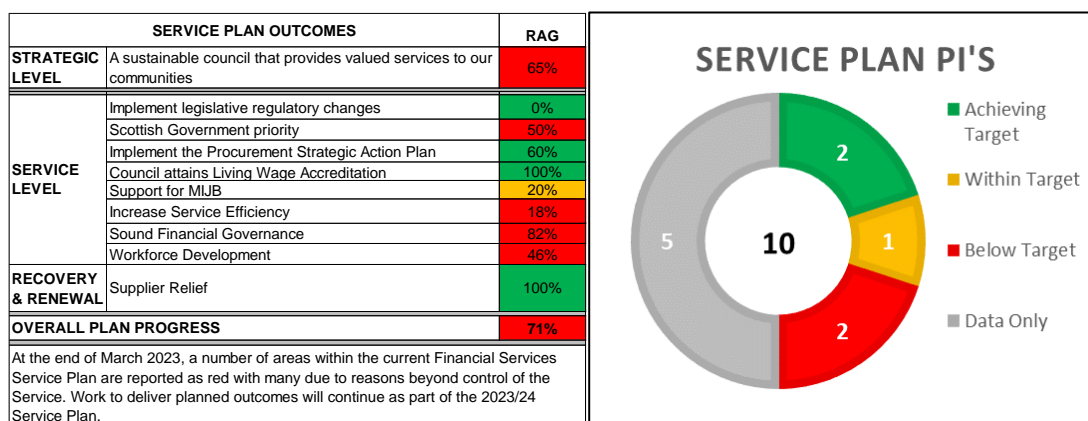
3. BACKGROUND

3.1 On 7 August 2019, the Moray Council approved a revised Performance Management Framework for services (para 5 of the minute refers).

4. SERVICE PLANNING

4.1 Each service plan sets out the strategic and service level priorities and outcomes it intends to deliver in the coming year aligning closely with financial planning, corporate and community planning partnership strategic priorities. This report provides an interim update on progress on the service plan, key outcomes and performance indicators. Committee is invited to review progress to secure assurance that is satisfactory and to provide scrutiny and further direction where performance requires attention.

- 4.2 Latest Local Government Benchmarking Framework (LGBF) Indicators covering 2021/22, initially published in February 2023, will be refreshed in June. The full suite can be viewed using the [My Local Council](#) tool. Published indicators for this service have been incorporated within the relevant section of this report depending on whether results are used to evidence progress against strategic, service plan or service performance priorities. 2022/23 LGBF data will be available early 2024.
- 4.3 The narrative included is by exception, links to Service Plan Actions and Performance Indicators can be accessed within the Background Papers section of this report.



Strategic Outcomes – successes

- 4.4 The planned review of the 10 year capital plan, aimed at developing a cap on expenditure, is complete with an updated plan approved at a Special Meeting of Moray Council on 1 March 2023 (para 5 of the Minute refers). A target saving of 10% reduction was achieved due to rescheduling of planned work with further reductions anticipated through use of a prioritisation matrix. The process to review small scale spend to save initiatives has also concluded for 2022/23 with no proposals taken forward. This process will be repeated in 2023/24. (Action FIN22-23 Strat-4.1b and 4.1d)

Strategic Outcomes – challenges and actions to support

- 4.5 While the Transformation programme remains ongoing, a review of savings identified to date was undertaken in December and included in the Council's budget for 2023/24. Opportunities for any further savings will continue to be assessed throughout the year. Public consultation regarding potential savings linked to the new Corporate Plan is to be rescheduled with a document outlining proposals currently in development. (Actions FIN22-23 Strat-4.1c, 4.1e)

Service Level Outcomes – successes

- 4.6 Although out with original target timescales, a review and update of Budget Manager Training is now complete. A refresher module is available on-line with a programme of face to face sessions scheduled to take place over the summer. (Action FIN22-23 Serv-5.7b)

Service Level Outcomes – challenges and actions to support

- 4.7 Work to develop mainstream Participatory Budgeting (PB) continues with the addition of an Active Travel project covering Buckie and Keith. With 12 activities now in progress, allocated spend has increased to £473,802 however this remains well below the target of £1,975,000. (Action FIN22-23 Serv-5.2, Pls FS214, FS215 and FS216). The results of a recent report on PB activity across Scotland will be used as the basis of a review of the Council's approach to PB.
- 4.8 At the end of quarter 4, five actions aimed at Increasing Service Efficiency are behind schedule. Four relating to Council Tax have been delayed due to resourcing issues around system upgrades to software and hardware. Financial Services are liaising with ICT however progress is unlikely in the short term and revised due dates in the 2023/24 Service Plan are proposed. Development of an e-form for Accounts Payable is 65% complete with focus now on workflow and authorisation processes outwith the original due date. (Actions FIN22-23 Serv-5.6a, 5.6b, 5.6c, 5.6d and 5.6f)
- 4.9 Work to develop the financial process for the Moray Growth Deal remains ongoing with further modifications to the financial template agreed and to be implemented in 2023/24. (Action FIN22-23 Serv-5.7a)
- 4.10 Actions relating to workforce development remain ongoing. Unexpected workload during quarter 4 has delayed ERDPs within Taxation while the creation of a Trainee post in Accountancy is overdue. This is now anticipated to be finalised by the end August 2023. (Action FIN22-23 Serv-5.8b)

Recovery and Renewal - successes

- 4.11 The Supplier Relief scheme ended on 31 March 2023. During quarter 4, 18 claims were received, all were paid within the target deadline.

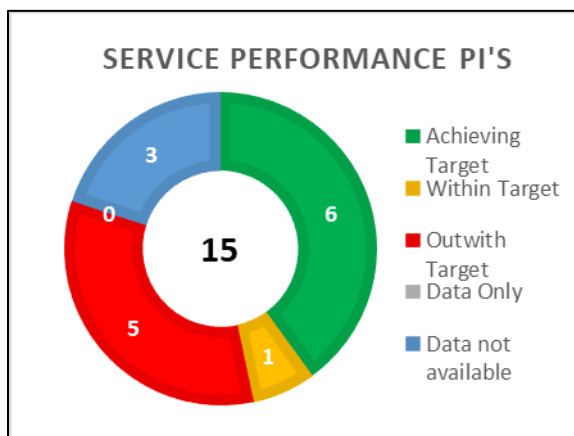
Recovery and Renewal – challenges and actions to support

- 4.12 Nothing to report.

5 SERVICE PERFORMANCE

- 5.1 In line with Performance Management Framework, operational performance is monitored quarterly by departmental management. Areas performing well and/or areas subject to a decreasing trend or where benchmarking results show performance below comparators will be reported to this Committee for member scrutiny.

- 5.2 The narrative included is by exception, links to Service Performance Indicators can be accessed within the Background Papers section of this report.



Operational Indicators – successes

- 5.3 Nothing to report.

Operational Indicators – challenges and actions to support

- 5.4 For 2021/22, the percentage of invoices sampled that were paid within 30 days has increased slightly from 84.02% to 85.49% however Moray remains in the lowest quartile ranked 26th and below the Scottish average of 92.2%. All payments are made immediately on receipt of authorised invoices from departments. This therefore reflects the pace of budget managers' authorisation rather than the performance of Financial Services. Heads of Service are periodically informed of the performance of their service in this regard. (PI CORP8).
- 5.5 The ratio of financing cost to net revenue stream, one of the Prudential indicators used nationally to measure affordability, highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income. For the 2021/22 reporting period, a ratio of 8.27% was reported for Moray, above the Scottish average of 5.89%, maintaining the ranking of 27th against all other local authorities. Prudential Indicators were reported to Council on 1 March 2023 (para 5 of the Minute refers) and reflected the ongoing general requirement to increase borrowing to fund capital expenditure in the capital plan, particularly in the Learning Estate and the Moray Growth Deal. (PI SFINSUS03)
- 5.6 To ensure spending is accurately forecast, LGBF reports on actual outturn as a percentage of budgeted expenditure. In the year to March 2022, despite an improvement from 89.6% to 91.1%, Moray remains below the Scottish average of 98.3% and ranked in the lowest quartile, falling from 30th to 32nd. (PI SFINSUS05) Patterns of budgeted spend are impacted across all local authorities, albeit in different ways, with for an example an increase in the level of reserves held a common feature. Budget manager training is key to an accurate forecast and this has been reviewed during 22/23.

6. OTHER PERFORMANCE RELATED DATA

Complaints & MP/MSP Enquiries

- 6.1 In line with the Performance Management Framework, complaints are reviewed quarterly by departmental management in terms of time taken to respond, outcome and learning points. Detailed tables can be accessed within the Background Papers section of this report.
- 6.2 During the second half of 2022/23, Financial Services received and closed 26 complaints; 20 (77%) as Frontline, 5 (19%) as Investigative and 1 (4%) as Escalated. Twelve (60%) Frontline complaints and 2 (40%) Investigative complaints met the target timescales of 5 and 20 working days respectively. All others were closed out with set targets.
- 6.3 Overall 9 complaints were upheld with a further 3 partially upheld. Eight complaints related to issues around Council Tax. Procedures around the handling of customer enquiries have been reviewed, refresher training has also been undertaken and best practice reinforced. A template to improve signposting has also been developed.
- 6.4 In addition to complaints, 7 MP/MSP enquiries were received between October and March. 4 related to council tax, 2 regarding the cost of living award and 1 around invoicing. All met acknowledgment targets.

Other Performance (not included in the Service Plan)

- 6.5 During quarter 4, the Taxation team have been administering energy grants to those not previously entitled under earlier government schemes. Despite starting during one of the busiest times of the year, the team have dealt with this additional workload well and in a timely manner to the benefit of those receiving the grants. However, this additional workload inevitably impacted the Taxation Team's ability to deal with its core workload at this time of peak demand.

Case Studies

- 6.6 Nothing to report.

Consultation and Engagement

- 6.7 Nothing to report.

7 SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

Performance measurement is used to ensure the efficient and sustainable delivery of services to meet the Council's priorities in both the Corporate Plan and the LOIP.

(b) Policy and Legal

The Council has a statutory requirement to publish a range of information that will demonstrate that it is securing best value and assist in comparing performance both over time and between authorities where appropriate.

(c) Financial implications

None.

(d) Risk Implications

None.

(e) Staffing Implications

None.

(f) Property

None.

(g) Equalities/Socio Economic Impact

An Equality Impact Assessment is not needed because the report is to inform the Committee on performance.

(h) Climate Change and Biodiversity Impacts

None

(i) Consultations

The Chief Financial Officer, Depute Chief Executive (Economy, Environment and Finance), Service Managers, Legal Services, the Equal Opportunities Officer, and Lindsey Robinson, Committee Services Officer have been consulted with any comments received incorporated into this report.

8. CONCLUSION

8.1 At the end of March 2023, progress against the current Financial Services Service Plan sits at 71%. Some actions have been delayed due to reasons beyond the control of the Service while others relate to longer term work including Participatory Budgeting and savings proposals. Work to deliver these planned outcomes will continue as part of the 2023/24 Service Plan.

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Background Papers: [Service Plan Actions](#)
[Service Plan Performance Indicators](#)
[Service Performance Indicators](#)
[Complaints Monitoring Report](#)

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