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| Prompt Payment Statistics | 19/09/2017 |
| Corporate, Policy and Resources Committee – For information | |

| Linkage to Council Strategy (2015-19) | |
|--|--|
| Strategic Theme | Innovation and Transformation |
| Outcome | The Council will continuously examine and introduce ways to provide services in more accessible and efficient ways |
| Lead Officer | Chief Finance Officer |
| Cost: (If applicable) | Performance improvement target |

1.1 Background

Department for communities (DfC) requires Council to record and publish statistics regarding the payment of supplier invoices with specific reference to two distinct measures namely invoices paid within 10 working days and invoices paid within 30 calendar days.

1.2 Detail

These figures are published on a quarterly basis by DfC with Councils required to do likewise. The purpose of the statistics is to encourage Councils to support businesses especially those local and/or small businesses for whom cash flow is of vital importance to their continued survival. In addition as part of Council's performance improvement plan for this year the payment of our suppliers has been identified as one of the performance improvement objectives with a target of 90% of suppliers being paid within 30 calendar days. The tables below detail Council's performance since April 2015 the latest data for quarters 1 and 2 of 2017/18 being up to and including August 2017. Council is at present falling short of the targets and more disappointingly have regressed from the improvements shown during 2016/17. Reasons for this include relocations of large numbers of staff as departments and directorates rationalise to fewer locations. The figures for Q2 include the month of July which tends to contribute lower performance due to punctuation of holidays which also results in one payment run not occurring.

1.3 Improvement Actions

Whilst the poorer performance in comparison to previous periods is disappointing it is to be expected from time to time that things won't go as well as planned especially during times of disruption. That said council officers continue to seek improvements to overcome these difficulties and ultimately improve the performance. Currently finance staff are working hard in the setting up of electronic systems which will remove the need to have invoices transported around all of our offices for verification and authorisation. It is anticipated that a pilot implementation of this will take place in September or October with a full roll-out in time for the new financial year, the timescale may seem long however it must be remembered that only one of the four legacy councils used the electronic system that is the basis for what is required therefore this requires an extensive programming, implementation, roll-out and training before it will become fully operational. The electronic system will produce significant improvements in the payment figures.

Prompt Payment Statistics 2015/2016

| | Q1 | Q2 | Q3 | Q4 | Total |
|---|-------------|--------------|-------------|-------------|--------------|
| Total No of Invoices | 3667 | 6972 | 5378 | 6406 | 22423 |
| Total amount paid | £ 6,607,314 | £ 12,411,407 | £ 6,898,749 | £ 9,835,553 | £ 35,753,023 |
| Number of invoices paid within 10 days | 1870 | 3145 | 2551 | 2653 | 10219 |
| % of invoices paid within 10 days | 51.00% | 45.11% | 47.43% | 41.41% | 45.57% |
| Number of invoices paid within 30 days | 3218 | 5622 | 4439 | 5124 | 18403 |
| % of invoices paid within 30 days | 87.76% | 80.64% | 82.54% | 79.99% | 82.07% |
| Number of invoices paid outside 30 days | 449 | 1350 | 939 | 1282 | 4020 |
| % of invoices paid outside 30 days | 12.24% | 19.36% | 17.46% | 20.01% | 17.93% |

Prompt Payment Statistics 2016/2017

| | Q1 | Q2 | Q3 | Q4 | Total |
|---|-------------|--------------|--------------|--------------|--------------|
| Total No of Invoices | 4533 | 6610 | 6072 | 8332 | 25547 |
| Total amount paid | £ 6,710,360 | £ 11,233,620 | £ 13,557,966 | £ 16,266,636 | £ 47,768,582 |
| Number of invoices paid within 10 days | 1910 | 2708 | 2792 | 4022 | 11432 |
| % of invoices paid within 10 days | 42.14% | 40.97% | 45.98% | 48.27% | 44.75% |
| Number of invoices paid within 30 days | 3907 | 5386 | 5339 | 6992 | 21624 |
| % of invoices paid within 30 days | 86.19% | 81.48% | 87.93% | 83.92% | 84.64% |
| Number of invoices paid outside 30 days | 626 | 1224 | 733 | 1340 | 3923 |
| % of invoices paid outside 30 days | 13.81% | 18.52% | 12.07% | 16.08% | 15.36% |

Prompt Payment Statistics 2017/2018

| | Q1 | Q2* | Q3 | Q4 | Total |
|---|----------------|--------|---------|---------|----------------|
| Total No of Invoices | 5204 | 5735 | | | 10939 |
| Total amount paid | £ 7,361,588 | | | | £ 7,361,588 |
| Number of invoices paid within 10 days | 1332 | 1716 | | | 3048 |
| % of invoices paid within 10 days | 25.60% | 29.92% | #DIV/0! | #DIV/0! | 27.86% |
| Number of invoices paid within 30 days | 3943 | 4330 | | | 8273 |
| % of invoices paid within 30 days | 75.77% | 75.50% | #DIV/0! | #DIV/0! | 75.63% |
| Number of invoices paid outside 30 days | 1261 | 1405 | 0 | 0 | 2666 |
| % of invoices paid outside 30 days | 24.23% | 24.50% | #DIV/0! | #DIV/0! | 24.37% |
| No. of Disputed Invoices | 9 | 7 | | | 16 |
| Average Payment Days | 24.78 | 25.92 | #DIV/0! | #DIV/0! | 25.38 |

* Incomplete period