

PROMPT PAYMENT PERFORMANCE 16/17

The Department for Communities (DfC) issued revised guidance (Local Government Circular 19/2016) on prompt payments and the recording of invoice payments in November 2016. This guidance requested councils to record specific performance targets of 10 working days and 30 calendar days and continue a cycle of quarterly reporting on prompt payment performance by councils to the DfC and its publication on their website.

The Council's prompt payment performance for the period 1 January 2017 to 31 March 2017 and the previous quarters for 2016/17 is set out in the table below.

During the quarter the Council paid 6,494 invoices totalling £15,557,323.

Period	Total Number of Invoices Paid	% Paid Within 30 Days	% Paid Within 10 Days
q/e 30 June 2016	5,273	81%	45%
q/e 30 Sept 2016	7,192	79%	16%
q/e 31 Dec 2016	8,160	86%	64%
q/e 31 March 2017	6,494	88%	72%

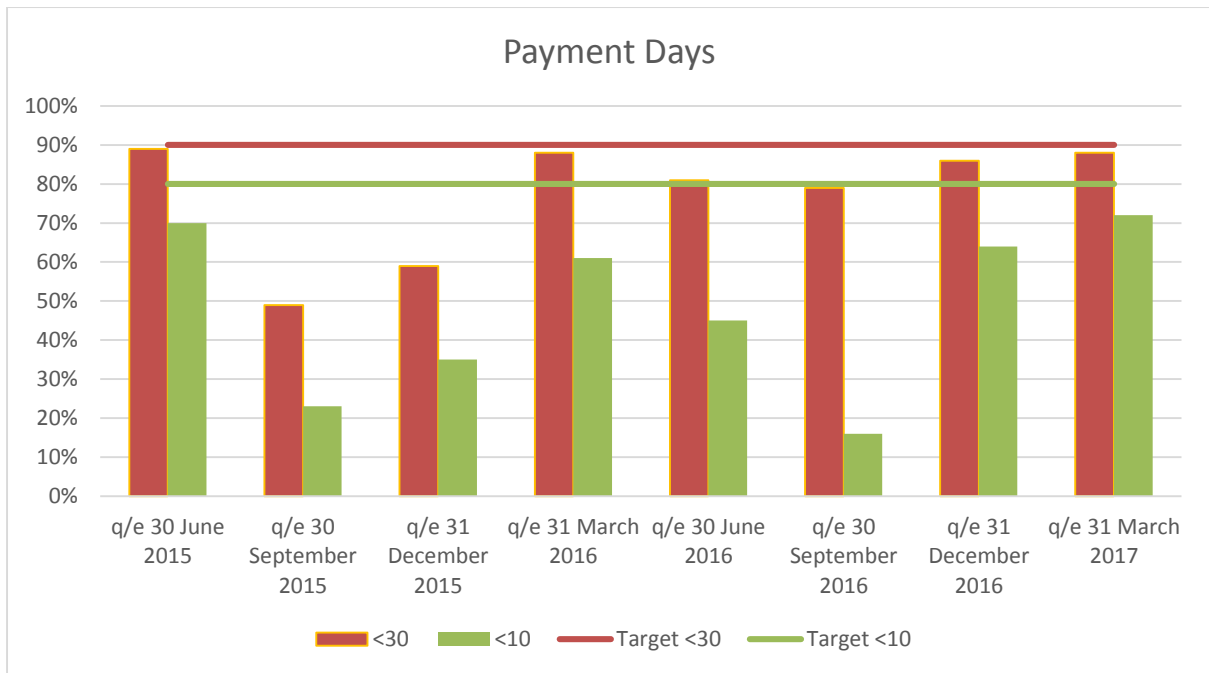
The default target for paying invoices, where no other terms are agreed, is 30 days.

(N.B. 30 days target is 30 calendar days and 10 days is 10 working days).

During the above period the Council paid 6,494 invoices totalling £15,557,323.

The Council has set a target of paying 90% of invoices within 30 days and 80% within 10 days.

The performance presented graphically over the last two years highlights the improvement made over the last two quarters.



The Council recognises the importance of paying our suppliers promptly. As previously reported to improve performance; resources within the section have been re-allocated, procedures are being reviewed, new software has been introduced and staff training within and external to the section has been delivered.

Significant improvement was made in the quarter ended 31 December 2016 'within 10 day' banding mainly due to the reduction in time taken to register invoices. Additionally two payment runs per week were introduced from 1 November 2016. This improvement was sustained into the quarter ended 31 March 2017.

Procedures and performance will continue to be kept under review and performance updates will be provided to members.

Recommendation

That the report be noted.

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 Agreed by John Balmer