

Title of Report:	Prompt Payment Statistics
Committee Report Submitted To:	Finance Committee
Date of Meeting:	24 October 2019
For Decision or For Information	For information

Linkage to Council Strategy (2019-23)	
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

Budgetary Considerations	
Cost of Proposal	Performance Target
Included in Current Year Estimates	YES/NO
Capital/Revenue	
Code	
Staffing Costs	

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

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 2017 the latest data being for quarter 3 of 2019/20 being up to and including early October 2019. Q2 performance has improved from the previous two quarters' figures which is encouraging albeit the improvement is small and the initial part of Q3 appears to continue this trend.

1.3 Improvement Actions

The small improvement would indicate that previously reported actions may be beginning to have a positive impact although it may be too early to tell if this is either significant or permanent. As reported previously Council staff have been working on improved systems to assist with the purchase ordering and invoice payment processes and I am pleased to report that the configuration of the first stage of this process has been completed and the implementation of it has commenced. This part of the project includes the rollout of the electronic purchase ordering system to all sites where Council staff need the ability to raise orders including sites not connected directly to the main ICT system. ICT staff have provided a solution allowing these sites to access the new purchase ordering system. Once all sites have been installed and staff trained then we can progress to the second phase which will allow for electronic authorisation of invoices and this should commence in the new year.

Prompt Payment Statistics 2017/2018							
	Q1	Q2	Q3	Q4	Total		
Total No of Invoices	5204	7475	6424	9383	28486		
Total amount paid	£ 7,361,588	£ 11,484,968	£ 9,477,430	£ 15,933,863	£ 44,257,849		
Number of invoices paid within 10 days	1332	2503	2765	5364	11964		
% of invoices paid within 10 days	25.60%	33.48%	43.04%	57.17%	42.00%		
Number of invoices paid within 30 days	3943	5845	5507	8135	23430		
% of invoices paid within 30 days	75.77%	78.19%	85.73%	86.70%	82.25%		
Number of invoices paid outside 30 days	1261	1630	917	1248	5056		
% of invoices paid outside 30 days	24.23%	21.81%	14.27%	13.30%	17.75%		
No. of Disputed Invoices	9	7	2	84	102		
Average Payment Days	24.78	24.47	20.43	21.33	22.58		
Prompt Payment Statistics 2018/2019							
	Q1	Q2	Q3	Q4	Total		
Total No of Invoices	4785	8355	7245	9823	30208		
Total amount paid	£ 6,610,672	£ 13,234,217	£ 11,722,216	£ 18,675,670	£ 50,242,775		
Number of invoices paid within 10 days	2222	3629	3205	4406	13462		
% of invoices paid within 10 days	46.44%	43.44%	44.24%	44.85%	44.56%		
Number of invoices paid within 30 days	4330	6845	5992	7679	24846		
% of invoices paid within 30 days	90.49%	81.93%	82.71%	78.17%	82.25%		
Number of invoices paid outside 30 days	455	1510	1253	2144	5362		
% of invoices paid outside 30 days	9.51%	18.07%	17.29%	21.83%	17.75%		
No. of Disputed Invoices	2	14	22	88	126		
Average Payment Days	19.24	23.45	31.17	23	24.49		
Prompt Payment Statistics 2019/2020							
	Q1	Q2	Q3*	Q4	Total		
Total No of Invoices	5453	7504	1063		14020		
Total amount paid	£ 11,235,850	£ 14,304,005			£ 25,539,855		
Number of invoices paid within 10 days	1767	2648	494		4909		
% of invoices paid within 10 days	32.40%	35.29%	46.47%	#DIV/0!	35.01%		
Number of invoices paid within 30 days	4177	5924	863		10964		
% of invoices paid within 30 days	76.60%	78.94%	81.19%	#DIV/0!	78.20%		
Number of invoices paid outside 30 days	1276	1580	200	0	3056		
% of invoices paid outside 30 days	23.40%	21.06%	18.81%	#DIV/0!	21.80%		
No. of Disputed Invoices	36	80	23		139		
Average Payment Days	23.52	24.26	19.53	#DIV/0!	23.61		
* Incomplete period							