

Report to:	<b>Clyde Valley Learning and Development Joint Committee</b>
Date of Meeting:	<b>1 June 2009</b>
Report by:	<b>Treasurer to Clyde Valley Learning and Development Joint Committee</b>

Subject:	<b>2008/2009 Annual Accounts for the Clyde Valley Learning and Development Joint Committee</b>
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### **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ advise the Clyde Valley Learning and Development Joint Committee on the final accounts position as at 31 March 2009

### **2. Recommendation(s)**

2.1. The Joint Committee is asked to approve the following recommendation(s):-

- (1) that the Annual Report and Accounts for the Clyde Valley Learning and Development Joint Committee for the year ended 31 March 2009 be approved.

### **3. Background**

3.1. The Annual Report and Accounts, as detailed at Appendix 1 to the report, shows the Income and Expenditure Account and Balance Sheet to 31 March 2009 for the Clyde Valley Learning and Development Joint Committee. These accounts have been passed for external audit to PriceWaterhouseCoopers.

3.2. The Annual Report and Accounts, as detailed at Appendix 1 to the report, comprises:-

- ◆ Introduction by the Convenor
- ◆ Service Review by the Project Manager
- ◆ Financial Statement by the Treasurer
- ◆ Income and Expenditure Account for the year ended 31 March 2009
- ◆ Statement of Movement on the General Fund for year ended 31 March 2009
- ◆ Statement of Recognised Gains and Losses for year ended 31 March 2009
- ◆ Balance Sheet as at 31 March 2009
- ◆ Cash Flow Statement for year ended 31 March 2009
- ◆ Notes to the Financial Statements
- ◆ Statement of Accounting Policies
- ◆ Statement of Responsibilities for the Statement of Accounts
- ◆ Statement on the System of Internal Financial Control
- ◆ Audit Arrangements

#### **4. Employee Implications**

- 4.1. None

#### **5. Financial Implications**

- 5.1. The Accounts show that the Committee's total revenue expenditure amounted to £0.173 million in 2008/2009 and was met by other income of £0.173 million (£0.085 million of which was the utilisation of the funds carried forward from 2007/2008). This results in a break even position.
- 5.2. As detailed above, £0.085 million of the balance carried forward from 2007/2008 was used in 2008/2009. After taking account of any accruals and commitments, this leaves a revenue cash balance of £0.404 million to be carried forward for use in future years.

#### **6. Other Implications**

- 6.1. None

#### **7. Equality Impact Assessment and Consultation Arrangements**

- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

**Paul Manning**

**Treasurer to Clyde Valley Learning and Development Joint Committee**

15 May 2009

#### **Link(s) to Council Objectives and Values**

- ♦ Value: Accountable, Effective and Efficient

#### **Previous References**

- ♦ None

#### **List of Background Papers**

- ♦ Clyde Valley Learning and Development Committee Annual Report and Accounts 2008/2009.

#### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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***CLYDE VALLEY LEARNING AND DEVELOPMENT  
JOINT COMMITTEE***

***ANNUAL REPORT AND ACCOUNTS***

***2008-2009***

# ***CLYDE VALLEY LEARNING AND DEVELOPMENT JOINT COMMITTEE***

## **ANNUAL REPORT AND ACCOUNTS 2008-2009**

### **INDEX**

<b>Page</b>	<b>Content</b>
1 - 2	Explanatory Foreword
3	Introduction by the Convenor of the Joint Committee for the Clyde Valley Learning and Development Project
4 -10	Service Review 2008/2009 - Statement by the Project Manager
11	Financial Statement by Treasurer
12	Income & Expenditure Account 2008/2009
13	Statement of Movement on the General Fund
14	Statement of Recognised Gains and Losses
15	Balance Sheet
16	Cash Flow Statement
17 – 19	Notes to the Financial Statements
20	Statement of Accounting Policies
21	Statement of Responsibilities for the Statement of Accounts
22	Statement on the System of Internal Financial Control
23	Audit Arrangements
24	Glossary of Terms

## **EXPLANATORY FOREWORD**

### **Service Outline by the Project Manager**

The Service outline by the Project Manager sets out the objectives and Service performance of the Joint Committee for financial year 2008/09.

### **Financial Statements**

The purpose of the Annual Report and Accounts is to demonstrate stewardship of the public monies which fund the work of the Committee.

The Statement of Recommended Practice 2008 (SORP) ensures a set of statements is produced, each statement with a single clear objective. These are noted below:

- Income and Expenditure Account – *summary of resources generated and consumed by the Project in the year.*
- Statement of Movement on General Fund balance – *reconciliation showing how the balance of income versus expenditure in the year linked in with statutory requirements for a balanced budget at financial year end.*
- Statement of Recognised Gains and Losses – *demonstration of how the movement in net worth in the Balance Sheet is identified to the Income and Expenditure Account balance and to other unrealised gains and losses.*

The cumulative underspend at the end of the year will be held by the Committee for utilisation in future years. These monies are reflected as a creditor balance on the Balance Sheet.

### **Financial Position**

The Income and Expenditure Account and its accompanying notes and statements summarise the costs and sources of funding in carrying out the Committee's activities.

For 2008/09, the Revenue Expenditure results for the Committee are shown on page 12 – a bottom line break-even position on their Income and Expenditure Account.

The major element of the Project's expenditure is incurred in respect of Administration Costs (£0.178m, 98%).

The major element of the Board's income is in respect of the monies received from the Scottish Government (via South Lanarkshire Council) who contributed to the start-up costs of the project. This contribution totalled £0.560m in 2007/2008 and any balance unutilised has been carried forward into 2009/2010 as a Creditor (£0.404m). These monies will be used for future progress on the project.

There is no movement in cash for 2008/2009, as the cumulative underspend is invested in South Lanarkshire Council's Loans Fund. This reflects the practical arrangement that exists between the Committee and South Lanarkshire Council where the Council's Loans Fund lends or borrows according to the required cash flow and activities of the Committee.

The Statement of Accounting Policies has been included which details the policies implemented when compiling and presenting the Income and Expenditure Account, Balance Sheet and related statements. The accounting policies are those recommended by the Code of Practice on Local Authority Accounting in Great Britain.

The Statement of Responsibilities for the Statement of Accounts advises that the Head of Finance for South Lanarkshire Council is designated Treasurer to the Committee and is responsible for the proper administration of the Committee's financial affairs. Full details of the Treasurer's responsibilities are included in this statement.

Further information on the Committee's finances can be obtained from the Treasurer to the Clyde Valley Learning and Development Joint Committee, Finance and Information Technology Resources, Floor 4, Almada Street, Hamilton, ML3 0AB.

## **Introduction by the Convenor of Clyde Valley Learning and Development Joint Committee**

As Chair of the Joint Committee I would like to thank the members of the Implementation Steering Group, the Clyde Valley project staff and members of staff from each of the Clyde Valley Authorities for their work in developing the work of the project during the period April 2008 to March 2009.

Over the past year the work of the Clyde Valley Learning and Development Project has progressed well, and has seen the establishment of a strong and productive partnership between each of the member Councils. During the past year the Joint Committee has observed the realisation of many of the desired outcomes and efficiencies which were targeted through the project's objectives. The Clyde Valley Councils continue to show enthusiasm and diligence in tackling the shared services agenda, and are now starting to reap the benefits of this activity.

As the lead authority, I remain optimistic that the work of the project will continue to develop into ever more ambitious areas and establish the Clyde Valley Learning and Development Group as an example of best practice in the field of learning and development.

Once again I wish the Clyde Valley Group every success in realising this vision over the coming year.

**Councillor Denis McKenna**

**Chair**

**Clyde Valley Learning and Development Joint Committee**

## **SERVICE REVIEW 2008 – 2009**

### **Introduction**

Grant funding for the Clyde Valley Learning and Development project was formally awarded on 11 July 2007. Work on the project commenced with the appointment of a Project Manager on 17 September 2007. The project manager's secondment to the project has now been formally extended to 31 March 2010. The information in this report relates to the period from 1 April 2008 to 31 March 2009.

The overall objective of the project is to establish a shared approach to training, learning and development between the Clyde Valley Councils (South Lanarkshire, North Lanarkshire, East Dunbartonshire, West Dunbartonshire, Glasgow City, East Renfrewshire, Inverclyde and Renfrewshire Councils) which will result in:-

- Overall efficiencies in cashable and non-cashable savings
- Development and application of improved standards
- A consistent approach to training, learning and development
- Reduce and ultimately eliminate duplication of effort
- Equality of opportunity for all Clyde Valley employees in accessing appropriate learning and development

This is achieved by the Clyde Valley Councils designing, developing, implementing and evaluating a number of training models and approaches which fulfil the above objectives.

There are now eight established work streams currently being delivered or in development:-

- First Aid training
- Diversity training
- Delivery of vocational qualifications
- Accredited first line manager training (ILM)
- Management development
- Equality training
- Social Care training
- Elected Member training

In addition, the Clyde Valley Councils are currently developing a common approach to the management and delivery of e-learning through shared technology and learning and development content.

### **Delivery of Phase One**

- At the preliminary feasibility stage of the project, a number of business models were evaluated in order to identify the optimal delivery method to meet the Clyde Valley's demand for First Aid training. The solution chosen was that First Aid training should be delivered by Glasgow City Council Direct and Care Services (DACS) on behalf of the Clyde Valley Group in a variety of venues throughout the Clyde Valley.
- Since the establishment of this approach, employees from East Dunbartonshire, East Renfrewshire, Glasgow City, North Lanarkshire, Renfrewshire and South Lanarkshire Councils have accessed these courses. To date 145 courses have been run with a total of 1,496 Clyde Valley employees trained.



- The success rate of the programme is 100% with participating employees successfully achieving certification or re-accreditation to the appropriate level.
- The First Aid model has been cited as an example of good practice in other aspects of the Clyde Valley Project's work, particularly in the field of Social Care training. Overcoming the logistical difficulties inherent in this delivery model has become a significant driver in addressing similar aspects of training delivery relevant to Social Care. In addition, the approach has been successfully replicated by the three Ayrshire councils (North, East and South Ayrshire).
- The savings that have been generated by this approach to date have yielded an average of 8% across the Clyde Valley. In cash terms the current figure is some £6,600 to date.

### **E-Learning - Equality and Diversity**

- An initial audit of current provision of training in this subject area was completed as part of the feasibility phase of the project. It was recognised that an efficient solution was required to provide basic level training across all authorities but also to provide evidence that the training had been provided and had been effective. For this reason an e-learning solution was recommended by the Implementation Steering Group, and a suitable package commissioned for development.
- The e-learning package is now available in versions for front line staff and for managers for each of the Clyde Valley partner councils. The economies of scale derived from shared development and procurement amount to a saving of some 60% when compared with prices quoted for single council purchase.
- Usage on the package has not yet reached the anticipated numbers as each authority has taken a different approach to allowing access to this training. This issue will continue to be addressed, however, it has been universally accepted that the content provides an appropriate solution for the Clyde Valley councils in the short term.

### **Delivery of Vocational Qualifications (SVQs)**

- The approach taken on this aspect of the project was to identify opportunities for improvement by benchmarking existing costs, processes and sharing good practice. This approach has yielded benefits both planned and unplanned from the collaborative approach.
- During the initial period of the SVQ project, (up to June 2008), the quantified savings achieved across the Clyde Valley councils was £45,197. This in part was due to a change in the nature and structure of the SVQ in Administration. However, in addition these savings were also attributed to the reduction in assessor time required due to the use of online portfolios. This use has now been increased from three councils to five, with the potential for further expansion in the future.
- The resulting business case recommended that the Clyde Valley Project expanded the use of the online portfolio development tool, Learning Assistant, together with 1,059 user licences. Purchasing through the Clyde Valley will yield initial savings of £2,500.00 per council in start-up and installation costs, and a further saving of some £10,708.00 in initial licence charges.

- The purchase price negotiated by the Clyde Valley Group has encouraged North Ayrshire Council (an associate member of the Clyde Valley Group), to purchase Learning Assistant, and to develop the use of online portfolios in a further four subject areas.
- The shared approach has also yielded a further partnership between North and South Lanarkshire Councils, whereby two tranches of 16 candidates from North Lanarkshire Council (NLC) have had the SVQ delivered by South Lanarkshire Council (SLC). In doing so the income of £18,000 has been retained within the Clyde Valley Project with no additional resources required to deliver the programmes. This has been accommodated from savings in time achieved through the online portfolio approach.
- The Group continues to investigate further opportunities for savings and sharing good practice, such as reviewing the number of accredited VQ centres throughout the Clyde Valley. An evaluation of these and other opportunities to generate further savings is planned to be developed in phase two of the project.

## **Development of Phase two**

### **Accredited First Line Management Training**

- Two distinct projects developed by this sub-group have already yielded significant benefits in both development of good practice and in generating cost savings. Both of these outcomes demonstrate the merits of a shared approach to delivery of accredited management training.
- The first of these involves the delivery of training by the Clyde Valley partners on behalf of Glasgow City Council. Clyde Valley training staff are now involved in supporting Glasgow City Council to deliver the Institute of Leadership and Management (ILM) award level programmes for an initial tranche of 500 first line managers. This programme is already underway.
- A schedule of eight award programmes has now been agreed to be delivered in Glasgow City Council between December 2008 and April 2009. These eight programmes are being delivered by trainers from all four of the accredited ILM providing Councils (Glasgow City, North Lanarkshire, Renfrewshire and South Lanarkshire Councils). Training staff are effectively seconded to the Clyde Valley Project for the duration of each training programme, thereby maximising the overall capacity of the Clyde Valley Project to deliver this training programme within the required timescale.
- Evaluation of this approach is ongoing. However, early feedback has already contributed to changes and improvements to the programme. Formal evaluation will take place at the end of each course and at the end of the eight scheduled programmes.
- The second strand of this group's work involves a comparison and evaluation of the accrediting bodies for first line management and supervisory training.
- The Chartered Management Institute (CMI) was invited to make a presentation to the sub group setting out the features and benefits of its programmes and methods. Sub group members then completed a series of evaluation exercises to compare the two

accreditation bodies and to make recommendations to the Implementation Steering Group.

- The recommendations were to undertake a series of pilot programmes with CMI to run in parallel with the existing provision for the Institute of Leadership and Management (ILM) programmes. In order to be as inclusive as possible and to allow as many of the partner councils to evaluate the programme, several of the councils have “paired up” for delivery, with the host council including candidates from the partner council on each programme.
- The host and partner councils are respectively:-
  - South Lanarkshire Council with East Renfrewshire Council
  - North Lanarkshire Council with East Dunbartonshire Council
  - Renfrewshire Council with Inverclyde Council
- Glasgow City Council having recently embarked on its first ILM accredited programmes has deferred its decision to participate in the CMI pilot, however, the outcome of the Clyde Valley’s evaluation will have a bearing on its future direction.
- West Dunbartonshire Council has elected to embark on a new ILM programme in partnership with a local college.
- The Clyde Valley Group has, as a result of this work, become a registered CMI centre in order to deliver pilot programmes in three different councils under one Clyde Valley banner. The evaluation of these programmes in terms of cost and quality will inform the group’s thinking in the longer term; however, the benefits of gaining registration as one body are already apparent.

## **Management Development**

- North and South Lanarkshire Councils are now delivering the newly accredited Management Development programme in partnership with Glasgow Caledonian University (GCU). Induction for the first certificate level programmes has been completed with employees from both Councils participating jointly at GCU’s campus.
- As a new programme the process of development, accreditation and validation was commended by the academic board of the University for both its innovation and for the high level of partnership and collaborative working between the three parties. In addition, the negotiated rate for delivery reflects the level of investment in time contributed by both councils.
- Having established this programme and agreed costs as a partnership between the two Lanarkshire Councils and GCU, the costs of delivery remain a subject of discussion. The issue being that GCU is seeking to establish a revised charging policy which will apply to all other Councils purchasing the accredited programmes, including other Clyde Valley Councils.
- In the mean time Clyde Valley associate member, North Ayrshire Council, has recently embarked on its first partnership Management Development programme with GCU and has received very positive feedback on the early modules delivered. Negotiations are ongoing between representatives of the Clyde Valley Project and the University’s business development department with the aim of securing a more competitive rate for all the Clyde Valley Councils.

- Alternative accredited management development programmes are also being evaluated in parallel by Clyde Valley Councils including the proposals in development by the Improvement Service and by the University of West of Scotland. Representatives from both of these bodies have been invited to attend the next scheduled meeting of the Management Development sub group.

## **Equality Training**

- The Equality and Diversity Group has identified a number of areas of common concern. These include:-
  - training for Equality Impact Assessment
  - provision of translation and interpreting services
  - consistent standards for equalities training
- In terms of priority, establishing a consistent standard for equality training in Councils remains vital. The group has identified several parties who have the capability and capacity to develop a set of appropriate standards. Selection is underway and it is anticipated that an appointment will be made within the coming month.
- Once these proposed standards are in draft, they will be circulated for consultation with relevant stakeholders.

## **Social Care Training**

- A Clyde Valley sub group addressing the Social Care training agenda was established in June 2008. The sub group identified a number of areas of common interest involving learning and development for employees of all eight Clyde Valley authorities.
- The first phase of the Social Care project identified the following subject areas for review:-
  - Moving and handling (assisting) training
  - Food hygiene training (REHIS)
  - Child protection training
  - Anti-racist training
- Within the sub group, development groups have been assigned to each subject area under the phase one agenda. Each development group has gathered data for the two key subject areas of moving and assisting training, and food hygiene training, with alternative methods of delivery and opportunities for improvement in these areas. It is anticipated that this joint approach to training in moving and assisting and food hygiene will result in a more efficient way of working with better use of resources.
- The groups have agreed the core content of moving and assisting and food hygiene and have recently prepared a tender in partnership with colleagues in South Lanarkshire Council's procurement team. The object of the tender is to allow for provision from a variety of providers and to take on board the requirement that partner councils may join the arrangement in a staged timetable, reflecting the need to see out existing contracts for this provision.

- The Group have identified a further three subject areas where a joint approach will yield benefits, either in cost or time, or in the delivery of best practice in content of the course, with opportunities for standard outcomes for participants, which will require agreement of the eight Clyde Valley authorities.

The subject areas are as follows:-

- Social Work Managers Induction
- Crisis Aggression Limitation and Management
- Personal Safety at Work

### **Elected Member Training**

- The Clyde Valley network group established to review training opportunities for Elected Members continues to circulate information between Councils where shared events can be held.
- In the first instance Glasgow City Council successfully ran a course entitled 'Introduction to Local Government Finance' for elected members. The course was attended by Elected Members from seven of the Clyde Valley councils.
- Further opportunities continue to be circulated. Most recently opportunities have been provided for Members with Planning responsibilities, and for Effective Chairing of Meetings.

### **Other Activities**

#### **Development of Information Technology (IT) in learning and development (E-Learning)**

- The increased use of e-learning technology has been under consideration by many public and private sector organisations including Clyde Valley member councils for a number of years. In particular, councils have generally recognised the benefits of operating a learning management system (LMS) as a means of hosting e-learning content, tracking access to the learning, reporting on progress and outcomes achieved and evaluating effectiveness.
- Each of the Clyde Valley councils has committed to participate in a tender exercise for the provision of a learning management system (learning platform) and associated software to facilitate the delivery of e-learning. South Lanarkshire Council as lead authority has gathered the appropriate background data from each council relating to the current technology used in each authority.
- Having received the necessary data and in consultation with each member council, the tender process has begun through the publication of a Pre Qualification Questionnaire (PQQ). On completion of this process a formal invitation to tender (ITT) document will be produced which specifies both the functional and technical specifications required by the Clyde Valley councils.
- On the assumption that a suitable provider is found, the Clyde Valley councils will be in a position to develop e-learning materials to deliver training, learning and development more efficiently and effectively. As a result, the opportunities to share and jointly develop new materials will be significantly enhanced, resulting in long term savings in delivery costs.

## **Conclusion**

The Clyde Valley Project is now established as a vehicle for delivering change in the field of Learning and Development for each of the Clyde Valley Councils. The outcomes achieved over the past year have demonstrated that more efficient and effective performance can be achieved through a collaborative approach. The Project now has an established basis on which to consolidate the existing delivery arrangements and to identify and develop new opportunities in the coming year. In partnership with the Scottish Local Government Improvement Service, we hope very much that the experiences of the Clyde Valley Project will continue to be shared by and produce similar benefits for other local authorities throughout Scotland.

**Gerry Farrell**

**Project Manager – Clyde Valley Learning and Development Project**

## **FINANCIAL STATEMENT BY TREASURER**

In the second year of the Joint Committee, I have continued to experience the support of staff within Personnel Services of South Lanarkshire Council and also my own staff in Finance and Information Technology Resources. I would take this opportunity to show my appreciation for the continued support of the operational staff in the 8 constituent Councils and would stress that this unified approach has been necessary in confirming the financial direction of the Joint Committee.

During financial year 2007/2008, the Joint Committee received an allocation of funding from the Government's Efficiency and Reform Fund (£0.560m). This money was for start-up costs on a stream of projects to be implemented by the Joint Committee. The current year (2008/09) utilisation of these funds was £0.085m (cumulative £0.156m), which leaves £0.404m to be carried into financial year 2009/10.

I look forward to supporting the finances of the Joint Committee and to further assist the Committee in the implementation of the planned project streams.

Further information on the Annual Report and Accounts of the Clyde Valley Learning and Development Joint Committee can be obtained from Finance and Information Technology Resources, 4th Floor, Council Offices, Almada Street, Hamilton ML3 0AB.

**Paul Manning**

**Treasurer – Clyde Valley Learning and Development Joint Committee**

## Income and Expenditure Account for the Year Ended 31 March 2009

2007/2008 For seven month period £000		2008/2009 £000	Notes
0	Employee Costs	0	
0	Property Costs	0	
0	Supplies and Services	0	
38	Administration Costs	178	<sup>1</sup>
34	Payments to Other Bodies	2	<sup>3</sup>
1	Financing Charges	2	
73	Total Expenditure	182	
(73)	Income	(182)	
<b>0</b>	<b>Net Cost / (Return) of Service</b>	<b>0</b>	
0	Return on Pension Assets	0	
0	Interest Costs on Pensions	0	
<b>0</b>	<b>Net Operating Expenditure (Deficit / (Surplus))</b>	<b>0</b>	



## **Statement of Movement on the General Fund Balance**

A Statement of Movement on the General Fund Balance is not required as net operating expenditure for the year ended 31 March 2009 is zero as shown in the Income and Expenditure Account. There are no balances recorded in the Income and Expenditure Account which are required by statute and non-statutory proper practices to be debited or credited to the General Fund balance for the year ended 31 March 2009.

## **Statement of Total Recognised Gains and Losses**

There are no recognised gains and losses for the year ended 31 March 2009 as the Joint Committee has no assets.

## Balance Sheet as at 31 March 2009

2007/08 For Seven Month Period £000s			2008/09 £000s	Notes
	<b><u>Current Assets</u></b>			
0	Stock		20	
0	Debtors		5	
491	Investment in South Lanarkshire Council Loans Fund		390	4
<b>491</b>	<b>Total Assets</b>		<b>415</b>	
	<b><u>Current Liabilities</u></b>			
(491)	Creditors		(415)	5
<b>0</b>	<b>Total Assets less Liabilities</b>		<b>0</b>	
	<b><u>Represented By :</u></b>			
0	General Fund Balance		0	
<b>0</b>			<b>0</b>	

**Paul Manning**  
**Treasurer**  
**30 June 2009**

## Cash Flow Statement 2008/2009

2007/08 For Seven Month Period £000		notes	2008/2009 £000
	<b>Revenue Activities</b>		
	<b>Cash Outflows</b>		
0	Cash paid to and on behalf of employees		0
70	Other operating cash payments		192
70	Total Cash Outflows		192
	<b>Cash Inflows</b>		
560	Other operating cash receipts		
2	Cash received for goods and services		93
562	Total Cash Inflows		93
(492)	<b>Net Cash (Inflow) / Outflow from Revenue Activities</b>	6	<b>99</b>
	<b>Returns on Investment and Servicing of Finance</b>		
	<b>Cash Outflows</b>		
1	Interest Paid		2
1	Total Cash Outflows		2
	<b>Cash Inflows</b>		
0	Interest Received		0
0	Total Cash Inflows		0
1	<b>Net Cash Inflow(Outflow) from Servicing of Finance</b>		<b>2</b>
	<b>Capital Activities</b>		
	<b>Cash Outflows</b>		
0	Total Cash Outflows		0
	<b>Cash Inflows</b>		
0	Total Cash Inflows		0
0	<b>Net Cash Outflow from Capital Activities</b>		<b>0</b>
(491)	<b>Net Cash ( Inflow) / Outflow Before Financing</b>		<b>101</b>
	<b>Management of Liquid Resources</b>		
491	Net increase / (decrease) in short term deposits		(101)
0	Net (increase) decrease in other liquid assets		0
491	<b>Net Cash Inflow / Outflow) from the Management of Liquid Resources</b>	7	<b>(101)</b>
	<b>Financing</b>		
	<b>Cash Outflows</b>		
0	Total Cash Outflows		0
	<b>Cash Inflows</b>		
0	Total Cash Inflows		0
0	<b>Net Cash Outflow from Financing</b>		<b>0</b>
0	<b>Net Decrease / (Increase) in Cash</b>	8	<b>0</b>

## Notes to the Financial Statements

### **1 Payments to South Lanarkshire Council**

The Board makes payments to South Lanarkshire Council for administration / support services.

	<b>2008/2009</b>	<b>2007/08</b>
	<b>£000</b>	<b>For Seven Month Period £000</b>
Personnel – Employee Time	107	34
Personnel – Training	0	4
<b>Total Payments :</b>	<b>107</b>	<b>38</b>

### **2 Local Government Act 1986 - Separate Publicity Account**

Section 5 of the above Act requires the Joint Committee to maintain a separate account for publicity. There was no expenditure incurred during 2008/09.

### **3 Auditors Remuneration**

The auditor's remuneration is included in the Payments to Other Bodies' expenditure. In the year ended March 2009, £0.002m was the agreed remuneration to Audit Scotland in respect of external audit services undertaken in accordance with the Code of Practice.

	<b>2008/09</b>	<b>2007/08</b>
	<b>£000</b>	<b>For Seven Month Period £000</b>
Auditors Remuneration :		
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor (PricewaterhouseCoopers LLP)	2	2
	<b>2</b>	<b>2</b>

### **4 Short Term Investments**

All of the Committee's £0.390m short term investments are held in the South Lanarkshire Councils Loan Fund.

## 5 Creditors

The Creditors figure is analysed as follows:-

	2008/09 £000	2007/2008 For Seven Month Period £000
Training invoices	10	0
Audit fee	1	2
Balance of Efficiency and Reform Monies held on behalf of constituent Councils and the Training Project	404	489
	<b>415</b>	<b>491</b>

## 6 Reconciliation of between the net surplus or deficit on the Income and Expenditure Account to the Revenue Activities Net Cash Flow

	2008/09 £000	2007/08 For Seven Month Period £000
Surplus/(Deficit) for the Year	0	0
<u>Items on an Accruals Basis</u>		
(Decrease)/Increase in Debtors	25	0
Decrease/(Increase) in Creditors	76	(491)
<u>Items Classified under Returns on Investment and Servicing of Finance in the Cash Flow Statement</u>		
Interest Paid – Interest on Revenue Balances	(2)	(1)
<b>Net Cash Flow from Revenue Activities</b>	<b>99</b>	<b>(492)</b>

## **7 Reconciliation of Movements in Liquid Assets**

	<b>Opening Balance 01/04/2008</b>	<b>Closing Balance 31/03/2009</b>	<b>Movement in Liquid Assets</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Investment in South Lanarkshire Council Loans Fund	491	390	(101)

## **8 Reconciliation of Movement in Cash to Movement in Net Debt**

The net cash movement of the Clyde Valley Learning and Development Joint Committee is nil, as any overspends are funded from the Joint Committee's holdings in South Lanarkshire Council's Loans Fund. This is shown on the Cash Flow Statement and the Balance Sheet respectively. The Clyde Valley Learning and Development Project – Joint Committee has no loan debt.

## **9 Financing and Management Of Liquid Resources**

Liquid Resources are held by South Lanarkshire Council as lead authority and are available to the Committee as required.

## **10 Date of Signing of Annual Accounts**

The accounts were authorised by the Head of Finance, Finance and Information Technology on **30 June 2009**, Treasurer to the Clyde Valley Learning and Development Project – Joint Committee.

## **11 Post Balance Sheet Events**

No events occurred between 1 April 2009 and 30 June 2009 that would have an impact on the 2008/2009 financial statements. The later date is the date on which the accounts were authorised by the Head of Finance, Finance and Information Technology Resources, Treasurer to the Clyde Valley Learning and Development Joint Committee.

## **Statement of Accounting Policies**

### **(a) General**

The general policies adopted in compiling and presenting the Accounts are those recommended by the Code of Practice on Local Authority in Great Britain issued jointly by the Chartered Institute of Public Finance and Accountancy (C I P F A) and the Local Authority (Scotland) Accounts Advisory Committee (L A S A A C). There are no significant departures from those recommendations.

### **(b) Debtors and Creditors**

#### **Accruals basis**

The income and expenditure account is compiled on an accruals basis. Where goods have been sold but the income not received by end 31 March 2009 or goods have been received but not paid for by end March 2009, then the income and expenditure account has been amended to reflect the outstanding amounts.

#### **(i) Debtors**

All specific and material sums payable to the Joint Committee have been brought into account.

#### **(ii) Creditors**

Sundry Creditors are accrued on the basis of payments made during the first three weeks following 31st March 2009, together with specific accruals in respect of further material items.

### **(c) Allocation of Support Expenses**

The allocation of Support Expenses is the cost of those South Lanarkshire employees who provide a direct service to the Joint Committee. The individual support department is Personnel Services where employees are directly involved in the operations of the Joint Committee. The recharge is made on a consistent basis.

### **(d) Borrowing Facilities**

The Committee is a separate legal entity and has South Lanarkshire Council as its lead authority. The loans' fund of South Lanarkshire Council acts as banker to the Joint Committee and consequently lends or borrows according to the required cash flow and activities of the Committee.



## **Statement of Responsibilities for the Statement of Accounts**

### **The Clyde Valley Learning and Development Joint Committee's responsibilities**

The Clyde Valley Learning and Development Joint Committee is required to:-

- make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Committee, that officer is the Treasurer
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets

### **The Treasurer's responsibilities**

The Treasurer is responsible for the preparation of the Committee's statement of accounts in accordance with proper accounting practices set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (the "Code of Practice").

In preparing this statement of accounts, the Treasurer has:-

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the Code of Practice

The Treasurer has also:-

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities

This statement of accounts presents fairly the financial position of the Committee at 31 March 2009 and its income and expenditure for the year ended 31 March 2009.

**Paul Manning**

**Treasurer – Clyde Valley Learning & Development Joint Committee**

**30 June 2009**

## **Statement on the System of Internal Financial Control**

1. The statement is given in respect of the Statement of Accounts for Clyde Valley Learning and Development Joint Committee. I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated in connection with the resources concerned.
2. The system of internal control can provide only reasonable and not absolute assurance that assets are safeguarded, that transactions are properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.
3. As a Joint Committee established during financial year 2007/08, I am aware of our governance duties. As the work of the Joint Committee develops, I undertake to continue my commitment to transparency and openness in our governance arrangements and will review these as appropriate during 2009/10.
4. The following activities have taken place to date in relation to establishing a robust governance infrastructure:-
  - All eight Councils continue to be represented on the Joint Committee.
  - The scheme of delegation, terms of reference, standing orders, financial regulations and stakeholder roles and responsibilities defined in 2007/08 remain in place.
  - Meetings of the Joint Committee are held on a quarterly basis with Councillor Denis McKenna (South Lanarkshire Council) elected Chair of the Joint Committee. Councillor Jean Jones (North Lanarkshire Council) has been elected as Vice-Chair of the Joint Committee.
  - Scheme of delegation allows for Clyde Valley Implementation Steering Group to manage direct and prioritise the work programme.
  - Minute of agreement has been produced and signed by each of the participating Councils.
  - Centralised invoicing and re-charging administered through South Lanarkshire Council.
  - Financial Management arrangements through South Lanarkshire Council's FMS Ledger system.
5. The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. These arrangements follow the systems of financial management in place within the lead authority, South Lanarkshire Council. The Joint Committee use the Council's Financial Management and Payroll systems and are subject to the relevant controls in place as directed by the Internal/External Audit guidance.
6. It is my view that in the second year of the Joint Committee (financial year 2008/09), the systems for internal control were reasonably effective and will continue to be reviewed and improved as appropriate in 2009/10.

**Paul Manning**

**Treasurer - Clyde Valley Learning and Development Steering Group**

## **Audit Arrangements**

Under arrangements approved by the Commission for Local Authority Accounts in Scotland ("The Accounts Commission"), the auditor with overall responsibility for the audit of the accounts of the Clyde Valley Learning and Development Project – Joint Committee for the year ended 31 March 2009 is:

PricewaterhouseCoopers LLP  
Kintyre House  
209 West George Street  
Glasgow  
G2 2LW

## **Glossary of Terms**

**Much of the terminology used in this Report is intended to be self-explanatory, however, the following additional definition and interpretation of terms used may be helpful:**

**1. Employee Costs**

This includes salaries, wages, overtime, bonus, enhancements, employer's pension and national insurance, travelling and subsistence expenses and other staff allowances.

**2. Property Costs**

This includes rent and rates, property insurance, repair and maintenance of property, upkeep of grounds, heating and lighting, furnishings and fittings and the allocation of accommodation costs.

**3. Supplies and Services**

This includes materials, books, uniforms and protective clothing, the purchase and maintenance of equipment and tools and various services carried out by external contractors.

**4. Administration Costs**

This includes printing and stationery, advertising, postages, telephone costs and central support services allocations for administration.

**5. Payments to Other Bodies**

This includes payments to other organisations and agencies providing services complementing or supplementing the work of the Board.

**6. Financing Charges**

This represents the operating leasing costs for cars.

**7. Borrowing Facilities and Temporary Interest on Revenue Balances**

The loans fund of South Lanarkshire Council lends or borrows according to the cash flow of the Joint Committee. This temporary interest credited / debited to the Joint Committee's Income and Expenditure Account reflects the interest earned or charged to the Committee for funds lent to or borrowed from the loans fund of South Lanarkshire Council.

**8. Sales, Fees and Charges**

This is income from charges to citizens and organisations for the direct use of the Joint Committee's services or the purchase of goods from the Committee e.g. sale of training courses.