

Report

Report to:	Clyde Valley Learning and Development Joint Committee
Date of Meeting:	3 October 2022
Report by:	Treasurer to Clyde Valley Learning and Development Joint Committee

Subject:	Audited Annual Accounts 2021/2022
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ advise members of the outcome of the audit by the Joint Committee's external auditor, Audit Scotland
- ♦ advise members of the requirement to approve the Annual Accounts for 2021/2022 for signature

2. Recommendation(s)

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

- (1) that it be noted that the Annual Accounts for 2021/2022 received a clean audit certificate (section 4.2); and
- (2) that the audited Annual Accounts for 2021/2022, be approved for signature (Appendix 1).

3. Background

3.1. The auditor, Audit Scotland, is required to supply an audit certificate outlining the findings of the audit process undertaken in relation to the Annual Accounts 2021/2022.

3.2. Following the publication of The Local Authority Accounts (Scotland) Regulations 2014 and the Local Authority (Capital Finance and Accounting) (Scotland) (Coronavirus) Amendment Regulations 2022, the members of the Board are required to meet to consider whether to approve the audited Annual Accounts for signature, no later than 31 November 2022. Audit Scotland have set this date at 31 October 2022. The members are also required to have regard to any report made or advice provided on the Annual Accounts by the auditor.

4. Audited Accounts

4.1. As noted in 3.2 above, members are now required to approve the audited Annual Accounts for signature. Appendix 1 attached provides a copy of the Annual Accounts for members' consideration.

4.2. The Joint Committee's external auditors, Audit Scotland, have completed an audit which extends across the 2021/2022 Annual Accounts and related matters. In summary, the report provides a clean audit certificate with no audit actions identified. A full copy of the report has been provided to members at this meeting.

- 4.3. Copies of the audited Annual Accounts are attached at Appendix 1 to this report and will be available on South Lanarkshire Council's website.

5. Employee Implications

- 5.1. None

6. Financial Implications

- 6.1. The Accounts show that the Joint Committee's total revenue expenditure amounted to £0.122 million in 2021/2022 and was met by income of £0.108 million. This results in a £0.014 million deficit due to the approved expenditure of £0.025 million on the Brightwave contract extension, which can be offset against the revenue cash balance of £0.030 million brought forward from 2020/2021.
- 6.2. After taking account of any accruals and commitments, this leaves a revenue cash balance of £0.016 million to be carried forward for use in future years.
- 6.3. This position has been confirmed by the Joint Committee's external auditors, Audit Scotland.

7. Climate Change, Sustainability and Environmental Implications

- 7.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

8. Other Implications

- 8.1. The main risk associated with the Clyde Valley Learning and Development Joint Committee Annual Accounts was a qualified audit report. The risk was assessed as low due to the detailed preparation in relation to the year end process, technical training undertaken by key finance staff and the roll out of this to Resource finance staff as appropriate. Finance Services and the Project Steering Group work together to achieve key deadlines and actions set from timetables.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. 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.
- 9.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

Jackie Taylor
Treasurer

24 August 2022

Previous References

- ◆ Clyde Valley Learning and Development Joint Committee, 20 June 2022

List of Background Papers

- ◆ Clyde Valley Learning and Development Joint Committee Annual Accounts 2021/2022 and External Auditor's report.

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 ACCOUNTS
2021/2022**

CLYDE VALLEY LEARNING AND DEVELOPMENT JOINT COMMITTEE

ANNUAL ACCOUNTS 2021/2022

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Introduction by the Convener of Clyde Valley Learning and Development Joint Committee

Once again, a reflection of our shared experiences over the past year is dominated by the continued challenges brought about by the Covid-19 pandemic and the impact it has had on all our lives. Many of us have grown used to working from home as we meet the challenges of maintaining and delivering our services in ever more creative ways. It has been most encouraging therefore to note that the prudent strategic planning and particularly the implementation of online learning systems by the Clyde Valley Group has provided the solution to meeting our councils' continuing learning and development needs during this period.

As we progressed through the fifteenth year of the Project's existence it is encouraging to observe that the membership structure and funding model established three years ago has been maintained and a healthy number of councils have retained membership in each of the categories on offer.

Each of the Group's programmes have continued to operate effectively and despite the challenges of moving onto new technology platforms for many of our member councils, it has been clear that the collaborative approach which remains the Group's principal strength has helped to make these transitions take place smoothly.

I am confident that the exceptional networks established through the Project will continue to provide opportunities for mutual support and shared delivery of learning and development as we move on from the worst impacts of the pandemic.

The local government elections in May 2022 brought new administrations for all our member councils, and it is therefore appropriate to note that this year marked the milestone of the fifth and final year of governance for the current Joint Committee. I would like to recognise and thank all the partner Councils involved for maintaining the Project's unique partnership, particularly in the current circumstances. It is now more important than ever that the Project should continue to develop and deliver value to Members.

To all the Elected Members who have served on the Clyde Valley Learning and Development Joint Committee over these past five years I would like to extend my thanks and appreciation for your continued support during this period. Similarly, I would like to recognise the hard work and commitment of the officers who consistently deliver the Project's outputs and benefits year after year.

I believe we can look forward optimistically to the coming year for the Clyde Valley Learning and Development Group and would like to take the opportunity to encourage the incoming Joint Committee Members, and the officers from the Member Councils to continue to take an active role in ensuring the continued success of the Project.

Councillor Lynsey Hamilton
Convener
Clyde Valley Learning and Development Joint Committee

Management Commentary 2021/2022

Introduction

The Management Commentary of the Clyde Valley Learning and Development Joint Committee provides details of the environment in which the Joint Committee operates and on the Joint Committee's performance, both operationally and financially.

The following commentary relates to the 2021/2022 financial year. For a second year the effect of the global pandemic Covid-19 has continued to influence the way all council services are delivered, and this has brought additional challenges for the partnership. Despite this the Clyde Valley Learning and Development Joint Committee continues to maintain a strong presence and impact.

Objectives

The overall objective of the project remains to establish and deliver a number of shared approaches to training, learning and development between the Clyde Valley Councils (South Lanarkshire, North Lanarkshire, Glasgow City, East Renfrewshire, Inverclyde and Renfrewshire Councils) which will result in:

- ◆ Greater efficiency due to shared working rather than a council-by-council approach
- ◆ Reduced duplication of effort
- ◆ The identification, development and sharing of best practice
- ◆ Setting, achieving and maintaining the highest standards of service delivery
- ◆ Modernising service delivery by improving practice and making best use of information technology
- ◆ A consistent approach to training, learning and development
- ◆ Ensuring equality of opportunity for all Clyde Valley employees in accessing appropriate learning and development
- ◆ Developing centres of excellence from which to deliver models suitable for replication nationally

Financial Statements

The purpose of the financial statements is to demonstrate stewardship of the public monies which fund the work of the Committee.

The financial statements have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/2022, supported by International Financial Reporting Standards (IFRS) which ensures a set of statements is produced, each statement with a single clear objective.

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 General Fund Reserve on the Balance Sheet.

Performance Review 2021/2022

The Clyde Valley Councils continue to monitor the benefits and outcomes they achieve through their involvement in the project on an ongoing basis. As the project's stability is maintained and the achievements are considered each year, the collaborative approach to learning and development continues to demonstrate added value to the Member Councils.

In the financial year 2021/2022, benefits have been realised through making cost savings and developing best practice in the following areas:

- ◆ Ongoing contracts achieved through joint procurement
- ◆ E-Learning development, improvements and content sharing
- ◆ Developing skills capacity through investment in new e-learning authoring skills (future-proofing content)
- ◆ Savings in delivery of Scottish Vocational Qualifications
- ◆ Learning and training for Social Care
- ◆ Food hygiene online training and award
- ◆ Maintaining the delivery and practice of Promoting Positive Behaviour despite the compromises of Covid-19
- ◆ Building internal capacity in delivering Promoting Positive Behaviour
- ◆ Accredited Front Line Management training (CMI)

Although the established infrastructure, culture, and practice within the Clyde Valley Project continues to promote and facilitate opportunities for networking and sharing best practice, this remains a function of the individuals representing each member council. During the past year a significant number of key council employees who have played a pivotal role in facilitating Clyde Valley activities have retired or moved on to new responsibilities. This includes Project staff, lead representatives from member councils and other stakeholders in specific projects. Their individual and collective contributions were critical to the success and outcomes achieved to date through the project.

The specific challenges brought upon by the Covid-19 pandemic during the past year have affected the whole of society. Local government remains at the centre of the response and recovery from this crisis and it is our challenge both to maintain service delivery and to develop new and innovative ways of working through the partnership.

The established infrastructure and networks within the Clyde Valley Learning and Development Group have allowed collaborative work to continue through virtual meetings and learning events, shared content for front line and redeployed services and the delivery of online learning in unprecedented numbers to council employees across the Clyde Valley Group. Attendance at Clyde Valley meetings online using Teams has significantly increased as this medium is now the recognised and preferred method. For the Group's more distantly located members this has allowed attendance at each meeting for the first time in the Group's history.

The project governance structure of a Steering Group guiding corporate initiatives, and the Social Care Group managing the Health and Social Care agenda continues to work well in terms of providing governance and strategic direction. This approach continues to reflect the scope of influence over each dimension of the project as well as the resourcing implications of delivering the Project's programmes.

The membership categories and fee structure for membership were retained for 2021/2022. This approach provides a viable basis to contribute to project running costs as well as providing a suitable fund to enable additional key Project support activities to be commissioned.

The membership for 2021/2022 comprised:-

- 6 Full Members
- 10 Participating Members
- 1 Procurement Member

The income met the designated minimum level to support a contribution to running costs for South Lanarkshire Council as lead authority, (£0.061m including allocated external audit fees).

Existing Programmes and Project Activity

The primary focus has continued to be on consolidation of established Project work implemented by the Group. These reflect those activities which were initiated through the Clyde Valley Project, and which are now integrated into standard business practice for the councils. These include e-learning, Promoting Positive Behaviour, Social Care training and accredited management and leadership training.

Continuity in Online Learning Provision

In the exceptional circumstances brought upon by the pandemic, the Group took the decision to seek approval for the non-contractual extension to the existing provision of a Learning Management System for the Councils. This resulted in a two-year extension to guarantee that the high priority to meet learning needs online was addressed without loss of service. A more modern offering was provided with improved functionality, a new look and feel and the ability to access content on personal mobile devices.

This has resulted in a programme of staggered migration to the new platform by the eleven member councils who opted in. In addition, one participating member council continued to use the older technology through the extension.

Subsidy to Learning Management System Migration Costs and Authoring Software

As the new Learning Management System platform and portal incurred unanticipated set up and configuration costs the Joint Committee approved a proposal to use a proportion of the Clyde Valley Project fund to subsidise some of these costs. The sum of £23,000 was approved for this purpose. In recognition that North Lanarkshire Council was unable to access the subsidy for this purpose, the Committee approved the funding of two authoring software licences (Articulate) for a period of one year. This amounted to a further approved expenditure of £2,150 from project funds. The total approved use of brought forward accumulated funds was £25,150.

Futureproofing Existing Online Content

Throughout the duration of the Clyde Valley Learning and Development Group project online content was developed and shared using the Brightwave Interactive Learning Developer proprietary authoring tool provided by Brightwave. As this software had reached the end of its lifetime and was no longer supported by Brightwave it was necessary to convert the existing courses into a more modern format using authoring software which can be used in all online learning environments. In preparation for the migration to the new

platform the Clyde Valley Councils used the Articulate product to create new versions of the content which continues to provide opportunities for Councils to share within the Group.

Maintaining and Increasing Capacity to Deliver Promoting Positive Behaviour (PPB)

Due to staff turnover, changing job responsibilities and retirements, the pool of trainers available to deliver PPB is constantly in flux and under review. During the year, the PPB Strategic Governance Group appealed to the member councils who co-own the PPB programme to nominate additional Principal Trainers to support and sustain the 'Train the Trainer' internal model of delivery. This has resulted in at least two Principal Trainers being nominated from each council making a total pool of twenty-three trainers. On completion of the induction programme and meeting the additional Principal Trainer criteria, this group will share the responsibility for meeting capacity requirements in training for PPB across the CVLDG Councils.

Commissioning of a Review of Promoting Positive Behaviour

Feedback from stakeholders involved in the PPB programme has remained consistently positive since the programme was first implemented seven years ago. Nonetheless the PPB Strategic Governance Group remains aware that, with changes to modes of working, structures and policy regarding the management of challenging behaviour, it is essential that the language, ethos and methods employed within the programme remain fit for purpose in all contexts. For this reason, a wide-ranging review of all aspects of the programme was commissioned and approved to confirm this to be the case, and make recommendations for further improvements if necessary. The report and recommendations will be delivered this calendar year and subject to the endorsement of the PPB Strategic Governance Group, improvements and changes will be integrated into the programme at the earliest possible opportunity.

Financial Performance

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

For 2021/2022, the Revenue Expenditure results for the Committee are shown on page 14. This shows a net deficit position of £0.014m on the Comprehensive Income and Expenditure Statement. The deficit position reflects an in-year underspend of £0.011m, offset by the approved costs of the Brightwave contract extension of £0.025m, resulting in an overall in-year deficit of £0.014m. This net deficit will be offset against the accumulated reserves balance brought forward from 2020/2021.

Support expenses of £0.059m were paid to South Lanarkshire Council. The Project also incurred expenditure on Training Costs incurred on behalf of Member Councils (£0.024m, 19.67%). This is an increase of £0.010m compared to 2020/2021, reflecting a position more in line with spend before the pandemic. The training costs relate to accredited management training which is provided to employees across Member Councils by the Chartered Management Institute, and annual City and Guilds subscriptions. These costs are incurred by Clyde Valley and recharged to individual Member Councils at the end of the financial year. Costs associated with other streams of Clyde Valley activity are incurred directly by individual authorities. The remainder of the expenditure relates to Project Work undertaken in 2021/2022 (£0.037m), which includes the £0.025m of costs in respect of the extension of the Brightwave contract.

The Committee's income is mainly made up of contributions from Member Councils (£0.084m in 2021/2022). There is a General Fund Balance comprising accumulated underspends since the inception of the Project in 2007/2008. The deficit of £0.014m for 2021/2022, which includes the approved expenditure of £0.025m for Brightwave, will be offset against this General Fund balance and the remaining monies will be used for future progress on the project.

This reflects the practical arrangement that exists between the Joint 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 Comprehensive 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 the United Kingdom, as supported by the International Financial Reporting Standards.

The Statement of Responsibilities advises that the Head of Finance (Strategy) for South Lanarkshire Council is the 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 the statement.

Outlook

The impact of the Covid-19 pandemic and successive lockdowns imposed for a second year has continued to dominate events for all of the Clyde Valley Group. From necessity however, new skills and methods have been developed to maintain service delivery and collaborative working. It is anticipated that these changes will continue to play a major part in the work of the Clyde Valley Group over the coming years.

Priorities will remain in the areas of delivering online learning to all councils and ensuring that the infrastructure is in place to support this effectively. For this reason the Group will plan for the end of the current procurement contract for this service and seek a mutually beneficial approach to build on the successes achieved to date.

Existing project work will continue to be managed prudently and it is anticipated that the recommendations of the PPB review will be implemented in the coming year to ensure that this remains one of the Clyde valley Group's flagship programmes.

The Clyde Valley Learning and Development Group will continue to seek out opportunities to deliver innovation in learning and development through collaborative working and maintain the continuity and quality of our online products.

The membership funding structure will continue to be monitored and evaluated in terms of achieving best value for the Member Councils. Further projects will be identified to maximise the benefits achieved from the Project fund. For this to happen the goodwill, time and resources allocated to the work by members remains central to the success of the Project.

Jackie Taylor
Treasurer - Clyde Valley Learning and Development Joint Committee
3 October 2022

Councillor Lynsey Hamilton
Convener - Clyde Valley Learning and Development Joint Committee
3 October 2022

Annual Governance Statement

The Joint Committee is responsible for putting in place proper arrangements for the governance of its activities in order to facilitate the effective operation of its functions. This includes ensuring that there are appropriate arrangements in place for the management of risk and that appropriate systems of internal control are in place. While the Joint Committee's governance arrangements have not been consolidated in a formal Code of Corporate Governance, the Annual Governance Statement has been prepared within the context of the Joint Committee's governance framework and meets legislative requirements to include the Annual Governance Statement within the Annual Accounts. A self-assessment of compliance with CIPFA's new FM Code has been carried out as appropriate with the results feeding into the Annual Governance Statement.

Scope of Responsibility

In delivering its aims and objectives, the Joint Committee is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The Joint Committee also has a statutory duty to make arrangements to secure best value under the Local Government in Scotland Act 2003. In discharging this responsibility, the Joint Committee's elected members and senior officers are responsible for putting in place proper arrangements for its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

Governance Framework

The Joint Committee operates a system of internal control designed to manage risk to a reasonable level. Internal controls cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable assurance and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Joint Committee's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised.

The main features of our governance arrangements are:

- All full member Councils continue to be represented on the Joint Committee.
- The scheme of delegation, terms of reference, financial regulations and stakeholder roles and responsibilities defined in 2007/2008 remain in place and have been reviewed for relevance and to determine if they are still appropriate. The standing orders were updated and approved in 2019/2020.
- Meetings of the Joint Committee are held three times a year chaired by the elected Convener of the Joint Committee. For 2021/2022, this was Councillor Katy Loudon (South Lanarkshire Council).
- 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, with a revised Minute of Agreement being approved to reflect the changes in membership and fee structure for 2019/2020 onwards.
- Effective risk management arrangements are embedded within the Member Councils.

The system of internal controls is based on a framework of regular management information, financial regulations, administrative procedures, management and 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 and are subject to the relevant controls in place which are reviewed by the Internal/External Audit through a programme of audit work. The overall audit opinion for the Joint Committee is informed by the assurances obtained from systems audits carried out by Internal Audit on the Council's shared systems.

The system includes:

- Centralised invoicing and re-charging administered through South Lanarkshire Council.
- Financial Management arrangements through South Lanarkshire Council's FMS Ledger system supported by Financial Regulations.
- Risks are identified and managed by the Project Manager on an ongoing basis.
- Preparation of financial reports that compare actual expenditure and income against budgets.
- Employees adhere to the range of policies including the Counter Fraud, Bribery and Corruption Policy Statement and Strategy, Fraud Response Plan, Whistleblowing for Third Parties and Confidential Reporting procedures operated by South Lanarkshire Council. These continue to be updated to reflect best practice and support a culture of ethical behaviour amongst employees and councillors.

During 2021/2022, 'shared system' audits and reviews were undertaken in relation to COVID-19 emerging fraud risks for areas provided to the Joint Committee under agreement with the Council, such as accounts payable and IT security. In these areas, there was reasonable assurance around the effectiveness of controls and no significant issues were identified that should be separately reported to the Joint Committee.

Statement on the Role of the Chief Financial Officer

CIPFA published the statement on the role of the Chief Financial Officer in 2010 and under the Code, the Joint Committee is required to state whether it complies with the statement, and if not, to explain how their governance arrangements deliver the same impact.

The Joint Committee's financial management arrangements comply with the principles set out in CIPFA's statement on the Role of the Chief Financial Officer.

CIPFA FM Code

The Chartered Institute of Finance and Public Accountancy (CIPFA) has introduced a Financial Management Code (the FM Code). The FM Code provides "guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the code, authorities will be able to demonstrate their financial sustainability". A key goal of the FM Code is to improve the financial resilience of organisations by embedding enhanced standards of financial management.

The principles of the FM Code have been reviewed as part of the Joint Committee's internal governance regime. In 2020/2021, a self-assessment was carried out during the year which identified that the Joint Committee where appropriate had fully embedded all but one of the principles of the Code in its normal business by the end of that year.

The principle to ensure there is a statement regarding the Joint Committee's adequacy of reserves in the budget strategy paper, had not been fully embedded.

In February 2022, the 2022/2023 budget paper was presented to the Joint Committee. Whilst the paper did not include a formal statement, the paper assessed the adequacy of the funding for the coming year (2022/2023), including the approved use of the

accumulated reserves to assist with the costs of a contract extension in 2021/2022, and determined that the funding in-year was sufficient to operate the Project as a going concern with reserves available to help with other Project Work.

Continuous Improvement

As the work of the Clyde Valley Learning and Development Joint Committee develops, I am aware of our governance duties and will continue my commitment to transparency and openness in our governance arrangements. No issues have been identified during 2021/2022 and I will continue to review these as appropriate during 2022/2023.

COVID-19 Pandemic Governance Arrangements

While there was initial disruption to the ability to undertake training courses in-person as a result of the ongoing pandemic, the work of the Clyde Valley Learning and Development Joint Committee was able to continue to progress in a number of areas virtually during 2021/2022, with an increased demand on e-learning services. South Lanarkshire Council staff continued to have access to IT systems and have been able to provide ongoing support to the Joint Committee in the normal way.

While the Joint Committee has continued to deliver services virtually where possible during the various phases of the pandemic, there has been no changes to the governance arrangements in place except for the changes made in response to the pandemic.

Information technology has been at the forefront of the transition to home working for everyone, and the Joint Committee's e-learning infrastructure has actively assisted in delivering online services, learning and communications for the member authorities.

The membership structure and funding model agreed in recent years has been maintained with a healthy number of councils retaining their membership in each of the categories available.

Assurance

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.

It is my view that in the fifteenth year of the Clyde Valley Learning and Development Joint Committee (financial year 2021/2022), reasonable assurance can be placed on the adequacy and effectiveness of the Committee's framework of governance, risk management and control arrangements.

Jackie Taylor

Treasurer - Clyde Valley Learning and Development Joint Committee
3 October 2022

Councillor Lynsey Hamilton

Convener - Clyde Valley Learning and Development Joint Committee
3 October 2022

Movement in Reserves Statement

The Movement in Reserves Statement shows the movement in the year on the different reserves held by the Joint Committee, analysed into useable reserves and other reserves. This gives a summary of the changes that have taken place in the funding section of the Balance Sheet over the financial year.

2021/2022	General Fund Balance	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£000	£000	£000	£000
Balance at 31 March 2021	30	30	-	30
Movement in Reserves during 2021/2022				
Deficit on the provision of services	(14)	(14)	-	(14)
Other comprehensive income and expenditure	-	-	-	-
Total comprehensive income and expenditure	(14)	(14)	-	(14)
Adjustments between accounting basis and funding basis	-	-	-	-
Net increase before transfers to / from other statutory reserves	-	-	-	-
Transfers to / from other statutory reserves	-	-	-	-
Increase / (Decrease) in 2021/2022	(14)	(14)	-	(14)
Balance as at 31 March 2022	16	16	-	16

2020/2021	General Fund Balance	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£000	£000	£000	£000
Balance at 31 March 2020	28	28	-	28
Movement in Reserves during 2020/2021				
Surplus on the provision of services	2	2	-	2
Other comprehensive income and expenditure	-	-	-	-
Total comprehensive income and expenditure	2	2	-	2
Adjustments between accounting basis and funding basis	-	-	-	-
Net increase before transfers to / from other statutory reserves	-	-	-	-
Transfers to / from other statutory reserves	-	-	-	-
Increase / (Decrease) in 2020/2021	2	2	-	2
Balance as at 31 March 2021	30	30	-	30

Comprehensive Income and Expenditure Statement For the Year Ended 31 March 2022

The Comprehensive Income and Expenditure Statement gives a summary of resources generated and consumed by the Joint Committee in the year.

2020/21		2021/22	
£000		£000	Notes
59	Support Expenses paid to South Lanarkshire Council	59	
14	Training Costs for Member Councils	24	
20	Project Work	37	
2	Payments to Other Bodies	2	1
<hr/> 95	Total Expenditure	<hr/> 122	
(97)	Income	(108)	
<hr/> (2)	(Surplus) / Deficit on Provision of Service	<hr/> 14	
<hr/> (2)	Total Comprehensive Income and Expenditure	<hr/> 14	

Balance Sheet as at 31 March 2022

The Balance Sheet summarises the assets and liabilities of the Joint Committee at the Balance Sheet date.

31 March 2021 £000		31 March 2022 £000	Notes
	Current Assets		
0	Debtors	0	
62	Short Term Investments	52	2
62	Total Current Assets	52	
	Current Liabilities		
(32)	Creditors	(36)	3
30	Net Current Assets	16	
	Represented By :		
30	General Fund Balance	16	
30		16	

The notes on pages 17-21 form part of the financial statements.

The unaudited accounts were approved for issue by the Treasurer on 20 June 2022 and the audited accounts were authorised for issue on 3 October 2022.

Jackie Taylor
Treasurer – Clyde Valley Learning and Development Joint Committee
3 October 2022

Cash Flow Statement

For the year ended 31 March 2022

The Cash Flow Statement shows the changes in cash and cash equivalents held by the Clyde Valley Learning and Development Joint Committee during the reporting year. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating and investing activities.

2020/21		2021/22
£000		£000
(2)	Net (surplus) on the provision of services	14
20	Adjust net surplus or deficit on the provision of services for non cash movements	(4)
18	Net cash flows from Operating Activities	10
	Investing Activities (note below)	(10)
(18)		
0	Net increase or decrease in cash and cash equivalents	0
0	Cash and cash equivalents at the beginning of the reporting year	0
0	Cash and cash equivalents at the end of the reporting year	0

Cash Flow Statement Note - Non Cash Movements

2020/21		2021/22
£000	Description	£000
0	Movement in Debtors	0
20	Movement in Creditors	(4)
20		(4)

Cash Flow Statement Note – Investing Activities

2020/21		2021/22
£000		£000
(18)	Purchase or (Sale) of short-term and long-term investments	(10)
(18)	Net cash flows generated from/(used in) investing activities	(10)

Notes to the Accounts

1 Auditors' Remuneration

The auditors' remuneration is included in the Payments to Other Bodies' expenditure.

	2021/22 £000	2020/21 £000
Auditors' Remuneration:		
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditors	2	2
	<u>2</u>	<u>2</u>

In 2021/2022, Clyde Valley Learning and Development Joint Committee has incurred fees of £2,020 for the statutory audit of the financial statements by Audit Scotland. The comparable figure for 2020/2021 was £1,960. Fees payable in respect of other services provided by the appointed auditor were £nil. (2020/2021: £nil)

2 Financial Instruments

The following category of financial instrument is carried in the balance sheet:

	31 March 2022 £000	31 March 2022 £000	31 March 2022 £000	31 March 2021 £000	31 March 2021 £000	31 March 2021 £000
Investments	Long Term	Current	Total	Long Term	Current	Total
Loans and Receivables	0	52	52	0	62	62
Total Investments	0	52	52	0	62	62

3 Creditors

The Creditors figure is analysed as follows:

	2021/22 £000	2020/21 £000
Audit fee	2	2
Prepaid Contributions from Local Authorities	34	30
	<u>36</u>	<u>32</u>

4 Related Parties

The Clyde Valley Learning and Development Joint Committee is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Joint Committee. Disclosure of these transactions allows readers to assess the extent to which the Joint Committee might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Joint Committee.

All transactions with Councils were entered into under the terms of the Joint Committee and, where appropriate, reported through the Joint Committee. During the year the Joint Committee transacted with the following Councils:

Local Authorities	Receipts 2021/22 £000	Payments 2021/22 £000	Receipts 2020/21 £000	Payments 2020/21 £000
South Lanarkshire	15	59	11	59
North Lanarkshire	12	0	13	0
Glasgow City Council	11	0	10	0
Renfrewshire Council	15	0	12	0
East Renfrewshire	7	0	7	0
Inverclyde Council	6	0	5	0
Total	66	59	58	59

At the year end the Joint Committee held Short Term Investments and creditor balances with the Local Authorities detailed below:

Local Authorities	Short Term Investment Balances 2021/22 £000	Creditors Balances 2021/22 £000	Short Term Investment Balances 2020/21 £000	Creditors Balances 2020/21 £000
South Lanarkshire	52	16	62	30
North Lanarkshire	0	10	0	10
Renfrewshire	0	0	0	7
Total	52	26	62	47

5 Financing and Management of Liquid Resources

Liquid Resources are held by South Lanarkshire Council as lead authority and are available to Clyde Valley Learning and Development Joint Committee as required.

6 Remuneration Report

The Local Authority Accounts (Scotland) Amendment Regulations 2014 require local authorities in Scotland to prepare a Remuneration Report as part of the Financial Statements.

In accordance with the Regulations, and the relevant definition of individuals that are to be disclosed in this report, Clyde Valley Learning and Development Joint Committee has no employees that require to be disclosed.

Clyde Valley Learning and Development Joint Committee makes no payment of salary, allowances or pension contributions to any of the Councillors who are appointed as members of the Joint Committee.

7 Date of Signing of the Accounts

The audited accounts were authorised for issue on 3 October 2022 by the Treasurer to the Clyde Valley Learning and Development Joint Committee.

8 Post Balance Sheet Events

No events occurred between 1 April 2022 and 3 October 2022 that would have an impact on the 2021/2022 financial statements. The later date is the date on which the audited accounts were authorised for issue by the Treasurer to the Clyde Valley Learning and Development Joint Committee.

9 Going Concern

The accounts have been prepared on the going concern basis on the basis that funding from Local Authorities has been received for 2022/2023.

Statement of Accounting Policies

(a) General

The general policies adopted in compiling and presenting the financial statements are those required by the Local Authority Accounts (Scotland) Regulations 2014, section 12 of the Local Government in Scotland Act 2003, requires they be prepared in accordance with proper accounting practices. These practices primarily comprise Code of Practice on Local Authority in the United Kingdom 2021/2022, issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC), supported by International Financial Reporting Standards (IFRS). There are no significant departures from those recommendations.

The accounts have been prepared under the historic cost convention and accounting policies have been applied consistently.

(b) Accruals basis

The Comprehensive Income and Expenditure Statement is compiled on an accruals basis. Income and expenditure activities are accounted for in the year which they take place, not simply when payments are made or received. Where services have been provided but the income not received by end 31 March 2022 or services have been received but not paid for by end 31 March 2022, then the income and expenditure account has been amended to reflect the outstanding amounts and a debtor or creditor for the relevant amount is recorded in the balance sheet.

(c) Debtors and Creditors

All specific and material sums payable to and paid by the Clyde Valley Learning and Development Joint Committee have been brought into account.

(d) Allocation of Support Expenses

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

(e) Borrowing Facilities

The Clyde Valley Learning and Development Joint 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 Joint Committee.

(f) Financial Instruments

For investments due within 12 months, prevailing benchmark rates have been used to provide the fair value. Where an instrument has a maturity of less than 12 months the fair value is taken to be the principal outstanding. Creditors due within 12 months are not classed as a financial instrument.

(g) Reserve – General Fund Balance

The Joint Committee Members agreed that any surplus on the Income and Expenditure Account at the end of the financial year will be carried forward and held in a General Fund Reserve for use on Clyde Valley projects in future financial years. The value of the funding being carried forward will be reviewed on an annual basis.

Statement of Responsibilities for the Annual 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 secure that one of its officers has the responsibility for the administration of those affairs. For the Joint Committee, that officer is the Head of Finance (Strategy) designated as Treasurer of the Joint Committee;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- ensure the Annual accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014) and the Coronavirus (Scotland) Act 2022 and is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003; and
- approve the Annual Accounts for signature

I confirm that these accounts were approved for signature by the Joint Committee at its meeting on 3 October 2022.

Signed on behalf of Clyde Valley Learning and Development Joint Committee

Convenor – Clyde Valley Learning and Development Joint Committee

The Treasurer's responsibilities:

The Treasurer is responsible for the preparation of the Clyde Valley Learning and Development Joint Committee's Annual Accounts in accordance with proper practices set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code).

In preparing the Annual Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the local authority Code.

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.

I certify that the Annual Accounts give a true and fair view of the financial position of the Joint Committee at 31 March 2022 and its income and expenditure for the year ended 31 March 2022.

Jackie Taylor

Treasurer – Clyde Valley Learning and Development Joint Committee

3 October 2022

Independent auditor's report to the members of Clyde Valley Learning and Development Joint Committee and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

I certify that I have audited the financial statements in the annual accounts of Clyde Valley Learning and Development Joint Committee for the year ended 31 March 2022 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the 2021/22 Code).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with applicable law and the 2021/22 Code of the state of affairs of the Clyde Valley Learning and Development Joint Committee as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2021/22 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed under arrangements approved by the Accounts Commission on 10 June 2021. The period of total uninterrupted appointment is 1 year. I am independent of the Clyde Valley Learning and Development Joint Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the Clyde Valley Learning and Development Joint Committee. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Clyde Valley Learning and Development Joint Committee's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the Clyde Valley Learning and Development Joint Committee's current or future financial sustainability. However, I report on the Clyde Valley Learning and Development Joint Committee's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Treasurer and Clyde Valley Learning and Development Joint Committee for the financial statements

As explained more fully in the Statement of Responsibilities, the Treasurer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the Clyde Valley Learning and Development Joint Committee's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the Clyde Valley Learning and Development Joint Committee's operations.

The Clyde Valley Learning and Development Joint Committee is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the Clyde Valley Learning and Development Joint Committee is complying with that framework;
- identifying which laws and regulations are significant in the context of the Clyde Valley Learning and Development Joint Committee;
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Clyde Valley Learning and Development Joint Committee's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on other requirements

Other information

The Treasurer is responsible for other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement and Statement of Responsibilities.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which I am required to report by exception

I am required by the Accounts Commission to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit;

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Andrew Kerr CA
Senior Audit Manager
Audit Scotland
4th Floor, The Athenaeum Building
8 Nelson Mandela Place
Glasgow, G2 1BT

3 October 2022

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. 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 Clyde Valley Learning and Development Joint Committee. This temporary interest credited / debited to the Clyde Valley Learning and Development 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.

Clyde Valley Learning and Development Joint Committee Members (2021/2022)

Council

East Renfrewshire Council
Glasgow City Council
Inverclyde Council
North Lanarkshire Council
Renfrewshire Council
South Lanarkshire Council

Member

Councillor Colm Merrick (Vice Convener)
Councillor Annette Christie
Councillor Martin Brennan
Councillor Angela Campbell
Councillor Andy Steel
Councillor Katy Loudon (Convener)*

*Following the May 2022 Local Government elections, the new Convener, Councillor Lynsey Hamilton will be signing off the audited accounts on behalf of the Joint Committee