

FINANCE AND INFORMATION TECHNOLOGY RESOURCES COMMITTEE

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 3 March 2009

Chair:

Councillor Eileen Logan

Councillors Present:

David Baillie, Walter Brogan, Gordon Clark, Pam Clearie, Russell Clearie, Peter Craig, Lynn Filshie, Graeme Horne, Bobby Lawson, Anne Maggs, James Malloy (Depute), Archie Manson, Michael McCann, Lesley McDonald, Jean McKeown, Mary McNeill, George Sutherland

Councillors' Apologies:

Graeme Campbell, Jim Handibode, Edward McAvoy, Danny Meikle, Henry Mitchell, Graham Simpson

Attending:**Corporate Resources**

P MacRae, Administration Officer; E Melrose, Personnel Officer; A Norris, Administration Assistant

Finance and Information Technology Resources

L Hardie, Executive Director; J Allan, Risk and Audit Manager; K Brown, Head of Information Technology Services; P Manning, Head of Finance Services

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Finance and Information Technology Resources Committee held on 9 December 2008 were submitted for approval as a correct record.

The Committee decided: that the minutes be approved as a correct record.

3 Revenue Budget Monitoring 2008/2009 - Finance and Information Technology Resources

A report dated 3 February 2009 by the Executive Director (Finance and Information Technology Resources) was submitted comparing actual expenditure at 23 January 2009 against budgeted expenditure for 2008/2009 under the following headings:-

- ◆ Finance Services
- ◆ Information Technology Services

The Committee decided:

- (1) that the underspend on Finance and Information Technology Resources' revenue budget of £0.073 million (0.6%), as detailed in Appendix A to the Executive Director's report, and the forecast to 31 March 2009 of a breakeven position be noted; and

- (2) that the budget virements detailed in Appendices B and C to the Executive Director's report be approved.

[Reference: Minutes of 9 December 2008 (Paragraph 3)]

4 Capital Budget Monitoring 2008/2009 - Finance and Information Technology Resources

A report dated 3 February 2009 by the Executive Director (Finance and Information Technology Resources) was submitted advising on progress of the capital programme 2008/2009 and summarising the expenditure position at 23 January 2009 for the following budget headings:-

- ◆ Finance Services
- ◆ Information Technology Services

The Committee decided: that the report be noted.

[Reference: Minutes of 9 December 2008 (Paragraph 4)]

5 Finance and Information Technology Resources - Workforce Monitoring - November 2008 to January 2009

A joint report dated 8 February 2009 by the Executive Directors (Corporate Resources) and (Finance and Information Technology Resources) was submitted on the following employee information for Finance and Information Technology Resources for the period November 2008 to January 2009:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances and Dignity at Work cases
- ◆ analysis of leavers
- ◆ Joint Staffing Watch as at 13 December 2008

The Committee decided: that the report be noted.

[Reference: Minutes of 9 December 2008 (Paragraph 5)]

6 Human Resources/Payroll Application Shared Services - South Ayrshire Council

A report dated 28 January 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the potential for the Council to provide South Ayrshire Council with Human Resources/Payroll applications under a shared services agreement.

In May 2006, the Scottish Executive had published its consultation paper on a shared services strategy for the public sector. The Council currently provided shared services in the form of payroll application provision to Strathclyde Fire and Rescue, Lanarkshire Valuation Joint Board and South Lanarkshire Leisure Trust.

In August 2007, South Ayrshire Council had approached the Council to discuss the potential for the shared service provision of Human Resources/Payroll applications. A number of meetings had taken place to progress this proposal. At the end of December 2008, South Ayrshire Council had been provided with a discussion paper outlining a number of issues that required to be considered as part of a shared services proposal.

If the proposal for a shared service agreement with South Ayrshire Council was approved, the next steps in the process would include:-

- ◆ development of a charging model which provided an estimate of the cost of the service provision to South Ayrshire Council
- ◆ provision of a workshop to enable officers to discuss and determine the shared services guiding principles
- ◆ identification of other local authorities who had embarked on shared services Human Resources/Payroll applications provision and obtaining information from them on their experience of the process

The Committee decided:

- (1) that authorisation be given to senior officers within Finance and Information Technology Resources to develop a detailed business case and proposal for the provision of Human Resources/Payroll applications services; and
- (2) that details of the business case and proposal be reported to a future meeting of the Committee.

7 Appointment of Treasury Management Consultants

A report dated 4 February 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the outcome of the tender exercise for a Treasury Management Consultant.

The contract would commence on 1 April 2009 for a period of 1 year, with an option to extend the contract for a further year. Following a full evaluation of the bids submitted, it was proposed that the Treasury Management Consultancy contract be awarded to Arlingclose Limited in the sum of £25,000 for a 1 year period.

The Committee decided: that Arlingclose Limited be awarded the Treasury Management Consultancy contract in the sum of £25,000 to commence on 1 April 2009 for a period of 1 year with an option to extend for a further year.

[Reference: Minutes of 10 February 2004 (Paragraph 12)]

8 Structure Change - Funding and Compliance

A joint report dated 21 January 2009 by the Executive Directors (Corporate Resources) and (Finance and Information Technology Resources) was submitted on a proposal to establish a temporary post of Finance Officer within the Funding and Compliance Section of Finance and Information Technology Resources.

In June 2008, the Council, in conjunction with partner agencies, had been successful in securing funding of £4.88 million on behalf of the Community Planning Partnership covering the period 2008/2009 and 2009/2010. The funding would be used to assist urban regeneration and access to employment.

To reflect the increased remit and responsibilities of the Funding and Compliance Section, it was proposed that a temporary post of Finance Officer on Grade 3 Level 1-8 (£21,351 to £35,421) be established for a period of 1 year from 1 April 2009 to 31 March 2010.

The cost involved in establishing the post amounted to £37,020 and would be met from existing budgets and European Structural Funds.

The Committee decided: that a temporary post of Finance Officer on Grade 3 Level 1-8 (£21,351 to £35,421) be established within the Funding and Compliance Section of Finance and Information Technology Resources for a period of 1 year from 1 April 2009 to 31 March 2010.

9 National Benchmarking of ICT Service

A report dated 4 February 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the outcome of the Society of Information Technology Managers (SOCITM) National Benchmarking exercise.

In 2008, the Council's Information Technology Service had participated in an annual SOCITM United Kingdom (UK) Benchmarking exercise. Over 100 UK public sector authorities had participated in this exercise. The participants had been split into 3 distinct groups and the Council's group involved 29 other local authorities including the City of Edinburgh Council, Shetlands Islands Council as well as the Scottish Government.

The primary objectives of the exercise were to:-

- ◆ benchmark the Council's Information Technology Service's performance against a nationally recognised standard
- ◆ identify any appropriate measures necessary to improve performance
- ◆ identify measures that might be appropriate for inclusion in the Council's corporate performance framework

Overall, the Council had outperformed the other public sector organisations participating in the exercise. It was proposed, however, that further action be taken regarding the aspect of incident resolution.

The Committee decided: that the improvement actions identified as a result of the National Benchmarking exercise be implemented in the 2009/2010 Service Planning cycle.

10 Revenues Collection as at 31 December 2008 and Approval for Write Off

A joint report dated 30 January 2009 by the Executive Directors (Finance and Information Technology Resources) and (Housing and Technical Resources) was submitted on:-

- ◆ collection performance at 31 December 2008 on revenues income which comprised Council Tax, non-domestic rates and sundry debts
- ◆ the write-off of irrecoverable non-domestic rates, Council Tax, sundry debts, former tenant rent arrears and lockup and factoring charges

Details were given on:-

- ◆ current collection performance
- ◆ collection of arrears

It was proposed that the following debts be written off:-

- ◆ non-domestic rates for the years 2006/2007, 2007/2008 and 2008/2009 totalling £478,590.45 relating to debtors who were in liquidation, had ceased trading or had been sequestrated
- ◆ irrecoverable Council Tax accounts from 1993/1994 to 2008/2009 to the value of £335,544.37 relating primarily to sequestrations and estates of the deceased
- ◆ sundry debts to a value of £127,334.48. The debts related to liquidations, sequestrations and estates of the deceased
- ◆ former tenant house and lockup rent arrears 2002/2003 to 2007/2008 totalling £299,784.89
- ◆ factoring charges to the value of £2,802.55 relating to sequestrations and estates of the deceased

It was noted that sundry debts in the sum of £61,707.30, not £16,707.30, as recorded in the minutes, had been proposed for write-off at the meeting of the Committee held on 1 July 2008.

The Committee decided:

- (1) that the achievements in revenue collection performance be noted;
- (2) that the write-off of the following irrecoverable debts be approved:-
 - ◆ non-domestic rates for the years 2006/2007, 2007/2008 and 2008/2009 to the value of £478,590.45
 - ◆ Council Tax debt from 1993/1994 to 2008/2009 to the value of £335,544.37
 - ◆ sundry debts to a value of £127,334.48
 - ◆ former tenant council house and lockup rent arrears to the value of £299,784.89
 - ◆ factoring charges to the value of £2,802.55
- (3) that with reference to the decision of the Committee of 1 July 2008, the position regarding the write-off of Sundry debts in the sum of £61,707.30 be approved.

[Reference: Minutes of 9 December 2008 (Paragraph 10) and 1 July 2008 (Paragraph 8)]

11 Insurance and Claims Handling Contracts Tender Exercise

A report dated 2 February 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the outcome of the tender exercise for the following insurance contracts which were due for renewal on 1 April 2009:-

- ◆ combined liability/motor and claims handling
- ◆ property, terrorism and associated policies
- ◆ fidelity guarantee
- ◆ travel (education excursions/business travel)

At its meeting on 9 December 2008, the Committee had agreed that the Executive Director (Finance and Information Technology Resources), in consultation with the Chair, be authorised, on behalf of the Council, to approve the most satisfactory offers for the various insurance contracts.

Details were given on the tender process and the evaluation of tenders received. Following the tender and evaluation process, the contracts had been awarded as follows:-

- ◆ combined liability/motor and claims handling, property, terrorism and associated policies and fidelity guarantee to Risk Management Partner/AIG and Gallagher Bassett for a 3 year period commencing 1 April 2009, with the option to extend for a further 2 years
- ◆ travel insurance policy to ACE for a 5 year period commencing 1 April 2009

The cost of insurance premiums and claims handling fees for 2009/2010 would be met from the Council's Self-insurance Fund.

The Committee decided:

that the action taken by the Executive Director (Finance and Information Technology Resources), in consultation with the Chair, in awarding the Council's insurance policies as follows be noted:-

- ◆ combined liability/motor and claims handling, property, terrorism and associated policies and fidelity guarantee to Risk Management Partner/AIG and Gallagher Bassett for a 3 year period commencing 1 April 2009, with the option to extend for a further 2 years
- ◆ travel insurance policy to ACE for a 5 year period commencing 1 April 2009

[Reference: Minutes of 9 December 2008 (Paragraph 8)]

12 Caird Street Data Centre - Update

A report dated 29 January 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on an arrangement for the Council to provide a hosting service for West Lothian Council at the Caird Data Centre, Hamilton.

Arrangements to host 7 racks of computers and storage in the Caird Data Centre, Hamilton had been concluded with West Lothian Council. Delivery of the service would commence with the installation of communication links to Hamilton from Livingston which would be in place by May 2009.

The income generated would be in the region of £80,850 per annum. Increase in capacity usage and income would be reflected in the Strategy and Action Plan for the Caird Data Centre.

The Committee decided:

that the report be noted.

[Reference: Minutes of 9 December 2008 (Paragraph 15)]

13 Review of Trust Funds

A report dated 4 February 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the processes to be followed in reviewing active and inactive Trust Funds.

Details of the Trusts which would be reviewed were given in Appendix 2 to the report. A further report on the progress of the review would be submitted to the July meeting of the Committee.

The Committee decided: that the report be noted.

[Reference: Minutes of 30 September 2008 (Paragraph 8)]

14 Urgent Business

There were no items of urgent business.