

Report

Report to:	Risk and Audit Scrutiny Committee
Date of Meeting:	18 June 2020
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Unaudited Annual Accounts 2019/2020
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise members of the requirement to consider the unaudited Annual Accounts of the Council and related Charitable Trusts.

2. Recommendation(s)

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

- (1) that the unaudited Annual Accounts of the Council and related Charitable Trusts to be submitted to Audit Scotland by the deadline of 30 June, be noted; and
- (2) that the financial risk due to COVID-19 (Section 6), be noted.

3. Background

- 3.1. The Local Authority Accounts (Scotland) Regulations 2014 require the unaudited Accounts to be submitted to the External Auditor no later than 30 June. The Regulations also require elected members to consider the unaudited Accounts.
- 3.2. The Council's Terms of Reference deem that the Risk and Audit Scrutiny Committee will formally consider the unaudited Accounts prior to submitting them to the External Auditor and making them available for public inspection.
- 3.3. Due to the current COVID-19 lockdown, the Scottish Government has introduced an extension to the normal deadlines for submission of the unaudited Accounts. The Council, however, has chosen to complete the unaudited Accounts for submission by the original deadline of 30 June 2020.
- 3.4. As a result of current workload related to the coronavirus pandemic, only the main statements from the unaudited Accounts will be presented to the Risk and Audit Scrutiny Committee and a copy of the full unaudited Accounts will be e-mailed to all Elected Members following their submission to the auditor on 30 June 2020. This allows the Council to utilise the extra time available following this meeting, to complete the full set of Accounts for submission on 30 June, whilst still fulfilling the obligations of the Local Authority Accounts (Scotland) Regulations 2014. This approach has been agreed with the auditor as acceptable.
- 3.5. This report provides details of the Accounts enclosed for Members' consideration, being the Council's main statements (Section 4), as well as the related Charitable Accounts (Section 5). Section 6 highlights the financial implications of COVID-19.

4. Unaudited Accounts - South Lanarkshire Council

- 4.1. The Council's unaudited Accounts for 2019/2020 is a statutory document which details key information on the Council's expenditure and income for the financial year ended 31 March each year. The Annual Accounts show a number of statements including a Comprehensive Income and Expenditure Statement, Balance Sheet, Movement in Reserves, Cash Flow and supplementary notes.
- 4.2. The Accounts include a reconciliation between the management information in the format reported to the Council's committees throughout the year (the Expenditure and Funding Analysis), and apply accounting entries in line with the CIPFA Code of Practice, to produce the statements detailed in 4.1.
- 4.3. As detailed in section 3.4 above, the main statements from the Annual Accounts are included in this report for consideration. These comprise the Expenditure and Funding Analysis, Comprehensive Income and Expenditure Account, Balance Sheet, Movement in Reserves Statement and Remuneration Report.
- 4.4. A report on the final outturn position on the Council's Revenue Budget is being presented to the Executive Committee on 24 June 2020 which seeks approval to transfer funds to reserves to meet future budget pressures and commitments.
- 4.5. The information contained in the unaudited Accounts (e-mailed to all Elected Members following submission to External Audit and available on the Council's website on 1 July 2020 for public inspection) takes into account the position reported in the Revenue Outturn report, and is, therefore, subject to the approval of the Executive Committee.
- 4.6. Following the audit of the Accounts across the summer months, the audited Annual Accounts will be brought back to this Committee in Autumn 2020, along with the External Auditor Members' report for formal approval and signature. Due to the impact of COVID-19, the Scottish Government has extended the normal audit deadline from 30 September to 30 November 2020. As a result, the date of the Committee to approve the audited Accounts has not yet been set and is dependent on External Audit timescales as they work to complete their other audit work over the summer months.
- 4.7. A copy of the unaudited Accounts will be circulated to all Elected Members following submission of the Accounts to the External Auditor on 30 June 2020.

5. Unaudited Accounts – Charitable Trusts

- 5.1. In addition to the unaudited Accounts for the Council, this Committee is also required to consider the accounts of the 3 related Charitable Trusts: South Lanarkshire Educational Trust, South Lanarkshire Council Charitable Trust and the East Kilbride Information Technology Trust. These accounts are attached for consideration and will be e-mailed to all Elected Members following submission to External Audit on 30 June 2020. They will also be available on the Council's website on 1 July 2020 for public inspection.
- 5.2. These audited Accounts will also be brought back for approval and signature in Autumn 2020 along with the External Audit Members' report.

6. COVID-19

- 6.1. The Accounts presented cover the period to the end of March 2020. This is just over a week after the lockdown was announced as a result of the global Coronavirus pandemic. While the costs incurred in 2019/2020 are not substantial, the full costs of

the lockdown exercise, the additional costs for services implemented by the Council during the lockdown, and the costs of the recovery process are likely to place a significant financial burden on the Council.

- 6.2. Current projections show that the Government funding received so far is insufficient to cover the estimated costs to the end of this financial year. As there is a lack of confirmation of any further support funding from the Government, the impact of COVID-19 presents a substantial financial risk to the Council. Reports will be presented to Committee on the budget impact going forwards.

7. Employee Implications

- 7.1. There are no direct employee implications from this report.

8. Financial Implications

- 8.1. There are no direct financial implications arising from this report, however, Section 6 details the financial risk to the Council, as a result of COVID-19.

9. Climate Change, Sustainability and Environmental Implications

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

10. Other Implications

- 10.1. The main risk associated with the Council and Charitable Annual Accounts is a qualified audit report. The risk has been 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 and Resources work together to achieve key deadlines and actions set from timetables.

- 10.2. There are no implications for sustainability in terms of the information contained in this report.

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. 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.
- 11.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

3 June 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ None

List of Background Papers

- ◆ South Lanarkshire Council Annual Accounts 2019/2020 - Main Statements
- ◆ Charitable Trusts' Annual Accounts 2019/2020
- ◆ Financial Ledger 2019/2020 and associated working papers

Contact for Further Information

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

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Expenditure Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax and rent payers how the funding available to the council (i.e. government grants, rents, fees and charges, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by the council in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this

Expenditure is allocated for decision making purposes between the council's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement. The segmental analysis in the Expenditure and Funding Analysis reflects the council's management structure, as reported to the relevant Committees during the financial year.

2018/2019

2019/2020

Net Expenditure Chargeable to the General Fund and HRA Balance £000	Adjustments between the Funding and Accounting Basis Gross Income £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000		Net Expenditure Chargeable to the General Fund and HRA Balance £000	Adjustments between the Funding and Accounting Basis Gross Income £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
115,771	22,279	138,050	Community and Enterprise Resources	110,864	30,667	141,531
308,444	4,069	312,513	Education Resources	338,546	(24,555)	313,991
34,127	5,317	39,444	Finance and Corporate Resources	34,616	6,843	41,459
			Housing and Technical Resources			
2,613	(9,039)	(6,426)	- Housing Revenue Account (HRA)	(240)	(5,507)	(5,747)
19,646	4,419	24,065	- Housing Other	16,950	7,488	24,438
153,990	11,913	165,903	Social Work Resources	166,858	16,523	183,381
2,363	-	2,363	Joint Boards	2,150	-	2,150
(340)	35,120	34,780	Corporate Items	1,460	770	2,230
-	130	130	Corporate and Democratic Core (HRA)	-	114	114
-	327	327	Non Distributed Costs - Non Operational Assets (HRA)	-	-	-
636,614	74,535	711,149	Net Cost of Services	671,204	32,343	703,547
(637,756)	(20,119)	(657,875)	Other Income and Expenditure	(654,481)	(37,418)	(691,899)
(1,142)	54,416	53,274	(Surplus) or Deficit	16,723	(5,075)	11,648

General Fund £000	HRA £000	Total General Fund and HRA £000		General Fund £000	HRA £000	Total General Fund and HRA £000
(71,040)	(11,624)	(82,664)	Opening General Fund and HRA Balance	(82,785)	(9,011)	(91,796)
(3,755)	2,613	(1,142)	Less/plus Surplus or Deficit on General Fund	16,963	(240)	16,723
(7,990)	-	(7,990)	Transfers to/from Other Reserves	(9,536)	(462)	(9,998)
(82,785)	(9,011)	(91,796)	Closing General Fund and HRA Balance	(75,358)	(9,713)	(85,071)

Comprehensive Income and Expenditure Statement

This Comprehensive Income and Expenditure Statement shows the accounting cost in year of providing services in accordance with the generally accepted accounting practices, rather than the amount to be funded from taxation.

The Council raises taxation to cover expenditure in accordance with regulations. This may be different from the accounting cost. The taxation position is shown in the Expenditure and Funding Analysis and the Movement in Reserves Statement.

2018/2019				2019/2020		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
167,516	29,466	138,050	Community and Enterprise Resources	181,640	40,109	141,531
332,843	20,330	312,513	Education Resources	347,417	33,426	313,991
126,043	86,599	39,444	Finance and Corporate Resources	119,511	78,052	41,459
			Housing and Technical Resources			
80,806	87,232	(6,426)	- Housing Revenue Account (HRA)	85,256	91,003	(5,747)
38,542	14,477	24,065	- Housing Other	71,115	46,677	24,438
364,069	198,166	165,903	Social Work Resources	394,363	210,982	183,381
2,363	-	2,363	Joint Boards	2,150	-	2,150
35,343	563	34,780	Corporate Items	2,781	551	2,230
130	-	130	Corporate and Democratic Core (HRA)	114	-	114
327	-	327	Non Distributed Costs - Non Operational Assets (HRA)	-	-	-
1,147,982	436,833	711,149	Net Cost of Services	1,204,347	500,800	703,547
-	6,106	(6,106)	Other Operating Expenditure	-	1,262	(1,262)
72,550	1,345	71,205	Financing and Investment Income and Expenditure	76,488	2,772	73,716
-	722,974	(722,974)	Taxation and Non-Specific Grant Income	-	764,353	(764,353)
1,220,532	1,167,258	53,274	Deficit on Provision of Services	1,280,835	1,269,187	11,648
		(66,172)	Surplus on Revaluation of Fixed Assets			(103,643)
		133,141	Re-measurement of the Net Defined Benefit Liability / (Asset)			(242,092)
		66,969	Other Comprehensive Income and Expenditure			(345,735)
		120,243	Total Comprehensive Income and Expenditure			(334,087)

Balance Sheet

The Balance Sheet shows the value as at the balance sheet date of the assets and liabilities recognised by the council. The net assets of the Council (assets less liabilities) are matched by the reserves held by the council. Reserves are reported in two categories:

- The first category of reserves are usable reserves, that is those reserves that the council may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example, the Capital Receipts Reserve can only be used to fund capital expenditure or repay debt)
- The second category of reserves is those that the council is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example, the Revaluation Reserve), where amounts would only become available to provide services if assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2019 £000		31 March 2020 £000
3,032,209	Property, Plant and Equipment	3,204,001
3,826	Heritage Assets	3,826
179	Intangible Assets	129
2,018	Long Term Debtors	1,920
3,038,232	Long Term Assets	3,209,876
134,377	Short Term Investments	62,658
3,429	Inventories	3,580
57,762	Short Term Debtors	71,644
782	Current Intangible - Carbon Reduction Allowance	-
417	Assets Held for Sale	819
74,585	Cash and Cash Equivalents	89,348
271,352	Current Assets	228,049
(40,282)	Short Term Borrowing	(39,393)
(149,116)	Short Term Creditors	(162,191)
(239)	Contract Liability - IFRS15	(156)
(628)	Carbon Reduction Commitment Liability	-
(7,478)	Other Short Term Liabilities (PPP/Finance Lease)	(7,704)
(657)	Provisions	(521)
(1,891)	Receipts in Advance	(2,033)
(200,291)	Current Liabilities	(211,998)
(745)	Long Term Provisions	(704)
(1,035,433)	Long Term Borrowing	(1,005,540)
(201,447)	Other Long Term Liabilities (PPP / Finance Lease)	(193,743)
(546,720)	Other Long Term Liabilities (Pension)	(366,905)
(1,784,345)	Long Term Liabilities	(1,566,892)
1,324,948	Net Assets	1,659,035
117,908	Usable Reserves	103,369
1,207,040	Unusable Reserves	1,555,666
1,324,948	Total Reserves	1,659,035

Movement in Reserves Statement

The statement shows the movement in the year on the different reserves held by the Council, analysed into 'useable' (those that can be applied to fund expenditure or reduce local taxation) and other reserves. The surplus (or deficit) on the Provision of Services line shows the true economic cost of providing the Council's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory

amounts required to be charged to the General Fund Balance and the Housing Revenue Account for Council tax setting and dwellings rent setting purposes. The Net Increase / Decrease before Transfer to Earmarked Reserves line shows the Statutory General Fund Balance and the Housing Revenue Account Balance before any discretionary transfers to or from earmarked reserves undertaken by the Council.

	General Fund Balance	Housing Revenue Account	Repairs and Renewals	Insurance Fund	Capital Statutory Funds	Capital Receipts Reserve	Total Useable Reserves	Unusable Reserves	Total Council Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2019	82,785	9,011	6,929	3,278	10,496	5,409	117,908	1,207,040	1,324,948
<u>Movement in Reserves during 2019/20</u>									
Surplus (or Deficit) on Provision of Services	(21,101)	9,453	-	-	-	-	(11,648)	-	(11,648)
Other Comprehensive Expenditure and Income	-	-	-	-	-	-	-	345,735	345,735
Total Comprehensive Expenditure and Income	(21,101)	9,453	-	-	-	-	(11,648)	345,735	334,087
Adjustments between accounting basis and funding basis under regulations	4,138	(9,213)	-	-	-	2,184	(2,891)	2,891	-
Net Increase / (Decrease) before Transfer to Reserves	(16,963)	240	-	-	-	2,184	(14,539)	348,626	334,087
Transfer To / (From) Reserves	9,536	462	(1,011)	(1,225)	(2,262)	(5,500)	-	-	-
Increase / (Decrease) in Year	(7,427)	702	(1,011)	(1,225)	(2,262)	(3,316)	(14,539)	348,626	334,087
Balance at 31 March 2020 carried forward	75,358	9,713	5,918	2,053	8,234	2,093	103,369	1,555,666	1,659,035

Remuneration Report

Remuneration Policy

Senior Employees

The salary of senior employees is set by reference to national arrangements. The Scottish Joint Negotiating Committee (SJNC) for Local Authority Services sets the salaries for the Chief Officers of Scottish local authorities. Circular CO/150 sets the amount of salary for Chief Officers and the Chief Executive of South Lanarkshire Council for 2018/2019 to 2020/2021.

Senior Councillors

The remuneration of councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (SSI No. 2007/183) as amended most recently by the Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2019 (SSI 2019/23). The Regulations provide for the grading of councillors for the purposes of remuneration arrangements, as either the Leader of the Council, the Civic Head (or Provost), Senior Councillors or Councillors. The Leader of the Council and the Civic head (or Provost) cannot be the same person for the purposes of payment of remuneration. A senior councillor is a councillor who holds a significant position of responsibility in the Council's political management structure.

The salary that is to be paid to the Leader of the Council is set out in the Regulations. For 2019/2020 the salary for the Leader of the Council is £40,765. The Regulations permit the Council to remunerate one Civic Head or Provost. The regulations set out the maximum salary that may be paid to that Civic Head. The Council follows the regulations and pays a salary of £30,575 to the Provost.

The Regulations also set out the remuneration that may be paid to Senior Councillors and the total number of Senior Councillors the Council may have. The maximum yearly amount that may be paid to a Senior Councillor is 75 per cent of the total yearly amount payable to the Leader of the Council. The total yearly amount payable by the Council for remuneration of all of its Senior Councillors shall not exceed £456,416 (excluding the Leader and Provost). The Council is able to exercise local flexibility in the determination of the precise number of Senior Councillors up to a maximum of 19 and their salary within these maximum limits.

In 2019/2020, the Council had 18 Senior Councillors and the salary paid to these councillors totalled £433,394. The Regulations also permit the Council to pay contributions or other payments as required to the Local Government Pension Scheme in respect of those councillors who elect to become councillor members of the pension scheme.

In addition to the Senior Councillors of the Council the Regulations also set out the remuneration payable to councillors with the responsibility of a Convenor or a Vice-Convenor of a Joint Board. The Regulations require the remuneration to be paid by the Council of which the Convenor or Vice-convenor is a member. The Council is also required to pay any pension contributions arising from the Convenor or Vice-Convenor being a member of the Local Government Pension Scheme. The Council is reimbursed by the Joint Board for any additional remuneration paid to the member from being a Convenor or Vice-Convenor of a Joint Board.

Audit Arrangements

All information disclosed in the tables numbered 1 to 6 in this Remuneration Report will be audited by the Council's auditors, Audit Scotland. The other sections of the Remuneration Report will be reviewed by Audit Scotland to ensure that they are consistent with the financial statements.

Note 12 to the Accounts contains total payments made to all Councillors, and will be audited as part of the audit of the Financial Statements and supplementary Notes to the Accounts.

Table 1 – General Pay Band Disclosure for Senior Employees

Annual Remuneration	2019/20 Number of Employees	2018/19 Number of Employees
50,000 – 54,999	331	168
55,000 – 59,999	172	84
60,000 – 64,999	138	52
65,000 – 69,999	42	22
70,000 – 74,999	16	1
75,000 – 79,999	4	1
80,000 – 84,999	1	10
85,000 – 89,999	6	9
90,000 – 94,999	8	8
95,000 – 99,999	14	2
100,000 – 104,999	3	-
110,000 – 124,999 (Note 1)	-	-
125,000 – 129,999	-	1
130,000 – 134,999	-	3
135,000 – 139,999	4	1
140,000 – 149,999 (Note 1)	-	-
150,000 – 154,999	1	-
155,000 – 159,999	-	-
160,000 – 164,999	-	1

Note 1: These are merged pay bands covering more than £5,000 due to the fact that no employees fell into these bands in either financial year.

Disclosure of Exit Packages

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below.

Table 2 – Exit Packages

Exit package cost band (including special payments)	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band		Total Cost of Exit Packages in Each Band					
							Cash Value	Notional CAY Value	Total	Cash Value	Notional CAY Value	Total
	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2019/20	2019/20	2018/19	2018/19	2018/19
£0 - 20,000	-	-	-	-	-	-	-	-	-	-	-	-
£20,001 - £40,000	-	-	-	-	-	-	-	-	-	-	-	-
£40,001 - £60,000	-	-	-	-	-	-	-	-	-	-	-	-
£60,001 - £80,000	-	-	-	-	-	-	-	-	-	-	-	-
£80,001 - £100,000	-	-	-	-	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	1	-	1	-	24,109	125,053	149,162	-	-	-
>£150,000	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	1	-	1	-	24,109	125,053	149,162	-	-	-
Provision	-	-	-	1	-	1	-	-	-	24,109	-	24,109
	-	-	-	1	-	1	-	-	-	24,109	-	24,109

The total cost of exit packages shown for 2019/2020 totals £0.149 million. In terms of the cash payments made, the £0.024 million was not included in the 2019/2020 Comprehensive Income and Expenditure Statement as the £0.024 million was provided for in the 2018/2019 Income and Expenditure Statement for the known leaver. Accounting guidelines also require the inclusion of an amount to represent the capitalised value of compensatory added years pension payments which will be made over future years. For non-teaching staff this totals £0.125 million, however, this has not been paid out by the Council in 2019/2020.

The table does not include any provisions as there are no known exit packages that relate to employees who will leave the Council in the coming year.

The annual salary costs of the employee detailed in the table who left during 2019/2020 totalled £0.087m. This saving will be used to contribute towards the Council's efficiency targets.

Disclosure of Remuneration

The tables below provides details of the remuneration paid to the Council's Senior Employees and Senior Councillors and to the Chief Executive of Routes to Work South which is a subsidiary of South Lanarkshire Council. Comparative figures for 2018/2019 have been shown if they were in post at that time. We have also disclosed the remuneration of Councillors who hold Convenor and Vice-Convenor roles with Joint Boards. The Council pays the Councillor on behalf of the Joint Board for their role, and recovers these charges from the Joint Board. The annual return of Councillors' remuneration for 2019/2020 is available on the Council's website (www.southlanarkshire.gov.uk).

Table 3 - Senior Officers

Post	Salary / fees £	Taxable Expenses £	Compensation for loss of office £	Any other remuneration £	2019/20 Total £	2018/19 Total £
C Sneddon Chief Executive (From 6 January 2020)	37,281 (Full Year Equivalent 157,541)	-	-	-	37,281 (Full Year Equivalent 157,541)	n/a
L Freeland Chief Executive (To 23 September 2019)	88,988 (Full Year Equivalent 174,944)	-	-	-	88,988 (Full Year Equivalent 174,944)	162,383
P Manning Executive Director of Finance & Corporate Resources	154,286	-	-	-	154,286	137,058
V De Souza Executive Director of Health and Social Care (Note 1)	136,706	-	-	-	136,706	131,635
D Lowe Executive Director of Housing & Technical Resources	136,706	-	-	-	136,706	131,635
T McDaid Executive Director of Education Resources	136,706	-	-	-	136,706	129,833
M McGlynn Executive Director of Community and Enterprise Resources	137,540	-	-	-	137,540	131,635
L Purdie Chief Social Work Officer	103,372	-	-	-	103,372	94,417
2018/19 senior officers where post holders are no longer in post	-	-	-	-	-	-
Total	931,585	-	-	-	931,585	918,596

The senior employees included in the table include any local authority employee:

- Who has responsibility for management of the local authority to the extent that the person has power to direct or control the major activities of the authority (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- Who holds a post that is politically restricted by reason of section 2(1) (a), (b) or (c) of the Local Government and Housing Act 1989; or
- Whose annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or more.

Note 1 While the Executive Director of Health and Social Care is contractually employed by the Council, a proportion of their total remuneration is funded by the South Lanarkshire Health and Social Care Partnership in respect of their role as Chief Officer of the Partnership.

Table 4 - Senior Employees of the Council's Subsidiary Bodies

Post	Salary / fees £	Taxable Expenses £	Compensation for loss of office £	Any other remuneration £	2019/20 Total £	2018/19 Total £
S Barr Chief Executive of Routes to Work South	67,848	-	-	-	67,848	63,409

Table 5 - Remuneration of Senior Councillors and Convenors and Vice-Convenors of Joint Boards

The table below shows the full year remuneration for all senior councillors in 2019/2020. This includes senior councillors who started or ended their role during the year.

Name and Post	Salary £	Taxable Expenses £	Compensation for loss of office £	Any other remuneration £	Total Remuneration 2019/20 £	Total Remuneration 2018/19 £
A Allison Opposition Leader - Conservative	23,122	-	-	-	23,122	22,493
J Anderson Community and Enterprise Resources Committee Chair	26,515	-	-	-	26,515	25,793
J Bradley Social Work Resources Committee Chair	26,515	-	-	-	26,515	25,793

W Brogan Opposition Leader - Labour (To 9 May 2018)	-	-	-	-	-	2,756 (Full Year Equivalent 25,793)
Depute Opposition Leader - Labour (From 10 May 2018 to 29 May 2019)	3,738 (Full Year Equivalent 23,122)	-	-	-	3,738 (Full Year Equivalent 23,122)	20,090 (Full Year Equivalent 22,493)
A Buchanan East Kilbride Area Committee Chair (From 21 November 2018)	20,861	-	-	-	20,861	7,283 (Full Year Equivalent 20,293)
M Chalmers Depute Leader of the Council	26,515	-	-	-	26,515	25,793
G Convery Depute Opposition Leader - Labour (From 30 May 2019)	19,448 (Full Year Equivalent 23,122)	-	-	-	19,448 (Full Year Equivalent 23,122)	n/a
P Craig Business Manager Majority Party	26,515	-	-	-	26,515	25,793

M Devlin Business Manager - Opposition (To 9 May 2018)	-	-	-	-	-	2,168 (Full Year Equivalent 20,293)
Business Manager - Opposition (From 19 September 2019)	11,145 (Full Year Equivalent 20,861)	-	-	-	11,145 (Full Year Equivalent 20,861)	n/a
M Donnelly Hamilton Area Committee Chair	20,861	-	-	-	20,861	20,293
I Dorman Planning Committee Chair (From 29 May 2019)	22,374 (Full Year Equivalent 26,515)	-	-	-	22,374 (Full Year Equivalent 26,515)	n/a
F Dryburgh Business Manager - Opposition (From 10 May 2018 to 10 August 2019)	7,544 (Full Year Equivalent 20,861)	-	-	-	7,544 (Full Year Equivalent 20,861)	18,125 (Full Year Equivalent 20,293)
J Fagan Opposition Leader – Labour (From 10 May 2018)	26,515	-	-	-	26,515	23,037 (Full Year Equivalent 25,793)

A Fulton Planning Committee Chair (To 28 May 2019)	4,213 (Full Year Equivalent 26,515)	-	-	-	4,213 (Full Year Equivalent 26,515)	25,793
R Lockhart Clydesdale Area Committee Chair	20,861	-	-	-	20,861	20,293
K Loudon Education Resources Committee Chair	26,515	-	-	-	26,515	25,793
I McAllan Provost	30,575	-	-	-	30,575	29,742
G Miller Finance and Corporate Resources Committee Chair	26,515	-	-	-	26,515	25,793
C Nugent Cambuslang and Rutherglen Area Committee Chair	20,861	-	-	-	20,861	20,293
J Ross Leader of the Council	40,765	-	-	-	40,765	39,655
D Shearer Licensing Committee Chair	20,861	-	-	-	20,861	20,293
C Stevenson Depute Provost	25,385	-	-	-	25,385	24,693
J Wilson Housing and Technical Resources Committee Chair	26,515	-	-	-	26,515	25,793
2018/2019 senior councillors where post holders are no longer in post	-	-	-	-	-	13,010
Total	504,734				504,734	490,568

Councillors with Joint Board Responsibilities						
L Hamilton Depute Convenor Lanarkshire Valuation Joint Board	20,748	-	-	-	20,748	20,183
2018/2019 councillors with joint board responsibilities where post holders are no longer in post	-	-	-	-	-	-
Total	20,748				20,748	20,183

The Council is reimbursed by Lanarkshire Valuation Joint Board for the additional remuneration that the Council paid to the member for being a Depute Convenor (equivalent to Vice Convenor) of the Joint Board.

The following recharges were made to Joint Boards for South Lanarkshire Council Councillors holding Convenor/Depute Convenor roles:

- Recharge to Lanarkshire Valuation Joint Board in 2019/2020 - £3,267 (2018/2019 - £3,190)

Pension Rights

Pension benefits for councillors and local government employees are provided through the Local Government Pension Scheme (LGPS).

Councillors' pension benefits are based on career average pay. The councillor's pay for each year or part year ending 31 March (other than the pay in the final year commencing 1 April) is increased by the increase in the cost of living, as measured by the appropriate index (or indices) between the end of that year and the last day of the month in which their membership of the scheme ends. The total of the revalued pay is then divided by the period of membership to calculate the career average pay. This is the value used to calculate the pension benefits.

Local government employees had a final salary pension scheme prior to 1 April 2015. This means that pension benefits are based on the final year's pay and the number of years that person has been a member of the scheme. As of 1 April 2015, local government employees are now part of a defined benefit pension scheme worked out on a career average basis. Benefits built up are calculated using pensionable pay each scheme year, rather than final salary. All benefits built up prior to this date are protected.

From 1 April 2009, a five-tier contribution system was introduced with contributions from scheme members based on how much pay falls into each tier. This is designed to give more equality between the costs and benefits of scheme membership. Under The Local Government Pension Scheme (Scotland) Regulations 2014, the earnings ranges used to determine annual contribution rates are to be increased each year by any increase applied to pensions under the Pensions (Increase) Act 1971. In accordance with this the salary bands for 2018/19 were uprated by the Consumer Prices Index (CPI) increase for 2019/20.

The member contribution rates and tiers for 2019/2020 are shown below along with those that applied in 2018/2019:

Pensionable Pay	Contribution rate 2019/20	Pensionable Pay	Contribution rate 2018/19
On earnings up to and including £21,800	5.5%	On earnings up to and including £21,300	5.5%
On earnings above £21,800 and up to £26,700	7.25%	On earnings above £21,300 and up to £26,100	7.25%
On earnings above £26,700 and up to £36,600	8.5%	On earnings above £26,100 and up to £35,700	8.5%
On earnings above £36,600 and up to £48,800	9.5%	On earnings above £35,700 and up to £47,600	9.5%
On earnings above £48,800	12%	On earnings above £47,600	12%

From April 2015, if a person works part-time their contribution is based on their part-time pay. Prior to this, if a person worked part-time, their contribution rate was worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004.

From 1 April 2015, benefits are calculated on the basis of a revalued annual pension built up of 1/49th of pensionable pay each year, plus inflation to keep up with the cost of living. Prior to this date, the accrual rate guaranteed a pension based on 1/60th of final pensionable salary and years of pensionable service and prior to 2009 the accrual rate guaranteed a pension based on 1/80th and a lump sum based on 3/80th of final pensionable salary and years of pensionable service.

The value of the benefits has been calculated without exercising any option to commute pension entitlement into a lump sum and without any adjustment for the effects of future inflation

In those cases where members have transferred pension entitlements from previous employments, the pension figures shown relate to the benefits that the person has accrued as a consequence of their total local government service, and not just their current appointment. It also reflects both employer and employee contributions.

Table 6 – Pension Benefits: Senior Employees

The Pension entitlement of Senior Employees for the year to 31 March 2020 are shown in the table below, together with the contribution made by the Council to each senior employees' pension during the year. The accrued pension benefit reflects both the employer and the employee contributions.

Name and Post Title	Accrued Pension Benefits to March 2020 £000		Movement in accrued pension benefits since 31 March 2019 £000	Pension Contribution made by council 2019/20 £	Pension Contribution made by council 2018/19 £
C Sneddon Chief Executive (From 6 January 2020)	Pension	66	n/a	6,267	n/a
	Lump Sum	112	n/a		
L Freeland Chief Executive (To 23 September 2019)	Pension	95	2	16,080	30,784
	Lump Sum	185	-		
T McDaid Executive Director	Pension	41	3	26,157	25,058
	Lump Sum	71	-		
M McGlynn Executive Director	Pension	61	5	26,165	25,405
	Lump Sum	103	3		
V De Souza Executive Director	Pension	47	4	26,165	25,405
	Lump Sum	64	2		
P Manning Executive Director	Pension	58	5	27,593	26,452
	Lump Sum	89	4		
D Lowe Executive Director	Pension	55	4	26,165	25,405
	Lump Sum	86	2		
L Purdie Chief Social Work Officer	Pension	43	4	19,608	18,223
	Lump Sum	72	5		
Total				174,200	176,732

All senior employees shown in the table above are members of the Local Government Pension Scheme (LGPS). Where employees have joined the Council but not transferred previous employment pension benefits into the Strathclyde Pension Fund the pension figures shown relate only to their current appointment, otherwise the figures shown relate to the benefits that the pension has accrued as a consequence of their total local government service including payments for election duties.

Table 7 – Pension Benefits: Senior Employees of the Council’s Subsidiary Bodies

Routes to Work South operates a defined contributions scheme for its employees. Accordingly, the only information to be provided in respect of its senior employees is the amount of any pension contributions made to that scheme by the subsidiary body.

Name and Post Title	Pension Contribution 2019/20 £	Pension Contribution 2018/19 £
S Barr Chief Executive of Routes to Work South	5,428	5,072

Table 8 – Pension Benefits: Senior Councillors

The Pension entitlement of Senior Councillors for the year to 31 March 2020 are shown in the table below, together with the contribution made by the Council to each senior councillors’ pension during the year. The accrued pension benefit reflects both the employer and the employee contributions.

Name and Post Title	Accrued Pension Benefits to March 2020 £000		Movement in accrued pension benefits since 31 March 2019 £000	Pension Contribution made by Council 2019/20 £	Pension Contribution made by Council 2018/19 £
A Allison Opposition Leader Conservative	Pension Lump Sum	1 -	- -	4,463	4,341
J Anderson Community and Enterprise Resources Committee Chair	Pension Lump Sum	5 2	- -	5,117	4,978
J Bradley Cambuslang and Rutherglen Area Committee Chair	Pension Lump Sum	1 -	- -	5,117	4,978
W Brogan Opposition Leader - Labour (To 9 May 2018)	Pension Lump Sum	5 1	1 -	721	4,409
Depute Opposition Leader - Labour (From 10 May 2018 to 29 May 2019)					

A Buchanan East Kilbride Area Committee Chair (From 21 November 2018)	Pension Lump Sum	4 1	- -	4,026	1,406
M Chalmers Depute Leader of the Council	Pension Lump Sum	2 -	1 -	5,117	4,978
P Craig Business Manager Majority Party	Pension Lump Sum	5 1	1 -	5,117	4,978
M Devlin Business Manager - Opposition (To 9 May 2018) Business Manager - Opposition (From 19 September 2019)	Pension Lump Sum	3 -	1 -	2,151	418
I Dorman Planning Committee Chair (From 29 May 2019)	Pension Lump Sum	3 -	1 -	4,318	n/a
F Dryburgh Business Manager - Opposition (From 10 May 2018 to 10 August 2019)	Pension Lump Sum	1 -	- -	1,456	3,498
J Fagan Opposition Leader - Labour (From 10 May 2018)	Pension Lump Sum	1 -	- -	5,117	4,446
A Fulton Planning Committee Chair (To 28 May 2019)	<i>Pension Lump Sum</i>	1 -	- -	813	4,978
K Loudon Education Resources Committee Chair	Pension Lump Sum	2 -	- -	5,117	4,978

I McAllan Provost	Pension Lump Sum	2 -	- -	5,901	5,740
G Miller Finance and Corporate Resources Committee Chair	Pension Lump Sum	3 -	- -	5,117	4,978
J Ross Leader of the Council	Pension Lump Sum	3 -	1 -	7,868	7,653
D Shearer Licensing Committee Chair	Pension Lump Sum	7 7	1 -	4,026	3,917
C Stevenson Depute Provost	Pension Lump Sum	1 -	- -	4,899	4,766
2018/19 senior councillors where post holders are no longer in post or are no longer a member of a pension fund					2,511
Total				76,461	77,951

Councillors with Joint Board Responsibilities					
L Hamilton Depute Convenor Lanarkshire Valuation Joint Board	Pension Lump Sum	3 -	1 -	4,004	3,884
Total				4,004	3,884

All senior Councillors shown in the table above are members of the Local Government Pension Scheme (LGPS). The pension figures shown relate to the benefits that the pension has accrued as a consequence of their total local government service and not just their current appointment.

The Council is reimbursed by the Joint Board for the additional pension contributions paid by the Council for the Depute Convenor (equivalent of Vice-Convenor) of such a Joint Board.

The following recharges were made to Joint Boards for South Lanarkshire Council Councillors holding Depute Convenor roles:

Recharge to Lanarkshire Valuation Joint Board in 2019/2020 - £630 (2018/2019- £616)

Trade Union Facility Time

In addition to the regulation governing Senior Employees and Councillors, the Trade Union (Facility Time Publication Requirements) Regulations 2017, which apply from 1 April 2017, require public sector employers to collect and publish a range of information on trade union facility time in respect of their employees who are Trade Union Representatives. The figures below cover the period 1 April 2019 to 31 March 2020 and include employees of South Lanarkshire Council, South Lanarkshire Leisure and Culture, SEEMIS and Lanarkshire Valuation Joint Board.

Relevant Trade Union Officials

Number of employees who were relevant union officials during the relevant period	216
FTE Employee Number	204.30

Percentage of Time Spent on Facility Time

% Time	Number of Representatives
0%	85
1% - 50%	124
51% - 99%	2
100%	5

Percentage of Pay Bill Spent on Facility Time

Total cost of facility time	£503,735
Total pay bill	£543,723,414
Percentage of the total pay bill spent on facility time	0.09%

Paid Trade Union Activities

Time spent on paid Trade Union activities as a percentage of total paid facility time hours	9.09%
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The Trustees present their annual report together with the financial statements and Independent Auditors' report for the year ended 31 March 2020.

Reference and Administration Information

Charity Name:	South Lanarkshire Council Educational Trusts
Charity Number:	SC028135
Principal Office:	Finance Services Council Offices Almada Street Hamilton ML3 0AA
Current Trustees:	Finance and Corporate Resources Committee, South Lanarkshire Council
Independent Auditors:	Audit Scotland

Structure, Governance and Management

Governing Document

South Lanarkshire Council Educational Trusts comprises 18 Charitable Trust Funds / Bequests established under previous local authorities. Each Trust Fund / Bequest is restricted for the purpose which it was set up.

Appointment of Trustees

The trustees of the charities are elected members (Councillors) of South Lanarkshire Council. Trustees are appointed through their election to the Finance and Corporate Resources Committee of South Lanarkshire Council.

Organisational Structure

The trustees delegate the day to day administration of the charities to officers of the Council through the Scheme of Delegation as approved by South Lanarkshire Council on 18 May 2017.

The trustees (as elected members of the Council) meet to consider and approve the Annual Accounts for South Lanarkshire Council which includes the financial statements for all South Lanarkshire Council Trust Funds. An annual report on Governance of Trust Funds is presented to the Finance and Corporate Resources Committee. This report details expenditure for the preceding financial year.

Related Parties

Trustees hold this position because they are elected members of South Lanarkshire Council. South Lanarkshire Council provides administration services to the Trust.

Risk Management

It is recognised that there is a risk that the funds of the Trusts are not used for the purpose that they were intended. To mitigate this risk, the governance arrangements in place ensure that the Finance and Corporate Resources Committee are advised of the balance and distribution of funds. In addition OSCR also receive an annual report on the Trusts and their purpose.

Management of Funds and Investment Policy

The trustees rely upon the expertise of South Lanarkshire Council to manage the investments to ensure the maximum return at least risk to the charity is achieved.

The funds of the charity are held with South Lanarkshire Council. The interest received from South Lanarkshire Council and HM Treasury is shown in the Statement of Receipts and Payments.

Trustee Indemnity Insurance

No such insurance has been taken out.

Reorganisation of South Lanarkshire Council Trust Funds

To ensure that funds can be used to benefit residents of South Lanarkshire, a scheme of amalgamation and rationalisation has been approved by trustees (members) and is currently in the process of being formally adopted by the Office of the Scottish Charity Regulator (OSCR).

This amalgamation and rationalisation will simplify trusts and make funds more readily accessible to current and future potential beneficiaries.

Objectives and Activities

The objectives of the funds are mainly to provide prizes for school prize givings. Many of the bequests relate to certain areas within South Lanarkshire Council and the schools within those catchment areas. A few of the bequests may be used to support educational projects during the school year, if meeting the specific requirements of the bequests.

Achievements and Performance

During the year to 31 March 2020, the charity paid out grants totalling £3,910 (2018/2019: £4,000).



Financial Review

Overview

Income during 2019/2020 came from interest calculated on the Trust Funds' revenue balances of £908 (2018/2019: £692).

The trust held cash and bank balances of £131,853 (2018/2019: £135,475) as at 31 March 2020.

Reserves Policy

The trusts are managed in order to allow the full potential benefit of the trusts to be realised. By ensuring distributed funds are of sufficient value to make a beneficial impact to recipients, there may be some erosion of capital. The Reserves of the Trust will be used in line with the specific requirements of the Trust.

Donated Services

South Lanarkshire Council provides its services for no charge.

External Audit

The auditor with responsibility for the audit of the accounts of South Lanarkshire Council Educational Trusts for the year ended 31 March 2020 is:

Audit Scotland
4th Floor
102 West Port
Edinburgh
EH3 9DN



South Lanarkshire Council Educational Trusts
Trustees' Annual Report – for the year ended 31 March 2020

Donated Services

South Lanarkshire Council provides its services for no charge.

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s):

Full Name(s): COUNCILLOR GLADYS MILLER

**Position: CHAIR OF FINANCE AND CORPORATE RESOURCES
COMMITTEE**

Date: 18 JUNE 2020

South Lanarkshire Council Educational Trusts
Statement of Receipts and Payments for the year ended 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Expendable Endowment Funds	Permanent Endowment Funds	Total Funds (current year)	Total funds (last year)
		£	£	£	£	£	£
Receipts							
Grants and Donations	4	-	-	-	-	-	-
Income from investments other than land and buildings	5	-	908	-	-	908	692
Sub Total		-	908	-	-	908	692
Receipts from Assets and Investments sales							
Proceeds from sale of investments	5	-	0	-	-	0	0
Sub Total		-	0	-	-	0	0
Total Receipts		-	908	-	-	908	692
Payments							
External Audit Fee	7	-	620			620	573
Grants and Donations	4	-	3,910	-	-	3,910	4,000
Total Payments		-	4,530	-	-	4,530	4,573
Net (Payments) / Receipts		-	(3,622)	-	-	(3,622)	(3,881)
Surplus / (Deficit) for the year		-	(3,622)	-	-	(3,622)	(3,881)



South Lanarkshire Council Educational Trusts
Statement of Balances as at 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Expendable Endowment Funds	Permanent Endowment Funds	Total Funds (current year)	Total funds (last year)
		£	£	£	£	£	£
Cash and Bank Balances							
Opening Balance		-	135,475	-	-	135,475	139,401
Deficit shown on receipts and payments account		-	(3,622)	-	-	(3,622)	(3,926)
Closing Balance		-	131,853	-	-	131,853	135,475
Investments							
Market Value of Investments in South Lanarkshire Council		-	-	-	-	-	-
Market Value of Government Bonds		-	-	-	-	-	-
Total Investments		-	-	-	-	-	-

Signed on behalf of the charity's trustees

Signature(s):

Full Name(s): COUNCILLOR GLADYS MILLER

Position: CHAIR OF FINANCE AND CORPORATE RESOURCES
COMMITTEE

Date: 18 JUNE 2020



South Lanarkshire Council Educational Trusts Notes to the Financial Statements

1. **Basis of Accounting**

These financial statements have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

2. **Fund Accounting**

Restricted funds are those funds that can only be applied for particular purposes.

3. **Taxation**

The charity is not liable to income or capital gains tax on its charitable activities.

4. **Grants and Donations**

In the year to 31 March 2020, no donations were received. In the year to 31 March 2020, grants amounting to £3,910 (2018/2019: £4,000) were made to 13 different establishments (2018/19: 1 establishment).

5. **Trustee Remuneration, Expenses and Related Party Transactions**

- No remuneration or expenses were paid to charity trustees or persons connected to a trustee during the year.
- The trust received interest of £908 (2018/2019: £692) from South Lanarkshire Council.
- There were no transactions between the charity and any trustee or any connected person during the year.

6. **Cash and Bank Balances**

During the year the Trust's balances were held by South Lanarkshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the Trust for this administration. South Lanarkshire Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand and interest is payable on balances.

7. **External Audit Fee**

The external audit fee for 2019/2020 £620 (2018/2019: £618) is paid to Audit Scotland.



South Lanarkshire Council Charitable Trusts Trustees' Annual Report – for the year ended 31 March 2020

The Trustees present their annual report together with the financial statements and Independent Auditors' report for the year ended 31 March 2020.

Reference and Administration Information

Charity Name:	South Lanarkshire Council Charitable Trusts
Charity Number:	SC025089
Principal Office:	Finance Services Council Offices Almada Street Hamilton ML3 0AA
Current Trustees:	Finance and Corporate Resources Committee, South Lanarkshire Council
Independent Auditors:	Audit Scotland

Structure, Governance and Management

Governing Document

South Lanarkshire Council Charitable Trusts comprises 50 Charitable Trust Funds / Bequests established under previous local authorities. Each Trust Fund / Bequest is restricted for the purpose which it was set up.

Appointment of Trustees

The trustees of the charities are elected members (Councillors) of South Lanarkshire Council. Trustees are appointed through their election to the Finance and Corporate Resources Committee of South Lanarkshire Council.

Organisational Structure

The trustees delegate the day to day administration of the charities to officers of the Council through the Scheme of Delegation as approved by South Lanarkshire Council on 18 May 2017.

The trustees (as elected members of the Council) meet to consider and approve the Annual Accounts for South Lanarkshire Council which includes the financial statements for all South Lanarkshire Council Trust Funds. An annual report on Governance of Trust Funds is presented to the Finance and Corporate Resources Committee. This report details expenditure for the preceding financial year.

Related Parties

Trustees hold this position because they are elected members of South Lanarkshire Council. South Lanarkshire Council provides administration services to the Trust.

Risk Management

It is recognised that there is a risk that the funds of the Trusts are not used for the purpose that they were intended. To mitigate this risk, the governance arrangements in place ensure that the Finance and Corporate Resources Committee are advised of the balance and distribution of funds. In addition OSCR also receive an annual report on the Trusts and their purpose.

Management of Funds and Investment Policy

The trustees rely upon the expertise of South Lanarkshire Council to manage the investments to ensure the maximum return at least risk to the charity is achieved.

The majority of the funds of the charity are managed on behalf of the Council by Barclays Wealth. The investment objective is to provide a sustainable level of income, along with the prospect of growth in both capital and income through investment in a diversified portfolio of investments. The market value of these funds as at 31 March 2020 was £812,590 (2018/2019: £943,351).

The remaining funds of the charity are managed by South Lanarkshire Council and externally with Clydeport Operations Limited. There are 2 external loans totalling £10,379 (2018/2019: £10,379). For the external loans the charity receives interest ranging from 3.000% to 4.000%. The interest received is shown in the Statement of Receipts and Payments.

During 2019/2020 income of £39,021 (2018/2019: £40,516) was received and is shown in the Statement of Receipts and Payments.

Trustee Indemnity Insurance

No such insurance has been taken out.

Reorganisation of South Lanarkshire Council Trust Funds

To ensure that funds can be used to benefit residents of South Lanarkshire, a scheme of amalgamation and rationalisation has been approved by trustees (members) and is currently in the process of being formally adopted by the Office of the Scottish Charity Regulator (OSCR).

This amalgamation and rationalisation will simplify trusts and make funds more readily accessible to current and future potential beneficiaries.

Objectives and Activities

The most significant fund is the Loudon Bequest Trust Fund which is used to help finance holidays for elderly people within 12 Local Authority areas in the West of Scotland.

Other Trust Funds are those held by the previous District Councils and provide financial assistance to organisations and individuals who meet the terms set by the specific funds.

Within the Clydesdale area, grants are made to the elderly, and those experiencing financial hardship. Specific grants are also made for optical and dental treatment.



South Lanarkshire Council Charitable Trusts Trustees' Annual Report – for the year ended 31 March 2020

Within the Rutherglen area, grants are used to cater for a free annual lunch for the elderly to foster spirit within the community. Cash gifts are also presented.

Within the East Kilbride area, the grants are made to local churches for use in their charitable work to benefit those experiencing financial hardship.

Within the Hamilton Area, individual grants are given to those experiencing financial hardship, the elderly, specified schools and youth groups.

Achievements and Performance

During the year to 31 March 2020, the charity paid out grants totalling £28,126 (2018/2019: £29,135) to assist the elderly, and those experiencing financial hardship within the boundaries of the specified Trust Funds.

Financial Review

Overview

Income during 2019/2020 came from income on external investments of £32,467 (2018/2019: £34,100); interest calculated on the Trust Funds' revenue balances of £1,366 (2018/2019: £956).

Proceeds from the sale of investments of £5,188 (2018/2019: £5,460) were received.

The trust held cash and bank balances of £184,125 (2018/2019: £183,101) as at 31 March 2020 and investments with a book value of £828,157 (2018/2019: £841,123).

Reserves Policy

The trusts are managed in order to allow the full potential benefit of the trusts to be realised. By ensuring distributed funds are of sufficient value to make a beneficial impact to recipients, there may be some erosion of capital. The Reserves of the Trust will be used in line with the specific requirements of the Trust.

Donated Services

South Lanarkshire Council provides its services for no charge.

External Audit

The auditor with responsibility for the audit of the accounts of South Lanarkshire Council Charitable Trusts for the year ended 31 March 2020 is:

Audit Scotland
4th Floor
102 West Port
Edinburgh
EH3 9DN



South Lanarkshire Council Charitable Trusts
Trustees' Annual Report – for the year ended 31 March 2020

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s):

Full Name(s): COUNCILLOR GLADYS MILLER

**Position: CHAIR OF FINANCE AND CORPORATE RESOURCES
COMMITTEE**

Date: 18 JUNE 2020



South Lanarkshire Council Charitable Trusts
Statement of Receipts and Payments for the year ended 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Expendable Endowment Funds	Permanent Endowment Funds	Total Funds (current year)	Total Funds (last year) Restated
		£	£	£	£	£	£
Receipts							
Donations		-	-	-	-	-	-
Income from investments other than land and buildings	4	-	33,833	-	-	33,833	35,056
Sub Total		-	33,833	-	-	33,833	35,056
Receipts from Assets and Investments sales							
Proceeds from sale of investments	4	-	5,188	-	-	5,188	5,460
Sub Total		-	5,188	-	-	5,188	5,460
Total Receipts		-	39,021	-	-	39,021	40,516
Payments							
External Audit Fee	8	-	4,683	-	-	4,683	4,684
Investment Management Costs	7		2,923			2,923	2,757
Grants and Donations	5	-	28,126	-	-	28,126	29,135
Purchase of Investments	4		2,265			2,265	2,703
Total Payments		-	37,997	-	-	37,997	39,279
Net Receipts		-	1,024	-	-	1,024	1,237
Surplus / (Deficit) for the year		-	1,024	-	-	1,024	1,237



South Lanarkshire Council Charitable Trusts
Statement of Balances as at 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Expendable Endowment Funds	Permanent Endowment Funds	Total Funds (current year)	Total Funds (last year) Restated
		£	£	£	£	£	£
Cash and Bank Balances							
Opening Balance		-	183,101	-	-	183,101	181,864
Surplus shown on receipts and payments account		-	1,024	-	-	1,024	1,237
Closing Balance		-	184,125	-	-	184,125	183,101
Investments							
Market Value of Investments (Clydeport)	7	-	10,379	-	-	10,379	10,379
Market Value of Investments (Managed by Barclays Wealth)	7	-	812,590	-	-	812,590	943,351
Total Investments		-	822,969	-	-	822,969	953,730

Signed on behalf of the charity's trustees

Signature(s):

Full Name(s): COUNCILLOR GLADYS MILLER

Position: CHAIR OF FINANCE AND CORPORATE RESOURCES COMMITTEE

Date: 18 JUNE 2020

8. Basis of Accounting

These financial statements have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

9. Fund Accounting

Restricted funds are those funds that can only be applied for particular purposes.

10. Taxation

The charity is not liable to income or capital gains tax on its charitable activities.

11. Trustee Remuneration, Expenses and Related Party Transactions

- No remuneration or expenses were paid to charity trustees or persons connected to a trustee during the year.
- The trust received income from external investments of £32,467 (2018/2019: £34,100) and £1,366 (2018/2019: £956) from South Lanarkshire Council. All transactions incoming and outgoing are made via South Lanarkshire Council's accounts.
- Proceeds from the sale of the Loudon Bequest investment of £5,188 (2018/2019: £5,460) were received.
- Purchase costs of the Loudon Bequest investment of £2,265 (2018/2019: £2,703) were incurred.
- There were no transactions between the charity and any trustee or any connected person during the year.

12. Grants

In the year to 31 March 2020, grants for those experiencing financial hardship amounting to £1,924 (2018/2019: £1,863 to 118 individuals) were made to 115 individuals and £795 (2018/2019: £530 to 14 institutions) to 15 institutions. Grants for holidays for elderly people amounting to £25,407 (2018/2019: £26,742) were made to 10 institutions.

13. Cash and Bank Balances

During the year the Trust's balances were held by South Lanarkshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the Trust for this administration. South Lanarkshire Council also acts as the banker for the charity and, as detailed above, all transactions incoming and outgoing are made via the Council's accounts. The balances are repayable on demand and interest is payable on balances.



South Lanarkshire Council Charitable Trusts
Notes to the Financial Statements

14. Investments

The charity has 2 investments in Clydeport Operations Limited £10,379 (2018/2019: £10,379). Barclays Wealth manages £812,590 (2018/2019: £943,351) on behalf of the Council with an objective of achieving a balance between income and capital growth subject to a medium level of risk. Barclays Wealth charged a portfolio management fee of £2,923 (2018/2019; £2,757).

15. External Audit Fee

The external audit fee for 2019/2020 £4,683 (2018/2019: £4,684) is paid to Audit Scotland.

The Trustees present their annual report together with the financial statements and Independent Auditors' report for the year ended 31 March 2020.

Reference and Administration Information

Charity Name:	East Kilbride Information Technology Centre Trust
Charity Number:	SC015221
Principal Office:	Finance Services Council Offices Almada Street Hamilton ML3 0AA
Current Trustees:	Councillor Margaret Cowie, Councillor Graeme Horne, Councillor Grant Hose and Councillor Gladys Miller
Independent Auditors:	Audit Scotland

Structure, Governance and Management

Governing Document

East Kilbride Information Technology Trust is recognised as a Scottish charity. The Deed of Trust states that the charity should provide for young unemployed people living in East Kilbride, training and education appropriate to their needs in basic information technology and the opportunity to develop these skills.

Appointment of Trustees

The trustees of the Trust are elected members (Councillors) of South Lanarkshire Council.

Organisational Structure

The trustees delegate the day to day administration of the Trust to officers of the Council through the Scheme of Delegation as approved by South Lanarkshire Council on 18 May 2017.

The trustees (as elected members of the Council) meet to consider and approve the Annual Accounts for South Lanarkshire Council which includes the financial statements for all South Lanarkshire Council Trust Funds. An annual report on Governance of Trust Funds is presented to the Finance and Corporate Resources Committee. This report details expenditure for the preceding financial year.

Related Parties

Trustees hold this position because they are elected members of South Lanarkshire Council. South Lanarkshire Council provides administration services to the Trust.

Risk Management

It is recognised that there is a risk that the funds of the Trust is not used for the purpose that they were intended. To mitigate this risk, the governance arrangements in place ensure

that the Finance and Corporate Resources Committee are advised of the balance and distribution of funds. In addition OSCR also receive an annual report on the Trusts and their purpose.

Management of Funds and Investment Policy

The trustees rely upon the expertise of South Lanarkshire Council to manage the investments to ensure the maximum return at least risk to the charity is achieved.

The funds of the charity are internally deposited with South Lanarkshire Council. The interest received from South Lanarkshire Council is shown in the Statement of Receipts and Payments.

Trustee Indemnity Insurance

No such insurance has been taken out.

Reorganisation of South Lanarkshire Council Trust Funds

To ensure that funds can be used to benefit residents of South Lanarkshire, a scheme of amalgamation and rationalisation has been approved by trustees (members) and is currently in the process of being formally adopted by the Office of the Scottish Charity Regulator (OSCR).

This amalgamation and rationalisation will simplify trusts and make funds more readily accessible to current and future potential beneficiaries.

Objectives and Activities

To establish and operate the Centre in East Kilbride so as to provide for young unemployed people living in the East Kilbride District. To provide training and education appropriate to their needs in basic electronic assembly computing, electronic office and other work involving the use of new technology. To develop their skills in those fields, and make these skills available as a community resource. Also, to take any action in furtherance of or ancillary to the foregoing, to enable the Trustees to fulfil the purposes of the Trust.

Achievements and Performance

There was no activity during the financial year. Interest of £185 (2018/2019: £135) was received on the invested balance.

Financial Review

Overview

Income during 2019/20 came from interest on deposits with South Lanarkshire Council of £185 (2018/2019: £135). The trust held cash and bank of £26,943 (2018/2019: £26,881).

Reserves Policy

The balance on reserves is invested in the Council's Loans Fund in return for interest. The interest has been distributed for the purpose of the Trust.

The Council adopts the CIPFA Treasury Code of Practice.

Donated Services

South Lanarkshire Council provides its services for no charge.



East Kilbride Information Technology Centre Trust
Trustees' Annual Report – for the year ended 31 March 2020

External Audit

The auditor with responsibility for the audit of the accounts of East Kilbride Information Technology Centre Trust for the year ended 31 March 2020 is:

Audit Scotland
4th Floor
102 West Port
Edinburgh
EH3 9DN

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s):

Full Name(s): COUNCILLOR GLADYS MILLER

**Position: CHAIR OF FINANCE AND CORPORATE RESOURCES
COMMITTEE**

Date: 18 JUNE 2020



East Kilbride Information Technology Centre Trust
Statement of Receipts and Payments for the year ended 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Expendable Endowment Funds	Permanent Endowment Funds	Total Funds (current year)	Total funds (last year)
		£	£	£	£	£	£
Receipts							
Income from investments other than land and buildings	4	-	185			185	135
Sub Total		-	185			185	135
Payments							
External Audit Fee	7	-	123			123	123
Grants and Donations	5	-	0			0	0
Total Payments		-	123			123	123
Net Receipts		-	62			62	12
Surplus / (Deficit) for the year		-	62			62	12



East Kilbride Information Technology Centre Trust
Statement of Balances as at 31 March 2020

	Note	Unrestricted Funds	Restricted Funds	Expendable Endowment Funds	Permanent Endowment Funds	Total Funds (current period)	Total funds last period
		£	£	£	£	£	£
Cash and Bank Balances	6						
Opening Balance		-	26,881	-	-	26,881	26,869
Surplus shown on receipts and payments account		-	62	-	-	62	12
Closing Balance		-	26,943	-	-	26,943	26,881
Investments							
Market Value of Investments		-	-	-	-	-	-
Total Investments		-	-	-	-	-	-

Signed on behalf of the charity's trustees

Signature(s):

Full Name(s): COUNCILLOR GLADYS MILLER

Position: CHAIR OF FINANCE AND CORPORATE RESOURCES COMMITTEE

Date: 18 JUNE 2020

16. Basis of Accounting

These financial statements have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

17. Fund Accounting

Restricted funds are those funds that can only be applied for particular purposes.

18. Taxation

The charity is not liable to income or capital gains tax on its charitable activities.

19. Trustee Remuneration, Expenses and Related Party Transactions

- No remuneration or expenses were paid to charity trustees or persons connected to a trustee during the year.
- The trust received interest of £185 (2018/2019: £135) from South Lanarkshire Council.
- There were no transactions between the charity and any trustee or any connected person during the year.

20. Grants and Donations

There was no activity during the financial year to 31 March 2020.

21. Cash and Bank Balances

During the year the Trust's balances were held by South Lanarkshire Council, which manages the administration of the funds on behalf of the Trustees. No costs were incurred by the Trust for this administration. The balances are repayable on demand and interest is payable on balances.

22. External Audit Fee

The external audit fee for 2019/2020 £123 (2018/2019: £123) is paid to Audit Scotland.