



Council Offices, Almada Street  
Hamilton, ML3 0AA

Thursday, 08 February 2018

Dear Councillor

## **Finance and Corporate Resources Committee**

The Members listed below are requested to attend a meeting of the above Committee to be held as follows:-

**Date:** Wednesday, 07 February 2018

**Time:** 14:00

**Venue:** Committee Room 1, Council Offices, Almada Street, Hamilton, ML3 0AA

The business to be considered at the meeting is listed overleaf.

<b>Members are reminded to bring their fully charged tablets to the meeting</b>
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Yours sincerely

**Lindsay Freeland**  
**Chief Executive**

### **Members**

Gladys Miller (Chair), Graeme Horne (Depute Chair), Collette Stevenson (Depute Chair), Alex Allison, John Anderson, Walter Brogan, Robert Brown, Janine Calikes, Graeme Campbell, Peter Craig, Maureen Devlin, Isobel Dorman, Joe Fagan, Geri Gray, Eric Holford, Eileen Logan, Hugh Macdonald, Monique McAdams, Ian McAllan, Catherine McClymont, Mark McGeever, Jim McGuigan, John Ross, Graham Scott, Jim Wardhaugh, Jared Wark

### **Substitutes**

John Bradley, Andy Carmichael, Poppy Corbett, Margaret Cowie, Mary Donnelly, Ian Harrow, Martin Lennon, Richard Lockhart, Katy Loudon, Lynne Nailon, Margaret Walker, Sheena Wardhaugh, Josh Wilson

## BUSINESS

- 1 Declaration of Interests**
- 2 Minutes of Previous Meeting** 5 - 12  
Minutes of the meeting of the Finance and Corporate Resources Committee held on 15 November 2017 were submitted for approval as a correct record. (Copy attached)
- 3 Minutes of Appeals Panel** 13 - 16  
Minutes of the Appeals Panel held on 18 and 23 January 2018 were submitted for approval as a correct record. (Copies attached)

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### Monitoring Item(s)

- 4 Revenue Budget Monitoring 2017/2018 - Finance and Corporate Resources** 17 - 26  
Report dated 10 January 2018 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 5 Capital Budget Monitoring 2017-2018 - Finance and Corporate Resources** 27 - 30  
Report dated 3 January 2018 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 6 Finance and Corporate Resources - Workforce Monitoring - October to November 2017** 31 - 36  
Report dated 28 December 2017 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 7 Council-wide Workforce Monitoring - October to November 2017** 37 - 58  
Report dated 28 December 2017 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 8 Treasury Management Activity - Third Quarter Review** 59 - 68  
Report dated 29 December 2017 by the Executive Director (Finance and Corporate Resources). (Copy attached)

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### Item(s) for Decision

- 9 Finance and Corporate Resources' Resource Plan 2017/2018** 69 - 120  
Report dated 21 December 2017 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 10 Revenue Collection and Approval for Write Offs** 121 - 126  
Report dated 12 January 2018 by the Executive Director (Finance and Corporate Resources). (Copy attached)

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### Item(s) for Noting

- 11 Update of the Finance and Corporate Resources' Risk Register and Risk Control Plan** 127 - 134  
Report dated 8 January 2018 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 12 Procurement Performance Report 2016/2017** 135 - 140  
Report dated 11 January 2018 by the Executive Director (Finance and Corporate Resources). (Copy attached)

- 13 Procurement Strategy - Action Plan Update** 141 - 150  
Report dated 10 January 2018 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 14 Teachers' Pay Award Implementation 2017/2018** 151 - 152  
Report dated 20 December 2017 by the Executive Director (Finance and Corporate Resources). (Copy attached)

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### **Urgent Business**

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- 15 Urgent Business**  
Any other items of business which the Chair decides are urgent.

***For further information, please contact:-***

Clerk Name: Stuart McLeod

Clerk Telephone: 01698 454815

Clerk Email: [stuart.mcleod@southlanarkshire.gov.uk](mailto:stuart.mcleod@southlanarkshire.gov.uk)



# FINANCE AND CORPORATE RESOURCES COMMITTEE

2

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 15 November 2017

## Chair:

Councillor Gladys Miller

## Councillors Present:

Alex Allison, John Bradley (*substitute for Councillor Horne*), Walter Brogan, Robert Brown, Graeme Campbell, Peter Craig, Maureen Devlin, Mary Donnelly (*substitute for Councillor Anderson*), Isobel Dorman, Joe Fagan, Geri Gray, Eileen Logan, Monique McAdams, Ian McAllan, Catherine McClymont, Jim McGuigan, Lynne Nailon (*substitute for Councillor McGeever*), Graham Scott, Collette Stevenson (Depute), Jim Wardhaugh, Jared Wark

## Councillors' Apologies:

John Anderson, Janine Calikes, Eric Holford, Graeme Horne (Depute), Hugh Macdonald, Mark McGeever, John Ross (ex officio)

## Attending:

### Finance and Corporate Resources

P Manning, Executive Director; S Abbott, Administration Assistant; T Little, Head of Communications and Strategy; G McCann, Head of Administration and Legal Services; S McLeod, Administration Officer; K McVeigh, Head of Personnel Services; P Murphy, Head of Finance (Transactions); J Taylor, Head of Finance (Strategy); B Teaz, Head of Information Technology Services

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## 1 Declaration of Interests

No interests were declared.

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## 2 Minutes of Previous Meeting

The minutes of the meeting of the Finance and Corporate Resources Committee held on 6 September 2017 were submitted for approval as a correct record.

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

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## 3 Minutes of Appeals Panel

The minutes of the meetings of the Appeals Panel held on 12 and 25 October 2017 were submitted for approval as a correct record.

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

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## 4 Minutes of Grievance and Disputes Panel

The minutes of the meetings of the Grievance and Disputes Panel held on 31 August and 7 September 2017 were submitted for approval as a correct record.

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

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## **5 Revenue Budget Monitoring 2017/2018 - Finance and Corporate Resources**

A report dated 26 September 2017 by the Executive Director (Finance and Corporate Resources) was submitted comparing actual expenditure for the period 1 April to 15 September 2017 against budgeted expenditure for 2017/2018 for Finance and Corporate Resources.

### **The Committee decided:**

- (1) that the breakeven position on the Finance and Corporate Resources' revenue budget, as detailed in Appendix A to the report, be noted;
- (2) that the forecast to 31 March 2018 of a breakeven position be noted; and
- (3) that the budget virements, as detailed in the appendices to the report, be approved.

*[Reference: Minutes of 6 September 2017 (Paragraph 4)]*

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## **6 Capital Budget Monitoring 2017/2018 - Finance and Corporate Resources**

A report dated 11 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted advising of progress on Finance and Corporate Resources' capital programme for 2017/2018 and summarising the expenditure position at 15 September 2017.

**The Committee decided:** that the Finance and Corporate Resources' capital programme of £1.933 million, and expenditure to date of £0.458 million, be noted.

*[Reference: Minutes of 6 September 2017 (Paragraph 5)]*

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## **7 Finance and Corporate Resources - Workforce Monitoring - July to September 2017**

A report dated 11 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the following employee information for Finance and Corporate Resources for the period July to September 2017:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances and Dignity at Work cases
- ◆ analysis of leavers and exit interviews

**The Committee decided:** that the report be noted.

*[Reference: Minutes of 6 September 2017 (Paragraph 6)]*

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## **8 Council-wide Workforce Monitoring - July to September 2017**

A report dated 11 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the following Council-wide employee information for the period July to September 2017:-

- ◆ attendance statistics
- ◆ occupational health statistics

- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances, Dignity at Work cases and mediation referrals
- ◆ analysis of leavers and exit interviews
- ◆ recruitment monitoring

**The Committee decided:** that the report be noted.

*[Reference: Minutes of 6 September 2017 (Paragraph 7)]*

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## **9 Treasury Management Activity - Second Quarter Review**

A report dated 17 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the second quarter review of Treasury Management activity for 2017/2018.

Details were given on:-

- |  |                                  |
|--|----------------------------------|
| ◆ market performance                     | ◆ management of risk             |
| ◆ debt management and borrowing strategy | ◆ next quarter investment plans  |
| ◆ investment activity                    | ◆ treasury management indicators |

**The Committee decided:** that the report be noted.

*[Reference: Minutes of 6 September 2017 (Paragraph 8)]*

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## **10 Finance and Corporate Resources' Resource Plan - Quarter 2 Progress Report 2017/2018**

A report dated 16 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the draft Finance and Corporate Resources' Resource Plan for 2017/2018. Details were provided on progress made at the end of quarter 2, covering the period from 1 April to 30 September 2017, in implementing the priority projects identified in the draft Resource Plan.

**The Committee decided:** that the report be noted.

*[Reference: Minutes of the Executive Committee of 8 November 2017 (Paragraph 16)]*

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## **11 Revenue Collection and Approval for Write-Offs**

A report dated 16 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on:-

- ◆ collection performance for 2017/2018 on revenues income which comprised Council Tax, non-domestic rates, sundry debts and arrears
- ◆ performance against the Business Rates Incentivisation Scheme (BRIS) target
- ◆ the write-off of irrecoverable Council Tax, non-domestic rates, Hamilton and Carlisle Town Centre Improvement District (BID) levies, sundry debt, former tenant rent arrears, factoring arrears and housing benefit overpayments

The BRIS was intended to incentivise growth of the local business tax base with a view to increasing non-domestic rates income yields. The Scottish Government set annual targets for growth (buoyancy) and councils that met their target would retain 50% of the additional income generated. The annual buoyancy target for South Lanarkshire Council for 2017/2018 had been set at 1.7% and the Council's performance against the target for the second quarter to the end of September 2017 was +0.03%. This meant that the Council's tax base required to achieve growth of 1.67% by 31 March 2018 to secure additional funding under the Scheme.

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

- ◆ irrecoverable Council Tax accounts from 1993/1994 to 2017/2018 to the value of £629,547.03 relating primarily to prescribed debt, sequestrations and estates of the deceased
- ◆ non-domestic rates from 2015/2016 to 2017/2018 totalling £2,541,310.39 relating to debtors who were in liquidation, had ceased trading or had been sequestrated
- ◆ non-domestic rates over 3 years old from 2014/2015 totalling £2,041,616.88
- ◆ BID levies totalling £17,451.74
- ◆ sundry debts to a value of £538,683.57
- ◆ former tenant rent arrears totalling £187,647.57, factoring arrears totalling £17,809 and housing benefit overpayments totalling £112,716.80

**The Committee decided:**

- (1) that the Council's performance in the collection of revenues be noted;
- (2) that the Council's performance against the Business Rates Incentivisation Scheme target be noted; and
- (3) that the write-off of the following irrecoverable debts be approved:-
  - ◆ Council Tax debt from 1993/1994 to 2017/2018 to the value of £629,547.03
  - ◆ non-domestic rates from 2015/2016 to 2017/2018 totalling £2,541,310.39
  - ◆ non-domestic rates over 3 years old from 2014/2015 totalling £2,041,616.88
  - ◆ Hamilton and Carluke Town Centre Business Improvement District levies totalling £17,451.74
  - ◆ sundry debts to a value of £538,683.57
  - ◆ house rent totalling £187,647.57
  - ◆ factoring arrears totalling £17,809
  - ◆ housing benefit overpayments totalling £112,716.80

*[Reference: Minutes of 6 September 2017 (Paragraph 10)]*

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## **12 Mobile Men's Shed Project**

A report dated 3 November 2017 by the Executive Director (Finance and Corporate Resources) was submitted on:-

- ◆ the mobile Men's Shed project
- ◆ a proposal to add a post of 0.5 Full Time Equivalent (FTE) Mobile Men's Shed Project Worker to the establishment for a fixed term of 3 years



The Men's Shed programme had started in Australia and had been very successful in engaging older men in sharing and learning new skills and enabling them to meet new friends. Seniors Together had helped to support older men in South Lanarkshire to develop static Men's Sheds. Feedback from those involved had identified that a mobile Men's Shed, with the support of a development worker, would help to engage older men in activities within areas where no Men's Sheds had been established.

Seniors Together had recently been awarded funding by the Big Lottery Fund, amounting to £117,000 over a 3 year period, which would cover the cost of setting up a mobile Men's Shed and recruiting a part-time development worker. It was proposed that a former mobile library be converted to a Men's Shed and located for approximately 8 weeks at a time in the grounds of leisure and community facilities within South Lanarkshire to enable men who attended to also engage in other programmes which were available at the facilities.

It was hoped that, with the support of the development worker, a minimum of 2 Men's Sheds would be established during the 3 year period of the project. The men that participated in Men's Sheds' activities would form the South Lanarkshire Men's Shed Network which would provide support and assistance to help ensure the long-term sustainability of existing Sheds as well as helping to support the continued growth of new Men's Sheds within the Council area.

In order to support the project, it was proposed to add a fixed term post of 0.5 FTE Mobile Men's Shed Project Worker on Grade 3, Level 2, SCP 55-65 (£13,322 to £15,456) to the Finance and Corporate Resources' establishment for a fixed term of 3 years.

**The Committee decided:**

- (1) that the report be noted; and
- (2) that a post of 0.5 Full Time Equivalent (FTE) Mobile Men's Shed Project Worker, as detailed in the report, be added to the Finance and Corporate Resources' establishment for a fixed term of 3 years.

*[Reference: Minutes of the Equal Opportunities Forum of 20 September 2017 (Paragraph 5)]*

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### **13 2016/2017 Year End Insured Risks Report**

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A report dated 16 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on insurance claims made against the Council during 2016/2017.

The Council had in place insurance policies for employer's and public liability as well as motor and property insurance. Those constituted the main classes of insurance. Insurance was also in place for other miscellaneous risks.

A full review of the Council's insurance programme had been undertaken prior to the renewal of insurance policies on 1 April 2017. The aim of the review had been to ensure the optimum balance between self-insurance and purchased insurance cover and to reduce the total cost of loss to the Council. As a result of the review, the main change to the insurance programme had been that the level of purchased insurance cover had been reduced and the level of self-insured risk had increased. The changes to the programme had been based on a calculated risk which had taken account of historic claims and had demonstrated that the changes were likely to generate savings in the Council's overall cost of risk.

The number and value of claims by Resource in 2016/2017 and a comparison of the number of claims and costs of incidents reported from 2012/2013 to 2015/2016 were detailed in Appendix 1 to the report. Appendix 2 compared the claim numbers and costs for incidents reported in 2015/2016 to incidents reported in 2016/2017. The overall number of claims received to date for incidents occurring during 2016/2017 was 1,001, a decrease of 256 claims on the numbers reported for 2015/2016. The total estimated cost of claims had decreased from £2.374 million for 2015/2016 to £1.662 million for 2016/2017.

A review of all claims that had been reported to the Council during the period from 1 April 2014 to 31 December 2016 had been undertaken by the Council's Risk Management section. The review had identified claim trends and had highlighted new emerging areas of risk.

Details of insurance hotspots were provided in the report and 43 actions to mitigate hotspot areas had been agreed with Resource Risk Sponsors.

There were currently 13 asbestos related disease claims ongoing in respect of employees who had been employed by one of the Council's predecessor authorities and 3 new employers' liability claims had been intimated during 2016/2017 in respect of asbestos exposure. Where insurers were known, the claims had been passed onto them to handle.

**The Committee decided:**

- (1) that the insured risks report for year ended 31 March 2017 and positive claims trends be noted;
- (2) that the outcome of the review of the Council's insurance programme be noted; and
- (3) that the actions agreed to mitigate risks and the outcome of the insurance hotspots review be noted.

*[Reference: Minutes of 23 November 2016 (Paragraph 14)]*

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#### **14 2017 Information and Communication Technology (ICT) Asset Management Plan**

A report dated 24 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the outcomes from the 2017 Information and Communication Technology (ICT) Asset Management Plan.

The Asset Management Plan outlined the priorities and strategies required to develop and support the ICT asset estate which supported the business objectives of the Council whilst ensuring business continuity. The Plan highlighted the 4 corporate themes for ICT priorities and also highlighted the key support work planned for the year ahead to ensure that the Council's ICT assets were fit for purpose.

Details of the key support work were provided in the report and key facts from the Asset Management Plan were provided in Appendix 1 to the report.

**The Committee decided:** that the 2017 update to the Information and Communication Technology Asset Management Plan be noted.

*[Reference: Minutes of the Executive Committee of 7 September 2016 (Paragraph 10)]*

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## **15 Early Retirement, Voluntary Severance and Switch 2**

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A report dated 16 October 2017 by the Executive Director (Finance and Corporate Resources) was submitted on early retirements, voluntary severances, re-employment of early retirees and the Switch 2 programme for the period 1 April to 30 September 2017.

**The Committee decided:**                      that the report be noted.

*[Reference: Minutes of 6 September 2017 (Paragraph 23)]*

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## **16 Urgent Business**

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There were no items of urgent business.



## APPEALS PANEL

3

Minutes of meeting held in Committee Room 3, Council Offices, Almada Street, Hamilton on 18 January 2018

**Chair:**

Councillor Gladys Miller

**Councillors Present:**

Poppy Corbett, Jim McGuigan

**Attending:**

**Finance and Corporate Resources**

S McLeod, Administration Officer; E Maxwell, Personnel Adviser

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### 1 Declaration of Interests

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No interests were declared.

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### 2 Urgent Business

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There were no items of urgent business.

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### 3 Exclusion of Press and Public

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**The Panel decided:**

that, in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, the press and public be excluded from the meeting for the next item of business on the grounds that it was likely that there would be disclosure of exempt information in terms of Paragraph 1 of Part I of Schedule 7A of the Act.

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### 4 Appeal Against Dismissal

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The Administration Officer referred to appeal (Ref 8/17) and advised the Panel that the appellant had requested a postponement due to the unavailability of his representatives. The appellant had also advised that he would arrange to have his statements and appeal notes submitted.

**The Panel decided:**

that the appellant be contacted to advise that his submissions and details of his representatives required to be received no later than 12 noon on Friday 26 January 2018, failing which, it would be assumed that his appeal had been withdrawn.



## APPEALS PANEL

3

Minutes of meeting held in Committee Room 3, Council Offices, Almada Street, Hamilton on 23 January 2018

**Chair:**

Councillor Collette Stevenson

**Councillors Present:**

Mary Donnelly, Eric Holford

**Attending:**

**Finance and Corporate Resources**

S McLeod, Administration Officer; E Maxwell, Personnel Adviser

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### 1 Declaration of Interests

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No interests were declared.

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### 2 Urgent Business

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There were no items of urgent business.

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### 3 Exclusion of Press and Public

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**The Panel decided:**

that, in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, the press and public be excluded from the meeting for the next item of business on the grounds that it was likely that there would be disclosure of exempt information in terms of Paragraph 1 of Part I of Schedule 7A of the Act.

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### 4 Appeal Against Dismissal

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The Panel considered an appeal (Ref 9/17) by an employee against his dismissal.

The appellant was present and represented by S Smellie of UNISON. The Council was represented by a Personnel Adviser.

S Smellie requested that an additional submission be considered. The Personnel Adviser outlined her objections to the additional submission being considered.

Both sides withdrew. Following discussion, the Panel agreed that the additional submission would be considered. Both sides re-entered the meeting and were advised of the position.

The Council called a witness and the appellant's representative called the appellant. All parties were heard in relation to the appeal and then withdrew from the meeting.

**The Panel decided:**

that the grounds of the appeal had been substantiated in part and the appeal be upheld to the extent that:-

- ◆ the appellant be demoted to the post of Social Worker with effect from 24 January 2018
- ◆ a period of unpaid absence be applied from the date of dismissal until 23 January 2018
- ◆ the appellant be issued with a final written warning
- ◆ the appellant undertake appropriate training

*Councillor Donnelly, as the mover of an amendment which failed to find a seconder, asked that her dissent be recorded*



# Report

4

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Revenue Budget Monitoring 2017/2018 - Finance and Corporate Resources**

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April to 8 December 2017 for Finance and Corporate Resources
- ◆ provide a forecast for the year to 31 March 2018

## 2. Recommendation(s)

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

- (1) that the breakeven position on the Finance and Corporate Resources' revenue budget, as detailed in Appendix A of the report, be noted;
- (2) that following the probable outturn exercise, the forecast to 31 March 2018 of breakeven, be noted; and
- (3) that the proposed budget virements be approved.

## 3. Background

3.1. This is the third revenue budget monitoring report presented to the Finance and Corporate Resources Committee for the financial year 2017/2018.

3.2. The report details the financial position for Finance and Corporate Resources on Appendix A, along with variance explanations in Appendices B-G.

## 4. Employee Implications

4.1. None

## 5. Financial Implications

5.1. As at 8 December 2017, there is a breakeven position against the phased budget.

5.2. Following the probable outturn exercise, the forecast for the revenue budget to 31 March 2018 is a breakeven position.

5.3. Virements are proposed to realign budgets. These movements have been detailed in the appendices to this report, as appropriate.

## 6. Other Implications

6.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget

management applied across the Resources. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

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

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

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

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

10 January 2018

## **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, effective, efficient and transparent

## **Previous References**

- ◆ None

## **List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 8 December 2017

## **Contact for Further Information**

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

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 8 December 2017 (No.10)

## Finance and Corporate Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 08/12/17	Actual 08/12/17	Variance 08/12/17		% Variance 08/12/17	Note
	£000	£000	£000	£000	£000	£000			
<b><u>Budget Category</u></b>									
Employee Costs	34,168	33,968	200	23,050	22,937	113	under	0.5%	
Property Costs	2,379	2,492	(113)	1,468	1,545	(77)	over	(5.2%)	
Supplies & Services	5,599	5,694	(95)	3,878	3,948	(70)	over	(1.8%)	
Transport & Plant	114	73	41	81	44	37	under	45.7%	
Administration Costs	7,697	7,453	244	4,887	4,728	159	under	3.3%	
Payments to Other Bodies	1,682	1,599	83	1,343	1,281	62	under	4.6%	
Payments to Contractors	245	266	(21)	205	226	(21)	over	(10.2%)	
Transfer Payments	85,034	85,034	0	60,721	60,721	0	-	0.0%	
Financing Charges	732	684	48	571	535	36	under	6.3%	
<b>Total Controllable Exp.</b>	137,650	137,263	387	96,204	95,965	239	under	0.2%	
<b>Total Controllable Inc.</b>	(103,738)	(103,351)	(387)	(61,998)	(61,759)	(239)	under recovered	(0.4%)	
<b>Net Controllable Exp.</b>	33,912	33,912	0	34,206	34,206	0	-	0.0%	

**Variance Explanations**

Variance explanations are shown in Appendices B to G.

**SOUTH LANARKSHIRE COUNCIL**

**Revenue Budget Monitoring Report**

**Finance and Corporate Resources Committee: Period Ended 8 December 2017 (No.10)**

**Finance Services**

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	15,824	15,582	242	10,724	10,559	165	under	1.5%	<b>1</b>
Property Costs	1,835	1,842	(7)	1,091	1,088	3	under	0.3%	<b>a</b>
Supplies & Services	840	944	(104)	500	597	(97)	over	(19.4%)	<b>2,a</b>
Transport & Plant	11	7	4	9	4	5	under	55.6%	
Administration Costs	1,420	1,335	85	894	847	47	under	5.3%	<b>3,b</b>
Payments to Other Bodies	529	494	35	360	335	25	under	6.9%	<b>c</b>
Payments to Contractors	244	266	(22)	204	226	(22)	over	(10.8%)	
Transfer Payments	85,034	85,034	0	60,721	60,721	0	-	0.0%	<b>d</b>
Financing Charges	255	200	55	157	114	43	under	27.4%	<b>4</b>
<b>Total Controllable Exp.</b>	<b>105,992</b>	<b>105,704</b>	<b>288</b>	<b>74,660</b>	<b>74,491</b>	<b>169</b>	<b>under</b>	<b>0.2%</b>	
<b>Total Controllable Inc.</b>	<b>(89,874)</b>	<b>(89,778)</b>	<b>(96)</b>	<b>(55,530)</b>	<b>(55,498)</b>	<b>(32)</b>	<b>under recovered</b>	<b>(0.1%)</b>	<b>c,e</b>
<b>Net Controllable Exp.</b>	<b>16,118</b>	<b>15,926</b>	<b>192</b>	<b>19,130</b>	<b>18,993</b>	<b>137</b>	<b>under</b>	<b>0.7%</b>	

**Variance Explanations**

**1. Employee Costs**

The underspend is due to vacancies which are being considered in line with Service requirements.

**2. Supplies and Services**

The overspend is due to the additional requirement for Benefits and Revenues system costs in the financial year.

**3. Administration Costs**

The underspend is in relation to postages, legal expenses and paypoint agency fees identified as part of 2018/19 savings proposals.

**4. Financing Charges**

The underspend relates to the budget for server hardware that is not required until future financial years.

**Budget Virements**

- a. Transfer to Community and Enterprise Resources to reflect change in status of Facilities Management (£0.032m): Property Costs (£0.012m), Supplies and Services (£0.020m).
- b. Transfer to Communications and Strategy for Printing saving (£0.028m): Administration Costs (£0.028m).
- c. Realignment of recharge for Cost of Collection of Council Tax. Net Effect £0.000m: Payments to Other Bodies (£2.024m), Income £2.024m.
- d. Realignment of Housing Benefit Budget to reflect current service delivery. Net Effect £0.000m: Transfer Payments (£12.406m), Income £12.406m.
- e. Income realignment with Housing and Technical Resources £0.118m: Income (£0.118m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 8 December 2017 (No.10)

## Audit Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	626	681	(55)	429	463	(34)	over	(7.9%)	1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	10	5	5	5	4	1	under	20.0%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	9	4	5	5	3	2	under	40.0%	
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	1	0	1	1	0	1	under	100.0%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	4	4	0	2	2	0	-	0.0%	
<b>Total Controllable Exp.</b>	650	694	(44)	442	472	(30)	over	(6.8%)	
<b>Total Controllable Inc.</b>	(229)	(249)	20	(22)	(31)	9	over recovered	40.9%	2
<b>Net Controllable Exp.</b>	421	445	(24)	420	441	(21)	over	(5.0%)	

Variance Explanations1. **Employee Costs**

The overspend is mainly due to lower than anticipated staff turnover across the Service to date.

2. **Income**

The over recovery of income relates to European Social Fund Management Fee and additional LEADER monies anticipated in the financial year.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 8 December 2017 (No.10)

## Information Technology Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	5,298	5,218	80	3,555	3,499	56	under	1.6%	<b>1</b>
Property Costs	434	502	(68)	311	352	(41)	over	(13.2%)	<b>2,a</b>
Supplies & Services	3,402	3,362	40	2,557	2,530	27	under	1.1%	<b>3</b>
Transport & Plant	10	9	1	6	6	0	-	0.0%	
Administration Costs	1,503	1,496	7	961	953	8	under	0.8%	<b>b</b>
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	394	387	7	371	371	0	-	0.0%	
<b>Total Controllable Exp.</b>	<b>11,041</b>	<b>10,974</b>	<b>67</b>	<b>7,761</b>	<b>7,711</b>	<b>50</b>	<b>under</b>	<b>0.7%</b>	
<b>Total Controllable Inc.</b>	<b>(7,139)</b>	<b>(7,072)</b>	<b>(67)</b>	<b>(3,459)</b>	<b>(3,409)</b>	<b>(50)</b>	<b>under recovered</b>	<b>(1.4%)</b>	<b>4</b>
<b>Net Controllable Exp.</b>	<b>3,902</b>	<b>3,902</b>	<b>0</b>	<b>4,302</b>	<b>4,302</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	

Variance Explanations**1. Employee Costs**

The underspend is due vacancies which are being considered in line with service requirements.

**2. Property Costs**

The overspend is due to increased electricity costs at Caird Data Centre.

**3. Supplies and Services**

The underspend is due to less than anticipated computer equipment purchased on behalf of the Leisure Trust to date and is offset by an under recovery of income from recharges (See 4 below).

**4. Income**

The under recovery is due to less than anticipated income from recharges to the Leisure Trust for computer equipment purchased to date and is offset by reduced expenditure above.

Budget Virements

- a. Transfer to Community and Enterprise Resources to reflect change in status of Facilities Management (£0.022m): Property Costs (£0.022m).
- b. Transfer to Communications and Strategy for Printing saving (£0.012m): Administration Costs (£0.012m).

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 8 December 2017 (No.10)

## Personnel Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	6,458	6,302	156	4,352	4,282	70	under	1.6%	1
Property Costs	81	131	(50)	49	96	(47)	over	(95.9%)	2,a
Supplies & Services	320	324	(4)	179	165	14	under	7.8%	a
Transport & Plant	58	22	36	41	10	31	under	75.6%	
Administration Costs	1,633	1,596	37	841	820	21	under	2.5%	a,b,c
Payments to Other Bodies	396	377	19	265	247	18	under	6.8%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	37	43	(6)	20	22	(2)	over	(10.0%)	
<b>Total Controllable Exp.</b>	<b>8,983</b>	<b>8,795</b>	<b>188</b>	<b>5,747</b>	<b>5,642</b>	<b>105</b>	<b>under</b>	<b>1.8%</b>	
<b>Total Controllable Inc.</b>	<b>(2,314)</b>	<b>(2,126)</b>	<b>(188)</b>	<b>(883)</b>	<b>(778)</b>	<b>(105)</b>	<b>under recovered</b>	<b>(11.9%)</b>	<b>3</b>
<b>Net Controllable Exp.</b>	<b>6,669</b>	<b>6,669</b>	<b>0</b>	<b>4,864</b>	<b>4,864</b>	<b>0</b>	<b>-</b>	<b>0.0%</b>	

Variance Explanations**1. Employee Costs**

The underspend is due to vacancies which are being considered in line with service requirements.

**2. Property Costs**

The overspend is due to increased costs at Hillhouse Training Unit and will be managed within the overall budget.

**3. Income**

The under recovery is due to less than anticipated income from the Training Fund and Skills Development Scotland in the financial year and is offset by reduced expenditure.

Budget Virements

- Transfer to Community and Enterprise Resources to reflect change in status of Facilities Management (£0.059m): Property Costs (£0.011m), Supplies and Services (£0.032m), Administration Costs (£0.016m).
- Transfer to Communications and Strategy for Printing saving (£0.010m): Administration Costs (£0.010m).
- Transfer of Connect 2 match funding budget from Planning and Economic Development £0.179m: Administration Costs £0.179m.

## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 8 December 2017 (No.10)

## Administration, Legal and Licensing Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	4,216	4,363	(147)	2,822	2,908	(86)	over	(3.0%)	1
Property Costs	29	17	12	17	9	8	under	47.1%	
Supplies & Services	144	152	(8)	94	104	(10)	over	(10.6%)	a
Transport & Plant	7	8	(1)	5	6	(1)	over	(20.0%)	
Administration Costs	2,618	2,537	81	1,927	1,869	58	under	3.0%	2,b,c
Payments to Other Bodies	703	683	20	666	653	13	under	2.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	35	35	0	18	18	0	-	0.0%	
<b>Total Controllable Exp.</b>	<b>7,752</b>	<b>7,795</b>	<b>(43)</b>	<b>5,549</b>	<b>5,567</b>	<b>(18)</b>	<b>over</b>	<b>(0.3%)</b>	
<b>Total Controllable Inc.</b>	<b>(1,996)</b>	<b>(1,989)</b>	<b>(7)</b>	<b>(1,041)</b>	<b>(1,040)</b>	<b>(1)</b>	<b>under recovered</b>	<b>(0.1%)</b>	
<b>Net Controllable Exp.</b>	<b>5,756</b>	<b>5,806</b>	<b>(50)</b>	<b>4,508</b>	<b>4,527</b>	<b>(19)</b>	<b>over</b>	<b>(0.4%)</b>	

Variance Explanations**1. Employee Costs**

The overspend is mainly due to lower than anticipated staff turnover across the Service to date.

**2. Administration Costs**

The underspend is due to less than anticipated expenditure on the 2017 Local Government Election.

Budget Virements

- a. Transfer to Community and Enterprise Resources to reflect change in status of Facilities Management (£0.018m): Supplies and Services (£0.018m).
- b. Transfer to Communications and Strategy for Printing saving (£0.002m): Administration Costs (£0.002m).
- c. Transfer from Reserves and centrally held funds for 2017 Local Government Elections £0.570m: Administration Costs £0.570m.



## SOUTH LANARKSHIRE COUNCIL

## Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 8 December 2017 (No.10)

## Communications and Strategy Services

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 08/12/17</b>	<b>Actual 08/12/17</b>	<b>Variance 08/12/17</b>		<b>% Variance 08/12/17</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>			
Employee Costs	1,746	1,822	(76)	1,168	1,226	(58)	over	(5.0%)	1
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	883	907	(24)	543	548	(5)	over	(0.9%)	
Transport & Plant	28	27	1	20	18	2	under	10.0%	
Administration Costs	514	485	29	259	236	23	under	8.9%	
Payments to Other Bodies	54	45	9	52	46	6	under	11.5%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	7	15	(8)	3	8	(5)	over	(166.7%)	
<b>Total Controllable Exp.</b>	3,232	3,301	(69)	2,045	2,082	(37)	over	(1.8%)	
<b>Total Controllable Inc.</b>	(2,186)	(2,137)	(49)	(1,063)	(1,003)	(60)	under recovered	(5.6%)	2,a
<b>Net Controllable Exp.</b>	1,046	1,164	(118)	982	1,079	(97)	over	(9.9%)	

Variance Explanations**1. Employee Costs**

The overspend is due to lower than anticipated staff turnover across the Service to date.

**2. Income**

The under recovery is due to less than anticipated income from external work completed to date.

Budget Virements

- a. Transfer from Resources for Printing saving £0.173m: Income £0.173m.



# Report

5

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Capital Budget Monitoring 2017/2018 - Finance and Corporate Resources**

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the progress of the capital programme for Finance and Corporate Resources for the period 1 April to 8 December 2017

## 2. Recommendation(s)

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

- (1) that the Finance and Corporate Resources capital programme of £1.959 million, and expenditure to date of £1.129 million, be noted.

## 3. Background

- 3.1. This is the third capital monitoring report presented to the Finance and Corporate Resources Committee for the financial year 2017/2018. Further reports will follow throughout the year.
- 3.2. The budget reflects the approved programme for the year (as approved at the Council meeting on 16 February 2017), exceptions approved during 2016/2017 and monies carried forward for projects from 2016/2017. It also includes budget adjustments approved by the Executive Committee up to and including its meeting on 31 January 2018.
- 3.3. The report details the financial position for Finance and Corporate Resources in Appendix A.

## 4. Employee Implications

4.1. None

## 5. Financial Implications

5.1. The total capital programme for Finance and Corporate Resources for 2017/2018 is £1.959 million. Anticipated spend to date was £1.116 million with £1.129 million of expenditure being incurred (57.63% of full budget). This represents a position of £0.013 million ahead of profile.

## 6. Other Implications

6.1. The main risk associated with the Council's Capital Programme is that there is an overspend. The risk has been assessed as low given the detailed project

management plans prepared and monitored for each project. The risk of overspend is managed through four weekly Investment Management Meetings.

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

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

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

**Paul Manning**  
**Executive Director (Finance and Corporate Resources)**

3 January 2018

### **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Value: Accountable, effective, efficient and transparent

### **Previous References**

- ◆ Council meeting - 16 February 2017
- ◆ Executive Committee - 31 January 2018

### **List of Background Papers**

- ◆ Financial ledger to 8 December 2017

### **Contact for Further Information**

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

Lorraine O'Hagan, Finance Manager (Strategy)

Ext: 2601 (Tel: 01698 452601)

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

**South Lanarkshire Council  
Capital Expenditure 2017-2018  
Finance and Corporate Resources Programme  
For Period 1 April 2017 – 8 December 2017**

	Budget £000	Budget b/f £000	Total Original Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Budget to Date £000	Actual Expenditure £000
Finance Services	0	293	293	0	(163)	130	106	210
Information Technology Services	1,026	285	1,311	592	(100)	1,803	1,010	919
Personnel Services	0	0	0	26	0	26	0	0
<b>TOTAL</b>	<b>1,026</b>	<b>578</b>	<b>1,604</b>	<b>618</b>	<b>(263)</b>	<b>1,959</b>	<b>1,116</b>	<b>1,129</b>



# Report

6

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Finance and Corporate Resources – Workforce  
Monitoring – October to November 2017**

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide employment information for the period October to November 2017 relating to Finance and Corporate Resources

## 2. Recommendation(s)

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

(1) that the following employment information for the period October to November 2017 relating to Finance and Corporate Resources be noted:-

- ◆ attendance statistics
- ◆ occupational health
- ◆ accident/incident statistics
- ◆ discipline, grievance and Dignity at Work cases
- ◆ analysis of leavers and exit interviews
- ◆ Staffing Watch as at 9 September 2017

## 3. Background

3.1. As part of the Council's performance management arrangements, regular workforce monitoring reports are submitted to Committee. This report for Finance and Corporate Resources provides information on the position for the period October to November 2017.

## 4. Monitoring Statistics

### 4.1. Attendance Statistics (Appendix 1)

Information on absence statistics is analysed for the month of November 2017 for Finance and Corporate Resources.

The Resource absence figure for November 2017 was 4.1%, which represents a decrease of 0.2% when compared to last month and is 0.7% lower than the Council-wide figure. Compared to November 2016, the Resource absence figure has increased by 1.0%.

Based on the absence figures at November 2017 and annual trends, the projected annual average absence for the Resource for 2017/2018 is 3.4%, compared to a Council-wide average figure of 4.2%.

For the financial year 2017/2018, the projected average days lost per employee equates to 8.3 days, compared with the overall figure for the Council of 9.3 days per employee.

**4.2 Occupational Health (Appendix 2)**

In terms of referrals to occupational health, which include medical examinations and physiotherapy, 68 referrals were made this period, an increase of 26 when compared with the same period last year.

**4.3 Accident/Incident Statistics (Appendix 2)**

Four accidents/incidents were recorded within the Resource this period, this figure has increased by 4 when compared with the same period last year.

**4.4 Discipline, Grievance and Dignity at Work (Appendix 2)**

During the period, 1 disciplinary hearing was held within the Resource which is an increase of 1 when compared with the same period last year. There was 1 grievance hearing, an increase of 1 when compared to the same period last year. There were no Dignity at Work hearings held within the Resource this period, which remains unchanged when compared with the same period last year.

**4.5 Analysis of Leavers (Appendix 2)**

There were 4 leavers in the Resource this period, an increase of 4 when compared with the same period last year. No exit interviews were held.

**5 Staffing Watch (Appendix 3)**

5.1 There has been a decrease of 30 in the number of employees in post from 10 June to 9 September 2017.

**6 Employee Implications**

6.1 There are no implications for employees arising from the information presented in this report.

**7 Financial Implications**

7.1 All financial implications are accommodated within existing budgets.

**8 Other Implications**

8.1 There are no implications for sustainability or risk in terms of the information contained within this report.

**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 was no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

28 December 2017



**Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, effective, efficient and transparent
- ◆ Fair, open and sustainable
- ◆ Ambitious, self aware and improving
- ◆ Excellent employer
- ◆ Focused on people and their needs
- ◆ Working with and respecting others

**Previous References**

- ◆ Finance and Corporate Resources – 15 November 2017

**List of Background Papers**

- ◆ Monitoring information provided by Finance and Corporate Resources.

**Contact for Further Information**

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

Janet McLuckie, Personnel Officer

Ext: 4239 (Tel: 01698 454239)

E-mail: [Janet.McLuckie@southlanarkshire.gcsx.gov.uk](mailto:Janet.McLuckie@southlanarkshire.gcsx.gov.uk)

**ABSENCE TRENDS - 2015/2016, 2016/2017 & 2017/2018**  
**Finance and Corporate Resources**

APT&C				Manual Workers				Resource Total				Council Wide							
	2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018				
April	3.1	2.6	2.8	April				April	3.1	2.6	2.8	April	3.8	4.3	3.9				
May	2.9	2.2	3.2	May			0.0	May	2.9	2.2	3.2	May	3.9	4.4	4.2				
June	3.7	2.2	3.3	June			0.0	June	3.7	2.2	3.3	June	3.5	4.1	3.9				
July	3.5	2.0	3.1	July			0.0	July	3.5	2.0	3.0	July	2.9	3.3	3.0				
August	3.0	2.2	3.5	August			0.0	August	3.0	2.2	3.4	August	3.3	3.6	3.2				
September	1.7	2.4	4.1	September			0.0	September	1.7	2.4	4.1	September	3.8	4.1	4.0				
October	2.3	2.6	4.4	October			0.0	October	2.3	2.6	4.3	October	4.1	4.4	4.1				
November	2.3	3.1	4.2	November			0.0	November	2.3	3.1	4.1	November	4.7	4.9	4.8				
December	2.5	2.6		December				December	2.5	2.6		December	4.7	4.9					
January	2.7	2.6		January				January	2.7	2.6		January	4.6	4.5					
February	3.9	3.8		February				February	3.9	3.8		February	5.0	5.0					
March	2.7	3.7		March				March	2.7	3.7		March	5.2	4.7					
Annual Average	2.9	2.7	3.4	Annual Average		0.0	Annual Average	2.9	2.7	3.4	Annual Average	4.1	4.4	4.2					
Average Apr-Nov	2.8	2.4	3.6	Average Apr-Nov		0.0	Average Apr-Nov	2.8	2.4	3.5	Average Apr-Nov	3.8	4.1	3.9					
No of Employees at 30 November 2017				1047	No of Employees at 30 November 2017				12	No of Employees at 30 November 2017				1059	No of Employees at 30 November 2017				14977

For the financial year 2017/18, the projected average days lost per employee equates to 8.3 days.  
 Figures for manual workers only applicable from May 2017/2018

## FINANCE AND CORPORATE RESOURCES

	Oct-Nov 2016	Oct-Nov 2017
<b>MEDICAL EXAMINATIONS</b>		
Number of Employees Attending	6	14
<b>EMPLOYEE COUNSELLING SERVICE</b>		
Total Number of Referrals	5	4
<b>PHYSIOTHERAPY SERVICE</b>		
Total Number of Referrals	18	26
<b>REFERRALS TO EMPLOYEE SUPPORT OFFICER</b>		
	7	19
<b>REFERRALS TO COGNITIVE BEHAVIOUR THERAPY</b>		
	6	5
<b>TOTAL</b>	<b>42</b>	<b>68</b>

CAUSE OF ACCIDENTS/INCIDENTS	Oct-Nov 2016	Oct-Nov 2017
Violent Incident: Physical****	0	1
Violent Incident: Verbal*****	0	3
<b>Total Accidents/Incidents</b>	<b>0</b>	<b>4</b>

\*A Specified Injury is any fracture (other than to the fingers, thumbs or toes), amputation, loss of sight, serious burns, crushing injury, scalping, loss of consciousness caused by asphyxiation/ head injury, a chemical or hot metal burn to the eye or penetrating injury as defined by the HSE.

\*\*Over 3 day / over 7day absence is an injury sustained outwith specified injury category that results in a period of absence of absence as defined by the HSE.

\*\*\*Near Miss - Any unexpected, unplanned occurrence (except Dangerous Occurrences) that does not lead to injury of persons, damage to property, plant or equipment but may have done so in different circumstance.

\*\*\*\*Physical violent incidents are included in the "Specified" figures, where applicable, to provide the "Total Specified" figures.

\*\*\*\*Physical violent incidents and \*\*\*\*\* Verbal Violent Incidents are included in the "Over 3-day or Over 7-day" figures, where applicable, to provide the "Total Over 3-day or Over 7-day" figures.

\*\*\*\*Physical Violent Incidents and \*\*\*\*\* Verbal Violent Incidents are included in the "Minor" figures, where applicable, to provide the "Total Minor" figures.

RECORD OF DISCIPLINARY HEARINGS	Oct-Nov 2016	Oct-Nov 2017
Total Number of Hearings	0	1

## Time Taken to Convene Hearing Oct-Nov 2017

0-3 Weeks  
0

4-6 Weeks  
0

Over 6 Weeks  
1

RECORD OF GRIEVANCE HEARINGS	Oct-Nov 2016	Oct-Nov 2017
Number of Grievances	0	1
Number Resolved at Stage 1	0	1

ANALYSIS OF REASONS FOR LEAVING	Oct-Nov 2016	Oct-Nov 2017
Number of Exit Interviews conducted	0	0

<b>Total Number of Leavers Eligible for Exit Interview</b>	<b>0</b>	<b>4</b>
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<b>Percentage of interviews conducted</b>	<b>0%</b>	<b>0%</b>
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JOINT STAFFING WATCH RETURN  
FINANCE AND CORPORATE RESOURCES

## 1. As at 9 September 2017

Total Number of Employees				
MALE		FEMALE		TOTAL
F/T	P/T	F/T	P/T	
225	17	449	322	1013

Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher	TOTAL
2	162.56	393.09	238.9	68.41	27.11	6	2.03	0	900.1

## 1. As at 10 June 2017

Total Number of Employees				
MALE		FEMALE		TOTAL
F/T	P/T	F/T	P/T	
242	16	462	323	1043

Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher	TOTAL
2	175.33	397.99	243.67	75.01	26.2	6	2.03	0	928.23

# Report

7

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Council-wide Workforce Monitoring – October to November 2017**

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide employment information relating to the Council for the period October to November 2017

## 2. Recommendation(s)

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

(1) that the following employment information for the period October to November 2017 relating to the Council be noted:-

- ◆ attendance statistics
- ◆ occupational health
- ◆ accident/incident statistics
- ◆ discipline, grievance and Dignity at Work cases
- ◆ analysis of leavers and exit interviews
- ◆ recruitment monitoring
- ◆ Staffing Watch as at 9 September 2017

## 3. Background

3.1. As part of the Council's performance management arrangements, regular workforce monitoring reports are submitted to Committee. This report for the Council provides information on the position for the period October to November 2017.

## 4. Attendance Statistics

4.1. Information on absence statistics for the Council and each Resource, as analysed for November 2017, is provided in Appendices 1 – 8. Points to note are:-

The Council's absence rate for November 2017, shown in Appendix 1, is 4.8%, this figure has increased by 0.7% when compared to last month and has decreased by 0.1% when compared to November 2016.

When compared to November 2016, the APT&C absence rate figure has decreased by 0.3%, teachers' absence rate has increased by 0.4% and the manual workers' figure has decreased by 0.3%.

The projected average absence rate for the Council for the financial year 2017/2018 is 4.2%.

For the financial year 2017/2018, the projected average days lost per employee equates to 9.3 days.

In comparison to November 2016 (Appendix 8):-

- ◆ Musculoskeletal and psychological conditions remain the main reasons for absence.
- ◆ Total days lost due to musculoskeletal conditions have increased by 50 days.
- ◆ Total days lost due to psychological conditions have decreased by 311 days.
- ◆ Total days lost due to stomach, bowel, blood and metabolic disorders have increased by 61 days.
- ◆ Total days lost due to respiratory conditions have decreased by 289 days.

## **5. Occupational Health**

5.1. Information on Occupational Health for the period October to November 2017 is provided in Appendix 9.

- ◆ during the period there were 244 employees referred for a medical examination, an increase of 7 when compared to the same period last year. Both musculoskeletal and psychological conditions continue to be the main reason for medical referrals.
- ◆ a total of 394 employees attended physiotherapy treatment, showing a decrease of 24 when compared to the same period last year. Of the 394 employees referred, 75% remained at work whilst undertaking treatment.
- ◆ during this period there were 227 employees referred to the Employee Support Officer, showing an increase of 34 when compared with the same period last year. Of those referrals made this period, 91% related to personal reasons.
- ◆ 111 employees were referred to 'TimeforTalking' counselling service this period, showing an increase of 4 when compared with the same period last year. Of the 111 referrals made this period, 100 were from management and 11 were from employees. Personal reasons accounted for 62% of the referrals made, 28% were for work related reasons and 10% were for other reasons.
- ◆ 37 employees were referred for Cognitive Behavioural Therapy this period, a decrease of 8 when compared to the same period last year.

## **6. Accidents/Incidents**

6.1. The quarterly accident/incident report for October to November 2017 is contained in Appendix 10.

- ◆ the number of accidents/incidents recorded was 206, this figure has increased by 31 from the same period last year.
- ◆ there were no specified injury accidents/incidents recorded, this figure has decreased by 1 from the same period last year.
- ◆ there were 196 minor accidents/incidents, this figure has increased by 34 from the same period last year.
- ◆ there were 4 accidents resulting in an absence lasting over 3 days during the period, this figure remains unchanged from the same period last year.
- ◆ there were 6 accidents resulting in absences lasting over 7 days during the period, this figure has decreased by 2 from the same period last year.

## **7. Discipline, Grievance, Dignity at Work Hearings and Mediation Referrals**

7.1. Information on Disciplinary, Grievance Hearings, Dignity at Work and Mediation Referrals for October to November 2017 is contained in Appendices 11, 12a and 12b.

- ◆ in total, 40 disciplinary hearings were held across Resources within the Council, an increase of 5 when compared to the same period last year.
- ◆ action was taken in 36 of these cases. 4 Resource level appeals were raised against the outcomes of which 1 was upheld, 1 was upheld in part and 2 were not upheld.
- ◆ our target is to convene disciplinary hearings within 6 weeks, 68% of hearings met this target.
- ◆ during the period, 2 appeals were heard by the Appeals Panel, of which 1 was upheld in part and 1 was not upheld.
- ◆ at the end of November 2017, 3 Appeals Panels were pending.
- ◆ during the period, 3 grievance cases were raised, one was resolved at stage 1 and 2 are still in process.
- ◆ during the period, 5 Dignity at Work cases were raised and 5 were still in process.
- ◆ during the period, 1 referral for mediation was submitted.

## **8. Analysis of Leavers and Exit Interviews**

8.1. Information on the number of leavers and exit interviews for the period October to November 2017 is contained in Appendix 13. Exit interviews are conducted with employees who leave voluntarily.

### **Labour Turnover**

Using information compiled from Resources and Staffing Watch information as at 9 September 2017, the Council's turnover figure for October to November 2017 is as follows:-

109 leavers eligible for exit interviews/14,332 employees in post = Labour Turnover of 0.8%.

Based on the figure at November 2017, the annual labour turnover figure for the financial year 2017/2018 for the Council is 5.1%.

### **8.2. Analysis of Leavers and Exit Interviews**

- ◆ there were a total of 103 employees leaving the Council that were eligible for an exit interview, an increase of 39 when compared with the same period last year.
- ◆ exit interviews were held with 17% of leavers, compared with 28% from the same period last year.

## **9. Recruitment Monitoring**

9.1. Information on Recruitment Monitoring for October to November 2017 is contained within Appendix 14.

From an analysis of Equal Opportunities Monitoring Forms, the main points to note are:-

- ◆ overall, 2,998 applications and 2,933 completed Equal Opportunities Monitoring Forms were received.

- ♦ of those applicants who declared themselves as disabled (111), 65 were shortlisted for interview and 22 were appointed.
- ♦ of those applicants of a black/ethnic minority background (93), 37 were shortlisted for interview and 21 were appointed.

## **10. Staffing Watch**

- 10.1 There has been a decrease of 2 in the number of employees in post from 10 June 2017 to 9 September 2017 (Appendix 15).

## **10. Employee Implications**

- 10.1. There are no implications for employees arising from the information presented in this report.

## **11. Financial Implications**

- 11.1. All financial implications are accommodated within existing budgets.

## **12. Other Implications**

- 12.1. There are no implications for sustainability or risk in terms of the information contained within this report.

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

- 13.1. 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.

- 13.2. There was no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

28 December 2017

## **Link(s) to Council Values/Ambitions/Objectives**

- ♦ Accountable, effective, efficient and transparent
- ♦ Fair, open and sustainable
- ♦ Ambitious, self aware and improving
- ♦ Excellent employer
- ♦ People focused
- ♦ Working with and respecting others

## **Previous References**

- ♦ Finance and Corporate Resources Committee – 15 November 2017

## **List of Background Papers**

- ♦ Monitoring information provided by Resources



**Contact for Further Information**

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

Janet McLuckie, Personnel Officer

Ext: 4239 (Tel: 01698 454239)

E-mail: [Janet.McLuckie@southlanarkshire.gcsx.gov.uk](mailto:Janet.McLuckie@southlanarkshire.gcsx.gov.uk)

ABSENCE TRENDS - 2015/2016, 2016/2017 & 2017/2018  
Council Wide

APT&C				Teachers				Manual Workers				Council Wide			
	2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018
	%	%	%		%	%	%		%	%	%		%	%	%
April	4.2	4.0	4.1	April	2.6	2.9	2.1	April	4.3	6.1	5.2	April	3.8	4.3	3.9
May	4.0	4.2	4.4	May	2.9	3.1	2.7	May	4.4	5.8	5.1	May	3.9	4.4	4.2
June	3.6	4.1	4.1	June	2.2	2.4	2.2	June	4.5	5.6	4.9	June	3.5	4.1	3.9
July	3.2	3.5	3.3	July	1.2	1.2	0.8	July	3.9	4.7	4.5	July	2.9	3.3	3.0
August	3.5	3.7	3.7	August	1.5	1.4	1.0	August	4.3	5.2	4.5	August	3.3	3.6	3.2
September	3.6	4.1	4.4	September	2.6	2.4	2.2	September	5.1	5.4	5.0	September	3.8	4.1	4.0
October	4.1	4.5	4.3	October	2.8	2.9	2.4	October	5.0	5.6	5.4	October	4.1	4.4	4.1
November	4.5	5.0	4.7	November	3.8	3.1	3.5	November	5.9	6.4	6.1	November	4.7	4.9	4.8
December	4.2	5.1		December	4.2	3.2		December	6.1	6.3		December	4.7	4.9	
January	4.1	4.7		January	4.0	2.8		January	6.0	5.5		January	4.6	4.5	
February	4.5	5.1		February	4.2	3.7		February	6.5	5.8		February	5.0	5.0	
March	4.7	5.0		March	4.3	3.4		March	6.8	5.4		March	5.2	4.7	
Annual Average	4.0	4.4	4.4	Annual Average	3.0	2.7	2.5	Annual Average	5.2	5.7	5.3	Annual Average	4.1	4.4	4.2
Average Apr-Nov	3.8	4.1	4.1	Average Apr-Nov	2.5	2.4	2.1	Average Apr-Nov	4.7	5.6	5.1	Average Apr-Nov	3.8	4.1	3.9

No of Employees at 30 November 2017	6932	No of Employees at 30 November 2017	3750	No of Employees at 30 November 2017	4295	No of Employees at 30 November 2017	14977
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For the financial year 2017/18, the projected average days lost per employee equates to 9.3 days.

**ABSENCE TRENDS - 2015/2016, 2016/2017 & 2017/2018**  
**Community and Enterprise Resources**

APT&C				Manual Workers				Resource Total				Council Wide				
	2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018	
April	1.7	4.0	3.9	April	4.2	5.8	5.2	April	3.8	5.3	4.8	April	3.8	4.3	3.9	
May	2.6	4.2	4.4	May	4.4	5.6	5.7	May	4.1	5.2	5.4	May	3.9	4.4	4.2	
June	2.3	3.4	4.2	June	4.5	5.5	5.1	June	4.1	4.9	4.9	June	3.5	4.1	3.9	
July	2.4	2.5	3.4	July	3.9	4.4	4.2	July	3.6	3.9	4.0	July	2.9	3.3	3.0	
August	3.3	2.9	3.6	August	4.5	5.0	4.5	August	4.2	4.4	4.3	August	3.3	3.6	3.2	
September	2.3	4.4	3.4	September	5.2	5.6	5.0	September	4.7	5.3	4.8	September	3.8	4.1	4.0	
October	5.4	4.8	3.8	October	5.3	5.8	5.6	October	5.3	5.5	5.3	October	4.1	4.4	4.1	
November	3.5	5.5	4.5	November	6.1	6.7	6.2	November	5.6	6.4	5.9	November	4.7	4.9	4.8	
December	2.5	5.3		December	6.5	6.2		December	5.7	6.0		December	4.7	4.9		
January	3.2	4.4		January	6.3	5.7		January	5.7	5.4		January	4.6	4.5		
February	3.0	4.5		February	6.5	6.4		February	6.0	5.9		February	5.0	5.0		
March	4.1	4.2		March	6.5	5.9		March	5.9	5.4		March	5.2	4.7		
Annual Average	3.0	4.2	4.1	Annual Average	5.3	5.7	5.5	Annual Average	4.9	5.3	5.2	Annual Average	4.1	4.4	4.2	
Average Apr-Nov	2.9	4.0	3.9	Average Apr-Nov	4.8	5.6	5.2	Average Apr-Nov	4.4	5.1	4.9	Average Apr-Nov	3.8	4.1	3.9	
No of Employees at 30 November 2017			570	No of Employees at 30 November 2017			2676	No of Employees at 30 November 2017			3246	No of Employees at 30 November 2017			14977	

For the financial year 2017/18, the projected average days lost per employee equates to 12.5 days.

**ABSENCE TRENDS - 2015/2016, 2016/2017 & 2017/2018**  
**Education Resources**

APT&C				Teachers				Resource Total				Council Wide				
	2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018	
April	4.2	3.4	4.0	April	2.6	2.9	2.1	April	3.2	3.1	2.9	April	3.8	4.3	3.9	
May	4.3	3.8	4.7	May	2.9	3.1	2.7	May	3.5	3.4	3.5	May	3.9	4.4	4.2	
June	3.6	3.8	3.6	June	2.2	2.4	2.2	June	2.8	3.0	2.8	June	3.5	4.1	3.9	
July	2.6	2.9	2.1	July	1.2	1.2	0.8	July	1.8	1.9	1.3	July	2.9	3.3	3.0	
August	3.1	3.0	2.7	August	1.5	1.4	1.0	August	2.2	2.0	1.7	August	3.3	3.6	3.2	
September	4.6	3.7	4.3	September	2.6	2.4	2.2	September	3.4	2.9	3.0	September	3.8	4.1	4.0	
October	4.5	4.2	4.6	October	2.8	2.9	2.4	October	3.5	3.4	3.3	October	4.1	4.4	4.1	
November	5.4	5.4	5.0	November	3.8	3.1	3.5	November	4.5	4.0	4.1	November	4.7	4.9	4.8	
December	5.0	5.4		December	4.2	3.2		December	4.5	4.1		December	4.7	4.9		
January	4.6	4.7		January	4.0	2.8		January	4.3	3.6		January	4.6	4.5		
February	4.7	5.5		February	4.2	3.7		February	4.4	4.4		February	5.0	5.0		
March	4.9	5.6		March	4.3	3.4		March	4.5	4.3		March	5.2	4.7		
Annual Average	4.3	4.3	4.4	Annual Average	3.0	2.7	2.5	Annual Average	3.6	3.3	3.3	Annual Average	4.1	4.4	4.2	
Average Apr-Nov	4.0	3.8	3.9	Average Apr-Nov	2.5	2.4	2.1	Average Apr-Nov	3.1	3.0	2.8	Average Apr-Nov	3.8	4.1	3.9	
No of Employees at 30 November 2017			2576	No of Employees at 30 November 2017			3750	No of Employees at 30 November 2017			6326	No of Employees at 30 November 2017			14977	

For the financial year 2017/18, the projected average days lost per employee equates to 6.8 days.

**ABSENCE TRENDS - 2015/2016, 2016/2017 & 2017/2018**  
**Finance and Corporate Resources**

APT&C				Manual Workers				Resource Total				Council Wide			
	2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018
April	3.1	2.6	2.8	April				April	3.1	2.6	2.8	April	3.8	4.3	3.9
May	2.9	2.2	3.2	May			0.0	May	2.9	2.2	3.2	May	3.9	4.4	4.2
June	3.7	2.2	3.3	June			0.0	June	3.7	2.2	3.3	June	3.5	4.1	3.9
July	3.5	2.0	3.1	July			0.0	July	3.5	2.0	3.0	July	2.9	3.3	3.0
August	3.0	2.2	3.5	August			0.0	August	3.0	2.2	3.4	August	3.3	3.6	3.2
September	1.7	2.4	4.1	September			0.0	September	1.7	2.4	4.1	September	3.8	4.1	4.0
October	2.3	2.6	4.4	October			0.0	October	2.3	2.6	4.3	October	4.1	4.4	4.1
November	2.3	3.1	4.2	November			0.0	November	2.3	3.1	4.1	November	4.7	4.9	4.8
December	2.5	2.6		December				December	2.5	2.6		December	4.7	4.9	
January	2.7	2.6		January				January	2.7	2.6		January	4.6	4.5	
February	3.9	3.8		February				February	3.9	3.8		February	5.0	5.0	
March	2.7	3.7		March				March	2.7	3.7		March	5.2	4.7	
Annual Average	2.9	2.7	3.4	Annual Average		0.0	Annual Average	2.9	2.7	3.4	Annual Average	4.1	4.4	4.2	
Average Apr-Nov	2.8	2.4	3.6	Average Apr-Nov		0.0	Average Apr-Nov	2.8	2.4	3.5	Average Apr-Nov	3.8	4.1	3.9	
No of Employees at 30 November 2017			1047	No of Employees at 30 November 2017			12	No of Employees at 30 November 2017			1059	No of Employees at 30 November 2017			14977

For the financial year 2017/18, the projected average days lost per employee equates to 8.3 days.  
 Figures for manual workers only applicable from May 2017/2018

**ABSENCE TRENDS - 2015/2016, 2016/2017 & 2017/2018**  
**Housing & Technical Resources**

APT&C				Manual Workers				Resource Total				Council Wide			
	2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018
April	4.5	4.6	4.3	April	5.0	6.3	4.5	April	4.7	5.1	4.4	April	3.8	4.3	3.9
May	3.6	4.3	4.2	May	4.7	5.0	3.9	May	3.9	4.5	4.1	May	3.9	4.4	4.2
June	3.8	4.3	3.9	June	4.6	5.5	4.4	June	4.0	4.7	4.1	June	3.5	4.1	3.9
July	3.5	4.1	4.3	July	4.1	4.5	4.9	July	3.7	4.2	4.5	July	2.9	3.3	3.0
August	3.7	4.9	4.7	August	4.3	5.7	4.0	August	3.9	5.1	4.4	August	3.3	3.6	3.2
September	3.5	5.1	4.3	September	3.8	4.6	4.5	September	3.6	5.0	4.4	September	3.8	4.1	4.0
October	4.2	5.5	3.8	October	4.1	5.0	4.4	October	4.2	5.3	4.0	October	4.1	4.4	4.1
November	4.4	4.9	4.9	November	4.5	6.7	6.4	November	4.5	5.5	5.5	November	4.7	4.9	4.8
December	4.0	5.0		December	4.9	6.7		December	4.3	5.6		December	4.7	4.9	
January	3.9	5.0		January	4.9	4.3		January	4.2	4.8		January	4.6	4.5	
February	4.2	4.9		February	6.5	4.7		February	4.9	4.8		February	5.0	5.0	
March	4.9	4.7		March	7.3	4.6		March	5.7	4.6		March	5.2	4.7	
Annual Average	4.0	4.8	4.5	Annual Average	4.9	5.3	4.8	Annual Average	4.3	4.9	4.6	Annual Average	4.1	4.4	4.2
Average Apr-Nov	3.9	4.7	4.3	Average Apr-Nov	4.4	5.4	4.6	Average Apr-Nov	4.1	4.9	4.4	Average Apr-Nov	3.8	4.1	3.9
No of Employees at 30 November 2017			899	No of Employees at 30 November 2017			559	No of Employees at 30 November 2017			1458	No of Employees at 30 November 2017			14977

For the financial year 2017/18, the projected average days lost per employee equates to 10.9 days.

**ABSENCE TRENDS - 2015/2016, 2016/2017 & 2017/2018**  
**Social Work Resources**

APT&C				Manual Workers				Resource Total				Council Wide			
	2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018		2015 / 2016	2016 / 2017	2017 / 2018
April	5.0	4.8	5.0	April	4.2	6.6	5.6	April	4.8	5.4	5.2	April	3.8	4.3	3.9
May	4.8	5.3	4.9	May	4.5	6.9	4.1	May	4.7	5.8	4.6	May	3.9	4.4	4.2
June	3.9	5.2	5.3	June	4.3	6.2	4.6	June	4.0	5.5	5.1	June	3.5	4.1	3.9
July	3.9	5.0	4.8	July	4.0	5.7	4.9	July	4.0	5.3	4.8	July	2.9	3.3	3.0
August	4.0	4.8	4.9	August	4.0	5.4	4.7	August	4.0	5.0	4.8	August	3.3	3.6	3.2
September	3.5	4.3	5.0	September	5.3	5.3	5.2	September	4.0	4.7	5.1	September	3.8	4.1	4.0
October	3.9	4.7	4.2	October	4.8	5.6	5.8	October	4.2	5.0	4.8	October	4.1	4.4	4.1
November	4.4	5.1	4.4	November	6.0	5.4	5.9	November	4.9	5.2	4.9	November	4.7	4.9	4.8
December	4.3	5.6		December	5.5	6.1		December	4.7	5.8		December	4.7	4.9	
January	4.4	5.5		January	5.7	5.5		January	4.8	5.5		January	4.6	4.5	
February	5.2	5.8		February	6.2	4.8		February	5.5	5.4		February	5.0	5.0	
March	5.3	5.6		March	7.2	4.8		March	5.9	5.3		March	5.2	4.7	
Annual Average	4.4	5.1	5.1	Annual Average	5.1	5.7	5.2	Annual Average	4.6	5.3	5.1	Annual Average	4.1	4.4	4.2
Average Apr-Nov	4.2	4.9	4.8	Average Apr-Nov	4.6	5.9	5.1	Average Apr-Nov	4.3	5.2	4.9	Average Apr-Nov	3.8	4.1	3.9
No of Employees at 30 November 2017			1840	No of Employees at 30 November 2017			1048	No of Employees at 30 November 2017			2888	No of Employees at 30 November 2017			14977

For the financial year 2017/18, the projected average days lost per employee equates to 10.7 days.

**ABSENCE BY LONG AND SHORT TERM**

From: 1 September 2017 - 30 November 2017

Resource	No of employees	September 2017			October 2017			November 2017		
		Total Short Term %	Total Long Term %	Resource Total Absence %	Total Short Term %	Total Long Term %	Resource Total Absence %	Total Short Term %	Total Long Term %	Resource Total Absence %
Community and Enterprise	3246	1.8	3.0	4.8	2.1	3.2	5.3	2.3	3.6	5.9
Education	6326	1.3	1.7	3.0	1.1	2.2	3.3	1.7	2.4	4.1
Finance and Corporate	1059	1.6	2.5	4.1	1.5	2.8	4.3	1.6	2.5	4.1
Housing & Technical	1458	1.9	2.5	4.4	1.6	2.4	4.0	2.7	2.8	5.5
Social Work	2888	1.7	3.4	5.1	1.9	2.9	4.8	2.0	2.9	4.9
<b>Council Overall for September - November 2017</b>	<b>14977</b>	<b>1.6</b>	<b>2.4</b>	<b>4.0</b>	<b>1.5</b>	<b>2.6</b>	<b>4.1</b>	<b>2.0</b>	<b>2.8</b>	<b>4.8</b>



**ATTENDANCE MONITORING**  
**Absence Classification**

**From : 1 November - 30 November 2017**

REASONS	Community and Enterprise Resources		Education Resources		Finance and Corporate		Housing and Technical Resources		Social Work Resources		Total WDL By Reason	Percentage
	Total WDL	%	Total WDL	%	Total WDL	%	Total WDL	%	Total WDL	%		
Musculoskeletal	1248	31	1106	21	128	15	533	32	648	25	3663	25
Psychological	874	21	1356	26	253	29	542	32	704	27	3729	26
Stomach, Bowel, Blood, Metabolic Disorders	502	12	735	14	71	8	153	9	392	15	1853	13
Respiratory	366	9	545	10	74	9	110	7	244	9	1339	9
Other Classification	1092	27	1537	29	333	39	332	20	597	23	3891	27
<b>Total Days Lost By Resource</b>	4082	100	5279	100	859	100	1670	100	2585	100	14475	100
<b>Total Work Days Available</b>	69518		128365		20900		30264		52530			

**From : 1 November - 30 November 2016**

REASONS	Community and Enterprise Resources		Education Resources		Finance and Corporate		Housing and Technical Resources		Social Work Resources		Total WDL By Reason	Percentage
	Total WDL	%	Total WDL	%	Total WDL	%	Total WDL	%	Total WDL	%		
Musculoskeletal	1395	30	862	17	102	23	566	27	688	24	3613	24
Psychological	994	22	1508	30	186	42	503	24	849	30	4040	27
Stomach, Bowel, Blood, Metabolic Disorders	617	13	614	12	37	8	203	10	321	11	1792	12
Respiratory	393	9	554	11	79	18	288	14	314	11	1628	11
Other Classification	1199	26	1467	29	43	10	534	26	659	23	3902	26
<b>Total Days Lost By Resource</b>	4598	100	5005	100	447	100	2094	100	2831	100	14975	100
<b>Total Work Days Available</b>	72351		123904		14239		37989		54723			

\*WDL = Work Days Lost

## OCCUPATIONAL HEALTH REPORTS

FROM: 1 October 2017 - 30 November 2017 comparison with 1 October 2016 - 30 November 2016

Medical Referrals							
	Community and Enterprise	Education		Finance and Corporate	Housing & Technical	Social Work	Totals
		Teachers	Others				
TOTAL (Oct-Nov 2017)	75	19	36	14	40	60	244
TOTAL (Oct-Nov 2016)	79	13	28	6	23	88	237

No of Employees Referred For Physiotherapy		
RESOURCE	Oct-Nov 2016	Oct-Nov 2017
Community and Enterprise	112	96
Education (Teachers)	47	55
Education (Others)	52	68
Finance and Corporate	18	26
Housing and Technical	72	46
Social Work	117	103
TOTAL	418	394

No of Employees Referred To Employee Support Officer		
RESOURCE	Oct-Nov 2016	Oct-Nov 2017
Community and Enterprise	53	47
Education	53	89
Finance and Corporate	7	19
Housing and Technical	24	20
Social Work	56	52
TOTAL	193	227

No of Employees Referred For Cognitive Behavioural Therapy		
RESOURCE	Oct-Nov 2016	Oct-Nov 2017
Community and Enterprise	10	2
Education	13	18
Finance and Corporate	6	5
Housing and Technical	3	5
Social Work	13	7
TOTAL	45	37

	Analysis of Counselling Referrals by Cause												
	Reason												
	Work Stress		Addiction		Personal		Anxiety/ Depression		Bereavement		Total		
	M	S	M	S	M	S	M	S	M	S	M	S	
TOTAL (Oct-Nov 2017)	27	4	0	0	65	4	0	1	8	2	100	11	
TOTAL (Oct-Nov 2016)	29	3	0	0	62	3	0	0	8	2	99	8	
								Total Referrals (Oct-Nov 2017)				111	
								Total Referrals (Oct-Nov 2016)				107	

M = MANAGEMENT REFERRAL S = SELF REFERRAL

**ANALYSIS OF ACCIDENTS/INCIDENTS**  
**Comparison**  
**CAUSE OF ACCIDENTS/INCIDENTS TO EMPLOYEES**

**FROM: 1 October 2017 - 30 November 2017 comparison with 1 October 2016 - 30 November 2016**

	Community and Enterprise		Education		Finance and Corporate		Housing & Tech		Social Work		TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Specified Injury	0	0	0	1	0	0	0	0	0	0	0	1
Violent Incident: Physical	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Specified Injury*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
Over 7-day	3	5	0	1	0	0	2	1	1	1	6	8
Violent Incident: Physical	0	0	0	0	0	0	0	0	0	0	0	0
Violent Incident: Verbal	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Over 7-day**</b>	<b>3</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>8</b>
Over 3-day	2	0	0	2	0	0	1	2	1	0	4	4
Violent Incident: Physical	0	0	0	0	0	0	0	0	0	0	0	0
Violent Incident: Verbal	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Over 3-day**</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>4</b>
Minor	15	11	2	12	0	0	6	3	3	1	26	27
Near Miss	3	2	1	0	0	0	0	0	0	1	4	3
Violent Incident: Physical	3	1	129	99	1	0	0	1	16	9	149	110
Violent Incident: Verbal	3	0	8	11	3	0	0	5	3	6	17	22
<b>Total Minor***</b>	<b>24</b>	<b>14</b>	<b>140</b>	<b>122</b>	<b>4</b>	<b>0</b>	<b>6</b>	<b>9</b>	<b>22</b>	<b>17</b>	<b>196</b>	<b>162</b>
<b>Total Accidents/Incidents</b>	<b>29</b>	<b>19</b>	<b>140</b>	<b>126</b>	<b>4</b>	<b>0</b>	<b>9</b>	<b>12</b>	<b>24</b>	<b>18</b>	<b>206</b>	<b>175</b>

\*A Specified Injury is any fracture (other than to the fingers, thumbs or toes), amputation, loss of sight, serious burns, crushing injury, scalping, loss of consciousness caused by asphyxiation/ head injury, a chemical or hot metal burn to the eye or penetrating injury as defined by the HSE.

\*\*Over 3 day / over 7day absence is an injury sustained outwith major injury category that results in a period of absence of absence as defined by the HSE.

\*\*\* A minor injury is an injury not covered by " Over 7-day", "Over 3-day" or "Specified".

### RECORD OF DISCIPLINARY HEARINGS

FROM: 1 October 2017 - 30 November 2017 comparison with 1 October 2016 - 30 November 2016

RESOURCE	No of Disciplinary Hearings				Outcome of Disciplinary Hearings								No of weeks to convene Disciplinary Hearing			% Held within 6 Weeks
	APT&C	Manual/ Craft	Teachers	Total	No Action				Action Taken				3	4-6	6+	
					APT&C	Manual / Craft	Teachers	Total	APT&C	Manual / Craft	Teachers	Total				
COMMUNITY AND ENTERPRISE	3	17	N/A	20	0	2	N/A	2	3	15	N/A	18	8	6	6	70%
EDUCATION	2	0	4	6	2	0	0	2	0	0	4	4	3	2	1	83%
FINANCE AND CORPORATE	1	0	N/A	1	0	0	N/A	0	1	0	N/A	1	0	0	1	0%
HOUSING & TECHNICAL	2	3	N/A	5	0	0	N/A	0	2	3	N/A	5	2	1	2	60%
SOCIAL WORK	4	4	N/A	8	0	0	N/A	0	4	4	N/A	8	3	2	3	63%
TOTAL (Oct-Nov 2017)	12	24	4	40	2	2	0	4	10	22	4	36	16	11	13	68%
TOTAL (Oct-Nov 2016)	10	21	4	35	5	4	2	11	5	17	2	24	11	11	13	63%

RESOURCE	No of Appeals				Outcome of Appeals												Appeals Pending
	APT&C	Manual/ Craft	Teachers	Total	Upheld				Upheld in Part				Not Upheld				
					APT&C	Manual/ Craft	Teachers	Total	APT&C	Manual/ Craft	Teachers	Total	APT&C	Manual/ Craft	Teachers	Total	
TOTAL (Oct-Nov 2017)	3	1	0	4	1	0	0	1	0	1	0	1	2	0	0	2	0
TOTAL (Oct-Nov 2016)	1	2	1	4	0	0	0	0	0	0	0	0	1	2	1	4	0

\*Resources nil responses are not included in figures

N.B. Non-White employees refers to those employees who have indicated that they are:- Any other mixed background, Indian, Pakistani, Bangladeshi, Chinese, Any other Asian background, Caribbean, African and any other black background.

### APPEALS PANEL

FROM: 1 October 2017 - 30 November 2017

APPEALS PANEL	UPHELD	UPHELD IN PART	NOT UPHELD	WITHDRAWN	TOTAL	APPEALS PENDING TO DATE
	0	1	1	0	2	3



**RECORD OF GRIEVANCES****FROM: 1 October 2017 - 30 November 2017 comparison with 1 October 2016 - 30 November 2016**

GRIEVANCES	No of Grievances	No Resolved at Stage 1	No Resolved at Stage 2	No Resolved at Stage 3	Still in Process
TOTAL (Oct-Nov 2017)	3	1	0	0	2
TOTAL (Oct-Nov 2016)	1	0	1	0	0

**DIGNITY AT WORK****FROM: 1 October 2017 - 30 November 2017 comparison with 1 October 2016 - 30 November 2016**

DIGNITY AT WORK	No of Incidents	No Resolved at Informal Stage	No Resolved at Formal Stage	No of Appeals	Appeals in Process	Still in Process
TOTAL (Oct-Nov 2017)	5	0	0	0	0	5
TOTAL (Oct-Nov 2016)	2	0	2	0	0	0

**REFERRALS FOR WORKPLACE MEDIATION****As at November 2017**

WORKPLACE MEDIATION	Oct-17	Nov-17
No of Referrals	0	1
*No of Successful Cases	1	1
*No of Unsuccessful Cases	0	0
No of cases unsuitable for mediation	1	0

WORKPLACE MEDIATION	Oct-16	Nov-16
No of Referrals	2	2
*No of Successful Cases	1	0
*No of Unsuccessful Cases	0	0
No of cases unsuitable for mediation	2	1

\*successful/unsuccessful case outcomes may be shown outwith the month they were referred.

## ANALYSIS OF LEAVERS AND EXIT INTERVIEWS

FROM: 1 October 2017 - 30 November 2017

## LABOUR TURNOVER (Oct-Nov 2017)

	Community and Enterprise	Education	Finance and Corporate	Housing & Technical	Social Work	Total
<b>Total Number of Leavers Per Resource</b>	35	41	4	4	25	<b>109</b>

## EXIT INTERVIEWS (Oct-Nov 2017)

REASONS FOR LEAVING	Community and Enterprise	Education	Finance and Corporate	Housing & Technical	Social Work	Total	%
CAREER ADVANCEMENT	0	2	0	0	1	3	17
DISSATISFACTION WITH TERMS AND CONDITIONS	0	1	0	0	0	1	6
FURTHER EDUCATION	0	1	0	0	0	1	6
MOVING OUTWITH AREA	0	0	0	0	1	1	6
POOR RELATIONSHIPS WITH MANAGERS /	0	1	0	0	0	1	6
OTHER	0	7	0	1	3	11	61
<b>NUMBER OF EXIT INTERVIEWS CONDUCTED</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>1</b>	<b>5</b>	<b>18</b>	
<b>TOTAL NO OF LEAVERS PER RESOURCE ELIGIBLE FOR AN EXIT INTERVIEW</b>	<b>35</b>	<b>35</b>	<b>4</b>	<b>4</b>	<b>25</b>	<b>103</b>	
<b>% OF LEAVERS INTERVIEWED</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>25</b>	<b>20</b>	<b>17</b>	

## EXIT INTERVIEWS (Oct-Nov 2016)

<b>NUMBER OF EXIT INTERVIEWS CONDUCTED</b>	<b>1</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18</b>	
<b>TOTAL NO OF LEAVERS PER RESOURCE ELIGIBLE FOR AN EXIT INTERVIEW</b>	<b>19</b>	<b>24</b>	<b>0</b>	<b>6</b>	<b>15</b>	<b>64</b>	
<b>% OF LEAVERS INTERVIEWED</b>	<b>5</b>	<b>71</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28</b>	

\* Note these totals include temporary employees



## RECRUITMENT MONITORING

### Analysis of Gender, Disability, Ethnicity and Age

FROM : 1 October 2017 - 30 November 2017

Total Number of applications received:	<b>2998</b>
Total Number of Equal Opportunities Monitoring forms received:	<b>2933</b>
Total Number of posts recruited for:	<b>206</b>
Total Number of appointments:	<b>608</b>

Gender / Disability / Age			
	Applied	Interviewed	Appointed
Total EO Forms Received	<b>2959</b>	<b>1221</b>	<b>608</b>
Total No of Male Applicants	561	198	93
Total No of Female Applicants	2366	972	479
Total No of Disabled Applicants	111	65	22
Total No of applicants aged under 50	2568	1007	505
Total No of applicants aged over 50	360	163	64
Total No of White applicants	2815	1130	557
Total No of Black/Ethnic minority applicants*	93	37	21

FROM : 1 October 2016 - 30 November 2016

Total Number of applications received:	<b>1872</b>
Total Number of Equal Opportunities Monitoring forms received:	<b>1697</b>
Total Number of posts recruited for:	<b>177</b>
Total Number of appointments:	<b>280</b>

Gender / Disability / Age			
	Applied	Interviewed	Appointed
Total EO Forms Received	<b>1697</b>	<b>671</b>	<b>190</b>
Total No of Male Applicants	446	161	45
Total No of Female Applicants	1245	508	145
Total No of Disabled Applicants	55	30	5
Total No of applicants aged under 50	1440	551	156
Total No of applicants aged over 50	244	113	33
Total No of White applicants	1642	655	187
Total No of Black/Ethnic minority applicants*	36	8	2

\*Black/Ethnic Minority applicants includes Mixed, Asian, Black and other backgrounds.

**QUARTERLYJOINT STAFFING WATCH RETURN : NUMBER EMPLOYED ON 9 September 2017****Analysis by Resource**

Resource	Total Number of Employees				
	Total	Male		Female	
		F/T	P/T	F/T	P/T
Community & Enterprise Resources	3129	1384	221	221	1303
Education - Others	2404	127	71	358	1848
Education - Teachers	3622	680	58	2235	649
Finance & Corporate Resources	1013	225	17	449	322
Housing & Technical	1353	891	13	306	143
Social Work Resources	2811	223	195	913	1480

**Total All Staff**

14332	3530	575	4482	5745
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Full-Time Equivalent									
Salary Band									
Total	Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher
2320.74	1.00	1545.63	437.65	254.05	50.61	19.80	4.00	8.00	0.00
1677.62	1.00	1037.51	448.50	86.07	19.00	14.00	4.00	56.94	10.60
3332.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60	3328.20
900.10	2.00	162.56	393.09	238.90	68.41	27.11	6.00	2.03	0.00
1299.00	1.00	190.79	689.91	363.30	40.00	12.00	2.00	0.00	0.00
2420.18	1.00	1354.03	477.57	543.58	20.00	22.00	2.00	0.00	0.00

8617.64 (excluding Teachers)

11950.44	6.00	4290.52	2446.72	1485.90	198.02	94.91	18.00	71.57	3338.80
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**QUARTERLYJOINT STAFFING WATCH RETURN : NUMBER EMPLOYED ON 10 June 2017****Analysis by Resource**

Resource	Total Number of Employees				
	Total	Male		Female	
		F/T	P/T	F/T	P/T
Community & Enterprise Resources	3189	1408	227	225	1329
Education - Others	2376	131	75	360	1810
Education - Teachers	3510	658	59	2155	638
Finance & Corporate Resources	1043	242	16	462	323
Housing & Technical	1364	897	11	311	145
Social Work Resources	2852	223	198	910	1521

**Total All Staff**

14334	3559	586	4423	5766
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Full-Time Equivalent									
Salary Band									
Total	Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher
2366.88	1.00	1575.36	446.45	260.65	51.62	19.80	4.00	8.00	0.00
1659.21	1.00	1009.36	456.89	84.42	21.00	14.00	4.00	54.84	13.70
3223.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60	3218.80
928.23	2.00	175.33	397.99	243.67	75.01	26.20	6.00	2.03	0.00
1310.19	1.00	191.33	694.60	369.26	40.00	12.00	2.00	0.00	0.00
2449.71	1.00	1387.51	491.72	525.48	20.00	22.00	2.00	0.00	0.00

8714.22 (excluding Teachers)

11937.62	6.00	4338.89	2487.65	1483.48	207.63	94.00	18.00	69.47	3232.50
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# Report

8

Report to:	<b>Finance and Corporate Resources Committee</b>
Date of Meeting:	<b>7 February 2018</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Treasury Management Activity – Third Quarter Review</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide a third quarter review of Treasury Management Activity for 2017/2018

## 2. Recommendation(s)

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

- (1) that the contents of the report be noted.

## 3. Background

3.1 In order to provide members with information on the Council's Treasury Management activities, a quarterly report is presented to this Committee. This report covers the period 1 April to 31 December 2017.

## 4. Market Performance

4.1. As at 31 December 2017, the UK Base Rate was at 0.50% and the Bank of England Asset Purchase Programme (commonly referred to as its policy of quantitative easing) remained at £435bn.

## 5. Debt Management and Borrowing Strategy

5.1. The Council began the year with debt of £928.489m with fixed rate loans from the Public Works Loans Board (PWLb) making up 98.94% of the debt.

5.2. Table 1 overleaf shows the movement in borrowing to 31 December 2017. Short term borrowing reflects borrowing which will mature in the coming year, or where the debt can be recalled in the coming year.

**Table 1 – Movement in Borrowing to 31 December 2017**

	Balance as at 01/04/2017 £m	New Borrowing £m	Debt Maturing £m	Debt Repaid £m	Balance as at 31/12/2017 £m	Increase/ Decrease in Borrowing £m
Short Term Borrowing	24.325	0.00	(14.402)	0.00	9.923	(14.402)
Long Term Borrowing	904.164	0.00	0.00	0.00	904.164	0.00
<b>TOTAL BORROWING</b>	<b>928.489</b>	<b>0.00</b>	<b>(14.402)</b>	<b>0.00</b>	<b>914.087</b>	<b>(14.402)</b>

- 5.3. In 2012/2013, HM Treasury introduced a “certainty rate” to enable eligible local authorities to access cheaper PWLB funding, with a 20 basis point (0.20%) reduction on the standard rate. South Lanarkshire Council has access to this reduced rate.
- 5.4. The Council has a borrowing requirement of £161.943m during 2017/2018.
- 5.5. The Executive Director (Finance and Corporate Resources), under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into consideration the differential between investment earnings and debt costs that remains high.
- 5.6. No borrowing has been taken in the current financial year. Instead, cash balances have been used to fund capital spend. Borrowing to replace these balances will be required going forward.

## **6. Investment Activity**

- 6.1. On a daily basis, the Treasury Management section within Finance and Corporate Resources manages the Council’s cash funds. These cash balances can result from day to day cash flow situations where income has been received before expenditure has taken place, and from the balances held in earmarked reserves for use at a later date. It is the responsibility of the section to manage these funds. The primary consideration when making deposits is the security of funds. Then consideration is given to ensuring we have access to funds when necessary, and that these funds are working as well as they can for the Council.
- 6.2. The Prudential Indicators, Treasury Management Strategy and Annual Investment Strategy Report for 2017/2018 was presented to South Lanarkshire Council (Special) on 16 February 2017 detailing permitted investments for this Council.
- 6.3. The Council undertakes significant scrutiny of any counterparty that we place money with in partnership with our Treasury Advisers, Link. This includes information on counterparty credit ratings and details of negative rating watches. Additional market information on counterparties is also considered including share prices, market research information and risk data in the form of Credit Default Swap prices. Only when we are satisfied that there are no issues that raise any concerns about the security of the deposit would the deposit go ahead.
- 6.4. Deposits made in the period 1 April to 31 December 2017 totalled £856.867m. This is the cumulative deposits placed over this period. This is broken down per sector and institution in Table 2 below. 73.03% of these deposits were made in the UK

Government through the Debt Management Office (DMO) deposit facility (69.16%) and Treasury-Bills (3.87%).

- 6.5. Local authorities borrow from other local authorities for short term cash flow reasons. This would appear as a deposit for South Lanarkshire Council when another council has borrowed from us. This accounts for 22.75% of deposits with the remaining 4.22% placed in a call account with Bank of Scotland.
- 6.6. Deposits in the UK Government are considered to be the most secure and this is reflected in the low interest rate for deposits in the DMO.

**Table 2 – Investment Activity 1 April 2017 to 31 December 2017**

<b>Counterparty</b>	<b>Deposit Totals (£m)</b>	<b>% of Total Deposits</b>	<b>Average Interest Rate</b>
<b>Deposits in UK Government</b>			
Debt Management Account Deposit Facility	592.590	69.16%	0.12%
Treasury-Bills	33.195	3.87%	0.21%
<b>Total Deposits in UK Government</b>	<b>625.785</b>	<b>73.03%</b>	<b>0.12%</b>
<b>Deposits in UK Local Authorities</b>	<b>194.950</b>	<b>22.75%</b>	<b>0.23%</b>
<b>Deposits in UK Banks and Building Societies:</b>			
Bank of Scotland	36.132	4.22%	0.17%
<b>Total Deposits in UK Banks and Building Societies</b>	<b>36.132</b>	<b>4.22%</b>	<b>0.17%</b>
<b>Total Deposits 01/04/2017 to 31/12/2017</b>	<b>856.867</b>	<b>100.00%</b>	<b>0.15%</b>

- 6.7. The average interest rates achieved from the deposits are also shown in Table 2 above. As the base rate has been at, or below, 0.5% since March 2009, interest rates achievable from deposits remain low with the average rates on all deposits sitting at 0.15%
- 6.8. Actual deposits as at 31 December 2017 totalled £85.259m.
- 7. Management of Risk**
- 7.1. It is recognised that no Treasury Management activity is without risk, and practices are put in place in order to limit risk. In February 2017, the Treasury Management Strategy was approved which set a framework for Treasury Management activities in 2017/2018 and limits on debt and investments in order to mitigate risks.
- 7.2. The Annual Investment Strategy for 2017/2018, approved in February 2017, also included details on how risk would be managed for all permitted investments. This included criteria for placing deposits with the Debt Management Office, UK Local Authorities, Banks and Building Societies and Money Market Funds.
- 7.3. Part of the criteria for counterparties is meeting minimum credit ratings with the three main rating agencies. A credit rating evaluates the credit worthiness of an organisation. It is an evaluation made by a credit rating agency of the organisation's ability to pay back the debt and the likelihood of default.

- 7.4. Tables 3 to 5 show a breakdown of deposits with details of the credit ratings of banks and building societies used from 1 April to 31 December 2017. Deposits with the DMO are with the UK Government and so have a rating equivalent to the UK's sovereign rating. Deposits with local authorities are considered to be of very high credit quality.

**Table 3 – Fitch Ratings**

Long Term Rating	Short Term Rating	Deposits Totals	Percentage of Total Deposits
Deposits with UK Government (AA)		625.785m	73.03%
Deposits with Local Authorities		194.950m	22.75%
A+	F1	36.132m	4.22%
<b>Total</b>		<b>856.867m</b>	<b>100.00%</b>

**Table 4 – Moody's Ratings**

Long Term Rating	Short Term Rating	Deposits Totals	Percentage of Total Deposits
Deposits with UK Government (Aa1)/(Aa2)		625.785m	73.03%
Deposits with Local Authorities		194.950m	22.75%
Aa3	P-1	16.930m	1.98%
A1	P-1	19.202m	2.24%
<b>Total</b>		<b>856.867m</b>	<b>100.00%</b>

**Table 5 – Standard and Poor's Ratings**

Long Term Rating	Short Term Rating	Deposits Totals	Percentage of Total Deposits
Deposits with UK Government (AA)		625.785m	73.03%
Deposits with Local Authorities		194.950m	22.75%
A	A-1	36.132m	4.22%
<b>Total</b>		<b>856.867m</b>	<b>100.00%</b>

- 7.5. The tables above show that 95.78% of deposits were made with counterparties of very high credit quality (UK Government DMO account, T-Bills and other local authorities).
- 7.6. The remaining deposits were in a call account with Bank of Scotland.
- 7.7. The graph at Appendix 1 shows the duration of deposits made from 1 April to 31 December 2017. The graph shows that, since 1 April 2017, all deposits have been made for 1 year or less. The maximum maturity period of 91 days was for a deposit of £2m with Moray Council.
- 8. Next Quarter Investment Plans**
- 8.1. On 3 January 2018, the Markets in Financial Instruments Directive (MiFID II), came into effect. This is the EU legislation that regulates firms who provide services to clients linked to "financial instruments".
- 8.2. As a result of this, the Council has been reclassified from a professional client to a retail client.

- 8.3. While MiFID II does not apply to the majority of the Council's investment activity such as fixed term deposits with the DMO, other local authorities or deposits in the Bank of Scotland call account, money market brokers used by the Council to arrange deposits with local authorities have informed the Council that they will not be able to carry out business with retail clients.
- 8.4. This is due to the additional work that brokers are required to carry out when dealing with retail clients. For example, a broker is required to undertake checks to ensure that a product is suitable for a retail client, but can assume that a professional client has the necessary level of experience, knowledge and expertise to understand the risks involved in a transaction.
- 8.5. Local authorities have the option of being treated as 'elective professional', provided they can meet a set of qualitative and quantitative criteria. This means that the Council would be able to continue to use money market brokers to arrange deposits with other local authorities.
- 8.6. Staff within Finance Services are working with the brokers concerned to complete the necessary paperwork to elect up to professional status. This does not increase the risk to the Council, but merely allows the current approach to investments to be maintained.
- 8.7. The current investment framework will be continued in the next quarter. Deposits will continue to be placed with the institutions where their ratings are consistent with the Council's approved criteria. Deposits will also continue to be placed with the DMO and UK local authorities.
- 8.8. Treasury Bills will be used when they return a higher yield than deposits in the DMO for the same, very low risk.
- 8.9. Deposits may also be placed with selected Money Market Funds that meet the Council's approved criteria.
- 8.10. We will continue to work with our Treasury Advisers to ensure we gain all information available on counterparties before any deposits are made.

## **9. Treasury Management Indicators**

- 9.1. The purpose of these indicators is to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However, if these are set to restrictive limits, they will impair the opportunities to reduce costs/improve performance. The indicators are detailed below.
- 9.2. **Limits on Fixed / Variable Rate Exposure** Setting an upper limit on fixed and variable rate exposure identifies a limit for exposure to fixed and variable rates of interest. The purpose of this indicator is to provide a measure of stability against the adverse effects of market fluctuations. The levels will allow us to undertake variable / fixed or Equal Instalment of Principal (EIP) borrowing to take full advantage of current interest rates. This is shown in Table 6 overleaf.

**Table 6 – Limits on Fixed/Variable Rate Exposure**

	Indicator	Maximum during period 01/04/17 to 31/12/17
Upper limit of fixed rate exposures	180%	112.69%
Upper limit of variable rate exposures	30%	0.75%

- 9.3. The indicator shows that the upper limits have not been breached during the period from 1 April to 31 December 2017.
- 9.4. The actual fixed rate exposure is assessed by comparing the amount of Net Debt (which is borrowing less investments) we hold at a fixed rate to the Total Net Debt (both fixed and variable) of the Council. The same is calculated for variable rate exposure. An illustration of this calculation is shown in Table 7 below using figures for debt and investments as at 31 December 2017.

**Table 7 – Calculation of Fixed/Variable Rate Exposure as at 31 December 2017**

	£m		£m
Total Debt	914.087		
Less Total Investments	(85.259)		
<b>= Total Net Debt</b>	<b>828.828</b>		
<b>Fixed Net Debt</b>		<b>Variable Net Debt</b>	
Fixed Debt	904.587	Variable Debt	9.500
Less Fixed Investments	(0.000)	Less Variable Investments	(85.259)
<b>= Fixed Net Debt</b>	<b>904.587</b>	<b>= Variable Net Debt</b>	<b>(75.759)</b>
<b>Exposure</b>	<b>109.14%</b>	<b>Exposure</b>	<b>(9.14%)</b>
(Fixed Net Debt / Total Net debt)		(Variable Net Debt / Total Net debt)	

- 9.5. **Limits for External Debt** - The operational and authorised limits for external debt for 2017/2018 were set in the Prudential Indicators, Treasury Management Strategy and Annual Investment Strategy 2017/2018 approved by South Lanarkshire Council on 16 February 2017. These are shown in Table 8 below, along with a column showing the difference between the actual debt level and the limits (Headroom).

**Table 8 – Limits for External Debt**

	Estimate as per 2017/18 Strategy	Minimum Headroom to Limits in period	Headroom as at 31/12/17
	£m	£m	£m
Operational Limit for external debt	1,150.000	221.511	235.913
Authorised Limit for external debt	1,170.000	241.511	255.913

- 9.6. The indicator shows that we have not breached the operational and authorised limits to 31 December 2017. There has been a minimum level of headroom of £241.511m between actual and authorised limit for external debt.
- 9.7. **Limits on Maturity Structure** By setting limits on the maturity structure of fixed rate borrowing, the exposure to large concentrations of fixed rate debt needing to be replaced at the same time in the future at currently unknown rates can be limited.



This effectively places a limit on exposure to longer term interest rate movement. This is shown in Table 9 below.

**Table 9 – Limits on Maturity Structure**

<b>Maturity Structure of Fixed Rate Borrowings</b>				
	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Maximum for period to 31/12/17</b>	<b>Actuals as at 31/12/17</b>
Under 12 months	15%	0%	2.65%	1.10%
12 months and 24 months	20%	0%	2.47%	2.47%
24 months and 5 years	50%	0%	9.87%	9.87%
5 years and 10 years	50%	0%	13.02%	13.02%
10 years and 20 years	60%	0%	33.41%	33.41%
20 years and 30 years	70%	0%	2.46%	2.46%
30 years and 40 years	80%	0%	32.78%	32.78%
40 years and 50 years	90%	0%	4.89%	4.89%
50 years and above	90%	0%	0.00%	0.00%

- 9.8. The indicator shows that the upper limits for all maturity profiles have not been breached to 31 December 2017.

#### **10. Provision of Banking Services**

- 10.1. The Council currently has a contract for the provision of banking services with Royal Bank of Scotland plc that expires on 31 March 2018. This is an essential service for the Council and any disruption to this service would present a significant risk.
- 10.2. During 2017, a mini competition was ran under the Eastern Shires Purchasing Organisation (ESPO) national framework for Banking Services. As a result of this process, Royal Bank of Scotland plc were awarded the contract for banking services for the period 1 April 2018 to 31 March 2022.

#### **11. Employee Implications**

- 11.1. There are no employee implications.

#### **12. Financial Implications**

- 12.1. The current rate of interest receivable remains low.
- 12.2. Any deposit interest received offsets Loan Charges made to the Council's Revenue budget. The level of deposit interest factored into the Council's budget is minimal, therefore, the low level of interest received will have no impact on existing budgets.
- 12.3. The costs of borrowing for capital expenditure have been built into the long term Revenue Budget Strategy.

#### **13. Other Implications**

- 13.1. Section 7 of this report provides details of how investment risk is managed.
- 13.2. There are no implications in terms of sustainability.
- 13.3. There is no requirement to carry out an environmental impact assessment in terms of the information contained within this report.

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

- 14.1. 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.
- 14.2. There is no requirement to carry out any consultation in terms of the information provided in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

29 December 2017

#### **Link(s) to Council Values/Ambitions/Objectives**

- ♦ Accountable, effective, efficient and transparent

#### **Previous References**

- ♦ Prudential Indicators, Treasury Management Strategy and Annual Investment Strategy 2017/2018, South Lanarkshire Council - 16 February 2017
- ♦ Treasury Management Activity – First Quarter Review, Finance and Corporate Resources Committee - 6 September 2017
- ♦ Treasury Management Activity – Second Quarter Review, Finance and Corporate Resources Committee - 15 November 2017

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

- ♦ None

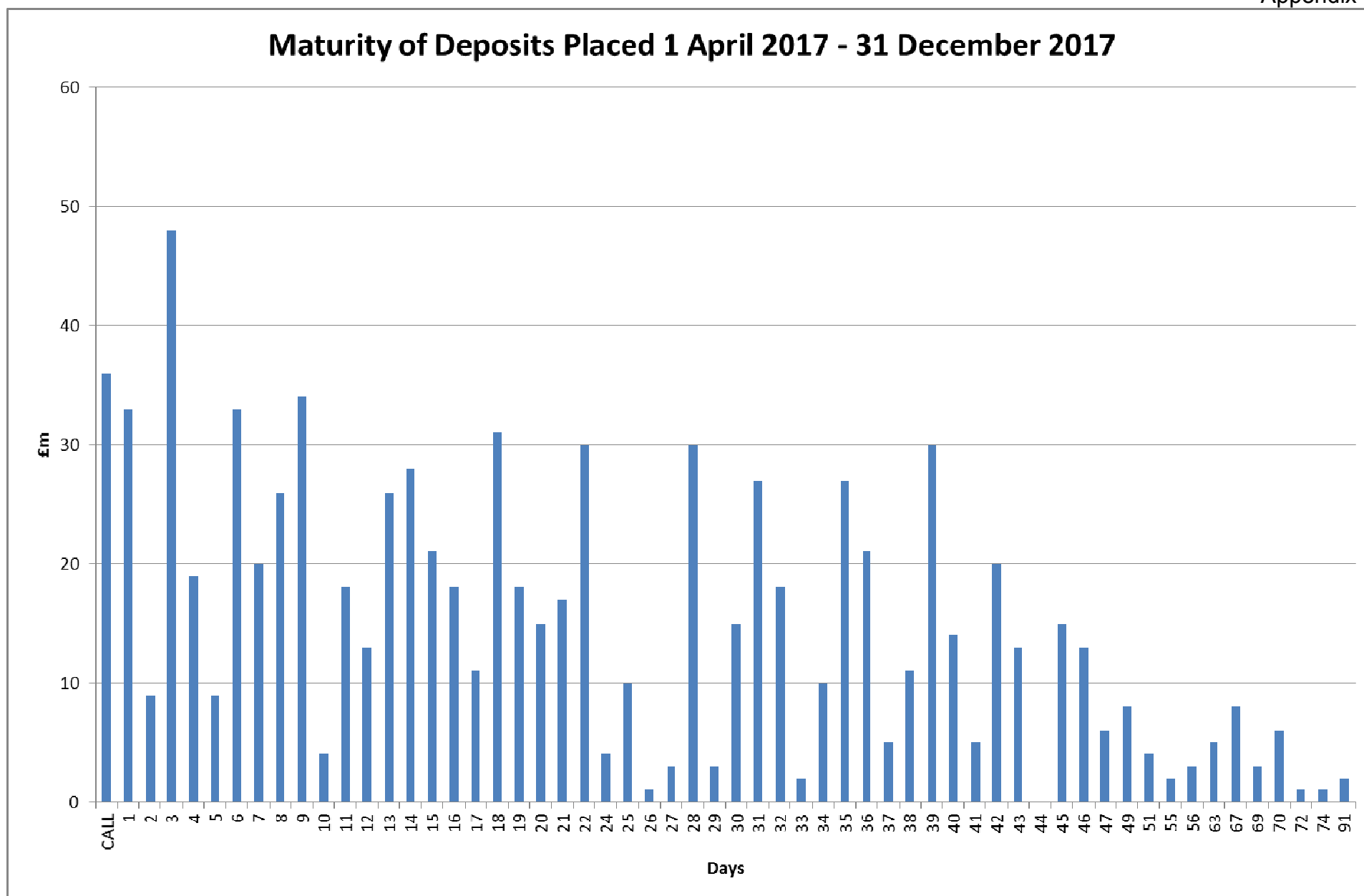
#### **Contact for Further Information**

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

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# Report

**9**

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Finance and Corporate Resources' Resource Plan 2017/2018**

## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ♦ present the Finance and Corporate Resources' Resource Plan 2017/2018 for consideration and endorsement

## **2. Recommendations**

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

- (1) that the Resource Plan 2017/2018 be endorsed and referred to the Executive Committee for approval; and
- (2) that the Resource Plan 2017/2018 be uploaded onto the Council's website once approved by the Executive Committee.

## **3. Background**

- 3.1. A new Council Plan Connect covering the period 2017 to 2022 was endorsed by the Executive Committee on 8 November 2017 and approved by the Council on 6 December 2017. The Plan sets out the Council's Vision, Values, Ambitions and Objectives for the five year period. The Council Plan is the starting point for the Resource Planning process and the 2017/2018 Resource Plan has been prepared to show, in detail, how Finance and Corporate Resources will contribute to the Council's objectives in the coming year.
- 3.2. The Resource Plan follows an agreed corporate structure and style. The Plan is a key element of the Council's performance management arrangements. It provides details of the context within which the Resource operates and establishes actions and measures for the year ahead based on the objectives set out in the Council Plan. Hard copies of the Resource Plan 2017/2018 have been placed in elected member areas in advance of this meeting and a word version of the document is attached as Appendix 2.
- 3.3. Performance management is a keystone of Best Value and ensures that the Council can demonstrate sound governance arrangements. The Resource Plan is one part of the Council's framework for planning and budgeting and demonstrates how this leads to effective front line service delivery.
- 3.4. As part of this framework, the Resource Plan reflects the aspirations of the Council Plan and the Local Outcomes Improvement Plan, as well as being complemented by the details of individual Service, Business and other Plans. Ultimately, these details are included in the key work objectives of individual officers. This demonstrates the

‘Golden Thread’ of performance management which ensures a clear understanding of the Council’s vision, values, ambitions and objectives at all levels.

- 3.5. The current format for performance reporting has been established for several years and is used for Executive Directors’ reports to the Chief Executive, Resource Management Teams and Resource Committees. The focus has been on reporting progress on Council objectives, statutory performance indicators, other key performance measures and high level Resource priorities.
- 3.6. In preparing the Plan, account has also been taken of the need to ensure a robust response to Risk Management and Control. Risks associated with delivery of the actions in this Resource Plan have been identified and evaluated and are listed in the Resource Risk Register. Where necessary, controls or further actions to mitigate these risks have been agreed. Such actions are tracked through the Resource Risk Control Plan which is kept under review by the Risk Sponsor for the Resource.

#### **4. Resource Plan 2017/2018**

- 4.1. The Resource Plan 2017/2018 is structured around the following headings:

1. Introduction
2. Context
3. The Council Plan - Connect
4. Performance and Results
5. Resourcing the Plan
6. Action Plan

The Resource Plan is also supported by two annexes:-

- ◆ Finance and Corporate Resources’ Organisational Structure
- ◆ Additional performance information

- 4.2. Monitoring and reporting:-  
As part of the performance management arrangements, the Committee will receive a mid-year update of progress on the measures identified in the Resource Plan - Quarter 2 Progress Report 2017/2018, as well as an update at the end of the year - Quarter 4 Progress Report 2017/2018.
- 4.3. Resource Objectives for 2017/2018  
The Resource has established the following Resource Objectives to support the delivery of the Connect Objectives in 2017/2018.

<b>Connect Objective</b>	<b>Finance and Corporate - Resource Objectives</b>
<b>Work with communities and partners to promote high quality, thriving and sustainable communities</b>	<ul style="list-style-type: none"><li>• Lead Community Planning.</li><li>• Facilitate communication and consultation on the Council, its policies and its services.</li><li>• Improve customer experience of Council services.</li><li>• Other actions in support of this action</li></ul>

- 4.4. In addition to working towards these objectives, it is recognised that the Council will continually aim to improve and ensure effective and efficient use of resources, and that business will be conducted with integrity and transparency and will operate to the highest standards. In order to monitor and report progress against these principles,

Resource objectives have also been identified, under the heading Delivering the Plan and achieving Best Value.

Delivering the Plan and achieving Best Value	Finance and Corporate - Resource Objectives
	<ul style="list-style-type: none"> <li>• Provide sound financial stewardship for the Council</li> <li>• Deliver and communicate the Council Plan and ensure high standards of governance</li> <li>• Support local democracy, Council committees, elected members and senior managers</li> <li>• Deliver professional legal services</li> <li>• Promote equality and the well being of staff</li> <li>• Develop and implement effective financial strategies</li> <li>• Implement a Digital and ICT Strategy that meets business needs</li> <li>• Develop improvement activity and promote scrutiny</li> <li>• Improve the skills, flexibility and capacity of the workforce</li> <li>• Other actions in support of delivering the Plan and achieving Best Value</li> </ul>

- 4.5. To support these objectives, the Resource has developed 60 actions which will be monitored through 165 specific measures. Of these measures, 44 (27%) will be included in the Council Plan 'Connect' Quarter 2 and Quarter 4 Progress Reports 2017/2018, with the rest being monitored and reported at Resource level.

## **5. Employee Implications**

- 5.1. The objectives noted within the Resource Plan will inform the Service Action Plans, where applicable, and in turn the Performance Development and Review process for individual employees in 2017/2018.

## **6. Financial Implications**

- 6.1. The objectives within the Resource Plan are reflected in the respective Resource Revenue and Capital budgets for 2017/2018 and, longer term, within the framework of the Council's approved Financial Strategy.

## **7. Other Implications**

- 7.1. Resource Plan actions are assessed as part of the Resource's risk management arrangements and relevant issues have been added to the Resource Risk Register.
- 7.2. The Resource Plan takes into account Resource responsibilities in relation to sustainable development.

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

- 8.1. Many of the actions detailed within the Resource Plan reflect ongoing strategies and policies which will be or have been the subject of consultation and equality impact assessment.

**Paul Manning**  
**Executive Director (Finance and Corporate Resources)**

21 December 2017

**Link(s) to Council Values/Ambitions/Objectives**

- ♦ The Resource Plan has been structured upon the vision, values, ambitions and objectives of the Council Plan Connect

**Previous References**

- ♦ Executive Committee – 8 November 2017
- ♦ Finance and Corporate Resources Committee – 15 November 2017
- ♦ South Lanarkshire Council – 6 December 2017

**List of Background Papers**

- ♦ The Council Plan Connect 2017-22 - [www.southlanarkshire.gov.uk/connect](http://www.southlanarkshire.gov.uk/connect)
- ♦ [Finance and Corporate Resource Plan 2016-17](#)

**Contact for Further Information**

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

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## Resource Objectives for 2017-18

The Resource has established the following Resource Objectives to support the delivery of the Connect Objectives in 2017-18.

Connect Objective	Finance and Corporate - Resource Objectives
<b>Work with communities and partners to promote high quality, thriving and sustainable communities</b>	<ul style="list-style-type: none"> <li>• Lead Community Planning.</li> <li>• Facilitate communication and consultation on the Council, its policies and its services.</li> <li>• Improve customer experience of Council services.</li> <li>• Other actions in support of this action</li> </ul>





**Finance and Corporate Resources**

**Finance and Corporate  
Resource Plan 2017-18**



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## Section One – Introduction

I am pleased to introduce our Resource Plan for 2017-18 which sets out our objectives and priorities for the coming year.

The Council Plan, Connect, is built upon the council's vision 'to improve the quality of life of everyone in South Lanarkshire'. The five services within Finance and Corporate Resources help to ensure that the council operates successfully in an increasingly complex and challenging environment, and although diverse, each service is essential to the running of the council and the delivery of its vision, ambitions and objectives.

The core democratic functions of the council – the work of councillors, committees, forums, and the Joint Boards – are supported by **Administration and Legal Services**. This service provides a full range of legal advice and support to the council and also oversees council-wide governance arrangements, as well as providing licensing and registration services to the public.

**Communications and Strategy** provides accurate, timely information for employees and residents, and promotes the council's policies, decisions and services. The service is responsible for the editorial content and design of the council's publications and its external website. It incorporates Community Planning as well as improvement functions, leading the council's work in partnership with others and in pursuit of continuous improvement. It also supports the work of the council's governance arrangements.

The sound financial stewardship provided by **Finance Services** ensures that the council's priorities are effectively funded and council expenditure, including procurement, is appropriately monitored, controlled and reported. The new integrated Finance model is now in operation, split between Transactional activities, including payroll, payables, procurement, revenues and benefits, and customer contact; and Strategy, including budget strategy, budget monitoring and providing financial support to all Resources.

All council services are dependent on the work of **Information Technology Services**, which maintains over 5,000 computers and servers running over 200 business applications across council Resources. This delivery is supported by council wide networks covering telephone, printing, mail and internet technologies.

**Personnel Services** is responsible for the development and implementation of the council wide personnel strategy and the full spectrum of personnel policies and practices across the council, as well as employee learning and organisational development, consultation and supported employment activities. The service also manages health, safety and well being and the co-ordination and implementation of equality and diversity legislation and good practice and advancing equality for all.

Also within the remit of the Resource is the Audit and Compliance service, which directs a programme of scrutiny and assurance across the council, including compliance with European grant award requirements; and the Central Research Unit, which provides briefings and analysis on social, economic and demographic situations and trends which may impact on decision-making, policies and resource allocations of the council and its communities.

The high standard and continuing professional excellence of our services is indicated by the awards and accolades received in the past year, which include:

- The council successfully gained Disability Confident Employer status in December 2016 replacing the Double Tick initiative.
- The council maintained its gold status in the Investors in People Standard.
- We strengthened our corporate Customer Service Excellence (CSE) application in 2016-17, allowing the current 11 award holders to not only maintain their awards but to continue to achieve and increase the total number of compliance plus statuses across a large number of indicators.
- The council became a Carer Positive organisation and became the first Scottish employer to sign up to the Dying to Work charter.

Key achievements for last year are listed on later pages (sections 2.1. and 4.2, and Annex 2) of this plan. Our achievements show the range of our contribution to the work of the council and its values, ambitions and objectives, and demonstrate that, in the midst of significant financial challenges, we continue to develop new approaches and enhance service delivery.

The financial outlook for the public sector continues to be challenging. Consequently, the main tasks in the coming year will be to continue the delivery of professional services to support the council through the difficult financial times ahead and ensuring that improvement continues to be at the forefront of our activities.

Together, the services provided by Finance and Corporate Resources ensure that the council is a well-governed, accountable, self-aware and improving organisation, equal to the challenges that lie ahead. In the coming year we will continue to provide excellent, professional services which support and add value to all the services delivered by the council.

**Paul Manning**  
**Executive Director**  
**Finance and Corporate Resources**



## Section Two – Context

### 2.0. Introduction

The challenges facing local government in Scotland continue. However, even with the on-going financial constraints, the council continues to do everything in its power to protect and maintain vital services.

The overview gives a brief outline of the extent of the services that we deliver, however these services will be significantly impacted in the coming year by social change, legislation and policies, the council's key plans and other statutory commitments.

### 2.1. Resource Overview

Finance and Corporate Resources monitors a range of performance measures to ensure delivery of objectives and to maintain high standards.

The range of our activity and key performance measures are shown below.

#### **Administration and Legal Services**

- We achieved publication of final agenda papers and associated reports to 100% council committees and forums at least three days in advance of the meeting
- We successfully administered and allocated the Community and Voluntary Grant Application process throughout 2016-17
- Over 85% of Chief Executive enquiries were dealt with within the 10 day timescale, in line with corporate standards, and against a target of 70%
- Legal Services dealt with 2,358 new cases in 2016-17 and of these only six were outsourced
- With the abolition of the right to buy in July 2016, the Council House Sales team settled 259 house sales with a value of £9.3 million. This volume of transactions was double the amount compared with 2015-16
- Licensing and Registration – during 2016 a total of 2,114 Civic Government (Scotland) Act 1982 licences were processed. A total of 1,412 liquor licences (of various types) were processed, 793 Nationality Checking Service appointments were made and 95 placing request appeals processed. In 2016, we registered 7,113 events and carried out 554 civil ceremonies

#### **Audit and Compliance service**

- 94.7% of 2016-17 Audit Plan completed by 30 April 2017
- 100% of internal audit actions delivered on time
- We successfully completed the development and implementation of monitoring and compliance systems to align with revised European Union Regulations for the 2014-20 Programme

#### **Communications and Strategy**

- 2.4 million web visitors logged
- 44,555 digital tasks carried out
- 960 media enquiries logged
- 301 media jobs logged
- 9,209 production and print jobs completed
- 2,009 design jobs carried out
- Reduced council's outsourced print spend by 57.7% from £514,522 to £217,259

#### **Finance Services**

- The 2017-18 revenue budget was set to a value of £673 million following a savings requirement of £35 million against the previous year's revenue budget

- A three year Capital programme of £256 million for 2017-18 to 2019-20 was approved. This programme includes £42 million for the schools modernisation programme and £109 million for the new city deal programme, delivering roads and economic growth projects
- We completed delivery of the Corporate Finance Function, including payment of salaries, on time every time, to over 15,000 employees, and payment of 95% of invoices within 30 days
- We maintained the elected member remuneration and expenses scheme ensuring all relevant expenses were correctly recorded and in line with prescribed legislation
- We ensured all statutory returns to HM Revenue and Customs (HMRC) were met including VAT self assessment
- £170 million was spent with Small and Medium Enterprises (SMEs)
- We dealt with over 500,000 phone calls to our Customer Service's Centre
- We dealt with 260,000 enquiries at our Q and As
- We processed 5,200 Scottish Welfare Fund applications
- We processed 8,000 new Housing Benefit applications
- We processed 52,000 Housing Benefit changes to circumstances applications
- The 2016-17 Housing Revenue Account budget was set at a gross value of £96.1million, including a capital investment programme of £36.2 million

### **Information Technology Services**

- We continued the modernisation of Information Technology (IT) in schools and learning establishments to support learning and teaching
- We implemented mobile working to 1,000 home carers
- We rolled out on-line forms on our website to allow citizens to more conveniently access council services
- We successfully delivered on a programme of upgrades and new IT solutions to help achieve council objectives, efficiencies and legislative change
- 28,222 IT helpdesk calls were answered
- 8,286 IT service requests were processed

### **Personnel Services**

- We delivered professional personnel advice in respect of recruitment, employee wellbeing, maximising attendance and other personnel matters in respect of over 15,000 employees
- 317 public consultations were completed on the council's key policies, such as the budget process, rent setting and online access, involving the general public and specific focus groups
- 1,187 online vacancies were dealt with, leading to 19,546 applications
- 35,103 people undertook accredited training and 20,521 utilised Learn Online.
- We completed 212 premise audits/inspections, 110 fire risk audits and 13 traffic management audits

Additional performance information is also available in section 4.2. and Annex two of this Resource Plan.

## **2.2. Social Change, Legislation and Policies**

### **2.2.1. The Financial Outlook**

The outlook for public service finance continues to indicate that unprecedented cuts in budget will be a feature in the medium term.

For 2017-18 the council again saw a significant reduction in the level of government grant that was received from the Scottish Government, a trend that we expect to continue at least over the next three years.

In this challenging environment, Finance Services has prepared a medium term financial strategy. An update to the strategy for 2017-18 and beyond will be prepared in the first half of 2017-18.

The council faces increases in running costs, including pay, and when combined with the expected reduction in Government grant, the levels of savings in the coming years will continue to present a significant challenge.

For Finance and Corporate Resources, savings approved for 2017-18 totalled £3.1 million including cross-Resource reviews. In addition there will be a continuing need for the Resource to provide crucial professional support, guidance and leadership (in areas such as governance, partnership working, risk management, best value and continuous improvement) throughout the council.

### **2.2.2. Health and Social Care Integration**

2016-17 saw completion of the first year of services being delegated to the Integrated Joint Board as a result of the Public Bodies (Joint Working) (Scotland) Act 2014. Work has continued during 2016-17 on the financial arrangements for the Board, including the establishment and reporting of the delegated budget. The council continues to provide financial support and guidance to the Board including the completion of their Annual Accounts.

### **2.2.3. Welfare reform**

The Government's welfare reform programme is one of the most significant challenges facing providers of public services. The number of people affected by the changes will significantly increase from October 2017 onwards when South Lanarkshire working age benefit claimants will begin to transfer to Universal Credit. There will be continuing implications across the council and within Finance and Corporate Resources there is a requirement to support change through IT Services, Communications and Strategy, Finance Services, Legal Services and Personnel Services.

### **Public Sector Reform and challenges for local government**

The findings of the Christie Commission on the future delivery of public services will continue to exert influence on local government in the coming years. The principles are that future service design and delivery must

- empower individuals and communities
- integrate service provision
- seek to prevent negative outcomes
- become more efficient by reducing duplication and sharing services

Priorities include the need for better long-term strategic planning, greater transparency in budget-setting and decision-making, enhanced oversight and accountability, greater focus on outcomes and the need to prioritise measures which will reduce demand and lessen inequalities.

### **2.2.4. Elections**

Finance and Corporate Resources are responsible for co-ordinating arrangements for the delivery of the Local Government Elections (which took place on 4 May 2017), followed by a Snap General Election (which took place on 22 June 2017). Preparations in partnership with other Resources ensure legislative requirements and timescales are met in relation to nomination, polling, staffing and count arrangements.

Preparations for the new council followed the Local Government Elections in May 2017.

### **2.2.5. Statutory requirements**

New and revised legislation will impact on the work of the Resource during 2017-18:

<b>Statutory requirements – Finance and Corporate Resources</b>	
<b>Legislative Area</b>	<b>Impact</b>
Accounts Commission and Audit Scotland requirements	The Head of Communications and Strategy will facilitate the council's preparations for Best Value and Public Performance Reporting via the Corporate Improvement Advisory Board. Appropriate actions and progress will be reported to the council's Risk and Audit Scrutiny Forum. The council's use of the Local Government Benchmarking Framework (LGBF) will be promoted and monitored, as this is part of our responsibilities under the Accounts Commission's Direction which determines the performance information that council's must publish locally each financial year
Air Weapons and Licensing (Scotland) Act 2015	Measures have been put in place to ensure the legislation is complied with.
British Sign Language Act	The council will begin to develop its first British Sign Language (BSL) plan in line with the national plan that will be produced in October 2017. There will be a duty to align our plan with the national priorities and to engage with our community in the development of the plan.
Children and Young People Act 2014	Work will be required over the next few years in respect of implementing the provisions of the Act including the role of the local authority as Corporate Parent, Children's Services Plans, the introduction of the Named Person concept, the extension of early years childcare, continuing care to looked after children, the provision of aftercare to eligible young people up to age 26, responsibilities to kinship carers and the introduction of the concept of wellbeing.
Community Empowerment (Scotland) Act	Further work will be required to implement the Act, including meeting the requirement to maintain a register of common good assets to enable certain bodies to buy abandoned or neglected land. Work will be required in considering the regulations and guidance on the participation request mechanism. To allow the council to consider arrangements for appeals made by community bodies, the Asset Transfer Panel, a Sub-Committee of the Housing and Technical Resources Committee, was established. There are significant implications for Community Planning, which included the requirement to prepare and publish a Local Outcomes Improvement Plan and relevant Locality Plans 2017-18, and new expectations in terms of engaging with local communities and enabling communities to participate in Community Planning.
Equality Act	The Head of Personnel Services will continue to monitor the implications of equalities legislation and report progress to the Equal Opportunities Scrutiny Forum against the council's mainstreaming equality report. This will include preparation for the 2017 mainstreaming report and an update of the equality outcomes in line with the refresh of the Council Plan Connect.
General Data Protection Regulation	Work will be required in implementing the General Data Protection Regulation.
Procurement Reform Act and EU procurement	The Head of Finance (Transactions) will ensure that the actions emanating from the council's Procurement Strategy, which was approved in the last financial year, are undertaken

Statutory requirements – Finance and Corporate Resources	
Legislative Area	Impact
Directives	effectively and that the council continues to comply with all procurement directives.
Public Bodies (Joint Working) (Scotland) Act 2014	The Public Bodies (Joint Working) (Scotland) Act 2014 resulted in the implementation of an Integrated Joint Board for Health and Social Care in South Lanarkshire from 1 April 2016. Delegated budgets are now in place and these are now being monitored by the Board. Work will continue to ensure we meet the challenges posed by these changes in terms of delivering financial and legal support/guidance to the Joint Board.
Public Records Act	Further work will be required in developing and implementing the council's Action Plan following consideration of the council's Records Management Plan by the Keeper of the Records at the National Records of Scotland. This work will be coordinated by the Information Governance Board.
The Trade Union Act 2016	The Trade Union Act 2016 was brought into law on 4 May 2016. The main provisions of the act place increased responsibilities on trade unions with regards to balloting thresholds; additional information on ballot papers; check off arrangement and reporting on facility time. This legislation will have an impact on how facility time is recorded and reported within the council and how we meet requirements of the legislation with regard to check off arrangements.
Welfare Reform Act and related Scottish legislation	The Welfare Reform Act continues to impact heavily on South Lanarkshire's residents, its economy and the council. The Executive Director of Finance and Corporate Resources is co-ordinating the council wide response and all services within our Resource are contributing to this effort, ranging from developing the IT systems required, monitoring budget implications, personnel and safety issues, communications and legal issues. In 2017-18 South Lanarkshire working age benefit claimants will begin to transfer to the new benefit known as Universal Credit. From this point onwards they will no longer be claiming housing benefit. Work will require to be undertaken in preparation of this change.
Other legislative changes	A range of other legislation will have an impact on council services, with corresponding implications for the Resource, particularly Legal Services. Legal Services will also be assisting with the council's response to any consultations/changes brought about in the field of Mental Health/Adults with Incapacity law and implementation of the Community Empowerment Act, amongst others.

Specific actions to address these legislative impacts are detailed in Section 6 (Action Plan) of the Resource Plan. Legal Services will assist all Resources to meet the demands of new and changing legislation.

## 2.3. The Council Plan, Community Planning and the Local Outcomes Improvement Plan (LOIP)

**2.3.1. Community Planning** is the process through which public services come together to positively change local situations. The Community Planning Partnership (CPP) is committed

to improving the quality of life of everyone in South Lanarkshire by working together and with communities to design and deliver better services.

Through the 2015 Community Empowerment Act the Scottish Parliament gave a statutory purpose, for the first time, to community planning: to focus on improving outcomes and tackling inequalities in outcomes. This includes those communities (covering areas and/or groups of individuals) experiencing the poorest outcomes.

**2.3.2.** The legislation calls for the Community Planning Partners to develop a South Lanarkshire **Local Outcomes Improvement Plan (LOIP)** which covers the whole council area, setting out the local outcomes that the partners want to improve. The requirement is for a LOIP that demonstrates a clear, evidence-based, robust and strong understanding of local needs, circumstances and aspirations and how these can vary for different places and population groups in South Lanarkshire or between South Lanarkshire and Scotland as a whole.

The LOIP is seen as a key element in the delivery of public service reform at local level. It will provide a shared vision and focus and binds the public sector to making a decisive improvement on local outcomes. This can involve developing new and different ways of working, behaviour and performance under strong governance and accountability and operating arrangements.

The strategic themes of the CPP and the LOIP are clearly aligned to the Ambitions in the Council Plan, Connect 2017-22, as shown below.

Partnership strategic theme	Connect Ambition
Community safety and crime	Make communities safer, stronger and sustainable
Health and wellbeing	Improve health, care and wellbeing
Sustainable economic growth	Promote economic growth and tackle disadvantage
Tackling poverty and deprivation	Promote economic growth and tackle disadvantage
Children and young people	Get it right for children and young people

The Council Plan is considered in more detail in Section 3.

## **2.4. Other commitments**

### **2.4.1. Partnership Working**

Communications and Strategy co-ordinate the council's key partnership working arrangements through the Community Planning Partnership. As well as developing the strategic direction for the Partnership, including the SOA and the Partnership Improvement Plan, the service supports the work of the Partnership Board and the structures which sit underneath it. The service has also been closely involved with work relating to the integration of health and social care, working with NHS Lanarkshire on both internal and external communications aspects of the integration.

Administration and Legal Services provides advisory and administrative support to a number of partner committees/boards including:-

- Clyde Valley Learning and Development Joint Committee
- Corporate Connections
- Getting It Right for South Lanarkshire's Children's Board
- Lanarkshire Valuation Joint Board (LVJB)
- Safer South Lanarkshire Board
- SEEMiS (Education Management Information System)
- South Lanarkshire Area Support Team
- South Lanarkshire Cycling Partnership
- South Lanarkshire Public Protection Chief Officers' Group
- Sustainability Partnership



To stay abreast of the latest developments across Information Technology (IT) in the public sector and beyond, the council participates fully in the Local Government Digital Transformation Board, the Society of Information Technology Management (SOCITM) as well as many specific technical and user forums. In addition, the council shares data securely with the NHS and other partners in the Lanarkshire Data Sharing Partnership. The council provides data hosting services to several public sector organisations via the Scottish Government co-location register, and actively pursues opportunities to share IT development and operational costs with other bodies. Internal Audit, in partnership with NHS, provide an internal audit service to the Integrated Joint Board.

#### **2.4.2. Service Reviews**

During 2016-17, efficiency reviews of the following services were undertaken:

- Administration Services
- Advice Services
- Customer Services
- Employability Services
- Legal Services
- Policy and Strategy

The recommendations, action plans, savings and changes to service delivery for these and concluded reviews will continue during 2017-18 and beyond.

#### **2.4.3. Equality and Diversity**

Equality is an integral part of achieving best value and is an underpinning value of the council's vision to improve the quality of life of everyone in South Lanarkshire. The council is committed to: eliminating discrimination, harassment and victimisation; promoting equality of opportunity; and fostering good relations in all that it does. In doing so, it will reduce disadvantage and deprivation within the council and will work with others to do so in the South Lanarkshire area.

Finance and Corporate Resources has a key role to play delivering the council's equality outcomes, and will take forward the following key actions:

- Taking effective action on equality by identifying where individuals' needs are not being met
- Making the right decisions, first time around through effective consultation and engagement and carrying out impact assessments
- Developing better policies and practices based on evidence available locally and nationally
- Being more transparent, accessible and accountable
- Delivering improved outcomes for all by understanding the needs of the individuals

#### **2.4.4. Sustainable Development**

Sustainable development is an integral part of best value and is also a priority for the council. The council has a statutory requirement under the Public Sector Climate Change Duties to: reduce carbon emissions arising from its own activities and to work with others to reduce those of the South Lanarkshire area in general; adapt to current and future changes in climate to ensure continued service delivery; and promote the sustainable development of the council and our local communities.

The council also has a statutory requirement under the Biodiversity Duty to further the conservation of biodiversity.

Finance and Corporate Resources has a key role to play delivering aspects of the council's Sustainable Development Strategy; Climate Change Duties Improvement Action Plan; and the Biodiversity Duty Implementation Plan, and will take forward the following actions:

- Promote sustainable travel by employees

- Implement the Scottish Government public sector sustainable procurement flexible framework; increased awareness and use of sustainability tools
- Consider and implement increased use of Scottish Government's prioritisation and sustainability toolkits
- Continue to develop procurement processes to identify opportunities to enhance environmental outcomes for each contract
- Continue to utilise national public sector collaborative contracts for electricity, gas, water, biomass and fuel
- Continue to identify areas where energy and carbon reduction initiatives can be achieved by ensuring the ICT Carbon Reduction Plan is continually updated and reviewed
- Expand opportunities to implement environmental, social and economic benefits for our communities through our procurement practices including promoting implementation of the Living Wage
- Promote council strategies such as digital delivery in the form of use of, for example, the intranet/internet and hyperlinks
- Moving to a paper light committee administration system through the use of tablet devices for elected members and other appropriate officers
- Promote and enhance the council's biodiversity assets including extending local nature reserves
- Promote biodiversity activity through improved web and social media presence

#### 2.4.5. Information Governance

Finance and Corporate Resources recognise that good information governance is necessary for the Resource and the council to carry out its functions efficiently and effectively.

The Information Governance Board, which has representation from all Resources, oversees the council's information management activities driving forward improvements and developing policies, procedures and guidance. The framework for information governance is provided by the Information Strategy 2014-17. This strategy outlines a number of key actions which will ensure that all Resources will progress improvement in the management of information throughout the council.

The council's first Records Management Plan was submitted to the Keeper of the Records at the National Records of Scotland in December 2016. This was a statutory requirement of the Public Records (Scotland) Act 2011.

Improvement actions from the National Records of Scotland assessment of the Record Management Plan will be an integral part of the redevelopment of the council's Information Strategy which will be reviewed in 2017.

#### 2.4.6. Top risks

To successfully manage risk, council and resource plan objectives must inform the council's risk management arrangements. The council reviews its top risks each year and common themes are identified.

##### **The top risks identified for the council are:**

- Reduction in council funding, resulting in difficulties maintaining front line services
- Potential liability arising from claims of historic abuse
- Failure to maintain the required pupil/teacher ratio
- Information management not subject to adequate control
- Fraud, theft, organised crime and cyber attacks
- Failure to achieve results and demonstrate continuous improvement, through leadership, good governance and organisational effectiveness
- Failure to work with key partners to achieve the outcomes of the Local Outcome Improvement Plan
- The council is not sufficiently prepared to deliver the Integration Joint Board Strategic directions set out in the Strategic Commissioning Plan 2016-19



- Increasing levels of adverse weather

In the coming year, Finance and Corporate Resources will take forward all reasonable necessary actions, where appropriate to mitigate or reduce the Resources' exposure to these key risks.

#### **2.4.7. Benchmarking**

Best value, a concept first introduced into the public sector through the Local Government (Scotland) Act 2003, seeks to drive continuous improvement in public service delivery. Best value has entered a new era which is intended to bring about more proportionate and risk-based external scrutiny of councils by national inspection bodies; placing greater emphasis on the use of self-assessment, benchmarking and public performance reporting to promote continuous improvement.

With the support of the Accounts Commission, the Society of Local Authority Chief Executives (SOLACE) has been working with the Improvement Service and has established a Local Government Benchmarking Framework (LGBF) and indicators for council services in Scotland.

The move away from league tables to benchmarking is to enable comparisons to be made on spending and performance between similar council groups, these are called family groups; to share areas of good practice and innovative ideas, with a long term aim to improve performance.

The LGBF indicators are included in this Resource Plan and, along with many other indicators and measures will be monitored throughout the year. Performance against these indicators can be found in our [Public Performance Reports](#).

The results for all Scottish Councils and the family groups can be found on the online tool [mylocalcouncil](#).

#### **2.4.8. External Regulation and Inspection**

Finance and Corporate Resources will be subject to further requirements stemming from legislation and government policy that influence service delivery. The Best Value framework and the Shared Risk Assessment continue to focus on overall council efficiency, self-assessment, performance and improvement

#### **2.4.9. Digital and ICT Strategy**

The council's Digital and ICT strategy sets out how South Lanarkshire Council will use new technologies to help deliver its vision 'to improve the quality of life of everyone in South Lanarkshire'. It describes how services will be delivered as 'Digital First' and how we will work with partners, service users and suppliers to create the data infrastructure to support digital services.

The strategy also sets out the technical foundations necessary to realise the council's digital vision. This includes ensuring that appropriate and sustainable computer systems, networks, ICT skills, software and data services are in place to support the transformation to a Citizen Centric and Digital Council both in the short term and in the years beyond.

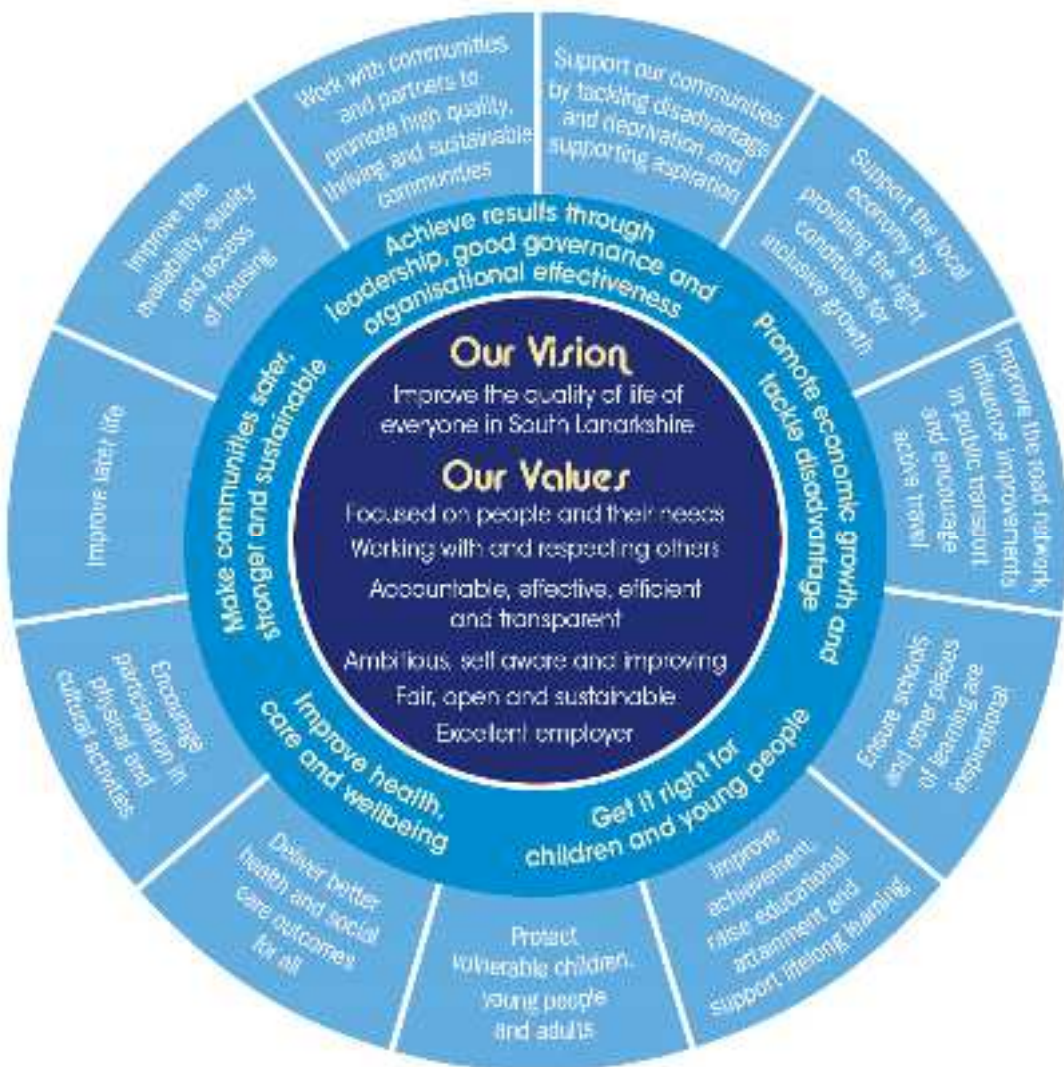
# Section Three - The Council Plan - Connect

## 3.0. The Council Plan - Connect

The council’s Vision to ‘**improve the quality of life of everyone in South Lanarkshire**’ remains at the heart of the Council Plan and along with our Values, influences everything that we do.

Our five Ambitions circle our Vision and Values, linking our 11 Objectives in the outer ring to the wider work in our communities and with our other public partners.

The wheel diagram below is designed to show how our six core Values, five Ambitions and 11 Objectives interact with one another. For example, success in giving our children a better start in life links to early learning, their wellbeing, improvement in achievement and attainment and developing their skills for learning, life and work. This will lead to better prospects and improve life chances for young people and the economy as a whole.



### 3.1. Resource Objectives

Finance and Corporate Resources has established the following Resource objectives to support the delivery of Connect objectives in 2017-18.

#### 3.1.1. Connect Objective: Work with communities and partners to promote high quality, thriving and sustainable communities

By working towards this objective the council aims to ensure that communities will be empowered and South Lanarkshire will be an environmentally responsible, clean, attractive and well designed place to live. This should result in an increase in the proportion of service users/customers who feel satisfied with their engagement with council services.

To support the delivery of this Connect objective, Finance and Corporate Resources has developed the following Resource objectives:

- Lead Community Planning
- Facilitate communication and consultation on the council, its policies and its services
- Improve customer experience of council services
- Other actions in support of this objective

The main actions in this area will include: work to develop the first Local Outcomes Improvement Plan; implementation of measures within the Community Empowerment Act; continued implementation of the Community Engagement Framework; and increasing use of internet technologies to improve citizen interaction with council services.

### **3.1.2. Delivering the Plan and achieving Best Value**

In working towards achieving the Connect Objectives, Finance and Corporate Resources contribute to the delivery of the Plan and achieving Best Value, governing how we carry out our business and deliver all our services.

To support the delivery of the Plan and achieving Best Value, Finance and Corporate Resources has developed the following Resource objectives:

- Provide sound financial stewardship for the council
- Deliver and communicate the Council Plan and ensure high standards of governance
- Support local democracy, council committees, elected members and senior managers
- Deliver professional legal services
- Promote equality and the well being of staff
- Develop and implement effective financial strategies
- Implement a Digital and ICT Strategy that meets business needs
- Develop improvement activity and promote scrutiny
- Improve the skills, flexibility and capacity of the workforce
- Other actions in support of delivering the Plan and achieving Best Value

The main actions in this area will include: the completion and communication of a new Council Plan Connect for the period 2017 to 2022, work to support elected members, the delivery of excellent core financial and legal services supported through internal audit, effective risk management and strengthening corporate governance and standards.

We will develop self-assessment both within the Resource and across the council, use IMPROVe (performance management system) to report against the Single Outcome Agreement, and continue to review the council's approach to performance management and improvement, taking account of feedback from the Accounts Commission and the public, and continuing our full engagement with the Local Government Benchmarking Framework. We will also concentrate on the development and delivery of robust financial strategies, provide core IT services to support council needs, and continue to implement the council's workforce strategy. There will also be significant work in co-ordinating and supporting a programme of service reviews across the council.

## Section Four – Performance and Results

### 4.0. Introduction

In this section we report our key performance and results, based on Connect 2012-17 for the financial year just ended: 2016-17.

### 4.1. Performance against Resource Plan Objectives 2016-17

The Finance and Corporate Resource Plan for 2016-17 had 176 measures set against five of the Connect Objectives. Performance against these measures was as follows:

Council Objective	Green	Amber	Red	Report later	Total
Strengthen partnership working, community leadership and engagement	11	0	0	1	12
Provide vision and strategic direction	19	0	0	2	21
Promote performance management and improvement	13	0	0	1	14
Embed governance and accountability	66	4	0	5	75
Achieve efficient and effective use of resource	49	3	0	2	54
<b>Total</b>	<b>158</b>	<b>7</b>	<b>0</b>	<b>11</b>	<b>176</b>
<b>%</b>	<b>90%</b>	<b>4%</b>	<b>0%</b>	<b>6%</b>	<b>100%</b>

#### Key to performance monitoring system:

<b>Green</b>	The timescale or target has been met as per expectations
<b>Amber</b>	There has been minor slippage against timescale or minor shortfall against target
<b>Red</b>	There has been major slippage against timescale or major shortfall against target
<b>Report Later</b>	For some measures, the statistics are not yet available to allow us to say whether the target has been reached or not. These will be reported when available

## 4.2.Key Achievements

The following table highlights achievements during the financial year 2016-17.

<b>Council Objective: Strengthen partnership working, community leadership and engagement</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Facilitate communication and consultation	Budget consultation took place with representatives from the Citizens' Panel and other specific interest groups including Youth Council, Trade Unions, Seniors Together, Disability and Access Panel and Ethnic Minority Action group.
Improve customer experience of council services	Partnership working with Police Scotland, including Guide Dogs for the Blind, and a session for licensees to raise awareness of various issues. Introduction of a tactile exemption certificate for taxi/private hire car drivers Implemented on-line forms on council website to allow citizens to more conveniently access council services (for example, outwith business hours)

<b>Council Objective: Provide vision and strategic direction</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Effectively develop and communicate our vision, values and policies	The Council Plan Connect has been refreshed for the period 2017-22. The draft document was presented to the Executive Committee on 8 March 2017. Following further consultation, it will be presented to the new council after the summer.

<b>Council Objective: Promote performance management and improvement</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Develop improvement activity within the council	The Local Scrutiny Plan prepared by the Local Area Network (external scrutiny agencies) did not identify any risk-based scrutiny for the council in 2016-17 therefore no specific actions were required. This was reported to CMT and Executive Committee.

<b>Council Objective: Embed governance and accountability</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Provide sound financial stewardship for the council	Completion of unaudited accounts in line with statutory deadlines and clear audit certificate across council and all related bodies' accounts
Support the local democracy and the democratic functions of the council	Successful delivery of Scottish Parliamentary Elections and EU Referendum and commenced arrangements for the Local Government Elections in May 2017.

<b>Council Objective: Achieve efficient and effective use of resources</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Develop and implement an effective Financial Strategy	Declared Council Tax in line with statutory timescale.

<b>Council Objective: Achieve efficient and effective use of resources</b>	
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Resource Objective:	Achievement
Develop and implement an Information Technology Strategy that meets business needs	Password strengthening policy implemented across the council's network

Additional performance information is also available in section 2.1. and Annex two of this Resource Plan.

#### 4.3. Key measures not achieved

No measures have been classified as 'red' (there has been major slippage against timescale or shortfall against target) against the 2016-17 Resource Plan.

#### 4.4. Benchmarking

A full progress report on the Resource Plan 2016-17 is available from the performance management system IMPROVe – all Quarter 4 Progress Reports are available on the performance pages of the website where you will also find further performance and benchmarking information, including South Lanarkshire Council's [Annual Performance Report](#) and [Public Performance Reports](#).

Finance and Corporate Resources benchmarks its performance over nine Local Government Benchmarking Framework (LGBF) indicators. The Improvement Service published the 2015-16 results (with the draft 2016-17 results due at the end of 2017).

Support services as a % of total gross expenditure (CORP 1)			
Year	2013-14	2014-15	2015-16
South Lanarkshire Council	4.0%	4.2%	4.1%
Scotland	5.1%	5.1%	5.2%
This indicator calculates the proportion of the total cost of running the council that is spent on support services like Finance, Legal services, Human Resources, IT, Internal Audit, Procurement and Asset Management. In 2015-16 the percentage decreased by 0.1% compared with the 2014-15 result and we continue to perform better than the Scottish average result.			

Cost of democratic core per 1,000 population (CORP 2)			
Year	2013-14	2014-15	2015-16
South Lanarkshire Council	£25,730	£25,866	£24,637
Scotland	£32,025	£31,002	£29,559
The democratic core is an important support function provided by council officers for elected members, including external audit, treasury management and the production of the Annual Accounts. The cost of the democratic core per 1,000 population decreased in 2015-16 both for South Lanarkshire and across Scotland.			

The % of the highest paid 5% employees who are women (CORP 3b)			
Year	2013-14	2014-15	2015-16
South Lanarkshire Council	47.8%	48.0%	47.9%



Scotland	50.7%	51.7%	51.9%
<p>It is possible to measure equality of opportunity in an organisation by considering the percentage of highest paid employees who are women. Our performance in 2015-16 fell slightly to 47.9% which was due to personnel changes at a senior level, however, this should improve in 2016-17 due to recent appointments. Our rigorous approach to recruitment continues to ensure we appoint the best candidate regardless of age, gender, disability, ethnicity, sexual orientation or transgender identity and we continue to encourage applications from the widest possible range of candidates by being an employer of choice.</p>			

The gender pay gap (CORP 3c)			
Year	2013-14	2014-15	2015-16
South Lanarkshire Council	N/A	N/A	8.1%
Scotland	N/A	N/A	4.5%
<p>The gender pay gap is a new indicator to measure equality and year on year comparisons will be possible as more data is available. It is difficult to make comparisons against the Scottish average due to different ways in which the councils organise their workforce, including arms length and direct labour organisations.</p>			

Sickness absence days per Teacher (CORP 6a)			
Year	2013-14	2014-15	2015-16
South Lanarkshire Council	7.4 days	6.9 days	6.5 days
Scotland	6.1 days	6.3 days	6.1 days
Sickness absence days per employee (non teacher) (CORP 6b)			
Year	2013-14	2014-15	2015-16
South Lanarkshire Council	10.0 days	11.1 days	10.3 days
Scotland	10.3 days	10.8 days	10.6 days
<p>Absence for both teaching and non teaching staff continues to improve as a result of absence being prioritised through the centralised personnel function. The introduction of automated referrals has helped response times when managers and employees identify a need and the continued development of early intervention supports are offering a wide range of assistance to ensure employees are able to return not only more quickly but more healthily to work.</p>			

% Invoices paid within 30 days of receipt (CORP 8)			
Year	2013-14	2014-15	2015-16
SLC	87.2%	94.8%	95.8%
Scotland	91.9%	92.5%	92.8%

Our performance in paying invoices on time continues to improve and exceed the Scottish average in 2015-16. Increased performance is as a result of a reduction in the invoices received in 2015-16, primarily due to the promotion of consolidating invoices and payments to be processed. The number of invoices received year-on-year can fluctuate due to supplier demand and this has been demonstrated in previous years.

#### **Cost per dwelling of collecting Council Tax (CORP 4)**

Year	2013-14	2014-15	2015-16
SLC	£14.33	£11.35	£7.60
Scotland	£12.13	£10.95	£10.34

The cost of council tax collection decreased by 33% from £11.35 to £7.60 in 2015-16 and is well below the Scottish average of £10.34. This was due to an anticipated reduction in legal costs as a result of a change in debt management contract arrangements and brings us into line with most other Scottish councils.

#### **% Percentage of income due from Council Tax received (CORP 7)**

Year	2013-14	2014-15	2015-16
SLC	95.7%	95.8%	95.9%
Scotland	95.2%	95.5%	95.7%

The annual Council Tax collection target for South Lanarkshire Council in 2015-16 was exceeded with 95.9% of Council Tax received. In addition, the result was better than the Scottish average of 95.7%. The council aims to improve performance each year in order to increase revenue collection.

## **4.5. Customer Views**

### **4.5.1. South Lanarkshire Household Survey 2014**

The council conducted its latest [Household Survey](#) in Spring 2014. Feedback from residents was generally positive. 84% of those who responded were satisfied with the overall service provided by the council. Residents were asked to assess the 'general service' provided by the council, key 'council services' and recommend areas for improvement. As a result of this feedback Finance and Corporate Resources will take forward all reasonable actions, where appropriate to improve resident satisfaction with the services that we deliver. The actions being progressed can be found in the Action Plan at section 6. Our next Household Survey will be conducted in 2017.



#### 4.5.2. Consultation

As part of the council's general approach to policy and strategy development it conducts regular consultation with a wide range of stakeholders and representative groups both internally and externally. Annually over 300 consultations are conducted via a range of methods to ensure Resources and Services have an accurate understanding of the needs of individuals and wider communities. This activity is essential in ensuring the council is delivering and achieving the aims and objectives as set out in the Council Plan Connect.

**Budget consultation:** As part of the 2017-18 annual budget setting process, the council undertook a face to face public consultation exercise involving representatives from the Citizens' Panel and specific interest groups like the Employee Network, Trade Unions, South Lanarkshire Youth Council, Seniors Together, the South Lanarkshire Disability Partnership and Access Panel and Lanarkshire Ethnic Minority Action group. The focus of the consultation changes each year depending on the savings proposed and the budget priorities. The public were also invited to comment on budget and savings issues through a dedicated email address. The results from the public consultation were advised to all elected members.

The council undertook a consultation process with tenants groups, the Tenant Participation Co-ordination Group and the Housing Budget Scrutiny Panel on the Housing Revenue Account budget proposals including investment priorities, rent rise options and savings proposals.

With a view to continued improvement of engagement with communities, a refresh of the Citizens' Panel will take place to provide as representative a group as possible

#### 4.6.Areas for improvement

Finance and Corporate Resources is committed to continuous improvement. As part of this process, we monitor our performance, participate in benchmarking activities, and acknowledge the results of consultations and feedback from complaints. We use this information to develop and improve the services we provide.

During 2017-18, we will take forward the following key areas for improvement:

- Improve the telephony systems available in our customer contact centres through the implementation of Skills Based Routing software
- Implement the 'paper light' approach to the decision-making process for the new council
- Extend the use of Personnel self-service provision for selected IT systems to reduce costs and improve service
- Improve process flows within IT service by reduced handling
- Introduce self-service facility for IT Service Desk Calls
- Introduce agile project management techniques within IT Services to speed up software development process

## Section Five – Resourcing the Plan

### 5.0. Introduction

In this section we consider the resources needed to implement our plan, including funding and staffing.

### 5.1. Revenue and Capital Resources 2017-18

The council's medium-term Financial Strategy, approved by elected members in June 2015, provides details on the funding assumptions for the years 2017-18 and 2018-19. The medium-term strategy details the council's proposals for managing its finances and also the principles and assumptions used in preparing the Revenue budgets.

Following on from this, an updated strategy for 2017-18 was approved by elected members on 6 July 2016, which updated the assumptions specifically for that year. The final budget position for the year 2017-18 was reported to members on 16 February 2017.

The council also has a longer-term strategy covering 2019-20 to 2025-26 which identifies issues likely to impact on the budget as we move into this period.

A new three year Capital Programme covering the three years from 2017-18 to 2019-20 was also approved by the council on 16 February 2017. This confirms the capital spending plans and funding for the three year period.

### 5.2. Revenue Budget 2017-18

The Resource has a Net Revenue Budget of £35.938 million for 2017-18. This reflects a transfer of £11.425 million from Housing and Technical Resources, following special committee approval. The table below allocates this budget across the services:

2017-18 NET Budget by Service		2017-18	
Detail		£ million	%
Finance and Audit Services		17.115	47.6
Information Technology Services		5.364	14.9
Administration, Legal and Licensing Services		5.599	15.6
Communications and Strategy		1.092	3.1
Personnel Services		6.768	18.8
<b>Total</b>		<b>35.938</b>	<b>100.0</b>

### 5.3. Capital Budget 2017-18

The following capital budget of £1.706 million is allocated to the Resource for 2017-18:

<b>Capital Programme 2017-18</b>	
<b>Project</b>	<b>£ million</b>
IT Infrastructure/Telephony and Productivity	1.026
New FMS Modules and Systems Development	0.030
Customer Contact Centre	0.180
Mobile Working	0.470
<b>Total</b>	<b>1.706</b>

### 5.4. Resource Employees

Finance and Corporate Resources has 1,101 employees as at the end of March 2017. We support these employees to deliver their duties through a range of policies including supervision, personal appraisal and a robust training framework.

We are committed to supporting our employees in undertaking their duties and provide a range of preventative and early intervention strategies to maximise attendance. We recognise the importance of work life balance in today's society and offer a number of family friendly and flexible working initiatives.

The number of employees by service is as follows:

<b>Service</b>	<b>Number of employees</b>
Finance and Audit Services (Note 1)	612
Information Technology Services	122
Administration, Legal and Licensing Services	118
Communications and Strategy	49
Personnel Services	200
<b>Total</b>	<b>1,101</b>

Note 1: The significant increase compared to last year's figure is as a result of the implementation of the Finance Review and specifically the transfer of Benefits and Revenues, Customer Services, Finance and Procurement staff from other Resources.

## Section Six – Action Plan

### 6.0. Resource actions for 2017-18

This Action Plan identifies the Resource objectives and associated actions for 2017-18. The Lead Officer responsible for each action and the related measures are identified. Connect objectives are listed in the order in which they appear in the Council Plan progress reports and the reference numbers link directly to the Connect next steps which are reported against the Council Plan at Quarter 2 and Quarter 4 each year.

Key to Links:	
ADM – All Directors Measure	LGBF– Local Government Benchmarking Framework
ASBS – Anti-social Behaviour Strategy	LTS – Local Transport Strategy
BDIP – Biodiversity Duty Implementation Plan	SDS – Sustainable Development Strategy
CMP – Carbon Management Plan	SOA – Single Outcome Agreement
Connect – The Council Plan Connect 2017-22	LSP – Local Scrutiny Plan
CSS – Community Safety Strategy	EQA – Equality Act 2010

Connect Objective: Work with communities and partners to promote high quality, thriving and sustainable communities			
Resource Objective: Lead Community Planning			
Action	Measures and timescales	Connect Reference / Links	Responsibility
1.Implement the provisions of the Community Empowerment Act	Progress work in relation to the council's response to the Community Empowerment (Scotland) Act 2015	Connect 6.5 SOA	Head of Comms and Strategy

<b>Connect Objective:</b> Work with communities and partners to promote high quality, thriving and sustainable communities			
<b>Resource Objective:</b> Facilitate communication and consultation on the council, its policies and its services			
<b>Action</b>	<b>Measures and timescales</b>	<b>Connect Reference / Links</b>	<b>Responsibility</b>
2.Use new technology to ensure that consultation and community engagement are carried out to a consistent standard	Record and report upon outcomes of consultation across the council on the consultation database	Connect 6.10	Head of Personnel Services
3.Promote awareness of the council, its policies, role and services	Ensure effective communications using all digital and print formats/channels		Head of Comms and Strategy

<b>Connect Objective:</b> Work with communities and partners to promote high quality, thriving and sustainable communities			
<b>Resource Objective:</b> Improve customer experience of council services			
<b>Action</b>	<b>Measures and timescales</b>	<b>Connect Reference / Links</b>	<b>Responsibility</b>
4.Ensure that the council's website facilitates effective communications between customers and the council	The council's website will be available to the public 98% of any given working day		Head of IT Services/Head of Comms and Strategy
	As more residents access the website through mobiles and tablets, review structure and edit content to meet users' needs and priorities, including regular user experience testing, surveys and focus groups with employees and members of the public		Head of Comms and Strategy
5.Support Continuous Improvement programmes to improve customer service delivery and ensure best use of resources	Assess existing and new customer insight/profiling methods which can be used to support service review and delivery		Head of Personnel Services
	Deliver and support service delivery improvement projects through, for example Lean		
	Customer consultation further tailored to ensure meets customer needs		Head of Admin and Legal Services
6.Help community organisations and partners communicate effectively and reduce costs	Improve access to the council's print services and communications services for other public sector and community organisations		Head of Comms and Strategy

<b>Connect Objective:</b> Work with communities and partners to promote high quality, thriving and sustainable communities			
<b>Resource Objective:</b> Other actions in support of this objective			
<b>Action</b>	<b>Measures and timescales</b>	<b>Connect Reference / Links</b>	<b>Responsibility</b>
7.Support the council's Sustainable Development Strategy	Promote sustainable travel by employees through the efficient use of fleet vehicles, greater use of public transport, car sharing, walking and cycling	SDS	Head of Personnel Services
8.Deliver a 10% reduction in vehicle emissions by March 2021 in accordance with the corporate carbon reduction target	Implement fuel efficiency measures to achieve a 4% reduction in vehicle emissions by March 2018 (relative to baseline year of 2014-15)	ADM SDS	Head of Personnel Services
9.Implement the Climate Change Duties Compliance Improvement Action Plan	Implement actions within the Climate Change Duties Compliance Improvement Action Plan within the agreed timescales	ADM SDS	Head of IT Services

<b>Delivering the Plan and achieving Best Value</b>			
<b>Resource Objective:</b> Provide sound financial stewardship for the council			
<b>Action</b>	<b>Measures and timescales</b>	<b>Connect Reference / Links</b>	<b>Responsibility</b>
10.Deliver a core Finance function that meets the requirements of the council and external stakeholders	Provide a core accountancy function to provide financial advice and support as required		Head of Finance Services (Strategy)
	Employees will be paid correctly and on time		Head of Finance Services (Transactions)
	The cost per dwelling of collecting Council Tax – Target £10.00	LGBF	
	Percentage of income due from Council Tax received by the end of the year – Target 97.125%	LGBF	
	Other Council Tax targets: - in year (incl water) 95.3%	Connect 12.1	
	Other Council Tax targets: - in year (excl water) 95.8%	Connect 12.1	
	Other Council Tax targets: - arrears collection target £3.25m		
	Non Domestic rates - achieve income target of 97.8%		
	Sundry debt – Target 98%		
	Factoring – Target 80.0%		
	Benefits Administration: - Average processing times for new claims. Target 21 days		
	Benefits Administration: - Change of circumstances - Target 9 days		
	Benefits Administration: - Accuracy of processing -Target 91.25%		

Delivering the Plan and achieving Best Value			
Resource Objective: Provide sound financial stewardship for the council			
Action	Measures and timescales	Connect Reference / Links	Responsibility
	Benefits Administration: - Gross admin cost per Housing Benefit/Council Tax Reduction (HB/CTR) case - Target £26		
	Creditors are paid correctly and on time in accordance with standing orders and contractual terms: Percentage of invoices sampled that were paid within 30 days – Target 85%	Connect 12.1 LGBF	
	All responsibilities in relation to VAT, PAYE and other excises are declared and paid within agreed timetable		
	Deliver Treasury Management function as regulated by statute and Codes of Practice to provide committee with quarterly updates on treasury activity. This includes the Annual Activity report to be completed by September		
	Support Services as a percentage of total gross expenditure	LGBF	Head of Finance Services (Strategy)
	Participate in financial monitoring and stewardship of the Integrated Health and Social Care Joint Board		
	Participate in financial monitoring and stewardship of Glasgow City Region City Deal Project	Connect 12.1	
11.Effectively Implement Changes to Teachers pay and leave conditions	Implement the required changes to the payroll system by December		Head of Finance Services (Transactions)/ Head of Personnel Services
12.Control Capital and Revenue budgets, including trading accounts and Housing Revenue Account	Ensure effective management of all Resource budgets and business plans to achieve agreed financial targets		Head of Finance Services (Strategy)
13.Prepare Annual Report and Accounts	Accounts for the council and all related/ supported bodies including the Integrated Health and Social Care Joint Board, Valuation Board and related charities completed by 30 June and receipt of clear audit certificate by 30 September	Connect 12.1	Head of Finance Services (Strategy)
14.Prepare and set Revenue Budget and declare Council Tax by statutory date. Ensure link with budget and service	Declare Council Tax and obtain council approval of budget by February		Head of Finance Services (Strategy)

Delivering the Plan and achieving Best Value			
Resource Objective: Provide sound financial stewardship for the council			
Action	Measures and timescales	Connect Reference / Links	Responsibility
planning			
15. support the delivery of Early Years 1,140 hours national priority implementation August 2020	Contribute to the Early Years 1,140 hours strategic review group in Education and support Education Resources on the financial implications of the new Government's priority		Head of Finance Services (Strategy)
16.Ensure council commitment to maintaining teacher numbers and pupil teacher ratio for September 2017 census	Maintain teacher numbers at the annual census in order to meet council commitment and maintain funding streams	Connect 10.0	Head of Finance Services (Strategy)/ Head of Personnel Services
17.Lead on the financial management implication of Pupil Equity Funding 2017-18	Issue financial guidance to support financial management arrangements and control and governance requirements of Pupil Equity Funding		Head of Finance Services (Strategy)
18.Provision of financial services support including year end accounts and revenue monitoring to external organisations	Complete successful year end process for external organisations and provision of financial services to partner organisations including monthly, quarterly and year end management and financial statements	Connect 12.10	Head of Finance Services (Strategy)

Delivering the Plan and achieving Best Value			
Resource Objective: Deliver and communicate the Council Plan and ensure high standards of governance			
Action	Measures and timescales	Connect Reference / Links	Responsibility
19.Deliver the objectives of the Council Plan Connect	Deliver annual Resource Plan and review suite of measures for coverage and relevance (Resource)	ADM	Head of Comms and Strategy
	Deliver annual Resource Plan and review suite of measures for coverage and relevance (council-wide)	Connect 12.2	
20.Communicate our vision, values and policies	Continue to promote key strategic plans and strategies	Connect 12.2	Head of Comms and Strategy
21.Ensure that high standards of governance are	Develop and deliver the annual council Governance Statement by due date (council-wide)		Head of Admin and Legal Services



Delivering the Plan and achieving Best Value			
Resource Objective: Deliver and communicate the Council Plan and ensure high standards of governance			
Action	Measures and timescales	Connect Reference / Links	Responsibility
being exercised	Complete Resource Governance self assessment by due date and develop actions to address non-compliant areas (Resource)	ADM	Head of Finance Services (Transactions)
	Deliver annual risk management work plan including review of risk registers	Connect 12.10	
	80% of risk control actions completed by due date (council-wide)	Connect 12.10	
	80% of risk control actions completed by due date (Resource)	ADM	
	Review of the council's top risks to be completed		
22.Support and facilitate open and transparent governance and decision making arrangements	Feedback from 'end of council term' consultation to be considered as part of the arrangements for the new council		Head of Admin and Legal Services
	Review committee administration procedural arrangements following the roll-out of tablet devices and work towards implementation of Phase 2 of the project		
23.Promote high standards of Information Governance	Take forward a programme of improvement actions in support of the Information Strategy, Records Management Plan and Internal Audit Plan		Head of Admin and Legal Services
	Continue to develop South Lanarkshire Council's Records Management Plan following the Keeper's Assessment		
	Continue to strengthen the good information governance culture in the council through the continued programme of communication to promote the themes of the Information Strategy, Information Security and Records Management Plan		
	Support the continued learning and development of our employees in the area of information governance		
	Information governance self assessment audit checklist to be completed annually and all relevant actions to be implemented (Resource)	ADM	
	Information governance self assessment audit checklist to be completed annually and all relevant actions to be implemented (council-wide)	Connect 12.2	
24.Provide an effective grant claims	Grant claims are ready for submission in line with Scottish Government time-scales		Audit and Compliance

Delivering the Plan and achieving Best Value			
Resource Objective: Deliver and communicate the Council Plan and ensure high standards of governance			
Action	Measures and timescales	Connect Reference / Links	Responsibility
management service	Percentage error rate of claims submitted to be no greater than 2% (European Union materiality threshold)		Manager
25. Provide assurance that Internal Audit delivers an independent and objective opinion to the council	Evidence compliance with Public Service Internal Audit Standards (PSIAS) through completion of an external assessment of audit practices against this Standard	Connect 12.8	Audit and Compliance Manager
26. Deliver an effective internal audit service	Completion of Audit Plan and issue of draft reports by 30 April		Audit and Compliance Manager
	Audit and Compliance Manager to meet Resources on a six monthly basis		
	Prepare a Statement of Assurance by 30 May	Connect 12.2	
	90% of audit actions completed by due date (council-wide)	Connect 12.2	
	90% of audit actions completed by due date (Resource)	ADM	
27. Compliance with statutory response timescales for information in terms of FOISA, EI(S)Rs and for subject access requests under the DPA  Note: results should be considered in the context of the number of requests received	90% of Freedom of Information (FOISA) requests to be processed within the 20 working day period (Resource)	ADM	Head of Admin and Legal Services
	90% of Freedom of Information (FOISA) requests to be processed within the 20 working day period (council-wide)	Connect 12.2	
	90% of Environmental Information (Scotland) Regulations EI(S)R requests to be processed within the 20 working day period unless extended to 40 working days in exceptional circumstances (Resource)	ADM	
	90% of Environmental Information (Scotland) Regulations EI(S)R requests to be processed within the 20 working day period unless extended to 40 working days in exceptional circumstances (council-wide)		
	90% of Data Protection Act (DPA) requests to be processed within 40 calendar days (Resource)	ADM	
	90% of Data Protection Act (DPA) requests to be processed within 40 calendar days (council-wide)		
	Assist the council in relation to preparations for the implementation of the General Data Protection Regulation on 25 May 2018. Including the provision of legal advice and supporting guidance on behalf of the Information Governance Board (IGB). Provide general support to the IGB in its administration. Monitor progress and provide quarterly updates to the Corporate Management Team		

Delivering the Plan and achieving Best Value			
Resource Objective: Support local democracy, council committees, elected members and senior managers			
Action	Measures and timescales	Connect Reference / Links	Responsibility
28. Provide support to elected members	Deliver an ongoing learning and development programme for elected members throughout the year	Connect 12.3	Head of Admin and Legal Services
	Provide ongoing IT support to elected members, particularly in relation to the roll out of the tablet devices	Connect 12.7	
29. Administer the council's Committees, Forums and Joint Boards effectively	100% agendas issued to meet statutory requirement of three clear days		Head of Admin and Legal Services
	Continue co-ordination of the decision-making timetable for the period of the council		
	Provide support to the four Divisional Licensing Boards		
30. Provide support to Chief Executive in relation to correspondence, enquiries, consultations and complaints	Achieve 85% of substantive responses within 10 days of receipt		Head of Admin and Legal Services
31. Support the democratic functions of the council	Manage election and referendum processes as required and in accordance with the requirements of the Electoral Commission	Connect 12.3	Head of Admin and Legal Services
	Encourage local democracy through support for Community Councils		
	Continue development of the Election Management System		
	Cost of Democratic Core per 1,000 Population	LGBF	

Delivering the Plan and achieving Best Value			
Resource Objective: Deliver professional legal services			
Action	Measures and timescales	Connect Reference / Links	Responsibility
32.Ensure that Licensing and Registration Services are provided professionally and promptly	Civic Government licensing processing target – 85% within service targets		Head of Admin and Legal Services
	Statutory Civic Government (Scotland) Act 1982 statutory timescales - 100% within service targets		
	Liquor licensing processing target - 85% within service targets		
	Registration processing target - 90% within service targets		
	Nationality and Settlement Checking Service processing target - 90% within service targets		
	Citizenship processing target - 90% within service targets		
	Complaints processing target - 85% within service targets		
33.Ensure that professional legal advice is provided in respect of the council's daily business	Legal Services will provide professional and appropriate advice		Head of Admin and Legal Services
	The Licensing and Registration Section will provide professional and appropriate advice		
	Legal services will meet the target of 7,750 chargeable hours per quarter in respect of legal services provided, including: contract law, procurement, conveyancing, tribunal hearings, court actions and legal advice		
	Legal services will report quarterly on the number of cases opened and closed in the year to date		

Delivering the Plan and achieving Best Value			
Resource Objective: Promote equality and the wellbeing of staff			
Action	Measures and timescales	Connect Reference / Links	Responsibility
34.Ensure that the council meets its obligations under Health and Safety legislation	Ensure that Resource Health and Safety documented management arrangements reflect the requirements of the Occupational Health and Safety Management System		Head of Personnel Services
	Completion of the Resource Action Plan to improve safety performance		
	% of audit actions completed		
	Number of accidents per 1,000 employees (council-wide)	Connect 12.9	
	Consideration of the findings of the Glasgow Bin Lorry Fatal Accident Inquiry and implementation of improvement actions where deemed appropriate		
35.Ensure the council effectively promotes and provides access to well being supports.	Seek opportunities to promote and effectively communicate wellbeing information and activities to our employees		Head of Personnel Services
36.Raise awareness of equality obligations throughout the council	Use equalities monitoring information to identify areas where employee diversity could be targeted to reflect community make-up	Connect 12.5 EQA	Head of Personnel Services
	Equalities training will be provided to employees and elected members via a combination of e-learning and one to one training	EQA	
37.Develop and implement council wide equality performance measures and publish results in accordance with Public Sector Equalities Duties (PSED)	Use equality data and equality impact assessments to ensure services are meeting the needs of all parts of the community. Where appropriate implement a programme of communication and events to raise awareness of the council's obligations and progress under PSED and publish on the intranet and website	Connect 12.5 EQA	Head of Personnel Services
	Provide annual report to Equal Opportunities Forum on uptake of service, based on the agreed equality outcomes (Resource)	ADM EQA	
	Provide annual report to Equal Opportunities Forum on uptake of service, based on the agreed equality outcomes (council-wide)	Connect 12.5 EQA	
	Number of policies recommended, not recommended, or piloted as a result of Equality Impact Assessments undertaken for all relevant policies, strategies and procedures (Resource)	ADM EQA	

Delivering the Plan and achieving Best Value			
Resource Objective: Promote equality and the wellbeing of staff			
Action	Measures and timescales	Connect Reference / Links	Responsibility
	Number of policies recommended, not recommended, or piloted as a result of Equality Impact Assessments undertaken for all relevant policies, strategies and procedures (council-wide)	EQA	
	The % of the highest paid 5% employees who are women	Connect 12.5 LGBF EQA	
	The gender pay gap between average hourly rate of pay for male and female council employees	Connect 12.5 LGBF	
38.Ensure equality in pay, linked to protected characteristics in line with duties	Monitor, review and revise the equal pay action on an ongoing basis	EQA	Head of Personnel Services

Delivering the Plan and achieving Best Value			
Resource Objective: Develop and implement effective Financial Strategies			
Action	Measures and timescales	Connect Reference / Links	Responsibility
39.Prepare and implement appropriate financial strategies taking account of economic conditions and local government settlements	Complete the update of 2018-19 financial strategy by summer 2017	Connect 12.6 Financial Strategy	Head of Finance Services (Strategy)
	Ensure ongoing effective communication and consultation on financial issues with elected members and Executive Directors		
	Manage the implementation of Welfare Reform throughout the council, including leading the council's Welfare Reform Monitoring Group	Connect 12.6	Head of Finance Services (Transactions)
40.Develop a Treasury Management Strategy to minimise risk and support the overall Financial Strategy for the council	Prepare the Annual Treasury Management and Investment Strategies and Prudential indicators by February and report on achievement by September	Treasury Management Investment Strategies	Head of Finance Services (Strategy)
41.Deliver effective operation of service functions within budget	Ensure revenue and capital expenditure is within budget		All Heads of Service
42.Implement the Procurement Strategy Action Plan	Complete actions in action plan within the agreed timescales	SDS	Head of Finance Services (Transactions)

Delivering the Plan and achieving Best Value			
Resource Objective: Implement a Digital and ICT Strategy that meets business needs			
Action	Measures and timescales	Connect Reference / Links	Responsibility
43.Deliver the core business of IT Services to support council Resources	Critical Business Systems will be available to council Resources for 98% of core business time		Head of IT Services
	95% of Help Desk calls will be achieved within Service Level Agreement (SLA) targets		
	95% of IT Hardware and Software installations will be achieved within SLA targets		
44.Communicate our vision, values and policies	IT Services will, in consultation with the council's ICT Programme Board, regularly report progress on the council's Corporate Management Team (CMT) themes in respect of IT priorities	Connect 12.7	Head of IT Services
	IT Services will maintain 95% of current ICT projects at green/complete at any given point in the service planning year		
	IT projects delivered to support the CMT priority theme of Mobile Working will include implementation of the mobile working solution for Roads service		
	IT project delivered to support the CMT theme of Customer Contact and Transactional Working will include implementation of MyAccount functionality for citizen authentication to access on-line council services		
	IT project delivered to support the CMT theme of Health and Social Care Integration will include implementation of effective collaboration solutions between the council and NHS Lanarkshire		
45.Manage and deliver effective IT Security	Security policies and frameworks will be maintained to current national and international standards including accreditation to the Public Sector Network (PSN)		Head of IT Services
	Security policies in respect of employee use of IT assets will be current and well communicated		
	Appropriate technical and software measures will be in place at all times to minimise the risk of IT asset loss due to malware or infrastructure attacks		
	Formal business continuity plans and processes are in place for the council's business critical information systems		

Delivering the Plan and achieving Best Value			
Resource Objective: Implement a Digital and ICT Strategy that meets business needs			
Action	Measures and timescales	Connect Reference / Links	Responsibility
	95% of scheduled backups will be successfully completed within the agreed service levels		
46.Manage and deliver sustainable IT Services	IT Contracts and Services will include compliance with, or exceed, National and European legislation in respect of acquisition and disposal of IT assets		Head of IT Services
	IT Services will implement the actions from the council's Carbon Reduction Plan as they apply to IT Services		
47.Contribute to National Programmes on Shared Services	The council's Data Centre at CAIRD will continue to be offered as a shared service to the Scottish Public Sector and beyond		Head of IT Services
	IT Services will engage with the Scottish Local Government Digital Transformation Board to identify opportunities for shared technology and projects where appropriate		



<b>Delivering the Plan and achieving Best Value</b>			
<b>Resource Objective:</b> Develop improvement activity and promote scrutiny			
<b>Action</b>	<b>Measures and timescales</b>	<b>Connect Reference / Links</b>	<b>Responsibility</b>
48.Implement effective Best Value management arrangements to ensure continuous improvement and efficient and effective service delivery	Lead, facilitate and contribute to best practice, self evaluation and improvement activity across the council and with other agencies		Head of Comms and Strategy
	Engage in self evaluation activity and take forward any improvement actions (Resource)	ADM	
	Engage in self evaluation activity and take forward any improvement actions (council wide)	Connect 12.8	
	Ensure that the planned scrutiny activity arising from the Local Scrutiny Plan based on the shared risk assessment process is addressed	Connect 12.8	
	Use the results of benchmarking activity (including Local Government Benchmarking Framework) to inform and improve service delivery (Resource)	LGBF ADM	
	Use the results of benchmarking activity (including Local Government Benchmarking Framework) to inform and improve service delivery (council-wide)	Connect 12.8	
	Lead the council's approach to benchmarking based on Local Government Benchmarking Framework Family Group activity, case studies and other benchmarking activity	LGBF	
49.Lead on compliance with the national complaints handling procedures as determined by the Scottish Public Services Ombudsman (SPSO)	Maintain awareness of the process and learning from complaints through quarterly and annual reporting	Connect 12.10	Head of Personnel Services
50.Deliver the reporting framework for the new Council Plan through IMPROVe	Deliver Quarter 2 and Quarter 4 Connect progress reports to the CMT and Executive Committee via IMPROVe	Connect 12.2	Head of Comms and Strategy
51.Review the council's approach to performance management on an ongoing basis	Continue to appraise the council's approach to Public Performance Reporting (PPR) taking account of Audit Scotland's Direction	Connect 12.2	Head of Comms and Strategy

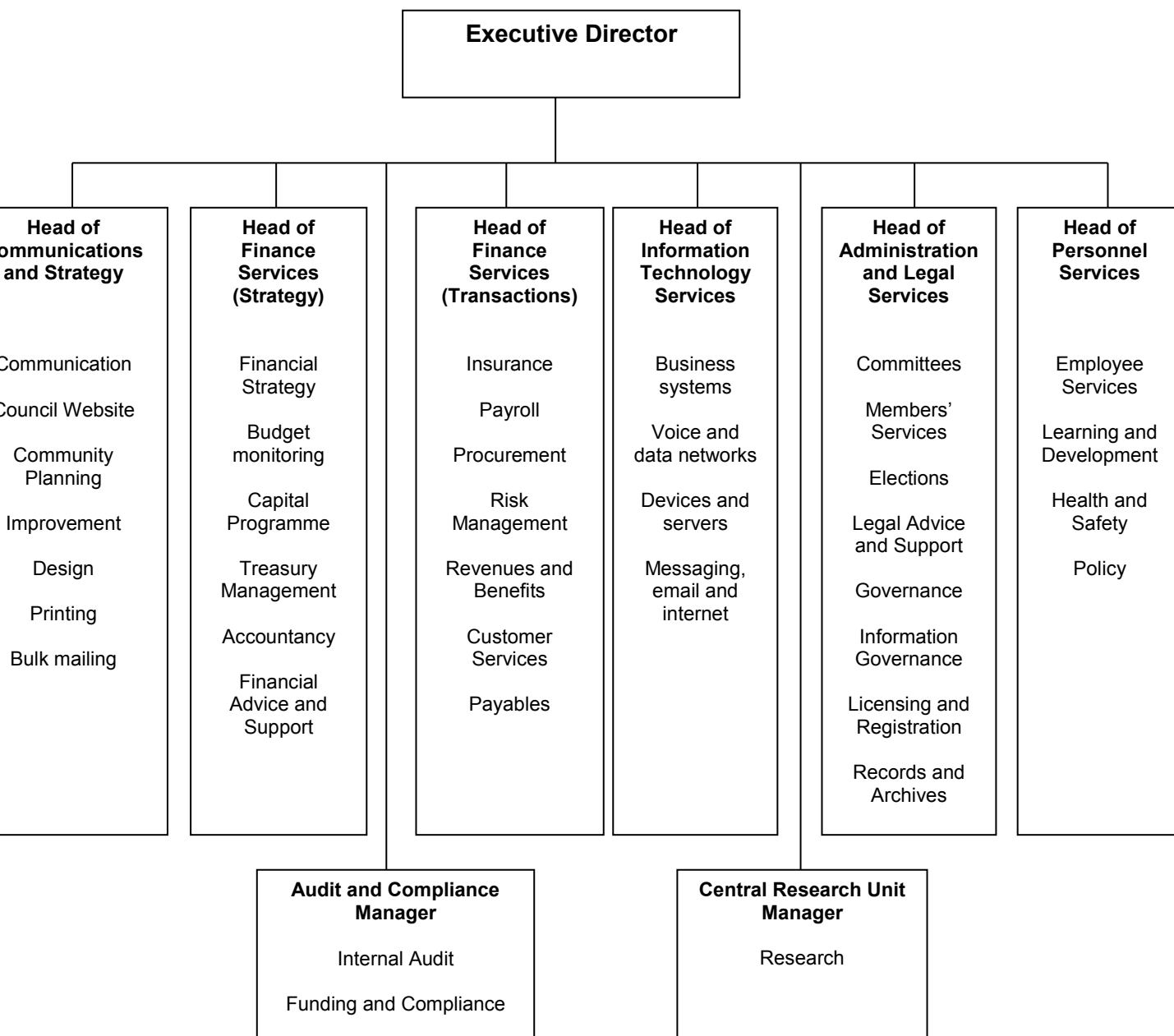
Delivering the Plan and achieving Best Value			
Resource Objective: Develop improvement activity and promote scrutiny			
Action	Measures and timescales	Connect Reference / Links	Responsibility
52.Promote the council's approach to employee performance management through Performance Appraisals	Communicate and roll out the revised Performance Appraisal and behaviours framework		Head of Personnel Services
53.Implement Efficient Government Policy and Action Plan	Prepare an annual Efficient Government Statement by due date showing levels of efficiencies achieved	Connect 12.2	Head of Finance Services (Strategy)

Delivering the Plan and achieving Best Value			
Resource Objective: Improve the skills, flexibility and capacity of the workforce			
Action	Measures and timescales	Connect Reference / Links	Responsibility
54.Ensure our commitment to employees through the development and implementation of personnel policies and employee learning and development (L&D) opportunities	Design, co-ordinate and monitor the delivery of council wide Learning and Development Plans in partnership with the Learning and Development Boards		Head of Personnel Services
	Co-ordinate and monitor the delivery of core L&D activities identified via the Resource Health and Safety Matrices	Connect 12.9	
	Increase the level of channel shift from classroom based L&D activities to e-learning		
	Increase in-house delivery of L&D classroom based activities previously delivered by external provision		
	The council's labour turnover rate will be contained at 5% or less (council-wide)	Connect 12.9	
	Resource labour turnover rate to be contained at 5% or less (Resource)	ADM	
	Sickness absence days per teacher	Connect 12.9 LGBF	
	Sickness absence days per employee (non teacher)	Connect 12.9 LGBF	
	100% coverage of Performance Appraisals (PAs) of employees in scope (Resource)	ADM	
	100% coverage of PAs of employees in scope (council-wide)	Connect 12.9	
	Continued accreditation of Investors in People	Connect 12.9	
55.Implement the council workforce strategy toolkit and	Complete review of workforce plan and develop actions to respond to workforce changes and meet future needs (Resource)	ADM	Head of Personnel Services

Delivering the Plan and achieving Best Value			
Resource Objective: Improve the skills, flexibility and capacity of the workforce			
Action	Measures and timescales	Connect Reference / Links	Responsibility
continue the cyclical reporting framework	Complete review of workforce plan and develop actions to respond to workforce changes and meet future needs (council-wide)	Connect 12.9	
56.Implement an effective programme of Modern Apprenticeships	All council apprentices will achieve certification to at least SVQ level 2 (Target 100%)	Connect 12.9	Head of Personnel Services

Delivering the Plan and achieving Best Value			
Resource Objective: Other actions in support of delivering the Plan and achieving Best Value			
Action	Measures and timescales	Connect Reference / Links	Responsibility
57.Develop and implement a professional and effective Corporate Communications Service	Deliver and manage internal and external communications		Head of Comms and Strategy
58.Provide an effective research and intelligence service to support council decision-making by the council and its partners	Develop dashboards and other tools to provide intelligence at the South Lanarkshire level and for areas underneath it to aid decision-making and resource allocation		Executive Director of Finance and Corporate Resources
	Provide support as required to Joint Strategic Needs and Opportunity Assessments and other investigative exercises involving the council		
	Provide briefings, reports and analysis as required on social, economic and demographic circumstances, issues and trends – and on policy issues - that may impact on the council, its communities and services		
59.Administer grants effectively in line with following the public pound	Continue to audit 100% of community grants allocated through Area Committees		Head of Admin and Legal Services
	Allocate and distribute annual grants to community councils		
60.Streamline application process for Checking Service/route test applicants	Implementation of online booking system to improve online licensing facility for users		Head of Admin and Legal Services

## Finance and Corporate Resources Organisational Structure



## Additional Performance Information

## Achievements/Progress against actions and measures 2016-17

<b>Council Objective: Strengthen partnership working, community leadership and engagement</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Lead Community Planning	South Lanarkshire Partnership Board undertook a self-assessment in terms of their readiness for the Community Empowerment (Scotland) Act 2015.
Facilitate communication and consultation on the council, its policies and its services	The council undertook a consultation process with tenants groups, the Tenant Participation Co-ordination Group and the Housing Budget Scrutiny Panel on the Housing Revenue Account budget proposals including investment priorities, rent rise options and savings proposals.
	1,017 press enquiries were effectively responded to during 2016-17.
	Graphics team won 'Best Illustration' award for Calderglen animal banners and 'Best Design for Print' award for City Deal brochure.
Improve customer experience of council services	Council website continues to meet 98% availability to the general public.
	The council's Caird Datacentre continues to be offered as a shared service to the Scottish public sector.
	Online booking system has increased use of emails and texts, showing that there is an increased shift towards residents and customers acceptance of online applications.

<b>Council Objective: Provide vision and strategic direction</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Effectively develop and communicate our vision, values and policies	All Resource Plans for 2016-17 were produced on a consistent basis and in line with the corporate Guidance. They were all completed, approved by Committee and uploaded onto the council's website by the end of August 2016.
	<p>We have published</p> <ul style="list-style-type: none"> <li>•The Reporter 2017- delivered to all 148,000 households in South Lanarkshire.</li> <li>•Four editions of the South Lanarkshire View (insert in local newspapers circulating in Hamilton, East Kilbride, Rutherglen and Cambuslang, Lanark and Carluke)</li> <li>•two 12-page editions of Sheltered Housing News and two editions of Housing News for council tenants.</li> </ul>
Provide support to the council's committees, elected members and senior managers	Minutes of committees and forums have been signed off prior to inclusion in the Minute Volumes.
	Initial key issues in terms of the action plan (critical path) for setting up the new council have been progressed including a members' consultation and a review of all procedural documentation. Progress is reported to the Corporate Management Team as appropriate.
Ensure that the requirements of the Equality Act 2010 are met	Successful migration from 'double tick' to 'Disability Confident' employer – actively seeking skilled disabled people and positively affecting attitude, behaviours and cultures at work and in the communities

	The programme of Public Sector Equalities Duties (PSED) awareness raising continues. This has included the delivery of a 'speed networking' in partnership with the Trades Union and the Employee Support team to raise awareness of mental health equality issues.
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<b>Council Objective: Promote performance management and improvement</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Develop improvement activity within the council	Phased introduction of a new performance appraisal system across the council will support ongoing performance management and meaningful dialogue between managers and employees.
	The new risk, evidence-based model for self assessment and improvement activity was progressed and completed with improvement actions being taken forward by services, as appropriate.
	Local Government Benchmarking Framework (LGBF) draft results received and initial analysis of results undertaken and reported to CMT, Executive Committee and published on the council's website.
Promote internal challenge and scrutiny through effective performance management	Accounts Payable - 94.5% of all invoices received paid within statutory/performance indicator timescales.
	All public performance reporting requirements under Audit Scotland's Direction were completed by the statutory deadline of 31 March 2017.

<b>Council Objective: Embed governance and accountability</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Provide sound financial stewardship for the council	We support the continued delivery and implementation of Early Years 600 hours and 2 year olds implementation from August 2015 and 1,140 hours national priority implementation August 2020. Planning towards this aim continues
	The council's budget was set on 16 February 2017 in line with statutory timescales.
	Ensure council commitment to maintaining teacher numbers and pupil teacher ratio for September 2017 staff census.
	Provide financial support and guidance to the schools modernisation programme
	The 2015-16 Statement of Assurance was prepared by the deadline of 30 May 2016. It was then presented to the Review and Audit Scrutiny Forum (30 August 2016) and the Executive Committee (5 October 2016).
	A review of the membership of the council's Good Governance Group was completed and the annual Governance Self-Assessment process review was completed in light of the new national guidance.
	Non Domestic rates arrears target of £2.7 million was exceeded by 29% - collection totalled £3.48 million.
Deliver professional legal services	Continuing to provide financial support to Resources' operational developments including delivery of Early Year expansion, maintaining teacher number ratios and housing business planning.
Ensure high standards of governance	The monitoring, management and closure of the successful £8.9 million Community Planning Partnership (CPP) ESF European Programme which supported 3,877 local residents to raise their

<b>Council Objective: Embed governance and accountability</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
	employability with destinations including further education, training or employment.
	Full insurance programme review undertaken including placement of insurance broker contract. Total cost reduction of £223,000 achieved.
	A review of council top risks was undertaken and reported to various forums.
	Integration of Health and Social Care risk register updated following strategic risk workshop.
	Council achieved the 'Engaged' award certificate through Carer Positive (Scotland).
	Regular editorial advice columns under the heading Healthy Working Lives appear in The Works magazine in print and on the Intranet – promoting health and well being in the workplace.
	94.7% of 2016-17 Audit Plan completed by deadline of 30 April 2017 – 89 out of 94 actions.
	100% of internal audit actions delivered on time – 18 out of 18.

<b>Council Objective: Achieve efficient and effective use of resources</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
Develop and implement an effective Financial Strategy	An updated financial strategy for 2017-18 was approved by elected members on 6 July 2016. The final budget position for the year 2017-18 was reported to members on 16 February 2017.
	Maintained Construction Industry Scheme, and VAT self assessment, ensuring all HMRC deadlines were met, to ensure the council is not penalised for late returns
Develop and deliver an effective Procurement Strategy	The Procurement Action Plan 2016-17 is progressing well with all actions being completed within timescale. Development of the Action Plan 2017-20 is underway and programmed to be presented to committee in February 2017.
Develop and Implement an Information Technology Strategy that meets business needs	SWISplus access has been successfully completed at Hairmyres Hospital. Rollout to Wishaw and Monklands Hospitals to follow.
	Upgraded Windows environment to support partnership working.
	Refreshed ageing IT systems to maintain high levels of availability and performance.
	Upgraded Council internet connection
	Upgraded Customer Contact Centre systems to provide improved functionality
	Rolled out Wi-Fi solution to Almada Street and Montrose Crescent buildings to support mobile working and partnership working
	Renewed phone systems across multiple sites including Pollock Avenue, High Patrick Street and South Vennel.
	Refreshed Air-Conditioning Units at Caird data centre leading to a 14% reduction in power consumption within the building.
	Core IT services delivered to meet needs of council Resources: <ul style="list-style-type: none"> <li>•Critical Business Systems available to council Resources for over 99% of core business time</li> <li>•99% of Help desk calls achieved within Service Level</li> </ul>



<b>Council Objective: Achieve efficient and effective use of resources</b>	
<b>Resource Objective:</b>	<b>Achievement</b>
	Agreement (SLA) targets •99% of IT Hardware and Software installations achieved within SLA target
	Successfully delivered programme of projects to support Mobile Working, Customer Contact/Transactional Working, and to refresh Electronic Document and Records Management System
	Achieved PSN security re-certification from UK cabinet office
	Centralisation of all Civic Government (Scotland) Act 1982 licensing at council headquarters, Hamilton.
Improve the skills, flexibility and capacity of the workforce	Phased introduction of a new performance appraisal system across the council will support ongoing performance management and meaningful dialogue between managers and employees. The development of council wide and resource specific workforce plans allows managers to forecast the future skills and numbers of employees needed to meet the objectives of the council as set out in Connect.
	Resource workforce plans were complete and a draft overall plan presented to CMT on 27 October 2016.
Other actions in support of the objective: Achieve efficient and effective use of resources	Achieved the Cycle Friendly Employer Awards during 2016-17 at various SLC locations
	The Print centre reduced spend on outsourced print jobs from £515,000 to £217,000.

Additional performance information is also available in sections 2.1. and 4.2. of this Resource Plan.



# Report

**10**

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Revenue Collection and Approval for Write Offs**

## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ advise Committee of Revenue Collection performance for financial year 2017/2018 to date
- ◆ advise Committee of performance in the Business Rates Incentivisation Scheme (BRIS) to date
- ◆ seek approval for write offs

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

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

- (1) that performance in the collection of revenue be noted;  
 (2) that performance against the BRIS target be noted; and  
 (3) that write offs for the following be approved:-
- |                                       |             |
|---------------------------------------|-------------|
| ◆ Council Tax                         | £358,474.60 |
| ◆ Non Domestic Rates                  | £549,885.79 |
| ◆ BID Levy                            | £3,897.91   |
| ◆ Sundry Debt                         | £266,086.15 |
| ◆ Housing Rent and associated charges | £61,570.11  |

## **3. Background**

3.1. Responsibility for the collection of Council Tax, Non Domestic Rates (NDR) and Sundry Debt is the responsibility of Finance and Corporate Resources. This report and attached appendix provide information on collection performance and proposals for write off.

## **4. Current Collection Performance**

- 4.1. The first table in Appendix 1 presents the collection performance for Council Tax, NDR and Sundry Debts for financial year 2017/2018 to 31 December 2017.
- 4.2. The annual Council Tax collection target for 2017/2018 has been set at 95.3%. Council Tax collection is currently 87.5%, ahead of target by £0.059m (0.05%) and ahead of comparable performance in 2016/2017 by 0.07%.
- 4.3. A Non Domestic Rates (NDR) collection target of 97.8% has been set for 2017/2018. NDR collection is currently 71.0%, ahead of target by £0.515m (0.2%) and ahead of comparable performance in 2016/2017 by 0.5%, due to cash flow variances.

- 4.4. The 2017/2018 annual target for Sundry Debt collection has been set at 98%. Sundry Debt collection is currently 97.7%, below target by £0.280m (0.3%).

## **5. Arrears Collection Performance**

- 5.1. Arrears collection performance for Council Tax, NDR and Sundry Debt is presented in the second table of Appendix 1.
- 5.2. The 2017/2018 arrears annual target for Council Tax has been set at £3.25m, with collection of £3.223m, ahead of target by £0.298m (9.1%).
- 5.3. The 2017/2018 arrears target for NDR has been set at £2.8m, with collection of £2.868m, ahead of target by £0.128m (4.6%).
- 5.4. The 2017/2018 arrears target for Sundry Debt has been set at £9.948m, with collection of £7.358m, below target by £0.053m (0.5%).

## **6. Business Rates Incentivisation Scheme**

- 6.1. The Business Rates Incentivisation Scheme (BRIS) is a Scottish Government initiative to incentivise growth of the local business tax base, with a view to increasing Non Domestic Rates (NDR) income yields.
- 6.2. The Scottish Government sets annual targets for growth (buoyancy) and councils who achieve their target retain 50% of the additional income generated.
- 6.3. The provisional annual buoyancy target for South Lanarkshire Council in 2017/2018 has been set by Scottish Government at 1.7%. This is a measure of the increase in the total rateable value of the non domestic properties on the Valuation Roll (excluding public undertakings).
- 6.4. Performance against the BRIS target is reported to Committee on a quarterly basis. Buoyancy for the third quarter, to the end of December 2017, was +0.10%.
- 6.5. The tax base must achieve growth of 1.6% during the remaining quarter of the financial year to secure additional income under the scheme.

## **7. Proposals for Write Off**

- 7.1. Approval for write off of the following irrecoverable debts is requested from Committee. The Council has a statutory obligation to write off accounts where the debtor is deceased, sequestrated, in liquidation or the debt is prescribed.
- 7.2. The proposed write off of Council Tax accounts dating from 1993/1994 to 2017/2018 totals £358,474.60, relating mainly to prescribed debt, sequestrations and estates of the deceased.
- 7.3. The value of accounts currently marked for write off in the Non Domestic Rates system from rating years 2015/2016 to 2017/2018 totals £549,885.79. These debts are deemed to be irrecoverable because the debtor is in liquidation, has ceased trading or has been sequestrated.
- 7.4. Approval is sought for the write off of Business Improvement District (BID) Levies totalling £3,897.91, administered by the Council on behalf of the Hamilton and Carluke BID companies. There is no financial impact on the Council for these write-offs.

- 7.5. Following consultation and agreement with Resources, the proposed write off of Sundry Debt totals £266,086.15.
- 7.6. Approval is sought for the write off of former tenant rent arrears of £50,297.13, factoring arrears of £3,108.67 and Housing Benefit Overpayments of £8,164.31.
- 7.7. A full list of all debts proposed for write off is held by the Executive Director (Finance and Corporate Resources).
- 8. Employee Implications**
- 8.1. None.
- 9. Financial Implications**
- 9.1. Provision has been made for the financial impact of all write offs.
- 10. Other Implications**
- 10.1. The main risk associated with the Council's revenue collection is a failure to monitor collection rates and take effective corrective action where required, resulting in a significant reduction in collection performance and Council funding. The risk is managed through monthly performance reporting and review of performance at monthly Senior Management Meetings.
- 10.2. There are no implications for sustainability in terms of the information contained within this report.
- 11. Equalities Impact Assessment and Consultation Arrangements**
- 11.1. There is no requirement to carry out an impact assessment in terms of the proposals within this report.
- 11.2. There is no requirement to undertake any consultation in relation to the content of this report.

**Paul Manning**  
**Executive Director (Finance and Corporate Resources)**

12 January 2018

**Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, effective, efficient and transparent
- ◆ Ambitious, self aware and improving

**Previous References**

- ◆ Finance and Corporate Resources Committee - 15 November 2017

**List of Background Papers**

- ◆ System Reports from Council Tax, Non Domestic Rates, Sundry Debt and Academy Housing

**Contact for Further Information**

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

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**SOUTH LANARKSHIRE COUNCIL**  
**REVENUES COLLECTION**  
**FOR PERIOD ENDING 31 DECEMBER 2017**

	<b>Annual Cash Budget £000's</b>	<b>Budget Target to 31/12/17 £000's</b>	<b>Actual to 31/12/17 £000's</b>	<b>Variance to 31/12/17 £000's</b>		<b>% Variance to annual budget</b>	<b>Notes</b>
<b>FINANCIAL YEAR 2017/2018</b>							
Council Tax	120,290	110,294	110,353	59	over	0.05%	
Non Domestic Rates	319,277	231,133	231,648	515	over	0.2%	
Sundry Debt	107,459	107,459	107,179	(280)	under	-0.3%	
<b>ARREARS</b>							
Council Tax	3,250	2,925	3,223	298	over	9.1%	
Non Domestic Rates	2,800	2,740	2,868	128	over	4.6%	
Sundry Debt	9,948	7,411	7,358	(53)	under	-0.5%	



# Report

**11**

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Update of the Finance and Corporate Resources Risk Register and Risk Control Plan**

## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ provide an update on the Risk Register and Risk Control actions for Finance and Corporate Resources

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

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

- (1) that the contents of the Resource Risk Register be noted; and
- (2) that it be noted that the outstanding Risk Control Actions will be progressed by relevant officers.

## **3. Background**

- 3.1. The Council's Risk Management Strategy promotes consideration of risk in service delivery, planning and decision making processes. The Strategy requires Resources to record and review risks and control actions regularly. Finance and Corporate Resources follow the guidance in developing, monitoring and updating the Risk Register on an ongoing basis.
- 3.2. The purpose of the Register is to ensure that the Resource is fully aware of its top risks, that these risks are prioritised, and that controls are in place to eliminate or minimise the impact of the risks.
- 3.3. The Resource scores the risks in accordance with the Council scoring mechanism, based on likelihood and impact. This results in risks being scored between one and nine (low – high).
- 3.4. Risks are scored on their inherent score (risk if we do nothing) and their residual risk (risk after applying controls).
- 3.5. The last update of the Finance and Corporate Resources' Risk Register was reported to the Finance and Corporate Resources Committee on 23 November 2016.
- 3.6. The Council's Top Risk Register and Risk Control Plan has been reviewed. This work was completed in September 2017.

- 3.7. The central Risk Management team annually review Resource compliance with the Risk Management Strategy. The outcome of the 2017/2018 review identified that Finance and Corporate Resources achieved 100 per cent compliance, scoring 42 out of a possible 42.

#### **4. Resource Risk Management Group**

- 4.1. Each Resource has a Resource Risk Management Group which has responsibility for the promotion and management of risk.
- 4.2. The Finance and Corporate Resources Risk Management Group continues to meet on a quarterly basis.
- 4.3. The work of the Group over the last year has focused on the review and update of the Resource Risk Register, and ensuring that the Register reflected the Council Plan and individual Service Plans.

#### **5. Risk Register**

- 5.1. Work has been completed by the Resource Risk Group to finalise the review of the Resource Risk Register. The update concentrated on risks at a Service level, as well as strategic Council risks.
- 5.2. The Resource Risk Register will be monitored on an ongoing basis to allow new risks to be added and for the control measures and scores of the existing risks to be reviewed in light of new information.
- 5.3. Risks can result from internal or external influences, with examples being the impact of projected funding cuts or legislative changes or the impact of internal service changes.
- 5.4. The development process for the Resource Plan requires a risk assessment process to be undertaken as appropriate resulting in some actions within the Resource Plan having a corresponding risk identified within the Risk Register.
- 5.5. The main changes to the Risk Register are summarised below:-
- ◆ the Governance risk was merged with the continuous improvement risk
  - ◆ a new risk has been added for 'Failure to work with key partners to achieve the outcomes of the Local Outcome Improvement Plan'
  - ◆ a lower level emergency response risk has also been added, detailing finance, procurement, IT and media issues for the Resource
  - ◆ top risk descriptions have been updated following a comprehensive review
- 5.6. Risks scored seven to nine are considered to be high risks and these are monitored closely. The top risks identified for the Resource, that is, those that are residually scored as being high, are attached at Appendix One.
- 5.7. A clear link has been made to the Council's top risks. Top rankings and Resource specific risk implications are noted within the Appendix.
- 5.8. Risks evaluated residually as being medium or low risk will be monitored to ensure that they continue to be adequately managed.

#### **6. Insurance Hotspots**

- 6.1. A review of claims carried out for the period 1 April 2014 to 31 December 2016 identified that there were no hotspot areas for Finance and Corporate Resources.



## **7. Scope and Appetite for Risk**

- 7.1. South Lanarkshire Council aims to be risk embracing, that is, it will accept a tolerable level of risk in seeking service efficiencies and in agreeing control measures.
- 7.2. The level of risk facing the Council is measured both before (inherent risk) and after (residual risk) consideration of controls. The Council should never carry a high residual risk exposure as this would indicate instability but a low residual risk exposure should also be avoided as this indicates lack of innovation.
- 7.3. South Lanarkshire Council's ideal risk exposure should be consistent with an acceptable tolerance of:-
- ◆ no more than 20 per cent of residual risks at a high level
  - ◆ around 40 per cent to 50 per cent of residual risks at a medium level
  - ◆ around 30 per cent to 40 per cent of residual risks at a low level
- 7.4. Finance and Corporate Resources risk exposure is detailed in Table One below:-

Table One – Finance and Corporate Resources Risk Exposure

<b>Residual risk score</b>	<b>Number of risks</b>	<b>Percentage of risks</b>
High (7, 8 or 9)	6	9%
Medium (4, 5, or 6)	32	49%
Low (1, 2, or 3)	27	42%
	65	100%

- 7.5. Table One shows that Finance and Corporate Resources risk exposure is broadly in line with the ideal profile outlined above.
- 7.6. Finance and Corporate Resources has ensured that all inherent risks scored at a high level have cost effective control measures in place. Where further control measures are required, these are included within the Resources' Risk Control Plan.

## **8. Risk Control Actions**

- 8.1. There were no risk control actions due for delivery between April and September 2017.
- 8.2. All actions due for completion during 2016/2017 have been completed. One hundred per cent of these risk control actions were completed on time against an overall Resource target of 75 per cent.
- 8.3. Details of the completion of risk control actions during 2016/2017 and 2017/2018 to date are contained in Table Two below.

Table Two

	<b>2016/17</b>	<b>2017/18 (as at 30 September 2017)</b>
Total number of actions due	10	0
Completed on time	10	0
Completed late	0	0
Outstanding	0	2

- 8.4. Progress with completion of the Resource's Risk Control Actions is monitored on a monthly basis by the Central Risk Management team. This is also reviewed by the Resource Risk Group.
- 8.5. There are currently two risk control actions due for completion during the remainder of 2017/2018. These will be progressed by the relevant officers.
- 9. Major Projects, Partnerships or Change**
- 9.1. Within Finance and Corporate Resources five partnerships have been identified. One of these is considered to be high risk, the Community Planning Partnership (CPP). The remaining four partnerships have been assessed as being low risk.
- 9.2. Appropriate risk management arrangements are in place for the high level partnership.
- 10. Next Steps**
- 10.1. The Resource Risk Management Group will continue to meet on a quarterly basis. The Risk Register will be reviewed on an ongoing basis by the Group to ensure that risks remain valid for the appropriate Service areas and to identify new areas of risk that affect the Resource. An update report will be provided to Committee on an annual basis.
- 11. Employee Implications**
- 11.1. Time will be required by the Resource Risk Management Group in the management of the Resource Risk Register and Risk Control Plan.
- 12. Financial Implications**
- 12.1. During the year, if any new initiatives are identified which would help mitigate any particular risk faced by the Resource, some financial assistance may be available from the Risk Management Fund. This is managed through a bid being submitted and assessed against set criteria.
- 13. Other Implications**
- 13.1. Failure to demonstrate that risk is actively considered and managed can not only lead to avoidable financial loss but could also affect the delivery of services and could affect the Resources' reputation.
- 13.2. There are no implications for sustainability in terms of the information contained in this report.
- 14. Equality Impact Assessment and Consultation Arrangements**
- 14.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and therefore, no impact assessment is required.
- 14.2. Consultation on the content of this report has been undertaken with members of the Finance and Corporate Resources Risk Management Group.

**Paul Manning**  
**Executive Director (Finance and Corporate Resources)**

8 January 2018

**Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, effective, efficient and transparent

**Previous References**

- ◆ Finance and Corporate Resources Committee – 23 November 2016 – Update of Finance and Corporate Resources' Risk Register and Risk Control Plan

**List of Background Papers**

- ◆ None

**Contact for Further Information**

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

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**Finance and Corporate Resources Risk Register (as at September 2017)**  
**Extract of risks with residual score seven, eight and nine**

<b>Risk</b>	<b>Inherent score</b>	<b>Sample of controls</b>	<b>Residual score</b>
<p>Reduction in external funding and fees/income received by the Council, as well as increased financial pressures/demand for services; results in savings difficulties.  (Council top risk)</p> <ul style="list-style-type: none"> <li>• Failure to achieve Resource savings targets</li> <li>• Failure to collect Council Tax</li> </ul>	9	<ul style="list-style-type: none"> <li>• Embedded structure and systematic approach to savings identification</li> <li>• Robust processes in place to report annual budget and Council Tax proposals to Elected Members</li> <li>• Rolling review of service charges</li> </ul>	8
<p>Information management not subject to adequate control.  (Council top risk)</p> <ul style="list-style-type: none"> <li>• Ineffective records management practices could lead to data breaches</li> </ul>	9	<ul style="list-style-type: none"> <li>• Awareness raising and training in place</li> <li>• Information Governance Board in place</li> <li>• Records Management plan approved by the Keeper</li> </ul>	7
<p>Fraud, theft, organised crime and cyber attacks  (Council top risk)</p> <ul style="list-style-type: none"> <li>• Fraudulent/duplicate payments to third parties</li> <li>• Cyber/malware attacks</li> <li>• Procurement processes fail to identify suppliers with links to serious organised crime</li> <li>• Inadequate/ineffective fraud controls</li> </ul>	9	<ul style="list-style-type: none"> <li>• Anti-Fraud and Corruption Strategies</li> <li>• Council has in place a technical IT infrastructure that provides information security controls in accordance with industry best practice</li> <li>• Procurement information sharing protocols between the Council and the Police</li> </ul>	7
<p>Failure to achieve results and demonstrate continuous improvement, through leadership, good governance and organisational effectiveness.  (Council top risk)</p> <ul style="list-style-type: none"> <li>• Failure to effectively manage change following reviews, impacting service delivery standards</li> </ul>	9	<ul style="list-style-type: none"> <li>• Good Governance Group in place</li> <li>• Resource information governance action plan</li> <li>• Corporate Improvement Advisory Board in place</li> <li>• Preparation of Annual Performance Report</li> <li>• Positive Inspection Reports received</li> </ul>	7

Risk	Inherent score	Sample of controls	Residual score
<ul style="list-style-type: none"> <li>• Failure to demonstrate continuous improvement</li> <li>• Lack of governance arrangements</li> </ul>			
<p>Failure to work with key partners to achieve the outcomes of the Local Outcomes Improvement Plan (LOIP) (Council top risk)</p> <ul style="list-style-type: none"> <li>• Failure to make progress in improving outcomes and reducing inequalities</li> <li>• Failure to come together with its partners and communities to agree and jointly deliver the Community Plan (LOIP) and Neighbourhood Plans</li> <li>• The Council and its partners do not effectively take steps to achieve improved outcomes agreed through the participation of local communities and contained in the Community Plan and in relevant Neighbourhood Plans</li> </ul>	9	<ul style="list-style-type: none"> <li>• Partners signed up to Community Plan / LOIP</li> <li>• Partnership Progress group established</li> <li>• Community Planning Risk Register maintained and monitored</li> <li>• Annual performance reporting and annual published report of Community Plan and on activities and progress of the Strategic Boards' Partnership Improvement Plans</li> </ul>	7
<p>The Council is not sufficiently prepared to deliver the Integration Joint Board Strategic directions set out in the Strategic Commissioning Plan 2016-2019. (Council top risk)</p> <ul style="list-style-type: none"> <li>• Failure to balance budgets</li> <li>• IT information sharing protocols</li> <li>• Failure to effectively manage change</li> <li>• Ineffective governance and accountability arrangements</li> </ul>	9	<ul style="list-style-type: none"> <li>• Strategic Commissioning Plan 2016-2019 approved</li> <li>• IJB directions issued to the Council annually</li> <li>• Specific Risk Register and action plan in place</li> </ul>	7



# **Report**

**12**

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Procurement Performance Report – 2016/2017**

## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ provide details of the Council's Procurement performance for 2016/2017

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

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

- (1) that the Procurement Performance Report for 2016/2017 be noted.

## **3. Background**

3.1. In 2013, the Council published procurement performance indicator (PI) information on a dedicated section of the Council's website. This reporting supports the Council's aims of openness and also supports best practice as required by the Scottish Government's Procurement Reform Board (PRB).

3.2. The Procurement Performance Report provides interested parties with useful information on procurement, and will be readily available on the Council's website. The report reflects procurement activities recognised by the PRB.

## **4. Annual Procurement Performance Report**

4.1. The information selected to report forms part of a suite of government endorsed national best practice indicators applicable to the public sector across Scotland.

4.2. The Annual Procurement Performance Report (PPR) includes the following:-

- ◆ % of procurement spend spent collaboratively
- ◆ % of procurement spend spent with contracted suppliers
- ◆ % of procurement transactions dealt with electronically
- ◆ % and total number of Small and Medium Enterprises (SME's) in the Council's supplier base
- ◆ spend within the South Lanarkshire area

4.3. These PIs have been chosen to provide data that supports compliance, collaboration, supporting the local economy, small business engagement and finally a measure which highlights the adoption of technology to improve efficiency. A copy of the performance report for 2016/2017 is included in Appendix 1.

## **5. Comparison with Previous Year's Achievements**

### **5.1. Collaborative Spend**

- 5.1.1. The 2016/2017 figure, again 26%, remains consistent with the level for the previous year and remains well above the Scottish average of 15%, which has fallen from last year. The Council will continue to place emphasis on collaboration in all sourcing strategies and to utilise public sector Frameworks where available and appropriate.

### **5.2. Contracted Spend**

- 5.2.1. Spend on contract has maintained its previously high level. Continuous review of areas where contractual gaps exist ensures spend on contract is maximised and contract compliance promoted.

### **5.3. Electronic Transactions**

- 5.3.1. This indicator has risen to 77% due to the phasing out of paper purchase orders and the ongoing work with Resources to increase compliance with procurement processes.

### **5.4. Contracts with SME's**

- 5.4.1. This indicator demonstrates the consistent level of achievement made by the Council in this area and remains well above the Scottish average. This demonstrates the Council's policy of early and sustained SME engagement, close liaison with the Supplier Development Programme and ensuring tender opportunities are accessible to smaller businesses.

### **5.5. Spend within South Lanarkshire Council's Boundary**

- 5.5.1. This indicator demonstrates a decrease in spend with South Lanarkshire based companies of £15m over the last year, and is reflective of the decrease in the overall spend by the Council. The Council will continue to offer low value contracts via Public Contracts Scotland Quick Quote and divide higher value contracts into smaller and more accessible Lots where possible in order to maximise the available opportunities.

## **6. Employee Implications**

- 6.1. There are no employee implications, other than the obligation for providing data, most of which is maintained automatically.

## **7. Financial Implications**

- 7.1. The annual procurement performance report has no direct financial implications.

## **8. Other Implications**

- 8.1. The Procurement Performance Report provides a visible and current record of the Council's procurement activities. It will reduce reputational risk by providing regular and comprehensive information that demonstrates the Council's aims to provide best value, best practice and engagement with SME's.
- 8.2. There are no implications for sustainability in terms of the information contained in this report.

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

- 9.1. There is no requirement to carry out an impact assessment in terms of the proposals contained within this report.
- 9.2. There is no requirement to carry out any consultation in terms of the content of this report.



## **Executive Director (Finance and Corporate Resources)**

11 January 2018

### **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Fair, open and sustainable
- ◆ Accountable, effective, efficient and transparent

### **Previous References**

- ◆ Finance and Corporate Resources Committee – 23 November 2016

### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

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

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## **Appendix 1**

### **A Summary of our Procurement Performance and Progress for 2016/2017**

The Council in carrying out its business spends in excess of £400m with suppliers of goods and services, however, this spend has decreased markedly from the £470m spend last year, primarily due to reductions in investment programmes. The Council has an obligation to achieve best value in providing services, and good procurement is essential to achieving that aim. The Council has dedicated procurement professionals who strive to deliver quality procurement across all Council services. Through a commitment to ensuring that we have fit for purpose contracts in place and through working with suppliers, including local suppliers, the Council continues to make efficiencies, reduce waste, and contribute to the sustainability of our local communities.

In order to get the very best from our procurement activity, we recognise the need for a current and comprehensive procurement strategy which details our objectives and action plans to define the delivery of an effective and efficient procurement service. The Council's new Procurement Strategy 2017-2020 was approved by the Executive Committee on 8 February 2017.

Over recent years there have been noticeable achievements in Procurement. The Council is in the forefront of collaboration within our own and other sectors undertaking public procurement. These improvements have been confirmed by our continued excellent performance in the previous PCA (Procurement Capability Assessment) and its successor the PCIP (Procurement Commercial Improvement Programme) where we have achieved ranking in the highest band.

The Council is now recognised as a leader in achieving improved commercial relationships with SMEs. We are quoted as an exemplar for good practice in areas such as accurate data provision and maintaining a current Contracts Register and there have been significant improvements in contractual compliance with 96% of spend made under contract.

#### **Procurement Indicators – 2016/2017**

Detailed below is a selection of performance indicators that form part of the suite of government endorsed national best practice indicators applicable to the public sector across Scotland. The data is obtained from the national Spikes Cavell database, to which most public bodies contribute. These indicators illustrate the improvements made in procurement compliance over recent years, and demonstrate the Council's good performance compared to its peers.

Indicator	2013/14	2014/15	2015/16	2016/17	2016/17 Scottish Average
<b>Procurement Spend – (%) Collaboratively</b>	26%	26%	26%	26%	15%
<b>Procurement Spend – (%) with Contracted Suppliers</b>	95%	96%	97%	96%	51%
<b>Procurement Transactions – (%) Processed Electronically</b>	75%	76%	74%	77%	38%
<b>Procurement Spend - % of contracts with SMEs</b>	83%	89%	88%	87%	60%
Number of SME's Engaged	1,661	1,737	1,922	1,818	
<b>Procurement Spend within Local Authority Area (£m)</b> (Total Procurement Spend - £406M)	£83M	£89M	£92M	£77M	N/A

**Collaborative spend** - joint procurement projects to secure greater efficiencies and collaboration result in better value by creating economies of scale and increased buying power. This indicator details the percentage of collaborative spend against overall Council spend for goods, services and works. The Council embraces collaborations wherever possible, and currently collaborations are in place with sectoral and national consortia, cross government bodies and other councils.

A figure of 38% was previously reported for 2015/2016. This has been updated to reflect the figure of 26% which the system now states. Discussions are ongoing with the provider of the information, Spikes Cavell, to establish why the variance has occurred.

**Spend with contracted suppliers** - this indicator examines the extent to which the Council's spend is through formally contracted agreements with its suppliers. The indicator details the extent of compliance within Council procurement activities and demonstrates good procurement practice across the Council in using approved contracts to obtain the required goods, services and works.

**Transactions processed electronically** - this indicator provides a measurement of the number of invoices paid as a result of orders placed electronically as opposed to orders placed via other means, and examines the use of technology to support efficiency in the ordering of goods, services and works. It is key to reducing processing times and transaction costs, and freeing up resources that can be directed into providing frontline services. This indicator has risen due to the phasing out of paper purchase orders, and is anticipated to rise again during 2017/2018 following the review of the Certified Payments Policy and full implementation of No Purchase Order/No Pay.

**Procurement spend with SMEs** –this indicator provides details of the number of contracts held by SME's which make up over 90% of the businesses in Scotland. This does not include local sub-contractors employed by main capital contractors.

**Procurement spend within South Lanarkshire** – this indicator provides the extent of the overall spend spent locally within South Lanarkshire. The Council is committed to re-investing into the local economy. The total spend across the Council is £77m. The indicator does not include the sub-contractors employed by main capital contractors who tend to be local contractors.



# Report

13

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Procurement Strategy - Action Plan Update**

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update on the progress made with the Procurement Strategy Action Plan

## 2. Recommendation(s)

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

- (1) that the progress in achievement of the Procurement Strategy Action Plan be noted.

## 3. Background

3.1. The Council's new Procurement Strategy covering the period January 2017 to March 2020 was approved by the Executive Committee on 8 February 2017.

3.2. Updates on the Procurement Strategy Action Plan are reported to the Finance and Corporate Resources Committee on a six monthly basis.

## 4. Strategy Action Plan Update

4.1. Appendix 1 provides the Procurement Strategy Action Plan with progress across each of the actions noted to the end of September 2017. Highlights of the Action Plan are provided in the sections below.

### 4.2. Progress Update

4.2.1. During 2017/2018, the following actions were progressed:-

- ◆ a new sourcing strategy document has been developed for new tenders (action plan ref 1.2). The document has been redesigned and now places greater emphasis on the requirements around sustainability, contract benefits and the subdivision of the contract into lots to encourage SME participation
- ◆ the review of procurement practices is well underway (action plan ref 2.1). A procurement questionnaire has been issued to a number of operational managers with procurement and purchasing responsibilities. The purpose of the questionnaire is to gather a wide range of information on procurement practices including the use of procurement management information and training requirements. Central procurement staff are also reviewing a number of procurement and purchasing arrangements.

- ♦ to ensure the Procurement Service continues to have staff that possess the necessary skills into the future, three members of staff have started training with the Chartered Institute of Purchasing and Supply attending college through day release (action plan ref 10.2).

4.2.2. A total of 38 actions are included in the Action Plan, detailed at appendix 1, with progress summarised below:-

<b>Category</b>	<b>Number</b>	<b>Comment</b>
On target	25	A number of actions are classed as ongoing (e.g. review of standard procurement documentation and the identification of new areas for collaborative working) with a number of working groups making progress
Complete	10	A number of actions have been completed in advance of the due date
Slipped	3	Revised dates have been set for these actions with further information provided in the appendix
Total	38	

#### 4.3. Ongoing Actions

4.3.1. Due to their nature, there are a number of actions which now form part of a continual improvement programme. A number of these actions are summarised below, with full detail of the activity undertaken provided at appendix 1:-

- ♦ review and update standard procurement documentation to ensure continuous improvement and ongoing compliance (action plan reference 1.2)
- ♦ work is continuing with Police Scotland through the DISRUPT and DETER multi agency tactical groups resulting in actions being identified to protect the Council and its interests against the actions of serious and organised crime (action plan ref 2.2)
- ♦ a new collaborative contract for the supply of educational materials will be introduced (action plan ref 5.2). It has been agreed with Education Resources that the Council will move to a single supplier for core items based on the results of the Scotland Excel tender. Flexibility for smaller ad-hoc purchases will be piloted through the introduction of purchase cards

#### 5. **Employee Implications**

5.1. There are no employee implications.

#### 6. **Financial Implications**

6.1. There are no direct financial implications from the Action Plan.

#### 7. **Other Implications**

7.1. Failure to implement the Strategy Action Plan could leave the Council open to the risk of non-compliant procurement processes.

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

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

8.1. There is no requirement to carry out an equality impact assessment in terms of the proposals contained within this report.

- 8.2. Consultation with Resources on progress takes place as appropriate for the preparation of the report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

10 January 2018

**Link(s) to Council Values/Ambitions/Objectives**

- ◆ Value: Accountable, effective, efficient and transparent

**Previous References**

- ◆ Finance and Corporate Resources Committee – 6 September 2017
- ◆ Executive Committee – 8 February 2017

**List of Background Papers**

- ◆ None

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## Procurement Strategy Action Plan

Objective	Action	Responsibility	Timescale	Complete / On Target/ Slipped	Update
<b>1. Procurement leadership and governance</b>	<b>1.1</b> Develop the role and structure of the Procurement Forum as a mechanism for disseminating information and the development of policies and standards.	Procurement Service	Ongoing	On target	Representatives from all Resources attended the most recent forum meeting on 10 August 2017.
	<b>1.2</b> Review and update standard procurement documentation to ensure continuous improvement and ongoing compliance.	Procurement Service and Legal Services	Ongoing	On target	New sourcing strategy implemented from August 2017.
	<b>1.3</b> Develop and implement a new structure for the Procurement Service.	Executive Director of Finance and Corporate Resources / Head of Finance (Transactions) / Procurement Service	March 2018	On target	H&T support team to transfer to Almada Street from Pollock Avenue. Review of purchasing/ transactions teams now underway.
	<b>1.4</b> Review of procurement risks.	Procurement Service / Insurance and Risk Management	Annually	Complete	Review of the top risks included a reassessment of the risk of procurement practices and the management of contracts.
	<b>1.5</b> Internal audit review of procurement practices.	Internal Audit	Ongoing	On target	Completion of existing procurement review and testing of procurement practices within services to ensure that controls around award and contract monitoring are robust.



Objective	Action	Responsibility	Timescale	Complete / On Target/ Slipped	Update
	<b>1.6</b> Provision of an annual performance report to the Corporate Management Team and Finance and Corporate Resources Committee.	Procurement Service	Annually	On target	Annual performance report presented to the CMT on 16 November 2017 and to the Finance and Corporate Resources Committee 7 February 2018.
<b>2. Prevention of Fraud and the Disruption of Serious and Organised Crime</b>	<b>2.1</b> Conduct a review of procurement processes across the Council and the management information used in the scrutiny of contract spend.	Procurement Service / Internal Audit	Revised January 2018.	Slipped	Attendance at RMT's followed up with a questionnaire being issued to managers. Feedback being evaluated. Procurement teams also identifying areas for improvement. Additional resources have been allocated to the task.
	<b>2.2</b> Continue to work with and share information with Police Scotland to ensure the ongoing disruption of serious and organised crime in relation to an identified range of contracts.	Procurement Service / Legal Services	Ongoing	On target	Procurement and Legal staff working with Police Scotland to share information.
<b>3. Defining the supply need</b>	<b>3.1</b> Report to the Corporate Management Team on high value/high risk procurements.	Procurement Service	6 monthly	On target	Report presented to the CMT on 16 November.
	<b>3.2</b> Assessment for scrutiny of high value/high risk procurements as appropriate.	All Resources	Ongoing	On target	Recyclable waste and Roads sub-contractors contracts undergoing scrutiny process. The future contract for adult supported living is under evaluation.

Objective	Action	Responsibility	Timescale	Complete / On Target/ Slipped	Update
	<b>3.3</b> Development of a procurement process on preliminary market engagement.	Procurement Service	March 2018	On target	2017/2018 action.
<b>4. Sourcing</b>	<b>4.1</b> Enhance the existing sourcing methodology to mandate early engagement for all regulated and EU regulated procurements where practicable.	Procurement Service	Ongoing	Complete	The market research section of the sourcing strategy has been updated to reflect this requirement.
	<b>4.2</b> Prior Information Notice (PIN) to be published for all Regulated contracts at least 2 months before tender is released to the market where practicable.	Procurement Service	February 2017	Complete	Complete.
	<b>4.3</b> Hold information sharing events where appropriate.	Procurement Service/ SDP	Ongoing	On target	Meet the Buyer event took place on 28 September. This allowed interaction with a range of businesses interested in public sector contracts.
	<b>4.4</b> Enhance the tendering skills of Lanarkshire based companies.	Procurement Service / Supplier Development Programme	Ongoing	On target	2017/2018 action.
<b>5. Collaboration</b>	<b>5.1</b> Identify new areas for collaborative working with internal and external stakeholders.	Procurement Service and Resource stakeholders	Ongoing	On target	The new framework contract for Educational materials is available from December 2017.

Objective	Action	Responsibility	Timescale	Complete / On Target/ Slipped	Update
	<b>5.2</b> Ensure collaboration is consistently considered for all procurement activities and increase collaboration where possible.	Procurement Service	Ongoing	On target	The requirement to consider collaboration is now included in the Sourcing Strategy. SXL have set up a small value contracts team and the Council will consider any new frameworks offerings as appropriate.
<b>6. Sustainable Procurement &amp; Community Benefits</b>	<b>6.1</b> Update the Sustainable Procurement policy.	Procurement Service	Revised February 2018	Slipped	A draft policy has been prepared for issuing to the Heads of Service for consultation.
	<b>6.2</b> Support consultation by Resources with communities in advance of procurement exercises.	All Resources	Ongoing	On target	A range of monthly events hosted by SDP (including online webinars) have been held this year. These are designed to introduce the business community to the procurement process and ensure they are tender ready when opportunities arise.
	<b>6.3</b> Support the development of a system of collating and tracking community benefits.	All Resources	Revised November 2017	Slipped	A procurement process has been drafted and is expected to be complete by November 2017.
<b>7. Contract and Supplier Management</b>	<b>7.1</b> Introduction and full roll out of eCM and eSPM for appropriate contracts.	Procurement Service	December 2017	On target	2017/2018 action.

Objective	Action	Responsibility	Timescale	Complete / On Target/ Slipped	Update
	<b>7.2</b> Research the potential impact of BREXIT on existing and future Council contracts.	Procurement Service	July 2017	Complete	The Procurement Service has fed into an exercise co-ordinated by Finance Strategy identifying the top tier contracts that could be affected by BREXIT.
<b>8. Ethical Trading</b>	<b>8.1</b> The use of organic and local produce will be specified where possible within food contracts.	Procurement Service	Ongoing	On target	2017/2018 action.
	<b>8.2</b> Work with suppliers to reduce food waste.	Procurement Service	March 2018	On target	2017/2018 action.
<b>9. Purchasing Processes and Systems</b>	<b>9.1</b> Implementation of e-invoicing fully by November 2019.	Accounts Payables	November 2019	On target	At September 2017 there are 9 major suppliers of goods and services to the Council using the e-invoicing solution. This equates to over 13,000 invoices, 21% of all invoices paid to date. Work is ongoing to assess the feasibility of a further 3 major suppliers to be adopted before the end of the financial year.
	<b>9.2</b> Develop the use of PCS and PCSt and the Council's i-procurement system.	Procurement Service	Ongoing	On target	A number of Procurement staff have been trained on PCSt.
	<b>9.3</b> Consider the use of Project Bank Accounts in appropriate contracts.	Procurement Service / Payables / Strategy / Resources	June 2017	Complete	Council officers attended a training event held by the City Deal PMO. Further developments for future City Deal contracts are expected.

Objective	Action	Responsibility	Timescale	Complete / On Target/ Slipped	Update
	<b>9.4</b> Development of a 'No PO, No Pay' policy.	Procurement Service	April 2017	Complete	Greater application of the Certified Payments Policy is taking place.
	<b>9.5</b> Implementation of a supplier incentive scheme.	Procurement Service / Payables	February 2018	Complete	Decision taken not to progress with the scheme at this time.
	<b>9.6</b> Implement action plan following the post implementation review of i-procurement.	Procurement Service / Resources	December 2017	Complete	Review of the action plan has taken place with actions either complete or covered elsewhere in the strategy action plan.
	<b>9.7</b> Review and update of the Procurement pages of the intranet and website.	Procurement Service	November 2017	Complete	The content of the intranet and website have been updated.
<b>10. People</b>	<b>10.1</b> Ensure that all procurement staff completes the Scottish Procurement Competency Framework every 3 years.	Procurement Service	July 2019	On target	2019/2020 action.
	<b>10.2</b> Capture training requirements through the use of the Council PDR process.	Procurement Service	Annual	Complete	Three members of staff have started training with the Chartered Institute of Purchasing and Supply (level 4).
<b>11. Fair Working Practices</b>	<b>11.1</b> Local suppliers to be encouraged to pay the living wage to their workforce. This will enable the Council to maintain the living wage accreditation.	Procurement Service	Ongoing	On target	New care at home framework provides funding for the providers.
<b>12. Performance Management</b>	<b>12.1</b> Monitor community benefits performance indicators.	Procurement Service	Ongoing	On target	Reported through the KPI report and will be updated following the introduction of a new process (see 6.3).

Objective	Action	Responsibility	Timescale	Complete / On Target/ Slipped	Update
	<b>12.2</b> Increase where possible, the performance of the Procurement and Commercial Improvement Programme.	Procurement Service and Resource Stakeholders	Ongoing	On target	Questionnaire provided by Scotland Excel seeking views on the PCIP assessment and future options.
	<b>12.3</b> Ensure that all internal and external reporting of data and Key Performance Indicators is completed within the agreed timescales.	Procurement Service	Ongoing	On target	2017/2018 six monthly performance data reported to CMT 16 November 2017.
	<b>12.4</b> Develop the provision of management information to Resources.	Procurement Service	Ongoing	On target	Existing information is under review with improvements to follow as part of the review of procurement practices (see 2.1).

# Report

14

Report to: **Finance and Corporate Resources Committee**  
 Date of Meeting: **7 February 2018**  
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Teachers' Pay Award Implementation 2017/2018**

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise on action taken, in terms of Standing Order No 36(c) because of the timescales involved, by the Executive Director (Finance and Corporate Resources), in consultation with the Chair and an ex officio member, to implement the pay award for teachers and associated professionals covered by the Scottish Negotiating Committee (SNCT) for Teachers for the period 1 April 2017 to 31 March 2018
- ◆ advise on proposals agreed by the SNCT in relation to conditions of service for teachers

## 2. Recommendation(s)

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

- (1) that the action taken, in terms of Standing Order No 36 (c), by the Executive Director (Finance and Corporate Resources), in consultation with the Chair and an ex officio member, to implement the national pay award for teachers covering the period 1 April 2017 to 31 March 2018, be noted; and
- (2) that the proposal agreed by the Scottish Negotiating Committee for Teachers in relation to conditions of service for teachers be noted.

## 3. Background

- 3.1. Notification has been received from COSLA regarding the implementation of a pay award for teachers and associated professionals covered by the Scottish Negotiating Committee for Teachers for the period 1 April 2017 to 31 March 2018. The award amounts to a 1% increase on all teacher grades for the period 1 April 2017 to 31 December 2017 and a further uplift of 1% to be added from 1 January 2018.
- 3.2. The SNCT have also agreed a number of points in relation to the conditions of service for teachers and associated professionals, as detailed below:-
  - ◆ for supply teachers - short term supply is restored to the individual's appropriate point regardless of the duration of the cover. Supply teachers will be paid for actual class contact time plus 10% for preparation and correction time
  - ◆ all parties of the SNCT will commit to work collaboratively to undertake a strategic review of pay and reward, to report by April 2018. The review will recognise the role teachers play in the education of young people and children and will take account of changes within Scottish Education

#### **4. Current Position**

- 4.1. Action was taken, in terms of Standing Order No 36(c), by the Executive Director (Finance and Corporate Resources), in consultation with the Chair and an ex officio member, to implement the 1% pay award for the period 1 April to 31 December 2017 and the further 1% uplift from 1 January 2018 in order that it could be processed by Finance Services to allow it to be applied in the 26 January 2018 pay run.

#### **5. Employee Implications**

- 5.1. The agreement only covers teachers and associated professionals as the pay award for local government employees has already been implemented.

#### **6. Financial Implications**

- 6.1. The salary agreement represents an increase of 1% from 1 January to 31 December 2017 and a further uplift of 1% from 1 January 2018 onwards. Funding is available from the 2017/2018 budget to meet this increase for 2017/2018. Full year costs into 2018/2019 will be managed as part of the financial strategy for that year.

#### **7. Other Implications**

- 7.1. The risk to the Council is that failure to implement the teachers' pay award would mean that the Council would be acting outwith the nationally agreed position.
- 7.2. There are no implications for sustainability in terms of the information contained within this report.

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

- 8.1. 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.
- 8.2. All necessary consultations with the Trades Unions have taken place.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

25 January 2018

#### **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Excellent employer
- ◆ Accountable, effective, efficient and transparent
- ◆ Focused on people and their needs

#### **Previous References**

- ◆ None

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

- ◆ None

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

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