

Report

Report to: **Clyde Valley Learning and Development Joint Committee**
 Date of Meeting: **1 September 2008**
 Report by: **Treasurer to Clyde Valley Learning and Development Joint Committee**

Subject: **2007/2008 Annual Accounts for the Clyde Valley Learning and Development Joint Committee**

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise of the Clyde Valley Learning and Development Joint Committee final accounts position as at 31 March 2008

2. Recommendation(s)

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

- (1) that the annual accounts for the Clyde Valley Learning and Development Joint Committee for year ended 31 March 2008 be approved.

3. Background

3.1. The Annual Report and Accounts, as detailed at Appendix 1 to the report, shows the Revenue Account and Balance Sheet to 31 March 2008 for the Clyde Valley Learning and Development Joint Committee. These accounts have been passed for external audit to PriceWaterhouseCoopers.

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

- ◆ Introduction by the Convenor
- ◆ Service Review by the Project Manager
- ◆ Financial Statement by the Treasurer
- ◆ Income and Expenditure Account for the year ended 31 March 2008
- ◆ Statement of Movement on the General Fund for year ended 31 March 2008
- ◆ Statement of Recognised Gains and Losses for year ended 31 March 2008
- ◆ Balance Sheet as at 31 March 2008
- ◆ Cash Flow Statement for year ended 31 March 2008
- ◆ Notes to the Financial Statements
- ◆ Statement of Accounting Policies
- ◆ Statement of Responsibilities for the Statement of Accounts
- ◆ Statement on the System of Internal Financial Control
- ◆ Audit Arrangements

4. Financial Position

- 4.1. The accounts show that the Committee's total revenue expenditure amounted to £0.071 million in 2007/08 and was met by other income of £0.071 million. This results in a break even position.
- 4.2. This zero balance takes into account a creditor of £0.491m. The constituent authorities have agreed to the creditor being carried forward into 2008/09. This is shown in the accounts as being due to the constituent authorities rather than as a reserve, because under current legislation, the Joint Committee has no statutory authority to carry forward general balances.

5. Employee Implications

- 5.1. None.

6. Financial Implications

- 6.1. None.

7. Other Implications

- 7.1. None.

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

Paul Manning

Treasurer to Clyde Valley Learning and Development Joint Committee

19 August 2008

Previous References

None

List of Background Papers

- ♦ Clyde Valley Learning and Development Committee Annual Report and Accounts 2007/08

Contact for Further Information

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

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

ANNUAL REPORT & ACCOUNTS

2007-2008

CLYDE VALLEY LEARNING AND DEVELOPMENT JOINT COMMITTEE

ANNUAL REPORT & ACCOUNTS 2007-2008

INDEX

Page	Content
1 - 2	Explanatory Foreword
3	Introduction by the Convener of the Joint Committee for the Clyde Valley Learning and Development Project
4 -7	Service Review 2007/2008 - Statement by the Project Manager
8	Financial Statement by Treasurer
9	Income & Expenditure Account 2007/2008
10	Statement of Movement on the General Fund / Statement of Recognised Gains and Losses
11	Balance Sheet
12	Cash Flow Statement
13 – 15	Notes to the Financial Statements
16	Statement of Accounting Policies
17	Statement of Responsibilities for the Statement of Accounts
18	Statement on the System of Internal Financial Control
19	Audit Arrangements
20	Glossary of Terms

EXPLANATORY FOREWORD

Service Outline by the Project Manager

The Service outline by the Project Manager sets out the objectives and Service performance of the Joint Committee for financial year 2007/08.

Financial Statements

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

The Statement of Recommended Practice 2007 (SORP) ensures a set of statements is produced, each statement with a single clear objective. These are noted below:

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

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

Financial Position

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

For 2007/08, the Revenue Expenditure results for the Committee are shown on page 9 – a bottom line break-even position on their Income and Expenditure Account.

The major element of the Project's expenditure is incurred in respect of Administration Costs (£0.038m, 53%) and Payments to Other Bodies (£0.032m, 45%).

The major element of the Board's income is in respect of the monies received from the Scottish Government (via South Lanarkshire Council) who contributed to the start-up costs of the project. This contribution totalled £0.560m in 2007/2008 and any balance unutilised has been carried forward into 2008/09 as a Creditor (£0.491m). These monies will be used for future progress on the project.

There is no movement in cash for 2007/2008, as the cumulative underspend is invested in South Lanarkshire Council's Loans Fund. This reflects the practical arrangement that exists between the Committee and South Lanarkshire Council where the Council's Loans Fund lends or borrows according to the required cash flow and activities of the Committee.

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

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

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

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

As Chair of the Joint Committee I would like to thank the members of Implementation Steering Group, the Clyde Valley project staff and members of staff from each of the Clyde Valley Authorities for their work in establishing the work of the project during the latter part of 2007 and up to March 2008.

The work to date has demonstrated that there is a willingness for the Clyde Valley Councils to work jointly and more efficiently on learning and development projects with a view to improving standards for all.

As the lead authority, I am optimistic that the work of the project will continue to develop and expand into further subject areas reaping ever increasing benefits for the Clyde Valley Councils both individually and collectively.

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

Councillor Denis McKenna

Convenor

Clyde Valley Learning and Development Joint Committee

SERVICE REVIEW 2007 – 2008

Introduction

Grant funding for the Clyde Valley Learning and Development project was formally awarded on 11 July 2007. Work on the project commenced with the appointment of a Project Manager on 17 September 2007. The information in this report relates to the period from 17 September 2007 to 31 March 2008.

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

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

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

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

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

Delivery of Phase One

Collaborative Training Delivery – First Aid

- First Aid training now being delivered by Glasgow City Council Direct and Care Services (DACS) on behalf of the Clyde Valley Group
- DACS training team delivering at a variety of training venues throughout Clyde Valley (Glasgow, South Lanarkshire, North Lanarkshire, East Renfrewshire and Renfrewshire).
- Scheduling and administration centralised and managed by South Lanarkshire Council.
- Three standard accredited courses (four day, two day refresher and one day appointed person) now being delivered. Additional requests for bespoke First Aid training also being accommodated (e.g. foster carers).
- Average unit cost savings for the participating authorities are 8.75% for four day course, 3% for two day refresher course, and 12% for appointed person training.
- Participants now attending courses from Glasgow, North and South Lanarkshire, East Renfrewshire, Renfrewshire and East Dunbartonshire Councils.
- To date some 31 courses have been run with a total number of 316 Clyde Valley employees trained.

E-Learning - Equality and Diversity

- Equality and Diversity training package has now been developed and is being customised to reflect the individual Council's requirements
- Negotiation on purchase price on behalf of Clyde Valley has yielded a saving of 60% when compared to the single Council purchase price.
- All Councils now have access to the Equality and Diversity e-learning package customised to include Council branding and accessing each Council's relevant policies.
- Delivery of this first level training on Equality and Diversity addresses each Council's statutory requirements to deliver training in this subject area.
- An evaluation form has been produced and will be distributed online to course participants. The online evaluation was developed in house by Clyde Valley staff, saving some £800.00 (£100.00 per Council) which would be charged by the supplier for online evaluation.

Delivery of Vocational Qualifications (SVQs)

- The development sub group initially reviewed the delivery of Administration VQs which was the most commonly delivered VQ in the Clyde Valley
- Through benchmarking on costs and delivery methods the group has been able to demonstrate initial savings of some £45,197, the group is now looking at the delivery of SVQs in other subject areas.
- The opportunity exists to expand the use of online portfolio software to expedite the assessment and verification process. Negotiation with the vendor on behalf of the Clyde Valley has resulted in an offer to provide the software free of charge to those Councils which have not yet purchased the package. This represents a saving of some £2,000 per Council.
- A further discount can also be achieved through the purchase of candidate licences. By purchasing on behalf of the Clyde Valley rather than by individual Councils, further economies of scale are on track to be achieved.
- The group has identified SVQs in early years, amenity horticulture, social care and community wardens as having potential to use online portfolios.

Development of Phase two

Accredited Management Training – Institute of Leadership and Management (ILM)

- The sub group has been established to review the business case for change in the delivery of first line manager training programmes
- A problem solving workshop approach was used to generate options for delivery and to identify an optimal approach. In the first instance the sub group is addressing Glasgow City Council's requirement to provide an ILM award level qualification for around 1,800 managers.
- The outcome is a recommendation to take a twin track approach. In the short term it is proposed that Clyde Valley accredited trainers will deliver the ILM courses using Glasgow City Council's course content. The Clyde Valley trainers will also carry out the assessment of candidates through marked assignments and feedback.
- In the longer term options are now being evaluated to deliver ILM training across the Clyde Valley through a centralised delivery structure.

Management Development

- The new programme of management development training developed by North and South Lanarkshire Councils in partnership with Glasgow Caledonian University has recently been through the university's verification process.
- The outcome was a successful verification with both North and South Lanarkshire Councils drawing praise from the verification board for the innovative approach taken in developing the programme.
- A meeting has been arranged with representatives from Glasgow Caledonian University to discuss the options for launching the programme to the other Clyde Valley Councils.
- Representatives from North Ayrshire Council have also expressed an interest in taking up this programme, and are keen to work with the Clyde Valley to deliver the programme.

Equality Training

A sub group has been established to review establish a shared approach to Equalities training. The initial activities of the group include

- Auditing of current equalities training in each partner authority including identifying demand, providers and cost
- Identifying universal standards in equalities training for local government employees
- monitoring the implementation of the Clyde Valley e-learning package across partners and evaluating impact of this training
- identifying approaches to implementing effective equalities impact assessment within the Clyde Valley
- sharing resources in relation to British Sign Language training for employees

Social Care Training

- A secondee from South Lanarkshire Council is due to be appointed in the early part of the financial year 2008-2009. The Development Officer will support the Implementation Steering Group and the Project Manager in developing this and other aspects of the project.
- South Lanarkshire Council has planned a conference for Social Work colleagues on the subject of 'Harnessing Technology for Learning and Development'. The conference will be run in partnership with the Institute for Research and Innovation in Social Services (IRISS). The conference included a workshop for social work training managers from the Clyde Valley Councils to increase the profile of the Clyde Valley project.
- Further pilot work is underway to investigate the feasibility of delivering social care vocational qualifications through the use of online portfolios. Use of this technology in other occupational areas has demonstrated a saving of some 33% in reduced assessor time.

Elected Member Training

- A sub group has been formed to review the current provision of training for Elected Members. All eight Clyde Valley member councils were invited to an initial meeting hosted and chaired by Glasgow City Council.
- Seven out of the eight have indicated that they wish to be part of the Sub Group.
- The remit of the group was agreed as follows:
- to seek out subjects or aspects of training or learning which might benefit from a shared approach

- to agree to construct a business case for change (or for maintaining the status quo)
- to recognise that there remains scope to maintain individual approaches where appropriate
- to facilitate the delivery of the new model across the Clyde Valley
- to quantify the savings and benefits achieved from the new way of working.
- An audit has been carried out to identify priority areas for development or delivery through a shared approach.

Other activities

Evaluation of the opportunities for application of IT to learning and development

A scoping and tender document has been produced and is currently out for consultation. The scope of the work is to identify opportunities to better optimise the use of technology in the delivery and management of training and hence to make further savings across the Clyde Valley.

Conclusion

The work that has been undertaken in this the first year of the Clyde Valley Learning and Development Project's operations, has demonstrated that there is a willingness and an appetite for member Councils to continue to collaborate on learning and development activities for their mutual benefit. As the project reaches maturity and the benefits from shared approaches accrue, the project will explore further subject areas where opportunities exist to develop best practice across the Clyde Valley Councils and where these benefits might be realised by other local authorities throughout Scotland.

Gerry Farrell

Project Manager – Clyde Valley Learning and Development Project

FINANCIAL STATEMENT BY TREASURER

In this the first year of the Joint Committee, I have enjoyed the support of staff within Personnel Services of South Lanarkshire Council and also my own staff in Finance and Information Technology Resources. The ongoing co-operation of all operational staff in the 7 constituent Councils is appreciated, and has been necessary to ensure a unified approach regarding the financial direction of the Joint Committee.

For financial year 2007/2008, the Joint Committee received an allocation of funding from the Government of £0.560m. This money is an allocation from the Efficiency and Reform Fund and was for start-up costs on a stream of projects to be implemented by the Joint Committee. The current year utilisation of these funds (£0.069m) leaves a balance to be carried into financial year 2008/09 for the continuation of the project (£0.491m).

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

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

Paul Manning

Treasurer – Clyde Valley Learning and Development Joint Committee

Income & Expenditure Account for year ended 31 March 2008

	2007/2008 Actual £000	notes
Employee Costs	0	
Property Costs	0	
Supplies and Services	0	
Administration Costs	38	1
Payment to Other Bodies	32	3
Financing Charges	1	
Total Expenditure	71	
Income	(71)	
Net Cost / (Return) of Service	0	
Return on Pension Assets	0	
Interest Cost on Pensions	0	
Net Operating Expenditure (Deficit / (Surplus))	0	

Statement of Movement on the General Fund Balance

The following table shows there is no movement on the General Fund Balance and as such, there is no need for a reconciling statement.

	2007/08 £000
(Surplus) / Deficit for the Year on Income & Expenditure Account	0
Net additional amount required by statute and non-statutory power practices to be debited or (credited) to the General Fund Balance for the year	0
(Increase) / Decrease in Cumulative Underspend / General Fund Balance for the year ended 31 March 2007	0
General Fund Balance Brought Forward	0
General Fund Balance Carried Forward	0

Statement of Total Recognised Gains & Losses

This statement brings together all the gains and losses of the Council for the year and shows the aggregate increase in its net worth.

	2007/08 £000
Deficit/(Surplus) on the Income & Expenditure Account	0
Any other gains and losses required to be included in the STRGL	491
Total recognised loss for the year	491

Balance Sheet as at 31 March 2008

2006/07 £000s		2007/08 £000s	Notes
	<u>Current Liabilities</u>		
0	Creditors	(491)	5
0	Total Assets less Liabilities	(491)	
	<u>Represented By :</u>		
0	Investment in South Lanarkshire Council Loans Fund	(491)	4
<u>0</u>		(491)	

Paul Manning
Treasurer
30 June 2008

Cash Flow Statement 2007/2008

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

Notes to the Financial Statements

1 Payments to South Lanarkshire Council

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

	2007/2008 £000
Personnel – Employee Time	34
Personnel – Training	4
Total Payments :	38

2 Local Government Act 1986 - Separate Publicity Account

Section 5 of the above Act requires the Joint Committee to maintain a separate account for publicity. There was no expenditure incurred during 2007/08.

3 Auditors Remuneration

As at 25 June 2008, there had been no formal audit appointment made however, it is anticipated that the appointed auditor will be PricewaterhouseCoopers LLP. No fee has been set and as such, no declaration has been made in respect of external audit services undertaken in accordance with the Code of Practice.

4 Short Term Investments

All of the Committee's £0.491m short term investments are held in the South Lanarkshire Councils Loan Fund.

5 Creditors

The Creditors figure is analysed as follows :-

	2007/2008 £000
Balance of Efficiency and Reform Monies held on behalf of constituent Councils and the Training Project	491
	491

6 Reconciliation of Revenue Account Underspend to Revenue Activities Cash Flow

	2007/08
	£000
Surplus/(Deficit) for the Year	0
<u>Items on an Accruals Basis</u>	
(Decrease)/Increase in Debtors	0
Decrease/(Increase) in Creditors	(491)
<u>Items Classified under Returns on Investment and Servicing of Finance in the Cash Flow Statement</u>	
Income Received – Interest on Revenue Balances	1
Net Cash Flow from Revenue Activities	(490)

7 Reconciliation of Movements in Liquid Assets

	Opening Balance 01/04/2007	Closing Balance 31/03/2008	Movement in Liquid Assets
	£000	£000	£000
Investment in South Lanarkshire Council Loans Fund	0	491	491

8 Reconciliation of Movement in Cash to Movement in Net Debt

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

9 Financing and Management Of Liquid Resources

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

10 Date of Signing of Annual Accounts

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

11 Post Balance Sheet Events

No events occurred between 1 April 2008 and 30 June 2008 that would have an impact on the 2007/2008 financial statements. The later date is the date on which the accounts were authorised by the Head of Finance, Finance and Information Technology Resources, Treasurer to the Clyde Valley Learning and Development Joint Committee.

Statement of Accounting Policies

(a) General

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

(b) Debtors and Creditors

Accruals basis

The income and expenditure account is compiled on an accruals basis. Where goods have been sold but the income not received by end 31 March 2008 or goods have been received but not paid for by end March 2008, then the income and expenditure account has been amended to reflect the outstanding amounts.

(i) Debtors

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

(ii) Creditors

Sundry Creditors are accrued on the basis of payments made during the first three weeks following 31st March 2008, together with specific accruals in respect of further material items.

(c) Allocation of Support Expenses

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

(d) Borrowing Facilities

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

Statement of Responsibilities for the Statement of Accounts

The Clyde Valley Learning and Development Joint Committee's responsibilities

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

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

The Treasurer's responsibilities

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

In preparing this statement of accounts, the Treasurer has:

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

The Treasurer has also:

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

This statement of accounts presents fairly the financial position of the Committee at 31 March 2008 and its income and expenditure for the year ended 31 March 2008.

Paul Manning

Treasurer – Clyde Valley Learning & Development Joint Committee

30 June 2008

Statement on the System of Internal Financial Control

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

Gill Bhatti

Chair

Clyde Valley Learning and Development Steering Group

Audit Arrangements

Under arrangements approved by the Commission for Local Authority Accounts in Scotland ("The Accounts Commission"), the auditor with overall responsibility for the audit of the accounts of the Clyde Valley Learning and Development Project – Joint Committee for the year ended 31 March 2008 is :

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

Glossary of Terms

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

1. Employee costs

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

2. Property costs

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

3. Supplies and services

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

4. Administration costs

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

5. Payments to other bodies

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

6. Financing charges

This represents the operating leasing costs for cars.

7. Borrowing Facilities and temporary interest on revenue balances

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

8. Sales Fees and Charges

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