

## FINANCE AND INFORMATION TECHNOLOGY RESOURCES COMMITTEE

Minutes of meeting held in the Council Chamber, Council Offices, Almada Street, Hamilton on 19 May 2009

**Chair:**

Councillor Eileen Logan

**Councillors Present:**

David Baillie, Walter Brogan, Graeme Campbell, Gordon Clark, Pam Clearie, Russell Clearie, Peter Craig, Lynn Filshie, Jim Handibode, Anne Maggs, James Malloy (Depute), Archie Manson, Michael McCann, Lesley McDonald, Jean McKeown, Mary McNeill, Danny Meikle, Henry Mitchell, George Sutherland

**Councillors' Apologies:**

Graeme Horne, Bobby Lawson, Edward McAvoy, Graham Simpson

**Attending:**

**Corporate Resources**

D Lang, Personnel Officer; P MacRae, Administration Officer; A Norris, Administration Assistant

**Finance and Information Technology Resources**

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

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### 1 Declaration of Interests

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No interests were declared.

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### 2 Minutes of Previous Meeting

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The minutes of the meeting of the Finance and Information Technology Resources Committee held on 3 March 2009 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 Revenue Budget Monitoring 2008/2009 - Finance and Information Technology Resources

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A report dated 30 March 2009 by the Executive Director (Finance and Information Technology Resources) was submitted comparing actual expenditure at 20 March 2009 against budgeted expenditure for 2008/2009 under the following headings:-

- ◆ Finance Services
- ◆ Information Technology Services

**The Committee decided:**

- (1) that the breakeven position on Finance and Information Technology Resources' revenue budget at 20 March 2009, as detailed in Appendix A to the Executive Director's report, and the forecast to 31 March 2009 of a breakeven position be noted; and

- (2) that the additional budget for the Customer First Project, as detailed in Appendix C to the Executive Director's report, be noted.

*[Reference: Minutes of 3 March 2009 (Paragraph 3)]*

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

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A report dated 30 March 2009 by the Executive Director (Finance and Information Technology Resources) was submitted advising on progress of the capital programme 2008/2009 and summarising the expenditure position at 20 March 2009 for the following budget headings:-

- ◆ Finance Services
- ◆ Information Technology Services

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

*[Reference: Minutes of 3 March 2009 (Paragraph 4)]*

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#### **5 Finance and Information Technology Resources - Workforce Monitoring - February and March 2009**

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A joint report dated 26 April 2009 by the Executive Directors (Corporate Resources) and (Finance and Information Technology Resources) was submitted on the following employee information for Finance and Information Technology Resources for the period February and March 2009:-

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

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

*[Reference: Minutes of 3 March 2009 (Paragraph 5)]*

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#### **6 National Entitlement Card (NEC)/Smartcard Administration**

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A joint report dated 20 April 2009 by the Executive Directors (Corporate Resources) and (Finance and Information Technology Resources) was submitted on a proposal to establish 2 posts of Support Services Assistant on a 2 year fixed term basis within the Modernising Government Section of Finance and Information Technology Resources.

In September 2007, Finance and Information Technology Resources had been identified as the Council's lead Resource on the National Entitlement Card (NEC)/Smartcard Strategy. Since the approval of the Corporate NEC/Smartcard Strategy, the following projects had been initiated:-

- ◆ a rollout project in libraries to migrate Library Services onto existing NEC cards
- ◆ a registration programme in secondary schools to increase the number of Young Persons' National Entitlement Cards
- ◆ migration of cashless school meals services onto the cards

To reflect the increased assistance that Education Resources and the Education Business Systems Team required to support the rollout of the NEC/Smartcard Strategy, it was proposed that 2 posts of Support Services Assistant be established on Grade 2, Level 1, SCP 27-33 (£16,497 to £18,408) for a 2 year fixed term period.

The costs involved in establishing the 2 posts amounted to £43,112, including on-costs, and would be met from the Smartcard budget.

**The Committee decided:** that 2 posts of Support Services Assistant be established on Grade 2, Level 1, SCP 27-33 (£16,497 to £18,408) within the Modernising Government Section of Finance and Information Technology Resources for a 2 year fixed term period.

*Councillor McKeown entered the meeting during this item of business*

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## **7 Revenues Collection as at 31 March 2009 and Approval for Write Off**

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A joint report dated 21 April 2009 by the Executive Directors (Finance and Information Technology Resources) and (Housing and Technical Resources) was submitted on:-

- ◆ collection performance at 31 March 2009 on revenues income which comprised Council Tax, non-domestic rates, community charge and sundry debts
- ◆ the write-off of irrecoverable Council Tax, sundry debts, former council house tenant rent arrears and lockup and factoring charges

Details were given on:-

- ◆ current collection performance
- ◆ collection of arrears

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

- ◆ irrecoverable Council Tax accounts from 1993/1994 to 2008/2009 to the value of £443,976.94 relating primarily to sequestrations and estates of the deceased
- ◆ sundry debts to a value of £81,074.04. The debts related to liquidations, sequestrations and estates of the deceased
- ◆ former tenant council house and lockup rent arrears from 2004/2005 to 2008/2009 totalling £129,151.46
- ◆ factoring charges to the value of £3,342.75 relating to sequestrations and estates of the deceased

**The Committee decided:**

(1) that the performance to date in revenue collection be noted;

(2) that the write-off of the following irrecoverable debts be approved:-

- ◆ Council Tax debt from 1993/1994 to 2008/2009 to the value of £443,976.94
- ◆ sundry debts to a value of £81,074.04
- ◆ former tenant council house and lockup rent arrears to the value of £129,151.46
- ◆ factoring charges to the value of £3,342.75

*[Reference: Minutes of 3 March 2009 (Paragraph 7)]*

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## **8 Review of Investment Risk Management Framework**

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A report dated 17 April 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the PricewaterhouseCoopers' report on the Council's Investment Risk Management Framework.

PricewaterhouseCoopers had undertaken an assessment of the Council's Investment Risk Management Framework. Following this assessment, assurance could be given that the Council's Treasury Strategy provided an acceptable approach to managing the risks when depositing funds in the current economic climate.

The review had been carried out over the following key areas:-

- ◆ policy and objectives
- ◆ identification of funds to invest
- ◆ liquidity risk
- ◆ counterparty risk
- ◆ interest rate risk
- ◆ management information
- ◆ practical application

It was considered that improvements and efficiencies could be made in the following areas:-

- ◆ counterparty risk
- ◆ interest rate risk
- ◆ management information

The review gave a positive view on the Council's approach to managing investment risk and indicated that there were a number of areas where the Risk Management Framework was in line with good practice.

### **The Committee decided:**

- (1) that PricewaterhouseCoopers' report on the Council's Investment Risk Management Framework be noted; and
- (2) that the suggestions included in PricewaterhouseCoopers' report be considered for implementation alongside existing treasury practices.

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## **9 Data Services - Hosted and Shared Services Strategy**

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A report dated 20 April 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the strategy for the development of services in support of the Efficient Government Agenda.

Due to the increasing amount of available space as a direct result of technology developments, opportunities had been identified to allow the Council to make use of the excess capacity in the Caird Data Centre in return for an income. The Data Centre facilities were currently used by the following public sector bodies:-

- ◆ Scottish Government – National Infrastructure for Customer First
- ◆ University of the West of Scotland
- ◆ Scottish Government – Information Systems and Information Services
- ◆ West Lothian Council Disaster Recovery Services

In order to maximise Council assets and income potential, a strategy for shared and hosted services covering both the Caird Data Centre and application hosting had been prepared. The Strategy comprised a number of stages through which hosting services could be offered to other local authorities and public sector organisations throughout Scotland.

If the strategy was approved, work would begin to:-

- ◆ build on existing arrangements for hosting
- ◆ determine the business case for further application shared services. This would address any requirement for investment of both financial and human resources, product and service development and changes to business processes

An action plan, detailed in Appendix 1 to the report, summarised the next steps in implementing the Strategy.

**The Committee decided:**

- (1) that the Strategy for Shared and Hosted Services be approved;
- (2) that the action plan and timescales be noted; and
- (3) that potential future changes in the organisation be noted.

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## **10 Internal Audit Annual Assurance Report 2008/2009**

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A report dated 24 April 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on:-

- ◆ the progress of Internal Audit against the Internal Audit Annual Plan for 2008/2009
- ◆ the opinion of Internal Audit on the strength of the Council's control environment

Details were given on:-

- ◆ Internal Audit performance
- ◆ management of fraud risks
- ◆ financial controls and findings
- ◆ operational controls

Delivery of the 2008/2009 Plan had been affected by unplanned operational and investigative work but, overall, the quality and coverage of reporting had improved. Productivity, at 71%, had exceeded target. Resources had shown a willingness to work with Internal Audit to improve controls and reduce risks.

Audit findings reflected the Council's control environment and required to be taken into account when preparing the Council's Governance Statement for the 2008/2009 Annual Report. The opinion of Internal Audit for the year 2008/2009 was that adequate assurance could be placed on the effectiveness of the Council's internal control system.

**The Committee decided:**

- (1) that the Internal Audit report for 2008/2009 be approved; and
- (2) that it be noted that the opinion of Internal Audit would form an integral part of the Council's Annual Governance Statement for 2008/2009.

*[Reference: Minutes of 1 July 2008 (Paragraph 7)]*

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## **11 Best Value Service Review - Information Technology Help Desk Service**

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A report dated 20 April 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the Best Value Service Review of the Information Technology (IT) Help Desk Service.

The review aimed to:-

- ◆ examine delivery of first line contact for the IT Help Desk
- ◆ assess whether the current process was appropriate

The results of the review confirmed that the IT Help Desk was highly rated by its customers. The performance analysis indicated that the Help Desk made efficient and effective use of the resources at its disposal.

Details were given on the potential options resulting from the review as follows:-

- ◆ retain the existing service with an Improvement Plan
- ◆ outsource
- ◆ in-source to existing Council call centre
- ◆ shared services

The option of retaining the existing service with an Improvement Plan was the preferred option. It was considered that this option offered the best value for money and had the maximum possibility for delivering a better service through the successful implementation of the Improvement Plan.

It was proposed that a new management and reporting structure be implemented for Information Technology Support Services and details of the proposed structure were provided. The proposed structure would offer the following advantages:-

- ◆ the improvements in day to day management arrangements would ensure that the Help Desk continued to deliver an excellent service and assist in focusing on the delivery of the Improvement Plan
- ◆ the opportunity to combine the Help Desk Services with the skills of the Training Team
- ◆ the Training Team administration could be performed by the Help Desk staff, as both aspects could be managed by the same Team Leader

The Improvement Plan, which had been developed as a result of the review, was attached as an appendix to the report and contained a number of recommendations to ensure future improvements to service delivery.

### **The Committee decided:**

- (1) that the key findings of the Information Technology Help Desk Best Value Service Review be noted; and
- (2) that the Improvement Plan recommendations, as detailed in Appendix 1 to the report, including the revised staffing structure for IT Support Services as detailed in the report, be adopted as a basis for future improvements to service delivery.

*[Reference: Minutes of 30 September 2008 (Paragraph 13)]*

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## **12 Supply of Mobile Communications Services**

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A report dated 30 March 2009 by the Executive Director (Finance and Information Technology Resources) was submitted on the appointment of Vodafone UK as supplier of the Council's mobile communications services.

In view of the requirement to progress this matter as soon as possible in view of the timescales involved and in terms of Standing Order No 36(c), the Executive Director, in consultation with the Chair and an ex officio member, had approved the appointment of Vodafone UK as supplier to the Council of mobile communications services, under the terms of the Office of Government Commerce "Catalist" Mobile Solutions Framework, for the period May 2009 to May 2013.

**The Committee decided:** that the action taken, in terms of Standing Order No 36(c), by the Executive Director, in consultation with the Chair and an ex officio member, in approving the appointment of Vodafone UK as supplier to the Council of mobile communications services, under the terms of the Office of Government Commerce "Catalist" Mobile Solutions Framework, for the period May 2009 to May 2013, be noted.

*[Reference: Minutes of 9 December 2008 (Paragraph 13)]*

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## **13 Urgent Business**

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There were no items of urgent business.