

# FINANCE AND INFORMATION TECHNOLOGY RESOURCES COMMITTEE

Minutes of meeting held in the Council Chamber, Council Offices, Almada Street, Hamilton on 20 February 2007

## **Chair:**

Councillor Eileen Logan

## **Councillors Present:**

David Baillie, Archie Buchanan, Stewart Crawford (Depute), Anne Maggs, Archie Manson, Brian McCaig, John McGuinness, Alex McInnes, Ian McInnes, Bill McNab, Danny Meikle, Bob Rooney (Senior Depute), May Smith

## **Councillors' Apologies:**

Cathie Condie, Gerry Convery, Jim Daisley, Gerry Docherty, Jim Docherty, Tommy Gilligan, Ian Gray, James Handibode, Liz Handibode, Stan Hogarth, Davy Keirs, Edward McAvoy, Brian McKenna, David McLachlan, Mary McNeill, Henry Mitchell, Pat Morgan, William Ross

## **Attending:**

### **Corporate Resources**

K Bartie, Administration Assistant; P MacRae, Administration Officer, M McAllister, Personnel Officer

### **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

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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 Information Technology Resources Committee held on 12 December 2006 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 Special Meeting**

The minutes of the special meeting of the Finance and Information Technology Resources Committee held on 8 February 2007 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 Revenue Budget Monitoring 2006/2007 - Finance and Information Technology Resources**

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A report dated 11 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted comparing actual expenditure at 29 December 2006 against budgeted expenditure for 2006/2007 under the following headings:-

- ◆ Finance Services
- ◆ Information Technology Services

**The Committee decided:** that the underspend on the Finance and Information Technology Resources' Revenue Budget of £0.013 million (0.2%), as detailed in Appendix A to the Executive Director's report, and the forecast to 31 March 2007 of break even be noted.

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## **5 Capital Budget Monitoring 2006/2007 - Finance and Information Technology Resources**

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A report dated 10 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted advising on progress of the capital programme 2006/2007 and summarising the expenditure position at 29 December 2006 for the following budget headings:-

- ◆ Finance Services
- ◆ Information Technology Services

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

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## **6 Finance and Information Technology Resources - Workforce Monitoring - November and December 2006**

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A joint report dated 26 January 2007 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 November and December 2006:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances and Dignity at Work cases
- ◆ analysis of leavers
- ◆ Joint Staffing Watch as at 9 December 2006

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

*[Reference: Minutes of 12 December 2006 (Paragraph 5)]*

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## **7 Biggar Common Good Fund – Contribution to Gillespie Centre, Biggar**

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A report dated 7 February 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on an application from the Gillespie Centre Association for a contribution towards the cost of refurbishing the Gillespie Centre, Biggar.

**The Committee decided:** that a contribution of £5,000 from the Biggar Common Good Fund be awarded to the Gillespie Centre Association to assist with the refurbishment of the Gillespie Centre, Biggar.

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## **8 Internal Audit - Annual Audit Plan 2007/2008**

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A report dated 2 February 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on the Internal Audit Annual Audit Plan 2007/2008.

A total of 2114 audit days were provided for in the Plan to deliver around 36 assignments for all Council Resources and a service to external clients. The objectives and scope of assignments contained in the Plan were detailed in Appendix 1 to the Executive Director's report.

Progress against the Plan would be monitored by the Performance and Audit Forum.

**The Committee decided:** that the Internal Audit Annual Audit Plan for 2007/2008 be approved.

*[Reference: Minutes of 4 April 2006 (Paragraph 8)]*

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## **9 Insurance Broking Services Tender**

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A report dated 15 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on the award of the contract for the Council's insurance broking services to Willis Limited.

Five tender submissions had been received for the supply of insurance broking services and, following evaluation and interview, it was proposed that the contract be awarded to Willis Limited for a period of 3 years with an option to extend for a further 2 years.

The cost of the appointment of Willis Limited would be £10,500 per annum with routine inflation applied in each of the 3 years of the appointment. This would be met from the central insurance fund.

**The Committee decided:** that Willis Limited be appointed as the Council's insurance broker for a period of 3 years from 1 April 2007 with an option to extend for a further 2 years.

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## **10 Council Tax Direct Debit Prize Draw**

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A joint report dated 12 January 2007 by the Executive Directors (Finance and Information Technology Resources) and (Housing and Technical Resources) was submitted on proposals for an annual Council Tax direct debit prize draw.

This was intended to promote payment of Council Tax by direct debit and would be open to all existing customers who paid by direct debit and all those who signed up during the promotional period. Three winners would receive 1 year's "free" Council Tax. The net cost to the Council was estimated at £4,000 and would be jointly funded by Finance and Information Technology Resources and Housing and Technical Resources. Scottish Water had agreed to contribute the water and waste water element of the cost, estimated to be £1,000.

**The Committee decided:** that a prize draw for Council Tax direct debit payers be held on an annual basis.

*[Reference: Minutes of 15 November 2005 (Paragraph 7)]*

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## **11 Travel Contract - Extension to Existing Contract**

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A report dated 28 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on a proposal to extend the Council's travel contract with Gray-Dawes Travel for a period for 6 months to allow a revised contract to be drawn up and offered out for tender.

The contract had an estimated value of £90,000 per annum and covered the provision of travel services for Council employees in all principal Council offices. In 2004, the contract had been awarded to Gray-Dawes Travel for an initial period of 3 years. The contract was due to expire on 31 May 2007.

Since the award of the current contract, there had been significant advances in the procurement of travel and hotel accommodation arrangements, particularly through the use of the internet. In light of those advances, the Council intended to review its existing travel arrangements and, to allow a comprehensive review of those requirements to take place, an extension to the current contract was required.

**The Committee decided:** that the existing travel contract with Grey-Dawes Travel be extended for a period of 6 months to allow a revised contract to be drawn up and offered out to tender.

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## **12 Revenues Collection as at 31 December 2006 and Approval for Write-Off**

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A joint report dated 22 January 2007 by the Executive Directors (Finance and Information Technology Resources) and (Housing and Technical Resources) was submitted on:-

- ◆ collection performance at 31 December 2006 on revenues income which comprised Council Tax, non-domestic rates and sundry debts
- ◆ the write-off of irrecoverable non-domestic rates, Council Tax, sundry debts, former tenant rent arrears and factoring charges

Details were given on:-

- ◆ current collection performance
- ◆ collection of arrears

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

- ◆ non-domestic rates accounts for the years 2004/2005, 2005/2006 and 2006/2007 totalling £119,583.88 relating to debtors who were in liquidation, had ceased trading or had been sequestrated
- ◆ irrecoverable Council Tax accounts to the value of £108,927.84 relating primarily to the sequestrations and estates of the deceased
- ◆ sundry debts to a value of £39,495.52. The debts related to liquidations, sequestrations and estates of the deceased
- ◆ former tenant Council house rent arrears to the value of £299,890.38. Any former tenant reapplying for housing would require to clear the outstanding accounts
- ◆ factoring charges to the value of £14,816.19 relating to sequestrations and estates of the deceased

**The Committee decided:**

- (1) that the achievements in revenue collection performance be noted; and

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

- ◆ non-domestic rates for the years 2004/2005, 2005/2006 and 2006/2007 to the value of £119,583.88
- ◆ Council Tax debt to the value of £108,927.84
- ◆ sundry debts to the value of £39,495.52
- ◆ former tenant Council house rent arrears to the value of £299,890.38
- ◆ factoring charges to the value of £14,816.19

*[Reference: Minutes of 12 December 2006 (Paragraph 10)]*

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### **13 Insurance Contracts Renewal 2007/2008**

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A report dated 31 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on:-

- ◆ the extension of the current liability/motor insurance policy and associated claims handling contract for 2 years until 31 March 2009
- ◆ the current long-term agreements for the Council's property, terrorism, personal accident and insurance policies
- ◆ an 18 month extension to the current tenants' contents insurance policy

All of the Council's current insurance policies, with the exception of combined liability/motor insurance and tenants' contents insurance policies were part way through either 3 or 5 year contracts. An offer had been received from AIG to extend the current liability/motor insurance policy and associated claims handling agreement for 2 years until 31 March 2009 as an alternative to a full tender exercise. In addition, an extension until 30 September 2008 had been negotiated with Royal Sun Alliance for the tenants' contents scheme.

Details were given on:-

- ◆ combined liability/motor insurance policy and claims handling
- ◆ property, terrorism and fidelity guarantee cover
- ◆ engineering and personal accident and travel insurances
- ◆ tenants' contents insurance

In terms of Standing Orders Nos 13.3 and 13.4 of the Standing Orders on Contracts, the Executive Director (Finance and Information Technology Resources), in consultation with the Chair, had approved an 18 month extension to the current tenants' contents insurance policy with Royal Sun Alliance.

Insurance premiums and fees in 2006/2007 amounted to £2,167,715. This compared to a total of £2,157,412 for 2007/2008, a reduction of 0.5%.

#### **The Committee decided:**

- (1) that the combined liability and insurance policy and associated claims handling agreement with AIG be extended for 2 years until 31 March 2009;
- (2) that the terms for the continuation of the current long-term agreements for the Council's property, terrorism, personal accident and engineering insurance policies be noted; and

- (3) that the action taken, in terms of Standing Orders Nos 13.3 and 13.4 of the Standing Orders on Contracts, by the Executive Director (Finance and Information Technology Resources), in consultation with the Chair, to extend the current tenants' contents insurance policy with Royal Sun Alliance until 30 September 2008, be noted.

*[Reference: Minutes of 4 April 2006 (Paragraph 13)]*

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#### **14 Employee Car Leasing Contract - 1 April 2007 to 31 March 2010**

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A report dated 26 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on the renewal of the Council's employee car leasing contract for the period 1 April 2007 to 31 March 2010.

The contract covered the provision of services to all existing car lease holders. The gross contract value amounted to £1.390 million per annum, however, a significant proportion of that amount was recovered from employee contributions. Twenty companies had requested a copy of the tender document. Of those, 12 had submitted tender offers and, following the initial evaluation, 8 companies had been re-invited to submit formal tenders. Following the evaluation process, it was proposed to award the contract to Arnold Clark, Lloyds/TSB Autolease and Automotive Leasing.

**The Committee decided:** that the Council's employee car leasing contract be awarded to Arnold Clark, Lloyds/TSB Autolease and Automotive Leasing for the period 1 April 2007 to 31 March 2010.

*[Reference: Minutes of 18 November 2003 (Paragraph 11)]*

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#### **15 Urgent Business**

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There were no items of urgent business.

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#### **Chair's Remarks**

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The Chair thanked the Senior Depute and Depute Chair, the members of the Committee, the Executive Director (Finance and Information Technology Resources) and all of her staff for their hard work and help over the past 4 years. She wished those members who were standing for re-election the best of luck and those who were standing down all the very best for the future.