



Council Offices, Almada Street
Hamilton, ML3 0AA

Tuesday, 12 January 2021

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, 20 January 2021
Time: 14:00
Venue: By Microsoft Teams,

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

Yours sincerely

Cleland Sneddon
Chief Executive

Members

Gladys Miller (Chair), Graeme Horne (Depute Chair), Collette Stevenson (Depute Chair), John Ross (ex officio), Alex Allison, John Anderson, Walter Brogan, Graeme Campbell, Peter Craig, Maureen Devlin, Isobel Dorman, Joe Fagan, Grant Ferguson, Geri Gray, Ian Harrow, Eric Holford, Eileen Logan, Joe Lowe, Hugh Macdonald, Monique McAdams, Catherine McClymont, Mark McGeever, Jim McGuigan, Mo Razzaq, Jim Wardhaugh, Jared Wark

Substitutes

John Bradley, Robert Brown, Andy Carmichael, Poppy Corbett, Mary Donnelly, George Greenshields, Martin Lennon, Richard Lockhart, Katy Loudon, Davie McLachlan, Lynne Nailon, Richard Nelson, Margaret B Walker, Josh Wilson

BUSINESS

- 1 **Declaration of Interests**
- 2 **Minutes of Meeting of Previous Meeting** 5 - 12
Minutes of the meeting of the Finance and Corporate Resources Committee held on 28 October 2020 submitted for approval as a correct record. (Copy attached)
- 3 **Minutes of Meetings of Appeals Panels** 13 - 18
Minutes of the meetings of the Appeals Panel held on 27 October, 25 November and 17 December 2020 submitted for approval as a correct record. (Copies attached)

Monitoring Item(s)

- 4 **Revenue Budget Monitoring 2020/2021 - Finance and Corporate Resources** 19 - 30
Report dated 27 November 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 5 **Capital Budget Monitoring 2020/2021 - Finance and Corporate Resources** 31 - 34
Report dated 21 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 6 **Finance and Corporate Resources – Workforce Monitoring – September and October 2020** 35 - 42
Report dated 8 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 7 **Council-wide Workforce Monitoring – September and October 2020** 43 - 64
Report dated 8 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 8 **Treasury Management Activity – Second Quarter Review** 65 - 72
Report dated 9 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)

Item(s) for Decision

- 9 **Revenue Collection and Approval for Write Offs** 73 - 78
Report dated 21 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)

Item(s) for Noting

- 10 **Finance and Corporate Resource Plan - Quarter 2 Progress Report 2020/2021** 79 - 98
Report dated 10 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 11 **Early Retirement, Voluntary Severance and Switch 2** 99 - 102
Report dated 19 November 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)
- 12 **Common Good - Update** 103 - 108
Report dated 15 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached)

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|--|------------------|
| 13 Procurement Strategy Action Plan Update 2020/2021 | 109 - 116 |
| Report dated 14 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached) | |
| 14 Update of the Finance and Corporate Resources Risk Register and Risk Control Plan | 117 - 130 |
| Report dated 15 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached) | |
| 15 Calls for Views: Procurement Reform (Scotland) Act 2014 - Post Legislative Scrutiny | 131 - 138 |
| Report dated 29 December 2020 by the Executive Director (Finance and Corporate Resources). (Copy attached) | |

Urgent Business

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

For further information, please contact:-

Clerk Name: Carol Lyon

Clerk Telephone: 01698 455652

Clerk Email: carol.lyon@southlanarkshire.gov.uk

FINANCE AND CORPORATE RESOURCES COMMITTEE

2

Minutes of meeting held via Microsoft Teams on 28 October 2020

Chair:

Councillor Gladys Miller

Councillors Present:

Councillor Alex Allison, Councillor John Anderson, Councillor John Bradley (*substitute for Councillor Jim McGuigan*), Councillor Walter Brogan, Councillor Graeme Campbell, Councillor Maureen Devlin, Councillor Mary Donnelly (*substitute for Councillor Peter Craig*), Councillor Isobel Dorman, Councillor Joe Fagan, Councillor Grant Ferguson, Councillor Geri Gray, Councillor Ian Harrow, Councillor Eric Holford, Councillor Graeme Horne (Depute), Councillor Eileen Logan, Councillor Hugh Macdonald, Councillor Monique McAdams, Councillor Catherine McClymont, Councillor Mo Razzaq, Councillor Collette Stevenson (Depute), Councillor Jim Wardhaugh, Councillor Jared Wark

Councillors' Apologies:

Councillor Peter Craig, Councillor Joe Lowe, Councillor Mark McGeever, Councillor Jim McGuigan, Councillor John Ross (ex officio)

Attending:

Finance and Corporate Resources

P Manning, Executive Director; G Cochran, Administration Assistant; Y Douglas, Audit and Compliance Manager; C Fergusson, Head of Finance (Transactions); T Little, Head of Communications and Strategy; C Lyon, Administration Officer; K McVeigh, Head of Personnel Services; J Taylor, Head of Finance (Strategy); B Teaz, Head of Information Technology

1 Declaration of Interests

No interests were declared.

2 Previous Meeting

The minutes of the meeting of the Finance and Corporate Resources Committee held on 19 August 2020 were submitted for approval as a correct record.

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

3 Minutes of Appeals Panel

The Committee decided: that the minutes of the meeting of the Appeals Panel of 13 August 2020 be approved as a correct record.

4 Revenue Budget Monitoring 2020/2021 – Finance and Corporate Resources

A report dated 17 September 2020 by the Executive Director (Finance and Corporate Resources) was submitted comparing actual expenditure for the period 1 April to 14 August 2020 against budgeted expenditure for 2020/2021 for Finance and Corporate Resources.

As at 14 August 2020, there was an overspend of £0.780 million against the phased budget, which consisted of £0.572 million due to COVID-19 costs incurred by the Resource and £0.208 million in the loss of income due to COVID-19.

Costs associated with COVID-19 were detailed in Appendix I to the report and related to COVID-19 Business Support Grants from the Scottish Government.

The forecast to 31 March 2021, excluding COVID-19 costs and loss of income, was a breakeven position.

Appendices to the report provided details on proposed budget virements across the Resource to realign budgets.

The Committee decided:

- (1) that the overspend of £0.780 million, as detailed in Appendix A to the report, be noted;
- (2) that the forecast to 31 March 2021 of a breakeven position, excluding COVID-19 costs and loss of income, be noted; and
- (3) that the budget virements, as detailed in the appendices to the report, be approved.

[Reference: Minutes of 19 August 2020 (Paragraph 6)]

5 Capital Budget Monitoring 2020/2021 – Finance and Corporate Resources

A report dated 8 October 2020 by the Executive Director (Finance and Corporate Resources) was submitted advising of progress on Finance and Corporate Resources' capital programme for 2020/2021 and summarising the expenditure position at 14 August 2020.

Progress in delivery of the capital programme budget of £5.249 million had been affected by the lockdown due to COVID-19 and the ongoing requirements for social distancing. As a result, on 23 September 2020, the Executive Committee approved a revised budget of £4.749 million based on the level of deliverability which could be achieved in the current year.

The Committee decided: that the Finance and Corporate Resources' capital programme of £4.749 million, and expenditure to date of £0.182 million, be noted.

[Reference: Minutes of 19 August 2020 (Paragraph 7) and Minutes of the Executive Committee of 23 September 2020 (Paragraph 4)]

6 Finance and Corporate Resources – Workforce Monitoring – July and August 2020

A report dated 23 September 2020 by the Executive Director (Finance and Corporate Resources) was submitted on the following employee information for Finance and Corporate Resources for the period July and August 2020:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances and Dignity at Work cases
- ◆ analysis of leavers and exit interviews
- ◆ Staffing Watch as at 13 June 2020

The Committee decided: that the report be noted.

[Reference: Minutes of 19 August 2020 (Paragraph 8)]

7 Council-wide Workforce Monitoring – July and August 2020

A report dated 23 September 2020 by the Executive Director (Finance and Corporate Resources) was submitted on the following Council-wide employee information for the period July and August 2020:-

- ♦ attendance statistics
- ♦ occupational health statistics
- ♦ accident/incident statistics
- ♦ disciplinary hearings, grievances and Dignity at Work cases
- ♦ analysis of leavers and exit interviews
- ♦ recruitment monitoring
- ♦ Staffing Watch as at 13 June 2020

The Committee decided: that the report be noted.

[Reference: Minutes of 19 August 2020 (Paragraph 9)]

8 Revenue Collection and Approval for Write-offs

A report dated 8 October 2020 by the Executive Director (Finance and Corporate Resources) was submitted on:-

- ♦ collection performance for the financial year 2020/2021 to 31 August 2020 on revenue income which comprised Council Tax, non-domestic rates, sundry debts and arrears
- ♦ the write-off of irrecoverable Council Tax, sundry debt and Housing Rent and associated charges

Collection across all income streams had been significantly impacted upon by the temporary cessation of recovery action for the first 4 months of 2020/2021 due to the COVID-19 pandemic. No statutory recovery and sheriff officer activity had taken place between April and July 2020 in respect of Council Tax for both the current year and arrears. The health crisis had also seen financial support provided, via Council Tax Reduction, increase by almost 11% for this financial year.

Statutory recovery in the form of reminders and recovery action for all income streams had recommenced at the end of July 2020.

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

- ♦ irrecoverable Council Tax accounts from 1993/1994 to 2020/2021 to the value of £104,219.95 relating primarily to prescribed debt, sequestrations and estates of the deceased
- ♦ non-domestic rates from 2018/2019 to 2020/2021 totalling £403,151.86 relating to debtors who were in liquidation, had ceased trading or had been sequestrated
- ♦ Business Improvement District (BID) levies totalling £528.23
- ♦ sundry debts to a value of £211,774.67
- ♦ former tenant rent arrears totalling £119,804.22 and Housing Benefit overpayments totalling £96,167.28

The Committee decided:

- (1) that the Council's performance in the collection of revenues be noted; and
- (2) that the write-off of the following irrecoverable debts be approved:-

- ◆ Council Tax debt from 1993/1994 to 2020/2021 to the value of £104,219.95
- ◆ non-domestic rates from 2017/2018 to 2019/2020 totalling £403,151.86
- ◆ Hamilton, Carlisle and Lanark Business Improvement District levies totalling £528.23
- ◆ sundry debts to a value of £211,774.67
- ◆ house rent and associated charges totalling £215,917.50

[Reference: Minutes of 19 August 2020 (Paragraph 12)]

9 Equity Working Group

A report dated 19 October 2020 by the Executive Director (Finance and Corporate Resources) was submitted on the creation of the new cross-party Equity Working Group.

On 19 August 2020, this Committee agreed that an update on the work undertaken on the recruitment of black and ethnic minority groups be provided to this meeting.

On 23 September 2020, the Council considered a motion to establish a working group to specifically address inequity between white and black and ethnic minorities (BAME) in terms of recruitment. The Council:-

- ◆ acknowledged that recruitment statistics continued to show disparities between the success rates of applicants of white ethnicity and applicants of black and ethnic minorities (BAME)
- ◆ noted the importance of fully understanding the reasons for this and resolving identified sources of inequity
- ◆ agreed that an all-party Equity Working Group be established to:-
 - ◆ consider an officer report on recruitment disparities between white and BAME applicants
 - ◆ investigate and identify sources on inequity
 - ◆ develop consensus on effective ways to address them
 - ◆ recommend to the Council measures to ensure equitable treatment

It was proposed that an update report on the work undertaken on the recruitment of black and ethnic minority groups be considered by the Equity Working Group and thereafter reported to this Committee for noting. The outcomes of the Equity Working Group, together with any measures to address disparities, would be reported to the Council.

The Committee decided:

- (1) that the creation of the new cross-party Equity Working Group be noted;
- (2) that a report on the recruitment of applicants of a black or ethnic minority be submitted to the Equity Working Group for consideration before being reported to this Committee for noting; and
- (3) that any updates and outcomes from the Equity Working Group be reported to the Council.

[Reference: Minutes of 19 August 2020 (Paragraph 9) and Minutes of South Lanarkshire Council of 23 September 2020 (Paragraph 11)]

10 Annual Procurement Report 2019/2020

A report dated 9 October 2020 by the Executive Director (Finance and Corporate Resources) was submitted on the Council's Annual Procurement Report for 2019/2020.

The Procurement (Scotland) Reform Act 2014 required contracting authorities to prepare and publish an Annual Procurement Report on their regulated procurement activities. The Act stated that the Report must include information under the following headings:-

- ◆ regulated procurement activity
- ◆ regulated procurement strategy and compliance
- ◆ community benefits
- ◆ supported businesses
- ◆ future planning
- ◆ any other relevant information

A summary of procurement activity was provided in the report and the Council's Annual Procurement Report for 2019/2020 was attached as Appendix 1 to the report.

The Committee decided: that the Annual Procurement Report for 2019/2020 be noted.

[Reference: Minutes of 7 August 2019 (Paragraph 17)]

11 Notification of Contracts Awarded

A report dated 1 October 2020 by the Executive Director (Finance and Corporate Resources) was submitted on contracts awarded by Finance and Corporate Resources during the period 1 April 2019 to 30 September 2020.

In terms of Standing Order Nos 21.8 and 22.5 of the Standing Orders on Contracts, Resources were required to notify the relevant Committee of contracts awarded. Details of the contracts awarded by Finance and Corporate Resources were provided in the appendix to the report.

The Committee decided: that the report be noted.

[Reference: Note of 20 May 2020 (Paragraph 10)]

12 European Social Fund Programme 2014 to 2020

A report dated 4 September 2020 by the Executive Director (Finance and Corporate Resources) was submitted on the European Social Fund (ESF) Programme 2014 to 2020 being delivered by South Lanarkshire Council.

The Scottish European Structural and Investment Funds Programme 2014 to 2020, approved by the European Commission (EC), set out a broad approach to the development of the Scottish economy using European Union (EU) Structural Funds.

For management and monitoring purposes, Phase 1 covered the period from the original approval to December 2019 and Phase 2 covered the period 1 January 2020 to 31 March 2023, the extended period. Although the UK had now left the EU, the UK Government had provided a guarantee to fund approvals which were agreed within the current 2014 to 2020 EU funding cycle.

On 21 January 2020, the Council was awarded £6.9 million by the Scottish Government to deliver a South Lanarkshire Works 4U (SLW4U) Strategic Intervention Programme covering a range of projects across Phase 2.

In addition to the grant funding, the Council was required to provide a level of match-funding to support delivery of the Programme. The grant award also set out required levels of engagement and specific outputs and outcomes to be achieved. The Programme also received ESF support to add value and achieve additional outcomes.

In November 2019, the ESF programme had been formally suspended at a Scotland level by the EC. This followed a pre-suspension period initially started in February 2019. The suspension applied to all Public Bodies in Scotland in receipt of EU, ESF and European Regional Development Fund (ERDF) funding.

Routine audit work undertaken by the EC had identified issues with elements of the ESF Programme which had led to the EC suspending further payments pending a resolution. In January 2020, the Council had been advised that, although the suspension had not been lifted, claims could be submitted and, following verification, would be reimbursed by the Scottish Government.

The Committee decided:

- (1) that the award of £6.9 million to deliver Phase 2 of the European Social Fund (ESF) Programme 2014 to 2020 through to 2023 be noted;
- (2) to note that, although the Programme remained under suspension, grant claims could be submitted and, following verification, be reimbursed by the Scottish Government; and
- (3) that update reports on progress towards achieving full grant spend, meeting targets and outcomes across Phase 2 projects, be submitted to this Committee as appropriate.

13 Consultation – Redress for Survivors (Historic Child Abuse in Care) (Scotland) Bill

A report dated 6 October 2020 by the Executive Director (Finance and Corporate Resources) was submitted on the:-

- ◆ Scottish Parliament's Education and Skills Committee call for views on the Redress for Survivors (Historic Child Abuse in Care) (Scotland) Bill
- ◆ Scottish Parliament's Finance and Constitution Committee call for view on the Redress for Survivors (Historic Child Abuse in Care) (Scotland) Bill – Financial Memorandum
- ◆ Council's responses to the Bill and Financial Memorandum submitted to the Scottish Parliament

The Scottish Government undertook a consultation into the proposed Financial Redress Scheme in September 2019 and the Council submitted its response in November 2019.

On 13 August 2020, the Scottish Parliament published the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Bill which was accompanied by an explanatory note, a Policy Memorandum and a Financial Memorandum. The main points noted within the Bill were detailed in the report.

The Scottish Parliament's Education and Skills Committee issued a call or views on the Bill on 24 August 2020 and the Finance and Constitution Committee issued a call for views on the associated Financial Memorandum on 4 September 2020. The response dates were 2 October and 9 October 2020 respectively.

The Council's responses were detailed at Appendices 1 and 2 to the report.

The Committee decided: that the content of the report be noted

13 Urgent Business

There were no items of urgent business.

APPEALS PANEL

Minutes of meeting held via Microsoft Teams on 27 October 2020

Chair:

Councillor Collette Stevenson

Councillors Present:

Councillor Andy Carmichael, Councillor Mary Donnelly

Attending:

Finance and Corporate Resources

E Maxwell, Human Resources Business Partner; H Tennant, Administration Officer

1 Declaration of Interests

No interests were declared.

2 Urgent Business

There were no items of urgent business.

3 Exclusion of Press and Public

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 Termination Due to Incapacity

The Panel considered an appeal (Ref 4/20) by an employee against termination due to incapacity.

The appellant was not present, however, was represented by Ude Joe-Adigwe of the GMB. The Council was represented by a Personnel Adviser. The Council called a witness. 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 not been substantiated and the appeal be not upheld.
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APPEALS PANEL

Minutes of meeting held via Microsoft Teams on 25 November 2020

Chair:

Councillor Gladys Miller

Councillors Present:

Councillor John Anderson, Councillor Graham Scott

Attending:

Finance and Corporate Resources

S McLeod, Administration Officer; G Robertson, Personnel Adviser

1 Declaration of Interests

No interests were declared.

2 Urgent Business

There were no items of urgent business.

3 Exclusion of Press and Public

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

The Panel considered an appeal (Ref 5/20) by an employee against his dismissal.

The appellant was present and represented by A Scott of the Educational Institute of Scotland. The Council was represented by a Personnel Adviser. 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 not been substantiated and the appeal be not upheld.
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APPEALS PANEL

Minutes of meeting held via Microsoft Teams on 17 December 2020

Chair:

Councillor Collette Stevenson

Councillors Present:

Councillor Alex Allison, Councillor Isobel Dorman

Attending:

Finance and Corporate Resources

E Maxwell, Human Resources Business Partner; H Tennant, Administration Officer

1 Declaration of Interests

No interests were declared.

2 Urgent Business

There were no items of urgent business.

3 Exclusion of Press and Public

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.

4 Appeal Against Dismissal

The Panel considered an appeal (Ref 6/20) by an employee against her dismissal.

The appellant was present, and represented herself, with assistance from a colleague. The Council was represented by a Personnel Adviser. The Council called a witness. 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 grounds of dismissal be amended from gross misconduct to contractual dismissal for some other substantial reason
- ◆ the appellant to receive 12 weeks' pay in lieu of notice
- ◆ the appellant to be provided with a factual employment reference

Report

4

Report to: **Finance and Corporate Resources Committee**
 Date of Meeting: **20 January 2021**
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Revenue Budget Monitoring 2020/2021 - 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 2020 to 6 November 2020 for Finance and Corporate Resources

2. Recommendation(s)

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

- (1) that the overspend of £1.159 million on the Finance and Corporate Resources' revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2021 of breakeven, be noted; and
- (2) 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 2020/2021.
- 3.2. The report details the financial position for Finance and Corporate Resources on Appendix A, along with variance explanations in Appendices B-I.
- 3.3. The Resource has incurred expenditure in relation to COVID-19, and in order to separate these costs from the Resource's normal activities, a COVID-19 Service has been included at Appendix I.

4. Employee Implications

4.1. None.

5. Financial Implications

- 5.1. As at 6 November 2020, there is an overspend of £1.159 million against the phased budget. This is due to the costs of COVID-19 as shown in Appendix I (£0.880 million) and also the loss of income totalling £0.279 million in relation to COVID-19 which is included in the positions for Administration, Legal and Licensing and Communications and Strategy (being £0.184 million and £0.095 million, respectively).
- 5.2. The budget included in Appendix I for COVID-19 relates to Scottish Government funding in relation to COVID-19 Business Support Grants.

- 5.3. The financial forecast for the revenue budget to 31 March 2021 is a breakeven position, excluding the COVID-19 costs and loss of income.
- 5.4. Virements are proposed to realign budgets. These movements have been detailed in the appendices to this report, as appropriate.

6. Climate Change, Sustainability and Environmental Implications

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

7. Other Implications

- 7.1. 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.

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

Executive Director (Finance and Corporate Resources)

27 November 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Finance and Corporate Resources Committee, 28 October 2020

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 6 November 2020

Contact for Further Information

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

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Ext: 2601 (Tel: 01698 452601)

E-mail: lorraine.o'hagan@southlanarkshire.gov.uk

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Finance and Corporate Resources Summary

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	33,218	33,218	0	19,747	20,702	(955)	over	(4.8%)	
Property Costs	4,122	4,122	0	1,108	1,033	75	under	6.8%	
Supplies & Services	6,477	6,477	0	5,416	5,339	77	under	1.4%	
Transport & Plant	104	104	0	65	27	38	under	58.5%	
Administration Costs	7,624	7,624	0	4,186	3,847	339	under	8.1%	
Payments to Other Bodies	49,876	49,876	0	45,204	44,917	287	under	0.6%	
Payments to Contractors	265	265	0	27	28	(1)	over	(3.7%)	
Transfer Payments	70,686	70,686	0	38,818	38,277	541	under	1.4%	
Financing Charges	1,020	1,020	0	624	671	(47)	over	(7.5%)	
Total Controllable Exp.	173,392	173,392	0	115,195	114,841	354	under	0.3%	
Total Controllable Inc.	(138,166)	(138,166)	0	(87,884)	(86,371)	(1,513)	under recovered	(1.7%)	
Net Controllable Exp.	35,226	35,226	0	27,311	28,470	(1,159)	over	(4.2%)	

Variance Explanations

Variance explanations are shown in Appendices B to I as appropriate.

Budget Virements

Budget virements are shown in Appendices B to I as appropriate.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Finance - Strategy Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	2,848	2,848	0	1,795	1,768	27	under	1.5%	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	19	19	0	16	17	(1)	over	(6.3%)	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	112	112	0	12	13	(1)	over	(8.3%)	
Payments to Other Bodies	495	495	0	338	343	(5)	over	(1.5%)	
Payments to Contractors	22	22	0	14	12	2	under	14.3%	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	16	16	0	12	10	2	under	16.7%	
Total Controllable Exp.	3,512	3,512	0	2,187	2,163	24	under	1.1%	
Total Controllable Inc.	(1,547)	(1,547)	0	0	0	0	-	n/a	
Net Controllable Exp.	1,965	1,965	0	2,187	2,163	24	under	1.1%	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Finance - Transactions Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	11,283	11,283	0	6,735	6,756	(21)	over	(0.3%)	1
Property Costs	3,242	3,242	0	650	646	4	under	0.6%	
Supplies & Services	828	828	0	590	574	16	under	2.7%	
Transport & Plant	7	7	0	4	0	4	under	100.0%	
Administration Costs	1,280	1,280	0	736	641	95	under	12.9%	2
Payments to Other Bodies	0	0	0	0	0	0	-	n/a	
Payments to Contractors	243	243	0	13	13	0	-	0.0%	
Transfer Payments	70,686	70,686	0	38,818	38,197	621	under	1.6%	3
Financing Charges	104	104	0	76	73	3	under	3.9%	
Total Controllable Exp.	87,673	87,673	0	47,622	46,900	722	under	1.5%	
Total Controllable Inc.	(73,947)	(73,947)	0	(37,406)	(36,621)	(785)	under recovered	(2.1%)	4
Net Controllable Exp.	13,726	13,726	0	10,216	10,279	(63)	over	(0.6%)	

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 lower than anticipated legal fees to date.

3. Transfer Payments

The underspend is due to the current profile of Housing Benefit payments and is offset by an under recovery of income (see 4 below).

4. Income

The under recovery relates to the under recovery of Housing Benefit Subsidy income, offset by reduced expenditure (see 3 above), and an under recovery of Housing Benefit Overpayment income.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Audit Services

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	535	535	0	366	373	(7)	over	(1.9%)	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	7	7	0	5	4	1	under	20.0%	
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	7	7	0	2	0	2	under	100.0%	
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	4	4	0	3	3	0	-	0.0%	
Total Controllable Exp.	553	553	0	376	380	(4)	over	(1.1%)	
Total Controllable Inc.	(223)	(223)	0	0	0	0	-	n/a	
Net Controllable Exp.	330	330	0	376	380	(4)	over	(1.1%)	

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Information Technology Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	5,108	5,108	0	3,061	3,350	(289)	over	(9.4%)	1,a
Property Costs	504	504	0	314	270	44	under	14.0%	
Supplies & Services	4,613	4,613	0	4,190	3,878	312	under	7.4%	2
Transport & Plant	4	4	0	2	0	2	under	100.0%	
Administration Costs	2,059	2,059	0	1,096	1,080	16	under	1.5%	a
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	499	499	0	311	329	(18)	over	(5.8%)	
Total Controllable Exp.	12,787	12,787	0	8,974	8,907	67	under	0.7%	
Total Controllable Inc.	(8,030)	(8,030)	0	(4,119)	(3,948)	(171)	under recovered	(4.2%)	3
Net Controllable Exp.	4,757	4,757	0	4,855	4,959	(104)	over	(2.1%)	

Variance Explanations**1. Employee Costs**

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

2. Supplies and Services

The underspend reflects the timing of spend for IT systems to date.

3. Income

The income under recovery relates to external income for services provided at Caird.

Budget Virements

- a. Contribution from IT Development Fund for IT projects. Net Effect £0.060m: Employee Costs £0.030m, Administration Costs £0.030m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Personnel Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	7,570	7,570	0	4,297	4,451	(154)	over	(3.6%)	1,a
Property Costs	358	358	0	136	110	26	under	19.1%	
Supplies & Services	273	273	0	173	127	46	under	26.6%	2
Transport & Plant	51	51	0	26	0	26	under	100.0%	
Administration Costs	1,136	1,136	0	608	566	42	under	6.9%	a
Payments to Other Bodies	2,496	2,496	0	891	617	274	under	30.8%	3
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	39	39	0	32	40	(8)	over	(25.0%)	
Total Controllable Exp.	11,923	11,923	0	6,163	5,911	252	under	4.1%	
Total Controllable Inc.	(2,636)	(2,636)	0	(487)	(310)	(177)	under recovered	(36.3%)	4
Net Controllable Exp.	9,287	9,287	0	5,676	5,601	75	under	1.3%	

Variance Explanations**1. Employee Costs**

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

2. Supplies and Services

The underspend reflects lower expenditure within the Cafes, which are closed due to COVID, offset by an under recovery of income (see 4 below).

3. Administration Costs

The underspend reflects lower than anticipated expenditure in relation to medicals and also reduced expenditure within the Employability Programme due to the timing of the commencement of projects.

4. Income

The under recovery reflects lower than anticipated income from the Cafes, which are currently closed due to COVID-19, offset by a reduction in expenditure (see 2 above).

Budget Virements

- a. Transfer from reserves for the Leadership Programme. Net Effect £0.046m: Employee Costs £0.016m, Administration Costs £0.030m.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Administration, Legal and Licensing Services

Budget Category	Annual Budget £000	Forecast for Year £000	Annual Forecast Variance £000	Budget Proportion 06/11/20 £000	Actual 06/11/20 £000	Variance 06/11/20 £000		% Variance 06/11/20	Note
Employee Costs	4,107	4,107	0	2,464	2,494	(30)	over	(1.2%)	1
Property Costs	18	18	0	8	3	5	under	62.5%	
Supplies & Services	125	125	0	82	92	(10)	over	(12.2%)	
Transport & Plant	14	14	0	5	0	5	under	100.0%	
Administration Costs	2,140	2,140	0	1,271	1,198	73	under	5.7%	2
Payments to Other Bodies	679	679	0	307	291	16	under	5.2%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	32	32	0	23	40	(17)	over	(73.9%)	
Total Controllable Exp.	7,115	7,115	0	4,160	4,118	42	under	1.0%	
Total Controllable Inc.	(2,911)	(2,911)	0	(969)	(773)	(196)	under recovered	(20.2%)	3
Net Controllable Exp.	4,204	4,204	0	3,191	3,345	(154)	over	(4.8%)	

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 mainly due to lower than anticipated expenditure on printing and stationery, and also a reduction in expenditure on civic events which have not taken place due to COVID, offset by an under recovery of income (see 3 below).

3. Income

The under recovery of income relates to income from civic events which have not taken place due to COVID, offset by a reduction in expenditure (see 2 above). In addition, income from licensing and registration has been lower than anticipated due to COVID.

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

Communications and Strategy Services

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	1,767	1,767	0	1,029	1,012	17	under	1.7%	
Property Costs	0	0	0	0	0	0	-	n/a	
Supplies & Services	612	612	0	360	349	11	under	3.1%	
Transport & Plant	28	28	0	28	27	1	under	3.6%	
Administration Costs	890	890	0	461	324	137	under	29.7%	1
Payments to Other Bodies	6	6	0	3	1	2	under	66.7%	
Payments to Contractors	0	0	0	0	3	(3)	over	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	326	326	0	167	176	(9)	over	(5.4%)	
Total Controllable Exp.	3,629	3,629	0	2,048	1,892	156	under	7.6%	
Total Controllable Inc.	(2,672)	(2,672)	0	(1,238)	(1,029)	(209)	under recovered	(16.9%)	2
Net Controllable Exp.	957	957	0	810	863	(53)	over	(6.5%)	

Variance Explanations**1. Administration Costs**

The underspend relates to a reduction in the costs of printing from multi-functional devices a result of COVID, offset by an under recovery of income from recharges (see 2 below).

2. Income

The net under recovery of income reflects the impact of COVID-19 on the work of the service, including recharges for multi-functional devices (see 1 above).

SOUTH LANARKSHIRE COUNCIL

Revenue Budget Monitoring Report

Finance and Corporate Resources Committee: Period Ended 6 November 2020 (No.8)

COVID - 19

	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 06/11/20	Actual 06/11/20	Variance 06/11/20		% Variance 06/11/20	Note
	£000	£000	£000	£000	£000	£000			
<u>Budget Category</u>									
Employee Costs	0	0	0	0	498	(498)	over	n/a	1
Property Costs	0	0	0	0	4	(4)	-	n/a	
Supplies & Services	0	0	0	0	298	(298)	over	n/a	2
Transport & Plant	0	0	0	0	0	0	-	n/a	
Administration Costs	0	0	0	0	25	(25)	over	n/a	3
Payments to Other Bodies	46,200	46,200	0	43,665	43,665	0	-	0.0%	
Payments to Contractors	0	0	0	0	0	0	-	n/a	
Transfer Payments	0	0	0	0	80	(80)	-	n/a	
Financing Charges	0	0	0	0	0	0	-	n/a	
Total Controllable Exp.	46,200	46,200	0	43,665	44,570	(905)	over	(0.8%)	
Total Controllable Inc.	(46,200)	(46,200)	0	(43,665)	(43,690)	25	-	n/a	
Net Controllable Exp.	0	0	0	0	880	(880)	over	n/a	

Variance Explanations**1. Employee Costs**

The overspend relates to overtime and includes the cost of the Wellbeing helpline and also additional time required to process the Business Support Grants and other benefits, including Social Welfare Payments and Council Tax Reduction Scheme applications in relation to COVID-19.

2. Supplies and Services

The overspend relates mainly to IT expenditure including licences and devices to support staff working from home.

3. Administration Costs

The overspend relates to printing and postage costs in relation to COVID-19.

Report

5

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	20 January 2021
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Capital Budget Monitoring 2020/2021 - Finance and Corporate Resources
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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 2020 to 6 November 2020

2. Recommendation(s)

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

- (1) that the Finance and Corporate Resources capital programme of £3.644 million, and expenditure to date of £0.871 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 2020/2021. Further reports will follow throughout the year.

3.2. The budget reflects the revised programme for the year (Executive Committee, 23 September 2020). It also includes budget adjustments presented to the Executive Committee thereafter, up to and including its meeting on 16 December 2020. For Finance and Corporate Resources this was a reduction of £1.105 million and the details of this are shown in Appendix A. This takes the Finance and Corporate Resources programme for 2020/2021 to £3.644 million.

3.3. The report details the financial position for Finance and Corporate Resources in Appendix A.

4. Employee Implications

4.1. There are no employee implications as a result of this report.

5. Financial Implications

5.1. As detailed in Section 3.2, the revised capital programme for Finance and Corporate Resources for 2020/2021 is £3.644 million. Spend to 6 November 2020 amounts to £0.871 million.

6. Climate Change, Sustainability and Environmental Implications

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

7. Other Implications

- 7.1. 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.

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

Executive Director (Finance and Corporate Resources)

21 December 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, Effective, Efficient and Transparent

Previous References

- ◆ Executive Committee, 23 September 2020
- ◆ Executive Committee, 16 December 2020
- ◆ Finance and Corporate Resources Committee, 28 October 2020

List of Background Papers

- ◆ Financial ledger to 6 November 2020

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
Capital Expenditure 2020-2021
Finance and Corporate Resources Programme
For Period 1 April 2020 – 6 November 2020**

<u>Finance and Corporate Resources</u>	Total Original Budget £000	Budget Adjustments £000	Slippage £000	Total Budget £000	Actual Expenditure £000
Information Technology Services	4,749	0	(1,105)	3,644	871
TOTAL	4,749	0	(1,105)	3,644	871

For Information Only

Budget Adjustments presented to Executive Committee (16 December 2020) since the last report to this Committee:

Budget Adjustments

Oracle Upgrade	(£0.335m)
New Website / CRM / MDM/ Customer Portal / Integration Tools	(£0.225m)
Digital Connectivity	(£0.234m)
Caird Data Centre	(£0.311m)
Total Budget Adjustments	(£1.105m)

Report

6

Report to: **Finance and Corporate Resources Committee**
 Date of Meeting: **20 January 2021**
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Finance and Corporate Resources – Workforce
Monitoring – September and October 2020**

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide employment information for the period September and October 2020 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 September and October 2020 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 14 September 2020

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 September and October 2020.

4. Monitoring Statistics

4.1. Attendance Statistics (Appendix 1)

Information on absence statistics is analysed for the month of October 2020 for Finance and Corporate Resources.

The Resource absence figure for October 2020 was 3.3%, which has increased by 0.9% when compared to last month and is 1.5% lower than the Council-wide figure. Compared to October 2019, the Resource absence figure has decreased by 0.4%.

Based on the absence figures at October 2020 and annual trends, the projected annual average absence for the Resource for 2020/2021 is 3.2%, compared to a Council-wide average figure of 4.4%.

For the financial year 2020/2021, the projected average days lost per employee equates to 5.9 days, compared with the overall figure for the Council of 8.1 days per employee.

Managers follow the procedures outlined in the Maximising Attendance Policy to support employees to remain at work, or to return to work after a sickness absence. There are comprehensive employee supports in place and additionally, Personnel Services work in close partnership with line managers and Resource Management Teams on a case management basis to ensure that appropriate actions are taken.

The attendance information contained in this report includes absences as a result of Covid-19, and employees are being supported through this difficult time to maintain attendance levels where they can. At the time of this report, the Council's overall absence level was 6.3% with 1.7% of this relating to Covid-19 for sickness and special leave.

4.2. Occupational Health (Appendix 2)

In terms of referrals to occupational health, which include medical examinations and physiotherapy, 33 referrals were made this period, a decrease of 27 when compared with the same period last year.

4.3. Accident/Incident Statistics (Appendix 2)

There were no accidents/incidents recorded within the Resource this period, a decrease of 7 when compared with the same period last year.

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

During the period no disciplinary hearings, grievance hearings or Dignity at Work complaints were raised within the Resource, which remains unchanged when compared with the same period last year.

4.5. Analysis of Leavers (Appendix 2)

There were 3 leavers in the Resource this period who were eligible for an exit interview. This figure remains unchanged when compared with the same period last year. Exit interviews were held with 33% of employees, compared with 67% for the same period last year.

4.6. When processing an employee termination, managers are asked to identify whether they intend to replace the employee who had left the Council. If they indicate that they do not intend to replace the employee, they are asked to select from four options:-

- ◆ plan to hold for savings
- ◆ fill on a fixed term basis pending savings
- ◆ transfer budget to another post
- ◆ end of fixed term contract

4.7. Appendix 2a provides a breakdown of vacant posts and whether these are being replaced or held for savings. In the period September to October 2020, 9 (7.59 FTE) employees in total left employment. Managers indicated that 8 (6.59 FTE) posts are to be filled, and the remaining post is being removed for savings.

5. Staffing Watch

5.1. There has been a decrease of 6 in the number of employees in post from 13 June 2020 to 14 September 2020.

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. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no climate change, sustainability or environmental implications arising from the information presented in this report.

9. Other Implications

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

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. 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.

- 10.2. 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)

8 December 2020

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, 28 October 2020

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:-

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ABSENCE TRENDS - 2018/2019, 2019/2020 & 2020/2021
Finance and Corporate Resources

APT&C				Manual Workers				Resource Total				Council Wide							
	2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021				
April	3.1	3.5	3.5	April	8.6	7.1	8.5	April	3.2	3.6	3.6	April	4.1	4.0	4.4				
May	3.3	3.2	2.3	May	0.4	0.0	16.0	May	3.2	3.2	2.4	May	4.2	4.4	3.1				
June	2.5	3.3	1.9	June	0.0	0.5	7.4	June	2.5	3.2	1.9	June	4.3	4.4	2.7				
July	2.9	3.3	2.0	July	0.0	2.4	3.5	July	2.9	3.2	2.0	July	3.4	3.4	2.3				
August	2.8	3.6	1.8	August	0.4	5.9	12.1	August	2.8	3.6	2.0	August	3.6	3.7	3.1				
September	3.1	3.3	2.3	September	0.0	3.5	13.4	September	3.0	3.3	2.4	September	4.4	4.5	4.2				
October	3.6	3.7	3.2	October	0.0	3.6	10.2	October	3.6	3.7	3.3	October	4.4	4.6	4.8				
November	4.6	3.9		November	0.0	2.6		November	4.6	3.8		November	5.1	5.5					
December	3.8	4.6		December	0.0	1.3		December	3.8	4.5		December	4.8	5.7					
January	3.6	3.9		January	0.0	0.0		January	3.5	3.9		January	4.9	5.3					
February	3.7	4.1		February	2.3	7.6		February	3.6	4.1		February	5.2	5.6					
March	3.2	4.5		March	9.8	4.6		March	3.3	4.5		March	4.9	6.2					
Annual Average	3.4	3.7	3.2	Annual Average	1.8	3.3	7.3	Annual Average	3.3	3.7	3.2	Annual Average	4.4	4.8	4.4				
Average Apr-Oct	3.0	3.4	2.4	Average Apr-Oct	1.3	3.3	10.2	Average Apr-Oct	3.0	3.4	2.5	Average Apr-Oct	4.1	4.1	3.5				
No of Employees at 31 October 2020				951	No of Employees at 31 October 2020				10	No of Employees at 31 October 2020				961	No of Employees at 31 October 2020				15834

For the financial year 2020/21, the projected average days lost per employee equates to 5.9 days.

FINANCE AND CORPORATE RESOURCES

	Sep-Oct 2019	Sep-Oct 2020
MEDICAL EXAMINATIONS		
Number of Employees Attending	13	7
EMPLOYEE COUNSELLING SERVICE		
Total Number of Referrals	0	0
PHYSIOTHERAPY SERVICE		
Total Number of Referrals	34	11
REFERRALS TO EMPLOYEE SUPPORT OFFICER	13	15
REFERRALS TO COGNITIVE BEHAVIOUR THERAPY	0	0
TOTAL	60	33

CAUSE OF ACCIDENTS/INCIDENTS	Sep-Oct 2019	Sep-Oct 2020
Minor	1	0
Violent Incident: Verbal*****	6	0
Total Accidents/Incidents	7	0

*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 7 day 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	Sep-Oct 2019	Sep-Oct 2020
Total Number of Hearings	0	0

RECORD OF GRIEVANCE HEARINGS	Sep-Oct 2019	Sep-Oct 2020
Number of Grievances	0	0

RECORD OF DIGNITY AT WORK	Sep-Oct 2019	Sep-Oct 2020
Number of Incidents	0	0

ANALYSIS OF REASONS FOR LEAVING	Sep-Oct 2019	Sep-Oct 2020
Career Advancement	1	0
Moving Outwith Area	1	0
Other	0	1
Number of Exit Interviews conducted	2	1

Total Number of Leavers Eligible for Exit Interview	3	3
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Percentage of interviews conducted	67%	33%
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	Sept - Oct 2020		Reconciliation figure		Cumulative total	
			Apr - Aug 2020			
	FTE*	H/C**	FTE	H/C	FTE	H/C
Terminations/Leavers	7.59	9	12.78	16	20.37	25
Being replaced	6.59	8	12.78	16	19.37	24
Filled on fixed term basis	0.00	0	0.00	0	0.00	0
Plan to transfer this budget to another post	0.00	0	0.00	0	0.00	0
End of fixed term contract	0.00	0	0.00	0	0.00	0
Held pending service Review	0.00	0	0.00	0	0.00	0
Plan to remove for savings	1.00	1	0.00	0	1.00	1

* Full time equivalent

** Head count/number of employees

**JOINT STAFFING WATCH RETURN
FINANCE AND CORPORATE RESOURCES**

1. As at 14 September 2020

Total Number of Employees				
MALE		FEMALE		TOTAL
F/T	P/T	F/T	P/T	
203	16	359	307	885

*Full - Time Equivalent No of Employees

Salary Bands

Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher	TOTAL
2.00	116.60	345.47	229.92	56.54	25.10	6.00	1.00	0.00	782.63

1. As at 13 June 2020

Total Number of Employees				
MALE		FEMALE		TOTAL
F/T	P/T	F/T	P/T	
205	16	366	304	891

*Full - Time Equivalent No of Employees

Salary Bands

Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher	TOTAL
2.00	121.49	345.93	230.62	57.54	25.70	6.00	1.00	0.00	790.28

Report

7

Report to: **Finance and Corporate Resources Committee**
 Date of Meeting: **20 January 2021**
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Council-wide Workforce Monitoring – September and October 2020**

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide employment information relating to the Council for the period September and October 2020

2. Recommendation(s)

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

(1) that the following employment information for the period September and October 2020 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 14 September 2020

3. Background

3.1. As part of the Council's performance management arrangements, regular workforce monitoring reports are submitted to the Committee. This report for the Council provides information on the position for the period September and October 2020.

4. Attendance Statistics

4.1. Information on absence statistics for the Council and each Resource, as analysed for October 2020, is provided in Appendices 1 to 8. Points to note are:-

The Council's absence rate for October 2020, shown in Appendix 1, is 4.8%, which represents an increase of 0.6% when compared with last month and the figure has increased by 0.2% when compared to October 2019.

When compared to October 2019, the APT&C absence rate remains unchanged, the teachers' figure has increased by 0.6% and the manual workers' figure has increased by 0.3%.

Based on annual trends and the absence rate to October 2020, the projected average absence rate for the Council for the financial year 2020/2021 is 4.4%.

For the financial year 2020/2021, the projected average days lost per employee equates to 8.1 days.

In comparison to October 2019 (Appendix 8):-

- ◆ Psychological and respiratory conditions are the main reasons for absence.
- ◆ Total days lost due to psychological conditions have increased by 336 days.
- ◆ Total days lost due to respiratory conditions have increased by 2476 days.
- ◆ Total days lost due to musculoskeletal conditions have decreased by 1110 days.
- ◆ Total days lost due to stomach, bowel, blood and metabolic disorders have decreased by 826 days.

The attendance information contained in this report includes absences as a result of Covid-19 which began to impact on attendance figures from March. After the numbers of respiratory absences peaked in March they reduced significantly from April to July, albeit still at much higher rates than the same period in 2019. Since August, the numbers of respiratory absences have continued to increase again to similar levels in March and April.

Psychological absences saw a reducing trend from March through to July 2020 but this began to increase from August with psychological being the main reason for absence.

Referring to Appendix 7, there was a reduction in short-term absence from 2.6% in March to 0.5% in July. Since this point there has been a gradual increase in short term absence to 2.0% in October. In terms of long term absences, we saw a reduction from April to July but numbers have been increasing since then, reaching 2.8% in October; the long term figure in October 2019 was 2.9%

5. Occupational Health

5.1. Information on Occupational Health for the period September and October 2020 is provided in Appendix 9.

- ◆ during the period there were 209 employees referred for a medical examination, a decrease of 99 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 263 employees attended physiotherapy treatment, showing a decrease of 177 when compared to the same period last year. Of the 263 employees referred, 72% remained at work whilst undertaking treatment. This reduction is expected given that the physiotherapy provision has been predominantly via telephone consultation, rather than the usual face to face appointments.
- ◆ during this period 280 employees were referred to the Employee Support Officer, showing an increase of 16 when compared with the same period last year. Of the referrals made this period, 88% related to personal reasons.
- ◆ 88 employees were referred to the PAM Assist counselling service this period, showing a decrease of 61 when compared with the same period last year. All of the referrals made this period were from management and none were made directly by employees. Personal reasons accounted for 76% of the referrals made, 9% were for work related reasons and 15% were for other reasons.
- ◆ 25 employees were referred for Cognitive Behavioural Therapy this period, this figure remains unchanged when compared to the same period last year.

6. Accidents/Incidents

6.1. The accident/incident report for September and October 2020 is contained in Appendix 10.

- ◆ the number of accidents/incidents recorded was 199, this figure has decreased by 19 from the same period last year.
- ◆ there were no specified injuries recorded, this figure remains unchanged from the same period last year.
- ◆ there were 197 minor accidents/incidents, this figure has decreased by 10 from the same period last year.
- ◆ 1 accident resulted in an absence lasting over 3 days during the period, this figure has decreased by 2 from the same period last year.
- ◆ there was 1 accident resulting in an absence lasting over 7 days during the period, this figure has decreased by 7 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 September and October 2020 is contained in Appendices 11, 12a and 12b.

- ◆ in total, 11 disciplinary hearings were held across Resources within the Council, a decrease of 19 when compared to the same period last year.
- ◆ action was taken in 10 of these cases. Two appeals were raised against the outcomes, of which both were not upheld.
- ◆ our target is to convene disciplinary hearings within 6 weeks, 55% of hearings met this target.
- ◆ during the period, 1 appeal was heard by the Appeals Panel, of which was not upheld.
- ◆ at the end of October 2020, 3 Appeals Panels were pending.
- ◆ during the period, 2 grievance cases were raised.
- ◆ during the period, 1 Dignity at Work case was raised.
- ◆ during the period, no referrals for mediation were submitted.

8. Analysis of Leavers and Exit Interviews

8.1. Information on the number of leavers and exit interviews for the period September and October 2020 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 14 September 2020, the Council's turnover figure for September to October 2020 is as follows:-

85 leavers eligible for exit interviews/14,848 employees in post = Labour Turnover of 0.6%.

Based on the figure at October 2020, the projected annual labour turnover figure for the financial year 2020/2021 for the Council is 2.4%.

8.2. Analysis of Leavers and Exit Interviews

- ◆ there were a total of 85 employees leaving the Council that were eligible for an exit interview, a decrease of 10 when compared with the same period last year.

- ♦ exit interviews were held with 28% of leavers, compared with 27% from the same period last year.

8.3. When processing an employee termination, managers are asked to identify whether they intend to replace the employee who had left the Council. If they indicate that they do not intend to replace the employee, they are asked to select from four options:-

- ♦ plan to hold for savings
- ♦ fill on a fixed term basis pending savings
- ♦ transfer budget to another post
- ♦ end of fixed term contract

8.4. Appendix 13a provides information relating to vacant posts and whether these are being replaced or held for savings. From September to October 2020, 253 (187.73 FTE) employees left employment and managers indicated that 223 (158.23 FTE) would be replaced. Of the remaining posts, 1 (1.0 FTE) plan to remove the post for savings and for the remaining 28 posts (27.5 FTE) were as a result of the end of fixed term contracts.

9. Recruitment Monitoring

9.1. Information on Recruitment Monitoring for September to October 2020 is contained within Appendix 14.

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

- ♦ overall, 2,206 applications and 2,188 completed Equal Opportunities Monitoring Forms were received
- ♦ of those applicants who declared themselves as disabled (122), 52 were shortlisted for interview and 8 were appointed
- ♦ of those applicants of a black/ethnic minority background (69), 20 were shortlisted for interview and 8 were appointed.
- ♦ for posts which closed in the period September to October 2020, 2 veterans met the criteria for a guaranteed interview and none were appointed.

10. Staffing Watch

10.1 There has been an increase of 21 in the number of employees in post from 13 June 2020 to 14 September 2020. Details of staffing watch are contained in Appendix 15.

11. Employee Implications

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

12. Financial Implications

12.1. All financial implications are accommodated within existing budgets.

13. Climate Change, Sustainability and Environmental Implications

13.1. There are no climate change, sustainability or environmental implications arising from the information presented in this report.

14. Other Implications

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

15. Equality Impact Assessment and Consultation Arrangements

- 15.1. 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.
- 15.2. 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)

8 December 2020

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 Committee – 28 October 2020

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:-

Laurane Rhind, Personnel Services Manager

Ext: 4721 (Tel: 01698 454721)

E-mail: Laurane.Rhind@southlanarkshire.gov.uk

ABSENCE TRENDS - 2018/2019, 2019/2020 & 2020/2021
Council Wide

APT&C				Teachers				Manual Workers				Council Wide				
	2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021	
	%	%	%		%	%	%		%	%	%		%	%	%	
April	4.2	4.0	4.2	April	1.9	2.9	2.9	April	5.7	5.2	6.0	April	4.1	4.0	4.4	
May	4.2	4.4	2.9	May	2.1	3.2	1.4	May	6.1	5.6	4.9	May	4.2	4.4	3.1	
June	4.2	4.4	2.5	June	2.3	2.7	0.9	June	6.0	5.7	4.5	June	4.3	4.4	2.7	
July	3.5	3.5	2.2	July	1.0	1.2	0.5	July	5.1	5.1	4.0	July	3.4	3.4	2.3	
August	3.7	3.9	2.9	August	1.2	1.3	1.2	August	5.4	5.5	5.1	August	3.6	3.7	3.1	
September	4.4	4.5	4.1	September	2.2	2.5	2.7	September	6.2	6.1	5.8	September	4.4	4.5	4.2	
October	4.7	4.7	4.7	October	2.2	2.6	3.2	October	5.8	6.1	6.4	October	4.4	4.6	4.8	
November	5.3	5.7		November	3.5	3.8		November	6.0	6.6		November	5.1	5.5		
December	4.9	5.7		December	3.1	3.8		December	6.3	7.2		December	4.8	5.7		
January	4.7	5.2		January	3.3	3.4		January	6.6	7.1		January	4.9	5.3		
February	4.9	5.6		February	4.0	3.8		February	6.7	7.3		February	5.2	5.6		
March	4.7	6.2		March	3.9	4.8		March	6.1	7.3		March	4.9	6.2		
Annual Average	4.5	4.8	4.3	Annual Average	2.6	3.0	2.7	Annual Average	6.0	6.2	6.0	Annual Average	4.4	4.8	4.4	
Average Apr-Oct	4.1	4.2	3.4	Average Apr-Oct	1.8	2.3	1.8	Average Apr-Oct	5.8	5.6	5.2	Average Apr-Oct	4.1	4.1	3.5	
No of Employees at 31 October 2020			7256	No of Employees at 31 October 2020			4603	No of Employees at 31 October 2020			3975	No of Employees at 31 October 2020			15834	

For the financial year 2020/21, the projected average days lost per employee equates to 8.1 days.

ABSENCE TRENDS - 2018/2019, 2019/2020 & 2020/2021
Community and Enterprise Resources

APT&C				Manual Workers				Resource Total				Council Wide				
	2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021	
April	3.2	4.0	3.1	April	5.4	4.4	5.3	April	5.0	4.3	5.0	April	4.1	4.0	4.4	
May	2.8	3.6	2.4	May	6.0	5.1	4.3	May	5.5	4.9	4.0	May	4.2	4.4	3.1	
June	3.8	3.9	1.6	June	5.8	5.5	4.0	June	5.5	5.3	3.6	June	4.3	4.4	2.7	
July	4.3	3.9	1.8	July	4.5	4.3	3.6	July	4.4	4.3	3.4	July	3.4	3.4	2.3	
August	4.8	4.0	1.7	August	5.3	5.1	4.9	August	5.2	4.9	4.4	August	3.6	3.7	3.1	
September	6.0	2.9	1.6	September	6.2	5.9	5.8	September	6.2	5.4	5.1	September	4.4	4.5	4.2	
October	3.8	3.4	3.1	October	5.8	5.9	6.3	October	5.5	5.5	5.8	October	4.4	4.6	4.8	
November	4.8	4.8		November	6.2	6.6		November	6.0	6.4		November	5.1	5.5		
December	4.1	5.4		December	6.0	7.0		December	5.7	6.8		December	4.8	5.7		
January	3.4	4.1		January	6.1	6.6		January	5.6	6.2		January	4.9	5.3		
February	4.1	3.8		February	6.3	7.1		February	5.9	6.6		February	5.2	5.6		
March	4.8	4.5		March	5.6	7.1		March	5.5	6.7		March	4.9	6.2		
Annual Average	4.2	4.0	3.2	Annual Average	5.8	5.9	5.7	Annual Average	5.5	5.6	5.3	Annual Average	4.4	4.8	4.4	
Average Apr-Oct	4.1	3.7	2.2	Average Apr-Oct	5.6	5.2	4.9	Average Apr-Oct	5.3	4.9	4.5	Average Apr-Oct	4.1	4.1	3.5	
No of Employees at 31 October 2020			548	No of Employees at 31 October 2020			2899	No of Employees at 31 October 2020			3447	No of Employees at 31 October 2020			15834	

For the financial year 2020/21, the projected average days lost per employee equates to 11.3 days.

ABSENCE TRENDS - 2018/2019, 2019/2020 & 2020/2021
Education Resources

APT&C				Teachers				Resource Total				Council Wide				
	2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021	
April	4.1	3.5	3.9	April	1.9	2.9	2.9	April	2.8	3.2	3.3	April	4.1	4.0	4.4	
May	4.5	4.2	2.2	May	2.1	3.2	1.4	May	3.1	3.6	1.8	May	4.2	4.4	3.1	
June	4.4	3.8	1.8	June	2.3	2.7	0.9	June	3.2	3.2	1.3	June	4.3	4.4	2.7	
July	2.4	2.4	1.3	July	1.0	1.2	0.5	July	1.6	1.7	0.9	July	3.4	3.4	2.3	
August	2.7	2.8	2.7	August	1.2	1.3	1.2	August	1.8	2.0	1.8	August	3.6	3.7	3.1	
September	4.1	4.3	4.8	September	2.2	2.5	2.7	September	3.0	3.3	3.6	September	4.4	4.5	4.2	
October	4.7	4.5	5.4	October	2.2	2.6	3.2	October	3.2	3.5	4.1	October	4.4	4.6	4.8	
November	5.7	5.8		November	3.5	3.8		November	4.4	4.7		November	5.1	5.5		
December	5.4	5.5		December	3.1	3.8		December	4.1	4.6		December	4.8	5.7		
January	5.1	5.1		January	3.3	3.4		January	4.1	4.2		January	4.9	5.3		
February	5.3	5.7		February	4.0	3.8		February	4.5	4.6		February	5.2	5.6		
March	5.0	7.1		March	3.9	4.8		March	4.4	5.8		March	4.9	6.2		
Annual Average	4.5	4.6	4.3	Annual Average	2.6	3.0	2.7	Annual Average	3.4	3.7	3.4	Annual Average	4.4	4.8	4.4	
Average Apr-Oct	3.8	3.6	3.2	Average Apr-Oct	1.8	2.3	1.8	Average Apr-Oct	2.7	2.9	2.4	Average Apr-Oct	4.1	4.1	3.5	
No of Employees at 31 October 2020			3050	No of Employees at 31 October 2020			3975	No of Employees at 31 October 2020			7025	No of Employees at 31 October 2020			15834	

For the financial year 2020/21, the projected average days lost per employee equates to 5.8 days.

ABSENCE TRENDS - 2018/2019, 2019/2020 & 2020/2021
Finance and Corporate Resources

APT&C				Manual Workers				Resource Total				Council Wide							
	2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021				
April	3.1	3.5	3.5	April	8.6	7.1	8.5	April	3.2	3.6	3.6	April	4.1	4.0	4.4				
May	3.3	3.2	2.3	May	0.4	0.0	16.0	May	3.2	3.2	2.4	May	4.2	4.4	3.1				
June	2.5	3.3	1.9	June	0.0	0.5	7.4	June	2.5	3.2	1.9	June	4.3	4.4	2.7				
July	2.9	3.3	2.0	July	0.0	2.4	3.5	July	2.9	3.2	2.0	July	3.4	3.4	2.3				
August	2.8	3.6	1.8	August	0.4	5.9	12.1	August	2.8	3.6	2.0	August	3.6	3.7	3.1				
September	3.1	3.3	2.3	September	0.0	3.5	13.4	September	3.0	3.3	2.4	September	4.4	4.5	4.2				
October	3.6	3.7	3.2	October	0.0	3.6	10.2	October	3.6	3.7	3.3	October	4.4	4.6	4.8				
November	4.6	3.9		November	0.0	2.6		November	4.6	3.8		November	5.1	5.5					
December	3.8	4.6		December	0.0	1.3		December	3.8	4.5		December	4.8	5.7					
January	3.6	3.9		January	0.0	0.0		January	3.5	3.9		January	4.9	5.3					
February	3.7	4.1		February	2.3	7.6		February	3.6	4.1		February	5.2	5.6					
March	3.2	4.5		March	9.8	4.6		March	3.3	4.5		March	4.9	6.2					
Annual Average	3.4	3.7	3.2	Annual Average	1.8	3.3	7.3	Annual Average	3.3	3.7	3.2	Annual Average	4.4	4.8	4.4				
Average Apr-Oct	3.0	3.4	2.4	Average Apr-Oct	1.3	3.3	10.2	Average Apr-Oct	3.0	3.4	2.5	Average Apr-Oct	4.1	4.1	3.5				
No of Employees at 31 October 2020				951	No of Employees at 31 October 2020				10	No of Employees at 31 October 2020				961	No of Employees at 31 October 2020				15834

For the financial year 2020/21, the projected average days lost per employee equates to 5.9 days.

ABSENCE TRENDS - 2018/2019, 2019/2020 & 2020/2021
Housing & Technical Resources

APT&C				Manual Workers				Resource Total				Council Wide							
	2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021				
April	3.9	3.9	4.1	April	6.5	6.7	3.5	April	4.9	5.0	3.8	April	4.1	4.0	4.4				
May	3.6	4.2	2.8	May	6.5	5.1	2.0	May	4.8	4.5	2.5	May	4.2	4.4	3.1				
June	4.0	4.8	3.2	June	6.2	5.0	2.0	June	4.9	4.9	2.7	June	4.3	4.4	2.7				
July	3.7	4.1	2.7	July	6.3	5.4	2.7	July	4.8	4.6	2.7	July	3.4	3.4	2.3				
August	4.1	4.0	2.5	August	5.5	5.7	3.4	August	4.6	4.7	2.8	August	3.6	3.7	3.1				
September	4.5	4.4	2.1	September	6.2	5.8	3.3	September	5.2	5.0	2.6	September	4.4	4.5	4.2				
October	4.3	4.3	2.9	October	5.9	6.6	3.9	October	4.9	5.2	3.3	October	4.4	4.6	4.8				
November	4.8	5.5		November	6.5	6.1		November	5.5	5.7		November	5.1	5.5					
December	4.4	5.2		December	6.5	6.3		December	5.3	5.6		December	4.8	5.7					
January	4.2	5.8		January	7.0	5.9		January	5.3	5.8		January	4.9	5.3					
February	4.2	5.8		February	6.6	5.7		February	5.2	5.8		February	5.2	5.6					
March	4.2	5.1		March	7.3	6.5		March	5.5	5.7		March	4.9	6.2					
Annual Average	4.2	4.8	4.0	Annual Average	6.4	5.9	4.3	Annual Average	5.1	5.2	4.1	Annual Average	4.4	4.8	4.4				
Average Apr-Oct	4.0	4.2	2.9	Average Apr-Oct	6.2	5.8	3.0	Average Apr-Oct	4.9	4.8	2.9	Average Apr-Oct	4.1	4.1	3.5				
No of Employees at 31 October 2020				885	No of Employees at 31 October 2020				572	No of Employees at 31 October 2020				1457	No of Employees at 31 October 2020				15834

For the financial year 2020/21, the projected average days lost per employee equates to 7.1 days.

ABSENCE TRENDS - 2018/2019, 2019/2020 & 2020/2021
Social Work Resources

APT&C				Manual Workers				Resource Total				Council Wide							
	2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021		2018 / 2019	2019 / 2020	2020 / 2021				
April	5.3	5.0	5.5	April	6.2	6.9	10.2	April	5.6	5.6	7.1	April	4.1	4.0	4.4				
May	5.1	5.6	4.4	May	6.2	7.7	8.1	May	5.4	6.3	5.7	May	4.2	4.4	3.1				
June	5.2	5.8	3.9	June	6.3	6.9	7.6	June	5.6	6.2	5.2	June	4.3	4.4	2.7				
July	5.2	5.1	3.7	July	6.4	7.7	6.3	July	5.6	5.9	4.6	July	3.4	3.4	2.3				
August	5.0	5.9	4.4	August	5.9	6.7	6.7	August	5.3	6.2	5.2	August	3.6	3.7	3.1				
September	5.0	6.2	5.4	September	6.1	6.8	7.5	September	5.4	6.4	6.1	September	4.4	4.5	4.2				
October	5.7	6.1	5.9	October	5.6	6.5	8.2	October	5.6	6.2	6.7	October	4.4	4.6	4.8				
November	5.4	6.8		November	5.3	6.8		November	5.4	6.8		November	5.1	5.5					
December	5.1	6.9		December	6.9	8.7		December	5.7	7.5		December	4.8	5.7					
January	5.2	6.2		January	8.4	9.5		January	6.2	7.3		January	4.9	5.3					
February	5.5	6.8		February	8.5	8.8		February	6.5	7.5		February	5.2	5.6					
March	5.4	6.8		March	6.5	8.5		March	5.8	7.4		March	4.9	6.2					
Annual Average	5.3	6.1	5.6	Annual Average	6.5	7.6	8.1	Annual Average	5.7	6.6	6.4	Annual Average	4.4	4.8	4.4				
Average Apr-Oct	5.2	5.7	4.7	Average Apr-Oct	6.1	7.0	7.8	Average Apr-Oct	5.5	6.1	5.8	Average Apr-Oct	4.1	4.1	3.5				
No of Employees at 31 October 2020				1822	No of Employees at 31 October 2020				1122	No of Employees at 31 October 2020				2944	No of Employees at 31 October 2020				15834

For the financial year 2020/21, the projected average days lost per employee equates to 12.7 days.

ABSENCE BY LONG AND SHORT TERM

From: 1 August 2020 - 31 October 2020

Resource	No of employees	August 2020			September 2020			October 2020		
		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	3447	1.5	2.9	4.4	2.0	3.1	5.1	2.5	3.3	5.8
Education	7025	1.2	0.6	1.8	1.6	2.0	3.6	1.7	2.4	4.1
Finance and Corporate	961	0.7	1.3	2.0	0.9	1.5	2.4	1.3	2.0	3.3
Housing & Technical	1457	0.9	1.9	2.8	1.0	1.6	2.6	1.6	1.7	3.3
Social Work	2944	1.3	3.9	5.2	1.9	4.2	6.1	2.3	4.4	6.7
Council Overall for August 2020 - October 2020	15834	1.2	1.9	3.1	1.6	2.6	4.2	2.0	2.8	4.8

ATTENDANCE MONITORING
Absence Classification

From : 1 October - 31 October 2020

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	917	22	732	12	50	8	254	26	708	20	2661	17
Psychological	1173	28	2007	34	248	40	289	30	1241	34	4958	32
Stomach, Bowel, Blood, Metabolic Disorders	281	7	422	7	60	10	58	6	185	5	1006	7
Respiratory	1079	26	1599	27	123	20	221	23	703	19	3725	24
Other Classification	750	18	1146	19	133	22	150	15	792	22	2971	19
Total Days Lost By Resource	4200	100	5906	100	614	100	972	100	3629	100	15321	100
Total Work Days Available	72557		143172		18724		29448		54222			

From : 1 October - 31 October 2019

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	1186	29	1140	22	154	21	493	30	798	23	3771	25
Psychological	932	23	1763	35	311	42	407	25	1209	35	4622	31
Stomach, Bowel, Blood, Metabolic Disorders	557	13	620	12	62	8	185	11	408	12	1832	12
Respiratory	373	9	373	7	97	13	131	8	275	8	1249	8
Other Classification	1085	26	1207	24	116	16	408	25	763	22	3579	24
Total Days Lost By Resource	4133	100	5103	100	740	100	1624	100	3453	100	15053	100
Total Work Days Available	74876		146756		20079		31121		55777			

*WDL = Work Days Lost

OCCUPATIONAL HEALTH REPORTS

FROM: 1 September 2020 - 31 October 2020 comparison with 1 September 2019 - 31 October 2019

Medical Referrals							
	Community and Enterprise	Education		Finance and Corporate	Housing & Technical	Social Work	Totals
		Teachers	Others				
TOTAL (Sep-Oct 2020)	62	17	14	7	35	74	209
TOTAL (Sep-Oct 2019)	69	18	34	13	58	116	308

No of Employees Referred For Physiotherapy		
RESOURCE	Sep-Oct 2019	Sep-Oct 2020
Community and Enterprise	107	54
Education (Teachers)	61	47
Education (Others)	81	54
Finance and Corporate	34	11
Housing and Technical	50	26
Social Work	107	71
TOTAL	440	263

No of Employees Referred To Employee Support Officer		
RESOURCE	Sep-Oct 2019	Sep-Oct 2020
Community and Enterprise	65	58
Education	97	122
Finance and Corporate	13	15
Housing and Technical	29	21
Social Work	60	64
TOTAL	264	280

No of Employees Referred For Cognitive Behavioural Therapy		
RESOURCE	Sep-Oct 2019	Sep-Oct 2020
Community and Enterprise	2	4
Education	3	3
Finance and Corporate	0	0
Housing and Technical	4	2
Social Work	5	4
Not Disclose	11	12
TOTAL	25	25

	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 (Sep-Oct 2020)	8	0	0	0	67	0	11	0	2	0	88	0	
TOTAL (Sep-Oct 2019)	34	0	0	0	91	0	20	0	4	0	149	0	
								Total Referrals (Sep-Oct 2020)				88	
								Total Referrals (Sep-Oct 2019)				149	

M = MANAGEMENT REFERRAL S = SELF REFERRAL

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

FROM: 1 September 2020 - 31 October 2020 comparison with 1 September 2019 - 31 October 2019

	Community and Enterprise		Education		Finance and Corporate		Housing & Tech		Social Work		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Specified Injury	0	0	0	0	0	0	0	0	0	0	0	0
Violent Incident: Physical	0	0	0	0	0	0	0	0	0	0	0	0
Total Specified Injury*	0	0	0	0	0	0	0	0	0	0	0	0
Over 7-day	0	5	0	1	0	0	0	1	1	1	1	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
Total Over 7-day**	0	5	0	1	0	0	0	1	1	1	1	8
Over 3-day	0	1	0	0	0	0	1	2	0	0	1	3
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
Total Over 3-day**	0	1	0	0	0	0	1	2	0	0	1	3
Minor	11	17	2	2	0	1	0	4	6	0	19	24
Near Miss	0	1	0	0	0	0	0	2	0	0	0	3
Violent Incident: Physical	0	10	161	138	0	0	0	0	7	7	168	155
Violent Incident: Verbal	0	0	6	15	0	6	0	0	4	4	10	25
Total Minor***	11	28	169	155	0	7	0	6	17	11	197	207
Total Accidents/Incidents	11	34	169	156	0	7	1	9	18	12	199	218

*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 September 2020 - 31 October 2020 comparison with 1 September 2019 - 31 October 2019

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	1	2	N/A	3	1	0	N/A	1	0	2	N/A	2	1	0	2	33%
EDUCATION	0	0	1	1	0	0	0	0	0	0	1	1	0	0	1	0%
HOUSING & TECHNICAL	0	2	N/A	2	0	0	N/A	0	0	2	N/A	2	1	0	1	50%
SOCIAL WORK	2	3	N/A	5	0	0	N/A	0	2	3	N/A	5	3	1	1	80%
TOTAL (Sep-Oct 2020)	3	7	1	11	1	0	0	1	2	7	1	10	5	1	5	55%
TOTAL (Sep-Oct 2019)	11	19	0	30	2	1	0	3	9	18	0	27	15	6	9	70%

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 (Sep-Oct 2020)	1	1	0	2	0	0	0	0	0	0	0	0	1	1	0	2	0
TOTAL (Sep-Oct 2019)	0	1	0	1	0	0	0	0	0	0	0	0	0	1	0	1	0

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.

APPEAL'S PANEL

FROM: 1 September 2020 - 31 October 2020

APPEAL'S PANEL	UPHELD	UPHELD IN PART	NOT UPHELD	WITHDRAWN	TOTAL	APPEALS PENDING TO DATE
	0	0	1	0	1	3

RECORD OF GRIEVANCES**FROM: 1 September 2020 - 31 October 2020 comparison with 1 September 2019 - 31 October 2019**

GRIEVANCES	No of Grievances	No Resolved at Stage 1	No Resolved at Stage 2	No Resolved at Stage 3	Still in Process
TOTAL (Sep-Oct 2020)	2	0	0	0	2
TOTAL (Sep-Oct 2019)	1	0	0	0	1

DIGNITY AT WORK**FROM: 1 September 2020 - 31 October 2020 comparison with 1 September 2019 - 31 October 2019**

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 (Sep-Oct 2020)	1	0	0	0	0	1
TOTAL (Sep-Oct 2019)	5	0	0	0	0	5

REFERRALS FOR WORKPLACE MEDIATION**As at October 2020**

WORKPLACE MEDIATION	Sep-20	Oct-20
No of Referrals	0	0
*No of Successful Cases	0	0
*No of Unsuccessful Cases	0	0
No of cases unsuitable for mediation	0	0

WORKPLACE MEDIATION	Sep-19	Oct-19
No of Referrals	1	0
*No of Successful Cases	0	0
*No of Unsuccessful Cases	0	0
No of cases unsuitable for mediation	0	0

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

Analysis of leavers and exit interviews

Exit Interviews (Sep - Oct 2020)

Reason for Leaving	Community and Enterprise	Education	Finance and Corporate	Housing & Technical	Social Work	Total	%
Moving outwith area	1	2	0	0	0	3	13
Child caring/ caring responsibilities	0	2	0	0	0	2	8
Dissatisfaction with terms and conditions	0	1	0	0	0	1	4
Travelling difficulties	0	0	0	0	1	1	4
Other	6	6	1	1	3	17	71
Number of exit interviews	7	11	1	1	4	24	
Total number of leavers per Resource eligible for an exit interview	27	30	3	5	20	85	
% of leavers interviewed	26	37	33	20	20	28	

Exit interviews (Sep-Oct 2019)

Number of exit interviews	4	9	2	3	8	26	
Total number of leavers per Resource eligible for an exit interview	26	32	3	3	31	95	
% of leavers interviewed	15	28	67	100	26	27	

* Note these totals include temporary employees

September - October 2020	Number of leavers		Replace Employee		Filling on a temp basis		Plan to transfer this budget to another post		End of fixed term post		Leave vacant pending savings or service review		Plan to remove for savings	
Resource	Total FTE*	Total H/C**	FTE	H/C	FTE	H/C	FTE	H/C	FTE	H/C	FTE	H/C	FTE	H/C
Community & Enterprise	91.17	125	65.17	99	0.00	0	0.00	0	26.00	26	0.00	0	0.00	0
Education	41.27	57	41.27	57	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Finance & Corporate	7.59	9	6.59	8	0.00	0	0.00	0	0.00	0	0.00	0	1.00	1
Housing & Technical	9.25	11	9.25	11	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Social Work	38.45	51	35.95	48	0.00	0	0.00	0	1.50	2	1.00	1	0.00	0
Total	187.73	253	158.23	223	0.00	0	0.00	0	27.5	28	1.00	1	1.00	1
Cumulative Total	437.97	632	404.88	595	0	0	0.6	2	30.49	33	1	1	1	1

* Full time equivalent

** Head count/number of employees

RECRUITMENT MONITORING

Analysis of Gender, Disability, Ethnicity and Age

FROM : 1 September 2020 - 31 October 2020

Total Number of applications received:	2206
Total Number of Equal Opportunities Monitoring forms received:	2188
Total Number of posts recruited for:	135
Total Number of appointments:	303

Gender / Disability / Age			
	Applied	Interviewed	Appointed
Total EO Forms Received	2200	893	290
Total No of Male Applicants	1026	429	83
Total No of Female Applicants	1154	463	207
Total No of Disabled Applicants	122	52	8
Total No of applicants aged under 50	1945	805	265
Total No of applicants aged over 50	228	83	24
Total No of White applicants	2079	863	280
Total No of Black/Ethnic minority applicants*	69	20	8

FROM : 1 September 2019 - 31 October 2019

Total Number of applications received:	3024
Total Number of Equal Opportunities Monitoring forms received:	2934
Total Number of posts recruited for:	181
Total Number of appointments:	360

Gender / Disability / Age			
	Applied	Interviewed	Appointed
Total EO Forms Received	2952	1069	305
Total No of Male Applicants	1055	325	80
Total No of Female Applicants	1865	739	224
Total No of Disabled Applicants	176	78	11
Total No of applicants aged under 50	2287	809	232
Total No of applicants aged over 50	704	301	110
Total No of White applicants	2820	1041	299
Total No of Black/Ethnic minority applicants*	87	20	4

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

QUARTERLYJOINT STAFFING WATCH RETURN : NUMBER EMPLOYED ON 14 September 2020

Analysis by Resource

Resource	Total Number of Employees					Full-Time Equivalent									
	Total	Male		Female		Salary Band									
		F/T	P/T	F/T	P/T	Total	Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher
Community & Enterprise Resources	3138	1344	218	188	1388	2256.15	1.00	1542.75	408.68	231.67	47.05	16.00	4.00	5.00	0.00
Education - Others	2870	139	83	509	2139	2075.85	1.00	1017.21	791.07	136.30	49.64	12.60	4.00	57.63	6.40
Education - Teachers	3865	697	67	2351	750	3546.60	0.00	0.00	0.00	0.00	0.00	1.00	0.00	4.60	3541.00
Finance & Corporate Resources	885	203	16	359	307	782.63	2.00	116.60	345.47	229.92	56.54	25.10	6.00	1.00	0.00
Housing & Technical	1289	821	26	314	128	1234.56	1.00	204.30	630.67	356.13	30.46	10.00	2.00	0.00	0.00
Social Work Resources	2801	206	208	991	1396	2433.15	1.00	1294.96	522.16	564.03	25.00	24.00	2.00	0.00	0.00
Total All Staff	14848	3410	618	4712	6108	8782.34	(excluding Teachers)								
						12328.94	6.00	4175.82	2698.05	1518.05	208.69	88.70	18.00	68.23	3547.40

QUARTERLYJOINT STAFFING WATCH RETURN : NUMBER EMPLOYED ON 13 June 2020

Analysis by Resource

Resource	Total Number of Employees					Full-Time Equivalent									
	Total	Male		Female		Salary Band									
		F/T	P/T	F/T	P/T	Total	Director	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Fixed SCP	Teacher
Community & Enterprise Resources	3183	1363	225	188	1407	2286.76	1.00	1571.35	408.19	233.67	47.55	16.00	4.00	5.00	0.00
Education - Others	2890	140	83	510	2157	2083.73	1.00	1039.95	778.48	134.03	47.64	13.00	4.00	58.23	7.40
Education - Teachers	3761	694	61	2272	734	3450.24	0.00	0.34	0.00	0.00	0.00	1.00	0.00	4.00	3444.90
Finance & Corporate Resources	891	205	16	366	304	790.28	2.00	121.49	345.93	230.62	57.54	25.70	6.00	1.00	0.00
Housing & Technical	1290	826	26	308	130	1234.71	1.00	202.46	640.77	348.02	30.46	10.00	2.00	0.00	0.00
Social Work Resources	2812	209	212	985	1406	2440.81	1.00	1306.05	533.04	550.32	24.40	24.00	2.00	0.00	0.00
Total All Staff	14827	3437	623	4629	6138	8836.29	(excluding Teachers)								
						12286.53	6.00	4241.64	2706.41	1496.66	207.59	89.70	18.00	68.23	3452.30

Report

8

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	20 January 2021
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Treasury Management Activity – Second Quarter Review
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ provide a second quarter review of Treasury Management Activity for 2020/2021

2. Recommendation(s)

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

- (1) that the contents of this 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 2020 to 30 September 2020.

4. Market Performance

4.1. After the Bank of England left the base rate unchanged at 0.75% in January 2020, the onset of the coronavirus epidemic in March forced it into making two emergency cuts, first to 0.25% and then to 0.10%.

4.2. As at 30 September 2020, the base rate remained at 0.10% and the Bank of England Asset Purchase Programme (commonly referred to as its policy of quantitative easing) was £745bn.

4.2. The Council's Treasury Management Advisers are predicting no further changes in the UK Base Rate during the remainder of 2020/2021.

5. Debt Management and Borrowing Strategy

5.1. The Council began the year with debt of £1,035.433m with fixed rate loans from the Public Works Loans Board (PWLb) making up 99.12% of the debt.

5.2. Table 1 shows the movement in borrowing to 30 September 2020. 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 30 September 2020

	Balance as at 01/04/2020 £m	New Borrowing £m	Debt Maturing £m	Debt Repaid £m	Balance as at 30/09/2020 £m	Increase/ Decrease in Borrowing £m
Short Term Borrowing	29.893	0.000	(29.357)	0.00	0.536	(29.357)
Long Term Borrowing	1,005.540	0.000	0.00	0.00	1,005.540	0.000
TOTAL BORROWING	1,035.433	0.000	(29.357)	0.00	1,006.076	(29.357)

- 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 £80.306m during 2020/2021.
- 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 so far 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 balances. These 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. Secondary to this, 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 2020/2021 was approved by the Chief Executive under delegated authority in consultation with the Group Leaders on 25 March 2020. This included details of permitted investments for the Council.
- 6.3. The Council undertakes significant scrutiny of any counterparty that we place money with in partnership with our Treasury Management 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 2020 to 30 September 2020 totalled £1,096.245m. This is the cumulative deposits placed over this period. This is broken down per sector and institution in Table 3. 73.95% of these deposits were made in the UK Government through the Debt Management Office (DMO) deposit facility.
- 6.5. In order to manage their cash flow over the short term, local authorities, as part of normal treasury management activity, will place money on deposit with other local authorities. Deposits placed with other local authorities account for 19.61% of deposits with the remaining 6.44% 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 3 – Investment Activity 1 April 2020 to 30 September 2020

Counterparty	Deposit Totals (£m)	% of Total Deposits	Average Interest Rate
Deposits in UK Government			
Debt Management Account Deposit Facility	810.660	73.95%	0.03%
Total Deposits in UK Government	810.660	73.95%	0.03%
Deposits in UK Local Authorities	215.000	19.61%	0.14%
Deposits in UK Banks and Building Societies:			
Bank of Scotland	70.585	6.44%	0.04%
Total Deposits in UK Banks and Building Societies	70.585	6.44%	0.04%
Total Deposits 01/04/2020 to 30/09/2020	1,096.245	100.00%	0.05%

- 6.7. The average interest rates achieved from the deposits are shown in Table 3. As the base interest rate has been at, or below, 0.75% since March 2009, interest rates achievable from deposits during the first quarter remained low.
- 6.8. Actual deposits as at 30 September 2020 totalled £254.250m.

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 March 2020, the Treasury Management Strategy was approved which set a framework for Treasury Management activities in 2020/2021 and limits on debt and investments in order to mitigate risks.
- 7.2. The Annual Investment Strategy for 2020/2021, approved in March 2020, 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 4 to 6 show a breakdown of deposits with details of the credit ratings of banks and building societies used from 1 April 2020 to 30 September 2020. 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 4 – Fitch Ratings

Long Term Rating	Short Term Rating	Deposits Totals	Percentage of Total Deposits
Deposits with UK Government (AA-)		810.660m	73.95%
Deposits with Local Authorities		215.000m	19.61%
A+	F1	70.585m	6.44%
Total		1,096.245m	100.00%

Table 5 – Moody's Ratings

Long Term Rating	Short Term Rating	Deposits Totals	Percentage of Total Deposits
Deposits with UK Government (Aa2)		810.660m	73.95%
Deposits with Local Authorities		215.000m	19.61%
Aa3	P-1	70.585m	6.44%
Total		1,096.245m	100.00%

Table 6 – Standard and Poor's Ratings

Long Term Rating	Short Term Rating	Deposits Totals	Percentage of Total Deposits
Deposits with UK Government (AA)		810.660m	73.95%
Deposits with Local Authorities		215.000m	19.61%
A+	A-1	70.585m	6.44%
Total		1,096.245m	100.00%

- 7.5. The tables above show that 93.56% of deposits were made with counterparties of very high credit quality (UK Government DMO account 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 2020 to 30 September 2020. The graph shows that, since 1 April 2020, all deposits have been made for 1 year or less. The maximum maturity period of 273 days was for a deposit of £6.000m.

8. Next Quarter Investment Plans

- 8.1. 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.
- 8.2. Treasury Bills will be used when they return a higher yield than deposits in the DMO for the same, very low risk.
- 8.3. Deposits may also be placed with selected Money Market Funds that meet the Council's approved criteria.
- 8.4. We will continue to work with our Treasury Management Advisers, Link, 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 in sections 9.2 to 9.5.
- 9.2. **Limits for External Debt:** The operational and authorised limits for external debt for 2020/2021 were set in the Prudential Indicators, Treasury Management Strategy and Annual Investment Strategy 2020/2021 approved by the Chief Executive under delegated authority in consultation with the Group Leaders on 25 March 2020. These are shown in Table 7, along with a column showing the difference between the actual debt level and the limits (headroom).

Table 7 – Limits for External Debt

	Estimate as per 2020/21 Strategy	Minimum Headroom to Limits in period	Headroom as at 30/09/2020
	£m	£m	£m
Operational Limit for external debt	1,270.000	234.567	263.924
Authorised Limit for external debt	1,290.000	254.567	283.924

- 9.3. The indicator shows that we have not breached the operational and authorised limits to 30 September 2020. There has been a minimum level of headroom of £254.567m between actual and authorised level for external debt in the period to 30 September 2020.
- 9.4. **Limits on Maturity Structure:** By setting limits on the maturity structure of borrowing, the exposure to large concentrations of 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 8.

Table 8 – Limits on Maturity Structure

Maturity Structure of Borrowing				
	Upper Limit	Lower Limit	Maximum for period to 30/09/20	Actuals as at 30/09/20
Under 12 months	25%	0%	2.89%	0.06%
12 months and 24 months	30%	0%	4.07%	4.07%
24 months and 5 years	50%	0%	9.88%	9.88%
5 years and 10 years	50%	0%	34.30%	34.30%
10 years and 20 years	60%	0%	17.20%	17.20%
20 years and 30 years	70%	0%	0.62%	0.62%
30 years and 40 years	80%	0%	33.87%	33.87%
40 years and 50 years	90%	0%	0.00%	0.00%
50 years and above	90%	0%	0.00%	0.00%

- 9.5. The indicator shows that the upper limits for all maturity profiles have not been breached to 30 September 2020.

10. Loans Fund Review

- 10.1. During 2019/2020, the Council carried out a review of how it accounts for the repayment of its loans fund advances. By repaying the advances over a longer period and applying this change retrospectively, the Council will underspend against its loan charges budget over the next few years. These underspends can be taken to reserves and used to support the Council's budget strategies.
- 10.2. The implementation of the findings of the Loans Fund Review was approved by the Executive Committee on 24 June 2020.

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. Climate Change, Sustainability and Environmental Implications

- 13.1. There are no implications for climate change or sustainability in terms of the information contained in this report.
- 13.2. There is also no requirement to carry out an environmental impact assessment in terms of the information contained within this report.

14. Other Implications

- 14.1. Section 7 of this report provides details of how investment risk is managed.

15. Equality Impact Assessment and Consultation Arrangements

- 15.1. 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.
- 15.2. 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)

9 December 2020

Link(s) to Council Values/Ambitions/Objectives

- ♦ Accountable, effective, efficient and transparent

Previous References

- ♦ Prudential Indicators, Treasury Management Strategy and Annual Investment Strategy 2020/2021, South Lanarkshire Council, 25 March 2020
- ♦ Treasury Management Activity – First Quarter Review, Finance and Corporate Resources Committee, 19 August 2020

List of Background Papers

- ♦ None

Contact for Further Information

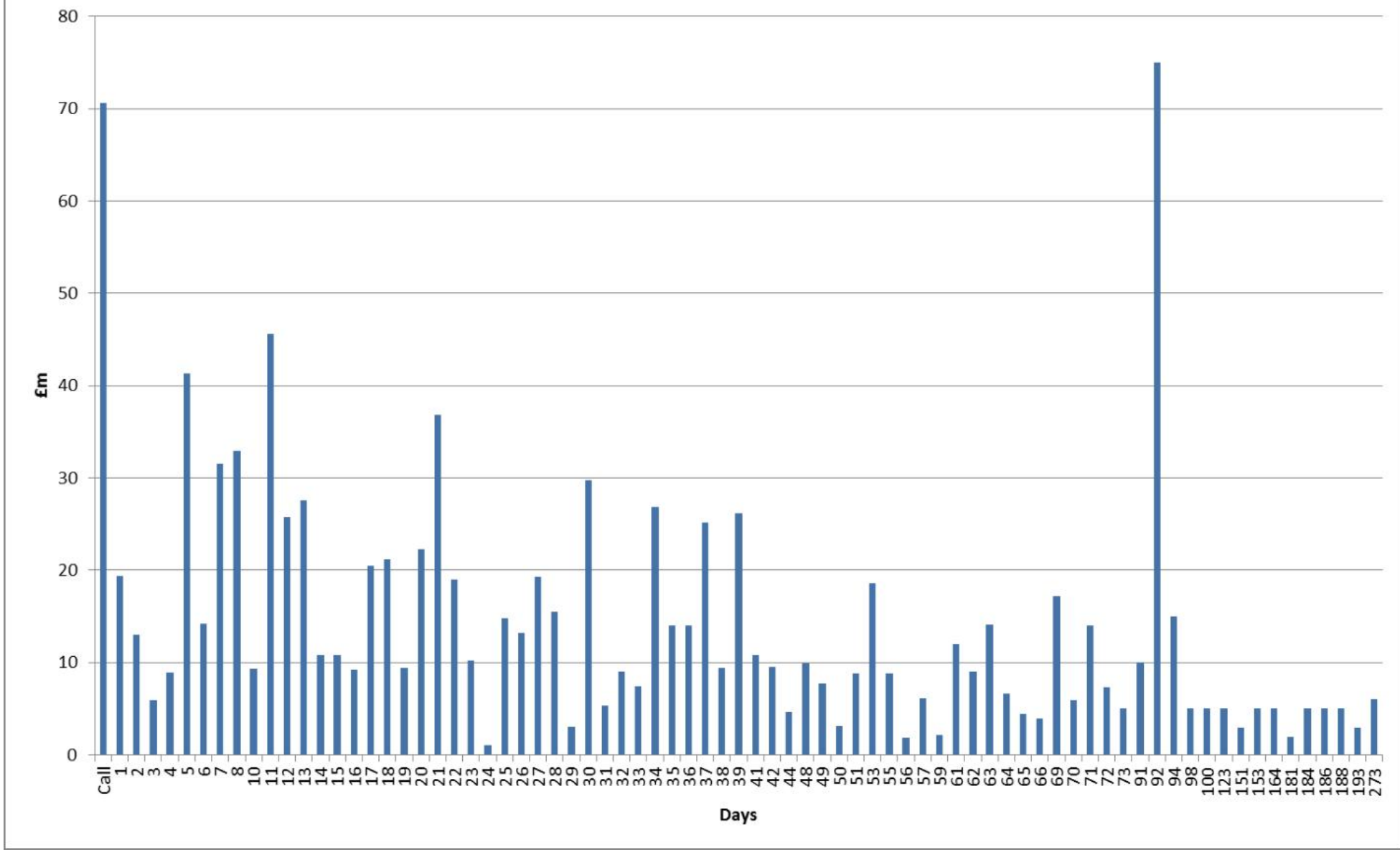
If you would like to inspect the background papers or want further information, please contact:-

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Maturity of Deposits Placed 1 April 2020 - 30 September 2020



Report

9

Report to: **Finance and Corporate Resources Committee**
 Date of Meeting: **20 January 2021**
 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 2020/2021 to 30 November 2020
- ◆ advise Committee of performance regarding the Business Rates Incentivisation Scheme (BRIS) for financial year 2020/2021 to the end of quarter 2
- ◆ 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	£147,226.35
◆ Non-Domestic Rates	£941,195.90
◆ BID Levy	£2,542.96
◆ Sundry Debt	£166,760.26
◆ Housing Rent and associated charges	£256,039.00

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 the attached appendix provide information on collection performance and proposals for write off.

4. Covid-19 Impact

- 4.1. Collection across all income streams has been significantly impacted upon by the temporary cessation of recovery action for the first four months of 2020/2021 due to the Covid-19 pandemic. Specifically, as previously briefed to elected members, no statutory recovery and sheriff officer activity took place between April 2020 and July 2020 in relation to Council Tax for both the current year and arrears years. The health crisis has also seen financial support provided via Council Tax Reduction increase by almost 11% so far this financial year.
- 4.2. Statutory recovery in the form of reminders commenced at the end of July 2020, with recovery action for all income streams also commencing from this date.

- 4.3. In light of the impact of the health crisis, collection targets for 2020/2021 have been reviewed. These targets are consistent with those in the Resource Plan for 2020/2021 and are detailed below.

5. Current Collection Performance

- 5.1. The first table in Appendix 1 presents the collection performance for Council Tax, NDR and Sundry Debts for financial year 2020/2021.
- 5.2. The annual Council Tax collection target for 2020/2021 has been set at 93.7%. Council Tax collection is currently 77.42%, ahead of target by 0.22% but behind comparable performance in 2019/2020 by 0.93%.
- 5.3. A Non-Domestic Rates (NDR) collection target of 96.0% has been set for 2020/2021. NDR collection is currently 59.5%, ahead of target by 0.1% but behind comparable performance in 2019/2020 by 5.7% mainly as a result of cash flow variances. Due to a delay in the update of the NDR annual billing software following significant legislative changes introduced by the Scottish Government in March 2020, the payments for 2020/2021 are profiled from June 2020 to March 2021.
- 5.4. The 2020/2021 annual target for Sundry Debt collection has been set at 90.0%. Sundry Debt collection to 30 November 2020 was 97.5%, ahead of target by 7.5% but behind comparable performance in 2019/2020 by 0.4%.

6. Arrears Collection Performance

- 6.1. Arrears collection performance for Council Tax, NDR and Sundry Debt is presented in the second table of Appendix 1.
- 6.2. The 2020/2021 arrears annual target for Council Tax has been set at £2.500 million, with collection to 30 November 2020 of £2.054 million, ahead of target by £0.054 million (2.2%) but behind comparable performance in 2019/2020 by £0.381 million.
- 6.3. The 2020/2021 arrears target for NDR has been set at £0.500 million, with collection to 30 November 2020 of £0.422 million, behind target by £0.030 million (6.1%) and behind comparable performance in 2019/2020 by £0.567 million.
- 6.4. The 2020/2021 arrears target for Sundry Debt has been set at £7.371 million, with collection to 30 November 2020 of £6.762 million, behind target by £0.093 million (1.3%) and behind comparable performance in 2019/2020 by 1.0%.

7. Business Rates Incentivisation Scheme

- 7.1. 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 NDR income yields.
- 7.2. The Scottish Government sets annual targets for growth (buoyancy) and Councils who achieve their target retain 50% of the additional income generated above the target.
- 7.3. Given the impact of the Covid-19 health crisis, the provisional annual buoyancy target for South Lanarkshire Council in 2020/2021 has still to be confirmed by the Scottish Government (the final target was 1.0% in 2019/2020). The Scottish Government currently have no timescales for when the provisional target will be confirmed. The buoyancy target is a measure of the increase in the total rateable

value of the non-domestic properties on the Valuation Roll (including certain categories of public undertakings).

7.4. Performance against the BRIS target is monitored closely and reported to Committee on a quarterly basis. Buoyancy for the second quarter, to the end of September 2020, has seen a reduction of 0.16%.

7.5. Should the buoyancy target remain the same as in 2019/2020, the tax base must achieve growth of 1.16% during the remaining two quarters of the financial year to secure additional income under the scheme.

8. Proposals for Write Off

8.1. Approval for write off of the following irrecoverable debts is requested from Committee. The Council has the power to write off accounts where the debtor is deceased, sequestrated, in liquidation or the debt is prescribed.

8.2. The proposed write off of Council Tax accounts dating from 1993/1994 to 2020/2021 totals £147,226.35, relating mainly to prescribed debt, sequestrations and estates of the deceased.

8.3. The value of accounts currently marked for write off in the Non-Domestic Rates system from rating years 2018/2019 to 2020/2021 totals £941,195.90. These debts are deemed to be irrecoverable because the debtor is in liquidation, has ceased trading or has been sequestrated.

8.4. Approval is sought for the write off of Business Improvement District (BID) Levies totalling £2,542.96, administered by the Council on behalf of the Hamilton, Carlisle and Lanark BID companies. There is no financial impact on the Council for these write offs.

8.5. Following consultation and agreement with Resources, the proposed write off of Sundry Debt totals £166,760.26.

8.6. Approval is sought for the write off of former tenant rent arrears of £200,297.49, factoring arrears of £10,478.51 and Housing Benefit Overpayments of £45,263.00.

8.7. A full list of all debts proposed for write off is held by the Executive Director (Finance and Corporate Resources).

9. Employee Implications

9.1. None.

10. Financial Implications

10.1. Provision has been made for the financial impact of all write offs.

11. Climate Change, Sustainability and Environmental Implications

11.1. There are no direct climate change, sustainability and natural environment implications arising from this report.

12. Other Implications

12.1. 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.

13. Equalities Impact Assessment and Consultation Arrangements

- 13.1. There is no requirement to carry out an impact assessment in terms of the proposals within this report.
- 13.2. There is no requirement to undertake any consultation in relation to the content of this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

21 December 2020

Link(s) to Council Values/Ambitions/Objectives

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

Previous References

- ◆ Finance and Corporate Resources Committee - 28 October 2020

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 30 NOVEMBER 2020

	Annual Cash Budget £000's	Budget Target to 30/11/20 £000's	Actual to 30/11/20 £000's	Variance to 30/11/20 £000's		% Variance to annual budget	Notes
FINANCIAL YEAR 2020/2021							
Council Tax	134,286	110,639	110,948	309	over	0.22%	
Non-Domestic Rates	293,923	181,865	182,146	281	over	0.1%	
Sundry Debt	98,456	98,456	106,702	8,246	over	7.5%	
ARREARS							
Council Tax	2,500	2,000	2,054	54	over	2.2%	
Non-Domestic Rates	500	452	422	(30)	under	-6.1%	
Sundry Debt	7,371	6,855	6,762	(93)	under	-1.3%	

Report

10

Report to: **Finance and Corporate Resources Committee**
 Date of Meeting: **20 January 2021**
 Report by: **Executive Director (Finance and Corporate Resources)**

Subject: **Finance and Corporate Resource Plan:
Quarter 2 Progress Report 2020/2021**

1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ provide the Finance and Corporate Resource Plan Quarter 2 Progress Report 2020/2021, for the period 1 April 2020 to 30 September 2020

2. Recommendations

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

- (1) that the Finance and Corporate Resource Plan Quarter 2 Progress Report 2020/2021 as summarised in paragraph 5.2. and attached as Appendix 2 of this report, be noted;
- (2) that the key achievements made by the Resource to date, as detailed in paragraph 5.3. of this report, be noted; and
- (3) that the additional scrutiny of reporting the updated status of those measures identified as 'report later' at Quarter 4 2019/2020, as summarised in paragraph 5.5. and detailed at Appendix 3 of this report, be noted.

3. Background

- 3.1. The Finance and Corporate Resource Plan 2020/2021 was approved by this Committee on 19 August 2020 and sets out the objectives and actions to be managed and delivered by the Resource for the financial year 2020/2021.
- 3.2. The Resource Plan follows the agreed corporate structure and style. The Plan is a key element of the Council's performance management arrangements and provides details of the context within which the Resource operates and establishes actions and measures for the year ahead based on the Priorities set out in the Council Plan Connect 2017 to 2022.
- 3.3. As Elected Members are aware, due to the Covid 19 pandemic, the Council was forced to suspend or reduce a number of services that could not be continued in full due to government advice, including adhering to physical distancing requirements for residents and for staff. The Council was also obliged to redirect resources so that it could deliver vital new services and supports for individuals, communities and businesses. There has been an inevitable impact on performance in some areas.

4. Resource Objectives 2020/2021

- 4.1. The Resource has established a number of objectives to support the delivery of the Connect Priorities in 2020/2021. These are detailed at Appendix 1.

5. Quarter 2 Progress Report 2020/2021

- 5.1. Progress against all Resource Plan measures is contained in the Quarter 2 Progress Report 2020/2021, attached as Appendix 2. This report has been produced from the Council's performance management reporting system IMPROVe, and uses a traffic light format with the following definitions to give a status report on each measure:-

Status	Definition
Blue	Project complete
Green	The timescale or target has been met as per expectations
Amber	There has been minor slippage against timescale or minor shortfall against target
Red	There has been major slippage against timescale or major shortfall against target
Report later	The information is not yet available to allow us to say whether the target has been reached or not. This will be reported when available
Contextual	Included for 'information only', to set performance information in context

- 5.2. Measures which are classified as 'red' are considered in detail at section 5.4. of this report. To ensure adequate scrutiny of performance across all Resources, the Council's Performance and Review Scrutiny Forum may consider 'red' and/or 'amber' measures at a future meeting.

The overall summary of progress to date is as follows and performance should be considered in the context of the impact of responding to Covid:

Status	Measures			
	Statistical	Project	Total	%
Blue	N/A	4	4	9%
Green	16	10	26	55%
Amber	1	1	2	4%
Red	0	0	0	0%
Report later/Contextual	5	10	15	32%
Totals	22	25	47	100 %

(Data correct as at 4 December 2020)

- 5.3. Key achievements for 2020/2021, to date, are noted below:-

5.3.1.

Connect Priority	Promote sustainable and inclusive economic growth and tackle disadvantage
Resource Objective	Achievement
Deliver effective Employability Services to support Economic Recovery	Implemented a pan-Lanarkshire local employability partnership to support the Lanarkshire Labour Market, particularly prevalent as the impact of Covid-19 affects our local economy. Designed to support those at risk of losing their job and those made redundant seeking new opportunities.

Connect Priority	Get it right for children and young people
Resource Objective	Achievement
	No Resource Objectives for this Priority

Connect Priority:	Improve health, care and wellbeing
Resource Objective	Achievement
	No Resource Objectives for this Priority

Connect Priority	Ensure communities are safe, strong and sustainable
Resource Objective	Achievement
Facilitate communication and consultation on the council, its policies and its services	<p>Developed a new Covid Health and Safety Guidance that permits necessary procedures to be developed across all Resources/ Services</p> <p>Facilitated an online meeting of the British Sign Language (BSL) steering group (BSL users and interpreter) – this was the first such event using online technology for members of the BSL community to engage with the Council.</p>
Improve customer experience of council services	<p>Automated fortnightly payments of £30 cash to 10,000 children in receipt of Free School Meals over the school summer break using PayPoint as the fulfilment mechanism. Plus 1,500 SMSs issued to remind customers of cash Free School Meals vouchers.</p> <p>Implemented 'Myaccount' with the Council's on-line payment function to enable customers to access their Council Tax and rent accounts, check balances and make a payment, all in the one place. Promotional activity to date for My Account Council Tax (over 37,000 SMSs, social media, emails) resulted in 14,000 hits to My Account web page and 800 new registrations.</p>

- 5.3.2. In addition to working towards these Priorities, we recognise 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 values, Resource objectives have also been identified under the heading Delivering the Plan and achieving Best Value.

Delivering the Plan and achieving Best Value	
Resource Objective	Achievement
Provide sound financial stewardship and effective financial strategies	<p>A financial strategy has been agreed for 2021/2022 and paves the way for finalising a budget for members to approve before March 2021.</p> <p>The financial accounts were finalised in line with the normal timetable, despite the challenges of different working approaches brought about by the pandemic. The audit of the accounts is complete, with a clean audit certificate received in November.</p> <p>Throughout this financial year, support and advice has been provided by finance teams managing the impact and recovery from the pandemic.</p> <p>A detailed review of the Council's Loan Fund has resulted in financial benefit to the Council and has been embedded as part of the revenue budget financial strategy.</p>

Delivering the Plan and achieving Best Value	
Resource Objective	Achievement
Deliver and communicate the Council Plan and ensure high standards of governance	Resource Planning Guidance was reviewed and a new template developed for the production of Resource Plans for 2020/2021. The new format facilitates communication and scrutiny by focusing on what's most important in achieving the Council's Priorities.
Implement a Digital and ICT Strategy that meets business needs	The Communications team introduced online email communications using a marketing solution to drive postage volumes down which is helping drive digital transformation.
Develop improvement activity and promote scrutiny	Completed review and update of the Council's risk management strategy.
Improve the skills, flexibility and capacity of the workforce	The pandemic has necessitated a more flexible approach to managing staff and workloads, where homeworking and a greater reliance on digital solutions has been embraced.
	There were 1,420 attendances by employees at classroom based training and 120 attendances at teams training events. There were also 29,978 Learn on Line completions by employees.
	The Procurement Service has completed the Scottish National Procurement Competency Framework for all officers and assistants and embedded training requirements into appraisals.

5.4. Areas for improvement

There were no measures classified as 'red' (major slippage against timescale or shortfall against target).

5.5. Report later

Measures in the quarterly progress report which are not red, amber or green can be assigned a status of 'report later' or 'contextual'. Of the 31 measures identified in those categories at Quarter 4 2019/2020, 2 are contextual measures for which results were provided in the Q4 report, 10 are Local Government Benchmarking Framework indicators, for which the 2019/2020 results will not be published until February 2021, at the earliest. Progress on many of the measures was adversely affected by the Covid-19 crisis. The updated status and explanatory narrative relating to the remaining 19 'report later' measures is detailed at Appendix 3.

6. Employee Implications

- 6.1. The Resource Objectives noted within the Resource Plan will inform the Service Action Plans, where applicable, and in turn the Performance Appraisal process for individual employees.

7. Financial Implications

- 7.1. The objectives within the Resource Plan are reflected in the respective annual Resource Revenue and Capital budgets and, longer term, within the framework of the council's approved Financial Strategy.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no climate change or environmental implications as a result of this report.
- 8.2. The Resource Plan takes into account Resource responsibilities in relation to sustainable development.

9. Other Implications

- 9.1. The Community Plan 2017 to 2027 was agreed at the Community Planning Partnership Board on 11 October 2017. A significant element of the delivery of the outcomes in the Community Plan will come through the achievement of the actions contained within Connect.
- 9.2. 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.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. 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)

10 December 2020

Link(s) to Council Values/Ambitions/Objectives

- ♦ The Resource Plan has been structured upon the Vision, Values and Priorities in the Council Plan Connect 2017-22

Previous References

- ♦ Finance and Corporate Resources Quarter 2 Progress Report 2019/2020, 11 December 2019

List of Background Papers

- ♦ Council Plan Connect 2017-22 – endorsed by the Executive Committee on 8 November 2017 and approved by the full Council on 6 December 2017: mid-term review of Connect endorsed by the Executive Committee 24 June 2020
- ♦ Finance and Corporate Resources Plan 2020-21 – approved by Finance and Corporate Committee on 19 August 2020

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 Resource Objectives 2020-21

Connect Priority	Resource Objectives
Promote sustainable and inclusive economic growth and tackle disadvantage	<ul style="list-style-type: none"> Support key voluntary organisations and help to develop the social economy Lead partnership approaches to tackling the causes and effects of poverty and equality Deliver effective Employability Services to support Economic Recovery
Get it right for children and young people	<ul style="list-style-type: none"> No Resource Objectives for this priority
Improve health, care and wellbeing	<ul style="list-style-type: none"> No Resource Objectives for this priority
Ensure communities are safe, strong and sustainable	<ul style="list-style-type: none"> Deepening community engagement Facilitate communication and consultation on the council, its policies and its services Improve customer experience of council services

Delivering the Plan and achieving Best Value	Resource Objectives <ul style="list-style-type: none"> Support the Corporate Covid-19 Recovery Provide sound financial stewardship and effective financial strategies Deliver and communicate the Council Plan and ensure high standards of governance Support local democracy, council committees, Integrated Joint Board, elected members and senior managers Deliver professional legal services Embed Equalities and Workforce Planning in Recovery Process Promote equality and the wellbeing of staff 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 Develop a programme of Service Reviews supporting Service Recovery
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Finance and Corporate Resources

improve

Resource Plan

Performance Report 2020-21

Quarter 2 : April 2020 - September 2020

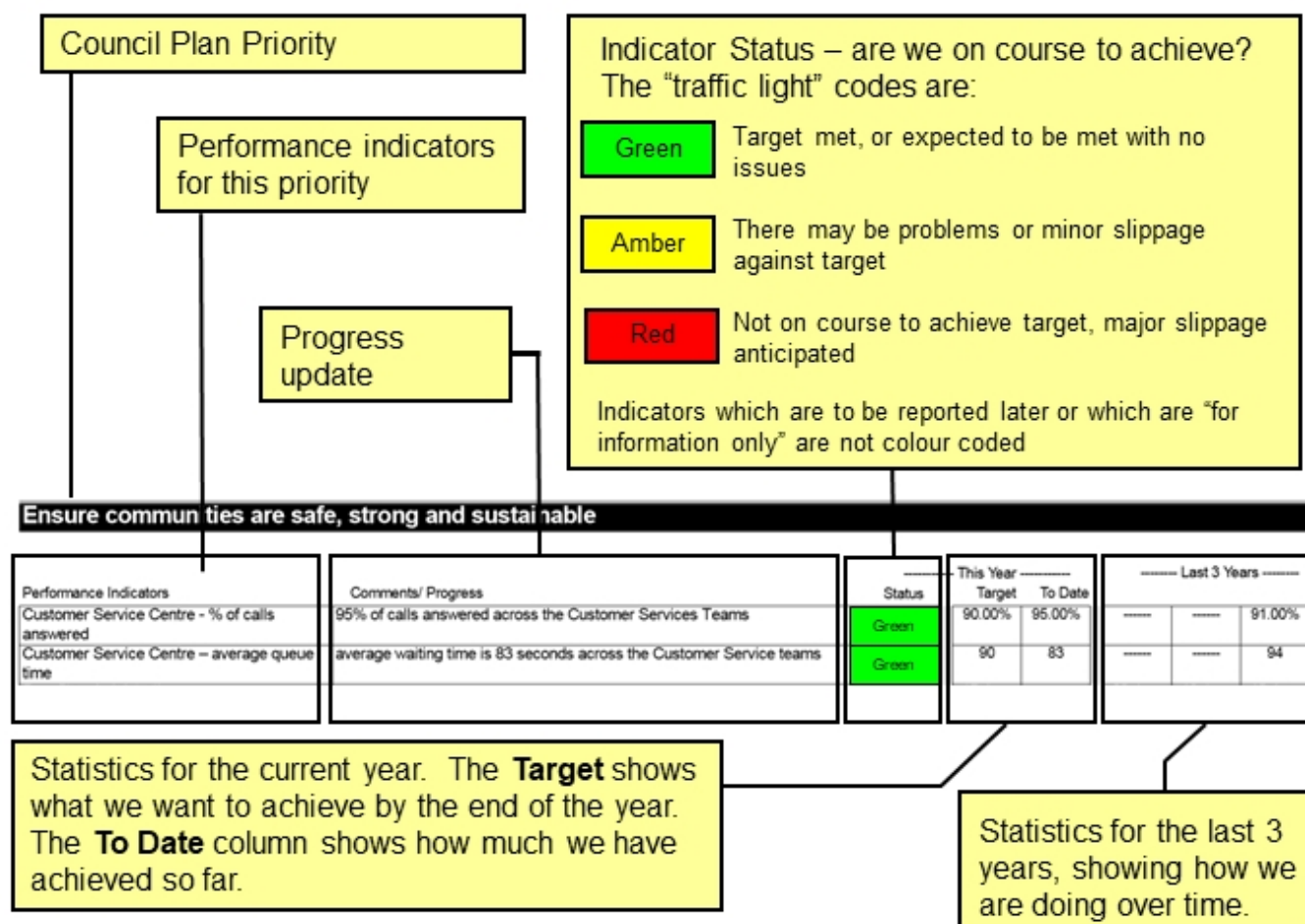
(This represents the cumulative position to September 2020)

Summary - number of measures green, amber and red under each Council Plan Priority / Theme

Council Priority/ Theme	Green	Amber	Red	Report later / Contextual	Total
Promote sustainable and inclusive economic growth and tackle disadvantage	3			1	4
<i>Get it right for children and young people</i>					
<i>Improve health, care and wellbeing</i>					
Ensure communities are safe, strong and sustainable	6				6
Delivering the plan and achieving best value	7	1		4	12
Total	16	1	0	5	22

Guide to the Performance Indicators report

Each of the performance indicators is shown in the following pages of this report. The graphic below explains how the report is laid out and what information is presented.



Ensure communities are safe, strong and sustainable**Improve customer experience of council services**

Performance Indicators	Comments/ Progress	----- This Year -----			----- Last 3 Years -----		
		Status	Target	To Date	2017/18	2018/19	2019/20
Customer Service Centre - % of calls answered	95% of calls answered across the Customer Services Teams	Green	90.00%	95.00%	-----	-----	91.00%
Customer Service Centre – average queue time	average waiting time is 83 seconds across the Customer Service teams	Green	90	83	-----	-----	94
Benefits administration – average processing times for new Housing Benefit and Council Tax Reduction claims	Processing times for new claims is currently 13 days, 4 days under target with annual target of 17 days expected to be achieved.	Green	17 days	13 days	22 days	16 days	15 days
Housing Benefit and Council Tax Reduction – accuracy of processing	Accuracy performance is currently 92.5%, behind target by 0.5%, annual target expected to be achieved	Green	93.0%	92.5%	93.2%	93.7%	94.4%
Scottish Welfare Fund – average processing times for Crisis Grants	Processing times for Crisis Grants is currently equal to target.	Green	2 days	2 days	-----	-----	2 days
Scottish Welfare Fund – average processing times for Community Care grants	Processing times for Community Care Grants is currently under target by 5 working days.	Green	15 days	10 days	-----	-----	14 days

Promote sustainable and inclusive economic growth and tackle disadvantage**Deliver effective Employability Services to support Economic Recovery**

Performance Indicators	Comments/ Progress	----- This Year -----			----- Last 3 Years -----		
		Status	Target	To Date	2017/18	2018/19	2019/20
Number of unemployed people supported via council-operated employability programmes	The number supported is from April 20 to June 20. Q2 will be reported at Q3.	Green	1,000	300	-----	2,135	1,322
Number of unemployed people gaining sustainable employment	Job outcomes are for the first quarter and are relatively low given full lockdown measures within that quarter. Q2 outcomes will be reported at Q3 and we expect job outcomes to significantly increase in line with the overall target.	Green	400	60	-----	863	713
Number of unemployed people accessing further education or training	The first quarter has been slow given college networks and training providers closure in lock down. We expect that Q2 will increase. Q2 targets will be reported in Q3	Green	200 people	31 people	-----	501 people	568 people
% unemployed people assisted into work from council operated/funded employability programmes	The significant increase in number of claimants will skew this figure. This target would need to be revised in line with current labour market conditions	Report Later	15.1%	-----	18.1%	15.1%	-----

Delivering the plan and achieving best value**Provide sound financial stewardship and effective financial strategies**

Performance Indicators	Comments/ Progress	----- This Year -----			----- Last 3 Years -----		
		Status	Target	To Date	2017/18	2018/19	2019/20
Pay invoices within the target of 28 days	Invoice processing was impacted by the transfer to electronic approvals under Covid 19 but recent performance has improved.	Amber	90.00%	89.00%	95.00%	92.10%	-----
The cost per dwelling of collecting Council Tax	Reported Q4.	Report Later	£6.50	-----	£7.08	£6.47	-----
Percentage of income due from Council Tax received by the end of the year - in year (incl water)	Council Tax collection is currently 58.45%, ahead of target by 0.15%	Green	93.70%	58.45%	95.70%	96.20%	95.36%
% of Non Domestic rates income achieved	Non Domestic rates collection is currently 40.8%, ahead of target by 0.1%.	Green	96.0%	40.8%	97.0%	98.1%	98.6%
Sundry Income collection	To date, a collection rate of 95.3% has been achieved, 5.3% ahead of target.	Green	90.0%	95.3%	98.0%	98.0%	98.0%

Deliver professional legal services

Performance Indicators	Comments/ Progress	----- This Year -----			----- Last 3 Years -----		
		Status	Target	To Date	2017/18	2018/19	2019/20
Liquor licensing processing target - 95% within service targets	Target has been met	Green	95.0%	100.0%	88.0%	91.0%	99.0%
Registration processing target - 97% within service targets	Target has been met	Green	97.0%	100.0%	99.0%	98.0%	99.0%
Citizenship processing target - 97% within service targets	Target has been met	Green	97.0%	100.0%	100.0%	99.0%	100.0%
Complaints processing target - 97% within service targets	Target has been met	Green	97.0%	100.0%	100.0%	100.0%	100.0%

Delivering the plan and achieving best value**Promote equality and the well being of staff**

Performance Indicators	Comments/ Progress	----- This Year -----			----- Last 3 Years -----		
		Status	Target	To Date	2017/18	2018/19	2019/20
Number of accidents per 1,000 employees (council-wide)	<p>The total incidence rate for Q2 2020-21 is 12.7, this is a decrease compared to the 2019-20 figure of 13.8. The decrease is associated with a reduction in reported incident in July as Covid-19 restrictions continue to impact operational matters</p> <p>The year to date figure has decreased from 34.2 (2019/20) to 17.7 (2020/21). This decrease primarily relates to the decrease in school related violent incidents during Q1 (schools closed) and also a drop in other incidents as a wide range of operational activities were also restricted during Q1 and Q2.</p> <p>The accident incidence rate is used to measure a change in the organisation's own progress. Comparison at national level is not particularly easy as there is no "unitary authority" comparator. This measure can only be used primarily as an indicator of progress and not necessarily as a target, as there can be a large number of external factors that influence overall incident numbers.</p> <p>Calculation is (number of incidents/(average employee numbers) * 1,000.</p>	Contextual	-----	17.7	65.4	58.3	82.9

Improve the skills, flexibility and capacity of the workforce

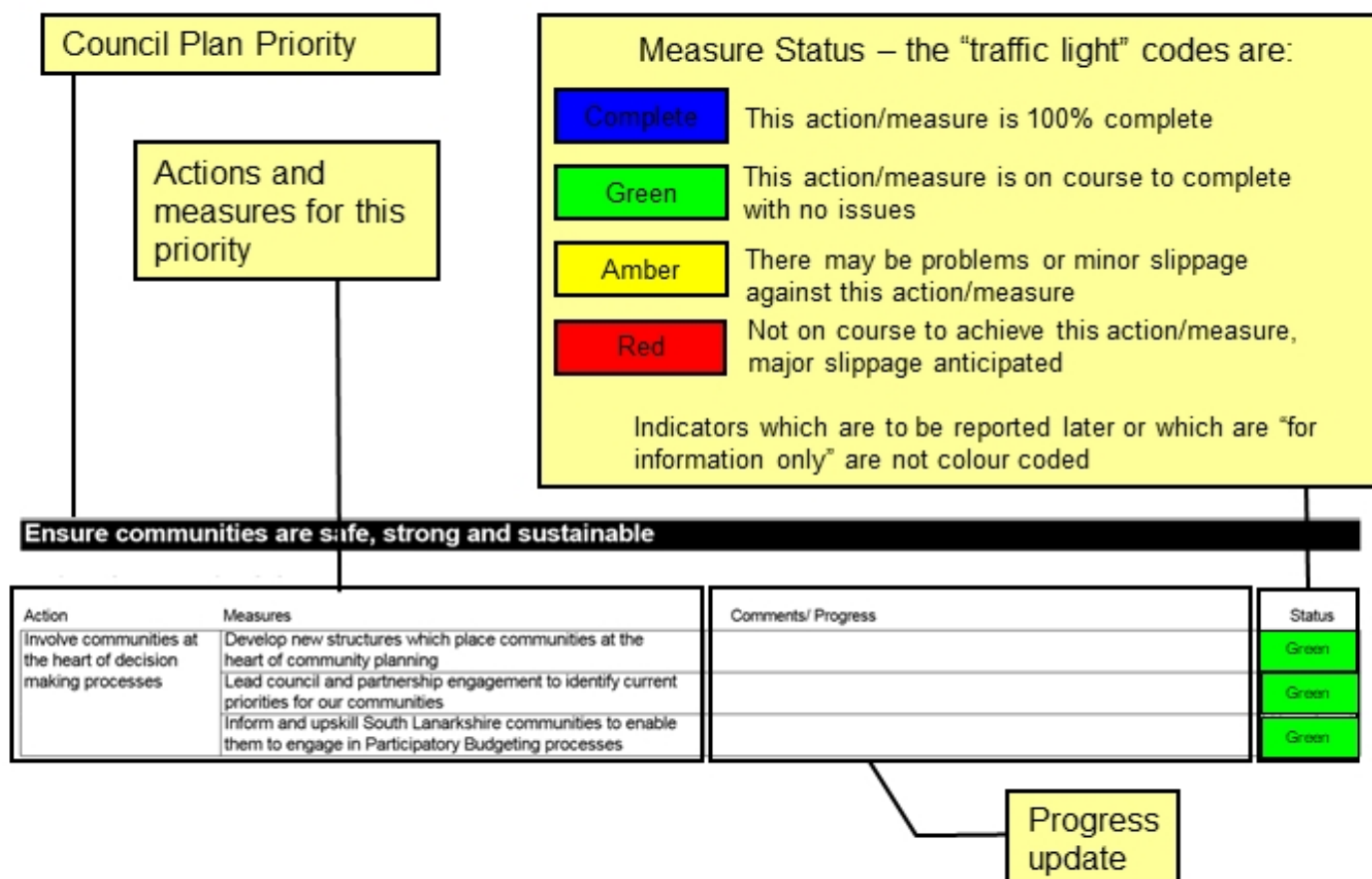
Performance Indicators	Comments/ Progress	----- This Year -----			----- Last 3 Years -----		
		Status	Target	To Date	2017/18	2018/19	2019/20
Sickness absence days per teacher	This is a Local Government Benchmarking Framework (LGBF) indicator: 2019-20 figures will be published in January 2021 and 2020-21 figures will be published in January 2022.	Report Later	6.1	-----	6.0	6.1	-----
Sickness absence days per employee (non teacher)	This is a Local Government Benchmarking Framework (LGBF) indicator: 2019-20 figures will be published in January 2021 and 2020-21 figures will be published in January 2022.	Report Later	11.9	-----	11.5	11.9	-----

Summary - number of measures complete, green, amber and red under each Council Plan Priority / Theme

Council Priority/ Theme	Complete	Green	Amber	Red	Report later	Total
Promote sustainable and inclusive economic growth and tackle disadvantage					1	1
<i>Get it right for children and young people</i>						
<i>Improve health, care and wellbeing</i>						
Ensure communities are safe, strong and sustainable		4	1			5
Delivering the plan and achieving best value	4	6			9	19
Total	4	10	1	0	10	25

Guide to the Performance Measures report

Each of the performance measures is shown in the following pages of this report. The graphic below explains how the report is laid out and what information is presented.



Ensure communities are safe, strong and sustainable

Deepening community engagement

Action	Measures	Comments/ Progress	Status
Involve communities at the heart of decision making processes	Develop new structures which place communities at the heart of community planning	On the 9th September the Community Planning Partnership (CPP) Board agreed a number of short, medium and long term changes to the structure and governance arrangements for Community Planning in South Lanarkshire. Work has started to implement phase one of these changes which includes an interim locality structure bringing key local groups together.	Green
	Lead council and partnership engagement to identify current priorities for our communities	Plans are being developed for an engagement exercise, taking into account the current constraints of the pandemic, which will work with communities and partners to identify priorities.	Green
	Inform and upskill South Lanarkshire communities to enable them to engage in Participatory Budgeting processes	Awaiting clarity as to timescale for rollout of mainstream PB to ensure information is accurate. Tools have been designed and a Consul page set up, and work is under way on materials for distribution to communities once clarity is achieved.	Amber

Improve customer experience of council services

Action	Measures	Comments/ Progress	Status
Deliver more convenient and accessible forms of customer contact	Develop online forms to replace all existing Benefits, Council Tax and NDR PDF forms	A project is underway to develop 3 integrated online forms for council tax including change of address.	Green
	Increase the use of digital contact methods available to customers	The review of financial advice and support has identified the opportunity to use web chat and chat bots to deliver certain services. The recommendations from the review are expected to be reported to the Chief Executive by end of October.	Green

Promote sustainable and inclusive economic growth and tackle disadvantage**Deliver effective Employability Services to support Economic Recovery**

Action	Measures	Comments/ Progress	Status
Deliver effective Employability Services to support Economic Recovery	Adjust the current suite of employability programmes to operate in a Covid safe way and match the changed service need	This is a work in progress to move to a digital based service that meets the needs of clients and employers. This will be reported in next quarter	Report Later

Delivering the plan and achieving best value**Support the Corporate Covid-19 recovery**

Action	Measures	Comments/ Progress	Status
Support the Corporate Covid-19 recovery	Monitor and report periodically on the costs and financial plan around Covid costs and recovery – every 4 weeks	The costs and financial plans for COVID are reported to the Recovery Board and the Executive Committee every 4 weeks. The latest position reported to the Recovery Board (16 September 2020) and the Executive Committee (23 September 2020) showed a cost to the Council of £4.6m for 2020/2021.	Green
	Revised Capital programme for 20/21 to be advised to members – August 2020	A revised Capital Programme for 2020/2021 was approved by Executive Committee on 23 September 2020.	Complete

Provide sound financial stewardship and effective financial strategies

Action	Measures	Comments/ Progress	Status
Lead financial planning and reporting for the council	Financial Strategy to be agreed by June 2020	The Council's Financial Strategy for 2021/2022 was approved by Executive Committee on 24 June 2020. An update will be provided to members in Autumn 2020.	Complete
	Budget proposals to be considered by members by November 2020		Report Later
	Budget agreed by March 2021		Report Later
	Capital programme for 2021/22 to be agreed by March 2021		Report Later

Delivering the plan and achieving best value**Deliver and communicate the Council Plan and ensure high standards of governance**

Action	Measures	Comments/ Progress	Status
Lead on the renewal of strategic planning, including the development of Resource Plans and work to further align the Council Plan with the Community Plan	Revised guidance and template for Resource Plans to be produced by July 2020	New Guidance and a Resource Plan template for 2020-21 Plans was issued in July 2020.	Complete
	Suite of Resource Plans in the new format to be developed and presented to Elected Members by autumn 2020	All Resource Plans have been developed according to the new Guidance and Resource Plan template. The Plans were presented to Resource Committees in August and September 2020.	Complete
	Report on process and timetable for alignment of Council Plan and Community Plan to be presented to Elected Members by March 2021	Initial discussions are underway to look at outcomes-focused planning for the Community Plan and the Council Plan.	Green

Embed Equalities and Workforce Planning in Recovery Process

Action	Measures	Comments/ Progress	Status
	EQIA reported to Recovery Board and updates delivered quarterly	Initial impact assessment has been completed and submitted to the recovery board.	Green
Ensure EQIA Measures and Workforce Planning considerations are included within Service Recovery plans	EQIA and WP sections complete within Service Recovery plans		Report Later
Adjust the Council Workforce Plan to match the changed environment	Workforce Plans reconfigured and reported to committees	Work is ongoing to complete this, timescales being adjusted due to Covid	Report Later

Implement a Digital and ICT Strategy that meets business needs

Action	Measures	Comments/ Progress	Status
Take forward IT strategic developments	Acceleration of agile working across SLC staff via rollout of Windows 10 laptops, Office 365 and Cisco softphones	Additional laptops procured as part of scheduled refresh and issued out to high priority services/customers. Soft phones rolled out to enable set up of virtual call centres. Office 365 licences procured for all users.	Green

Delivering the plan and achieving best value**Implement a Digital and ICT Strategy that meets business needs**

Action	Measures	Comments/ Progress	Status
	Digital Inclusion initiatives to support most deprived citizens to access benefits of being online	Digital Inclusion Strategy approved by Committee, including action plan for 2020/21	Green
	Creation of new Digital Strategy to cover 2020-2023		Report Later
	Workforce development actions to upskill IT staff in new technologies	Requirements identified at individual and service level.	Green
	Digital transformation of customer facing services, including vanguard projects on data integration, business intelligence and artificial intelligence.	Partially impacted by Covid-19. Projects to be initiated from October 2020 onwards.	Report Later

Develop a programme of Service Reviews supporting Service Recovery

Action	Measures	Comments/ Progress	Status
Adjust the Service Review guidance taking account of the Recovery Plan and changed environment	Service Review Guidance updated to reflect changes by October 2020	Work is ongoing to complete this, timescales being adjusted due to Covid	Report Later
	Gain approval for a programme of Service Reviews by December 2020	Work is ongoing to complete this, timescales being adjusted due to Covid	Report Later

'Report later' measures

– update of Finance and Corporate Resource Plan 2019-20 Quarter 4 Progress Report

10

Measure	Comments at Quarter 4 2019-20	Updated status	Updated comments
Community Plan and Neighbourhood Plans are developed and reflect community needs and aspirations. Roll out neighbourhood planning processes beyond the three pilot areas to other priority areas in order to co-produce and deliver plans with Community Planning Partners	All work relating to Neighbourhood Planning has been temporarily suspended due to Covid-19.	Green	Neighbourhood plans completed for Fairhill, Cambuslang East and Burnhill. Plans for Blantyre and Larkhall completed by community and support in place for delivery. Preparatory work underway in Fernhill, Whitehill and Eddleston with plans due to follow shortly. Some difficulties in engagement due to Covid restrictions remain which is slowing progress in new areas.
Community Planning Partnership to develop a Participation and Engagement Strategy	All work relating to the Community Engagement Strategy has been temporarily suspended due to the team's involvement in the community response to Covid-19.	Green	Strategy complete and approved by CPP Board at September 2020 meeting.
Provide support to the Community Planning Partnership Board in the delivery of the Community Planning Agenda	All work relating to Community Planning has been temporarily suspended while the partners respond to Covid-19.	Green	CPP Board now meeting regularly online; work being progressed through CPP Progress Group which continues to meet.
Through the Community Planning Partnership, implement the actions arising from the council's Best Value Audit Report	All work relating to Community Planning has been temporarily suspended while the partners respond to Covid-19.	Green	All actions relating to CPP now implemented or in process of implementation
Support the implementation of and actions arising from the Community Planning Partnership Board Self-Assessment	All work relating to Community Planning has been temporarily suspended while the partners respond to Covid-19.	Green	Board agreed action plan at September 2020 meeting for final implementation
Community Partnership Improvement Plans and reporting to be reviewed during 2019-20	All work relating to Community Planning has been temporarily suspended while the partners respond to Covid-19.	Amber	Board agreed to continue with existing PIPs until new Community Plan priorities are identified.
Community Engagement Framework to be reviewed during 2019-20	As work relating to the Community Engagement Strategy has been temporarily suspended due to the team's involvement in the community response to Covid-19 this impacts on the framework review.	Amber	Work will now be progressed by a CPP Community Engagement working group following approval of the Participation and Engagement Strategy.

Measure	Comments at Quarter 4 2019-20	Updated status	Updated comments
Design and deliver an integrated local employability delivery model to progress the Scottish Government's "no one left behind" - plan by March 2020	Require to modify the plan in light of Covid-19 circumstances particularly in light of those at risk of losing their jobs and those who have been made redundant. The plan will be further developed to fit with emerging policy changes and aligned with local labour market priorities.	Green	The programme supports - re-skilling and up-skilling for local unemployed people seeking work, ensuring that we continue to provide an employability support service for the most vulnerable in our local communities. Work with internal council resources and wider partners to better align and integrate wrap around employability services.
A range of local networks and partnerships are in place to enable effective joined up working on key priorities/improvement areas linked to tackling poverty and inequalities	All work relating to Community Planning has been temporarily suspended while the partners respond to Covid-19.	Green	New networks and partnerships effectively established due to Covid response work. Networks will continue to be developed and linked into CPP processes.
Council Tax yield - Target 97.125%	This information will not be available until after the abstract and yearend position is finalised in mid-May.	Green	Target achieved.
Benefits Administration - Gross admin cost per Housing Benefit/Council Tax Reduction (HB/CTR) case – target £24.75	This information will not be available until after the abstract and yearend position is finalised in mid-May.	Red	Higher cost per case primarily associated with a reduced Housing Benefit caseload as a result of the continued migration of working age benefit claimants to Universal Credit.
Annual council Good Governance Statement has been completed by due date and actions developed to address non-compliant areas.	Preparations are underway for the 2019-20 review of Governance arrangements. This action will be reported in June 2020.	Green	Completed on target.
Continue to develop South Lanarkshire Council's Records Management Plan following the Keeper's Assessment and Review	It has been agreed with the Keeper that as the outstanding actions on the Records Management Plan are linked to the Council development of Objective that the updated Plan will be submitted once sufficient progress has been made with the introduction of Objective. A progress update review will be submitted in October 2020.	Red	As a result of COVID 19, Council Resources reprioritised employee resources to focus on key service delivery and the response to the pandemic and the development of Objective was temporarily suspended and the Progress Update Review (PUR) was not submitted in October. The Keeper of the Records of Scotland advised that this was replicated across Scottish Local Authorities.

Measure	Comments at Quarter 4 2019-20	Updated status	Updated comments
Identify and make appropriate links between the Equality Impact Assessment (EQIA) process and the requirements of the Fairer Scotland Duty by March 2020	This has been on hold until the outcome of the Scottish Government review was known. This will not now take place until later in 2020. The review of the EQIA process will now be started with a projected completion date of Dec 2020.	Report later	The review is still outstanding - the review of the EQIA process has been delayed due to the COVID-19 focus; the completion date has been impacted and is likely to be pushed back to at least April 2021. Also awaiting outcome of the Public Sector Equality Duty (PSED) review
Review the Equality Impact Assessment online recording tool and the process by 30 April 2020		Report later	
Review the publishing of impact assessments on the council website with IT	A database has been devised and the majority of records are now on the database.	Green	Completed - All new assessments are published as the assessment is approved
Complete the roll out of workforce scheduling software for home care services	"Live" pilot delayed due to Covid-19 and Social Work Resources working on other priorities. Ready to go once Covid-19 crisis is over. Social Work will advise IT Services when Resource is available to re-plan the project.	Green	Resources available, project restarted and detailed re-planning underway
Complete procurement for migration of server and storage estate to cloud hosted solution	Procurement tender period has had to be extended by one month to end of May 2020 at the request of the framework suppliers due to Covid-19. Award now due end of July 2020.	Amber	Contract awarded Sept 2020
Launch the Recruitment Strategy and revised recruitment procedures to employees and managers by 31 March 2020	There is no specific recruitment strategy as we are intending to have that as a strand under our people strategy at some point. Our recruitment procedures, including our agreed standards, were fully reviewed and updated last year following detailed discussions with CMT and the revised procedures have been put onto iGraphix and communicated to line managers	Green	This is complete – no further update required

The 'Report later' status of the following LGBF indicators remains the same. As already reported, the data will be published in 2021.

Local Government Benchmarking (LGBF) Indicators	Comment
Sickness absence days per teacher	These are Local Government Benchmarking Framework (LGBF) indicators. The LGBF results for 2019-20 are due to be published by the Improvement Service in February 2021.
Sickness absence days per employee (non teacher)	
The % of the highest paid 5% employees who are women. Target >45.9%	
The gender pay gap between average hourly rate of pay for male and female council employees. Target <5.9%	
Percentage of invoices sampled that were paid within 30 days – target 92.5%	
Support Services as a percentage of total gross expenditure - Target 4.4%	
Proportion of people earning less than the living wage (Target >18.3%)	
All employees will be paid correctly and on time – target 100%	
The cost per dwelling of collecting Council Tax – target £7.00	
% unemployed people assisted into work from council operated/funded employability programmes	

(Data/Information correct as at 4 December 2020)

Report

11

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	20 January 2021
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Early Retirement, Voluntary Severance and Switch 2
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ advise on early retirements, voluntary severances, re-employment of early retirees and re-deployments during the period 1 April 2020 to 30 September 2020

2. Recommendation(s)

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

- (1) that the early retirements, voluntary severances, re-employment of early retirees and redeployment of employees on the Switch 2 register during the period 1 April 2020 to 30 September 2020 be noted.

3. Background

3.1. The Council analyses the number of employees being released through early retirement and voluntary severance and all of the associated costs. This forms part of the ongoing monitoring process derived from the Audit Scotland report, "Bye now pay later". This report provides information on the Council's position for the 6 month period from 1 April 2020 to 30 September 2020.

4. Current Position

Early Retirements (Efficiency of the Service/Voluntary Redundancy) and Voluntary Severance

4.1. During the period no early retirements on the grounds of efficiency of the service; voluntary redundancy or voluntary severance were granted. This represents no change when compared to the previous 6 month period.

5. Early Retirements – Ill Health

5.1. In terms of early retirement on the grounds of ill-health, there are no capitalisation costs to the Council. During the 6 month period the following ill-health retirements were approved:-

Resource	No. of Early Retirements on ill health grounds
Community and Enterprise	4
Education	2
Housing and Technical	3
Social Work	12
Total	21

- 5.2. The Local Government Pension Scheme regulations allow for 2 tiers of ill health retirement in situations where the member's ill-health or infirmity of mind or body renders them permanently incapable of discharging efficiently the duties of their current employment. Tier 1 relates to members with no reasonable prospect of obtaining gainful employment before their state pension age. Tier 2 relates to members with a reasonable prospect of obtaining gainful employment before their state pension age.
- 5.3. During the 6 month period, 21 ill health retirements were granted under the provisions of the Local Government and Scottish Teachers' Pension Schemes. One application resulted in no award being granted.

5.4. Annual Trend Analysis

Annual Period	1/4/16-31/3/17	1/4/17 - 31/3/18	1/4/18 – 31/3/19	1/4/19 – 31/3/20	1/4/20 – 30/9/20*
No. of ill-health retirements	28	37	46	37	21

*denotes 6 month period

- 5.5. During the period 1 April 2019 to 31 March 2020, the number of ill health retirements granted decreased by 9 compared to the previous year. This decrease was due to a reduction in the number of employees with serious medical conditions who met the criteria for ill health retirement. Based on the 21 ill health awards during the 6 month period, it is anticipated that the annual figure for 1 April 2020 to 31 March 2021 is likely to increase compared to the previous year.

6. Re-employment of Early Retirees

- 6.1. The re-employment of those who have been granted early retirement is monitored and approved within Personnel Services, Finance and Corporate Resources. During the period, no requests for re-employment were made and this represents no change when compared to the previous 6 month period.

7. Switch 2

- 7.1. Switch 2 is monitored and approved centrally within Personnel Services, Finance and Corporate Resources. During the 6 month period, 29 employees and Modern Apprentices were redeployed to suitable alternative posts within the Council as follows:-

Resource	No. of employees	No. of Modern Apprentices	Total
Community and Enterprise /Finance and Corporate /Education*	20	2	22
Housing and Technical/Social Work*	3	4	7
TOTALS	23	6	29

* In terms of data protection, Resources with fewer than 2 employees have been merged.

- 7.2. This figure is an increase of 8 compared to the previous 6 month period. Of the 23 employees and 6 Modern Apprentices redeployed within the period all were placed in permanent roles.

7.3. Annual Trend Analysis

Annual Period	1/4/16-31/3/17	1/04/17-31/03/18	1/4/18 – 31/03/19	1/4/19– 31/3/20	1/4/20– 30/09/20*
No. of Switch 2 matches	113	102	71	47	29

*denotes 6 month period

- 7.4. During the period 1 April 2019 to 31 March 2020, the number of employees re-deployed decreased by 24 compared to the previous year. Based on the 29 redeployments during the period, it is anticipated that the annual figure for 1 April 2020 to 31 March 2021 is likely to increase compared to the previous year.

8. Flexible Retirement

- 8.1. The approval of those who have been granted flexible retirement is monitored within Personnel Services, Finance and Corporate Resources. During the 6 month period, 77 requests were approved as detailed below with no cost to the Council.
- 8.2. Included in these figures are phased retirement and winding down applications from Teaching Staff. These options are available to Teachers and are similar to the LGPS flexible retirement provisions.

Resource	No. of Flexible Retirements	No. of Phased Retirements/ Winding Down
Community and Enterprise	15	
Education	7	22
Finance and Corporate	6	
Housing and Technical	8	
Social Work	19	
Total	77	

- 8.3. During the 6 month period, the average age of employees granted flexible retirement was 62 years, and this is the same as the previous 6 month period.

8.4. Annual Trend Analysis

Annual Period	1/4/16-31/3/17	1/04/17-31/03/18	1/4/18 – 31/03/19	1/4/19– 31/3/20	1/4/20– 30/09/20*
No. of Flexible Retirement	118	159	141	159	77*

*denotes 6 month period

- 8.5. During the period 1 April 2019 to 31 March 2020, the number of flexible retirements increased by 18 compared to the previous year. Based on the 77 requests received during the period, it is anticipated that the annual figure for 1 April 2020 to 31 March 2021 is likely to decrease compared to the previous year.
- 8.6. Flexible retirement refusals are monitored within Personnel Services, Finance and Corporate Resources and no requests were declined during this period.

9. Employee Implications

- 9.1. In respect of the employee refused ill-health retirement, an incapability dismissal may have been considered.

10. Financial Implications

- 10.1. No costs were incurred as a result of early retirement or voluntary severance releases during the period.

11. Climate Change, Sustainability and Environmental Implications

- 11.1. There are no implications for climate change, sustainability and environmental implications.

12. Other Implications

- 12.1. The early release of employees across the Council must be properly managed to minimise the risk of adversely impacting service levels through the loss of vital skills and experience. In accordance with agreed policies, the redeployment of employees through the Switch 2 process continues to be considered as a matter of priority.

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. All early releases are handled in line with agreed policies and procedures therefore no further consultation is required.

Paul Manning

Executive Director (Finance and Corporate Resources)

19 November 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Excellent employer
- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Finance and Corporate Resources, 8 May 2019

List of Background Papers

- ◆ None

Contact for Further Information

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

Cheryl Cumming, Personnel Officer

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Report

12

Report to: **Finance and Corporate Resources Committee**
 Date of Meeting: **20 January 2021**
 Report by: **Executive Director (Finance and Corporate Resources Resources)**

Subject: **Common Good - Update**

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update on the cyclical spend currently committed against the Common Good Repairs and Maintenance budgets for both Lanark and Hamilton
- ◆ provide an update on projects currently committed from the Common Good budgets for both Lanark and Hamilton
- ◆ provide details of consultations relating to the Common Good

2. Recommendation(s)

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

- (1) that the cyclical spend committed against the Common Good Repairs and Maintenance budgets for Lanark (section 4) and Hamilton (section 6), be noted;
- (2) that the projects currently committed outwith Repairs and Maintenance, from the Lanark (Section 5) and Hamilton (Section 7) Common Good Funds, be noted; and
- (3) that details of consultations relating to the Common Good (section 8), be noted.

3. Background

- 3.1. The Common Good is a fund of money/assets and is administered by a Scottish local authority in respect of each former burgh within the area of the local authority.
- 3.2. Common Good property is administered separately from other local authority assets for accounting purposes. What the authority can do with the assets is subject to a system of statutory control. This control has the potential to limit the extent to which the authority can dispose of or deal with the asset and on what terms.
- 3.3. The Common Good funds held within South Lanarkshire Council are Lanark, Biggar, Hamilton and Rutherglen. Accounts are prepared on an annual basis, as part of the Council's year end process. The unaudited accounts for 2019/2020 were presented to this Committee on 19 August 2020. The 2019/2020 Annual Accounts have since been approved by Audit Scotland.

- 3.4. The Common Good Accounts in Lanark and Hamilton hold a number of properties. A proactive approach to maintenance supports the viability of these assets and reduces the Council's risk to greater liability in the future.
- 3.5. The Finance and Corporate Resources Committee, at its meeting on 2 October 2013, approved an annual cyclical maintenance plan of £15,000 for both Lanark and Hamilton Common Good properties. The Executive Director (Finance and Corporate Resources) has delegated authority to approve maintenance work up to the value of £15,000 for each fund. If inspections highlight requirements to undertake investment which would be beyond routine maintenance, this will be considered separately for approval and will be the subject of a report to this Committee.
- 3.6. This report will provide an up to date position on the planned maintenance for both Lanark (Section 4) and Hamilton Common Good (Section 7) and will provide an update on projects for consideration for both Lanark (Section 5) and Hamilton (Section 8). An update in relation to recent consultations on Common Good assets is provided at section 9.
- 4. Lanark Repairs and Maintenance Budget – Planned Maintenance 2020/2021**
- 4.1. A budget allocation of £15,000 is earmarked for Repairs and Maintenance in 2020/2021. Table 1 shows the spend, so far, in the current year along with the other commitments where spend has not yet been incurred.

4.2. Table 1 – Approved Repairs and Maintenance Projects/Spend – 2020/2021

Lanark Common Good	Approved Budget
Available Budget 2020/2021	£15,000
Allocated Budget carried forward from 2019/2020	£8,691
Total Budget Available	£23,691
Projects where Spend has been Incurred	
Replacement of lighting unit (Lanark Racecourse Car Park)	£995
Approved Projects where Spend not yet Incurred	
St Nicholas Church Tower Cleaning (section 4.3)	£0
Tote Building Health and Safety Works (section 5.4)	£8,691
Tote Building - Water ingress repairs (section 4.4)	£7,000
Total Spend/Commitments	£16,686
Balance Remaining	£7,005

- 4.3. The cleaning of St Nicholas Church Tower is an annual project. The works were tendered following the easing of Covid restrictions, but as in previous years the cleaning has been delayed due to issues in identifying a suitable contractor to undertake the work. No supplier has been appointed to carry out the cleaning works this year and the works will be retendered in 2021. The budgeted cost (£3,995) has been removed from the commitments for this year.
- 4.4. The health and safety works are currently ongoing at the Tote building in Lanark. It was identified in November 2020 that there was a further issue of water ingress following stripping of the roof. Works to address the issue have been approved from the repairs and maintenance budget for 2020/2021 at an estimated cost of £7,000.

5. Lanark Committed Projects / Projects for Consideration

5.1. Table 2 lists all the current committed projects against Lanark Common Good Fund outwith the repairs and maintenance budget allocation, as approved by this Committee.

5.2. Table 2 – Approved Projects from Lanark Common Good Fund

Project	Date of Approval	Approved Budget	Spend Incurred to Date
Lanark Loch – replacement of gabion baskets (section 5.3)	14 September 2016	£25,000	£0
Tote Building of Lanark Racecourse – Repair Works (section 5.4)	20 June 2018	£28,000	£2,749
Lanark Loch and Lanark Moor – Path Repairs (section 5.5)	28 November 2018	£76,960	£33,066
Lanark Loch Pipe Repair (Approved budget – excess of £150,000 to be funded 50% by SLC and 50% Lanark Common Good)	19 August 2020	Excess of £75,000	£0

- 5.3. **Lanark Loch, Gabion Baskets:** As previously reported to Committee, the replacement of gabion baskets at Lanark Loch cannot be carried out until the repair of the pipe is complete. Section 5.6 to 5.11 provides an update on the pipe repair.
- 5.4. **Tote Building, Lanark Racecourse:** In order to prevent the Tote building becoming structurally unsound and to remove health and safety risks, various repairs are required. Approval was obtained at this Committee (20 June 2018) to fund the works, estimated at £28,000. The lowest tender submission received was for £36,691. The Committee, at its meeting on 11 December 2019, noted that the additional requirement of £8,691 was to be met from the repairs budget for 2019/2020. As per 4.4, a further £7,000 is required for works at the Tote, to be funded from repairs and maintenance budget.
- 5.5. **Lanark Loch and Lanark Moor Paths:** Approval was given at this Committee (28 November 2018) to repair the paths at an estimated cost of £76,960. Repairs to the path infrastructure are now complete, as far as possible, at a cost of £33,066. As previously reported some works could not be completed due to its proximity to the area where further repairs on the pipe are outstanding. The final repair costs will be funded from the balance of the original funds approved (£43,894).
- 5.6. **Lanark Loch Pipe Repair:** The damage to the outlet pipe was identified in March 2017 when the drainage started in order to replace the gabion baskets. At this time, an Emergency Drawdown Plan was put in place for 3 years whilst the extent of the damage to the pipe was being surveyed by Reservoir Consultants (AECOM).
- 5.7. On 28 November 2018, this Committee was updated on the progress of the survey of the damaged pipe. The Reservoir Consultant appointed to review and develop repair options was undertaking the work at this time. The scope of work included investigation of the scour valve, identification of the cause of the malfunction and identification of options to resolve the matter.
- 5.8. The repair is required to be carried out under the Reservoirs (Scotland) Act 2011.

5.9. The Council received the proposed solution from the Reservoir Consultant (AECOM) for the remedial works to the damaged pipe. It was anticipated that works were likely to cost in excess of £0.150 million. The tender for the works closed on 30 November 2020.

5.10. One bid was received for the tendered works, and the bidder has met the relevant tender criteria. The contract has been awarded at a cost of £0.095 million, lower than the anticipated cost. The price covers the valve replacement, gabion baskets reconstruction and footpath works. The start date for the works is mid-January 2021. Due to the nature of the project, additional costs may arise when the work commences, of which this Committee would be updated. It is expected that the works will be contained within the original estimated costs of £0.150 million.

6. Hamilton Repairs and Maintenance Budget – Planned Maintenance 2020/2021

6.1. A budget allocation of £15,000 is earmarked for Repairs and Maintenance in 2020/2021. An amount of £13,249 has been carried forward from 2019/2020 for the Hamilton Town Centre Sails Project. There are no new commitments against the budget to date.

6.2. **Hamilton Town Centre Action Plan:** The Plan, approved by the Community and Enterprise Resources Committee on 30 October 2018, identified a project of renewal and maintenance of Hamilton's Town Square. The project to clean and repaint the 'sails' structure was due to start in March 2020. The project was delayed due to Covid and was rescheduled to take place in August 2020, however, the contractor has been unable to carry out the work. The works will be re-tendered in early 2021.

7. Hamilton Committed Projects/Projects for Consideration

7.1. There has been no change since the last report to this Committee (August 2020). Approved projects are £30,000 for the Parking Demand Management Review in Hamilton. Phase 1 of this project was complete in the Summer, with further analysis of the data taking the total spend to £16,500. The balance of the funds may be required for further parking review outcomes. This Committee will be updated on any further work identified.

8. Consultation on Common Good

8.1. **Common Good Register:** Section 102 of the Community Empowerment (Scotland) Act 2015 requires each local authority to establish and maintain a register of property which is held by the authority as part of the common good (a "common good register").

8.2. South Lanarkshire Council has a Common Good Asset Register and, in line with the Community Empowerment (Scotland) Act 2015, must notify elected members and community groups of consultations regarding the common good asset register, and invite them to make representations in respect of those consultations.

8.3. The consultation closed on 31 March 2020.

8.4. The outcome of the consultation has resulted in a continuing dialogue with community representatives within Biggar regarding the Common Good Register, including research of titles. There is also a request from Lanark Community Development Trust for continued dialogue about the role of Lanark Common Good Assets in the developing proposals for the town. Going forward where there are proposed changes to ownership or use for assets held within the Common Good Registers, consultation on those changes will be undertaken with the community in accordance with Section 104 of the Community Empowerment (Scotland) Act 2015.

- 8.5. Any further updates will be notified to this Committee.
- 8.6. **New Lease Arrangements:** There have been no consultations on new lease arrangements for Common Good properties since the last update on 19 August 2020.
- 8.7. **Change of Use:** A consultation on the proposed change of use at 43 High Street, Lanark was consulted on in November 2020. The change of use is to demolish the existing property and extend the car park. Four representations were submitted by the close of the consultation. The project is progressing, however, consideration is being given to a request from two parties that the site, and the future maintenance and investment liability, is transferred from the Lanark Common Good to the Council.
- 8.8. A consultation on the proposed change of use at 11 Keith Street, Hamilton (old Vogue Cinema) is currently ongoing. The change of use is a development of 23 one and two bedroom flats including retention of the existing façade of the building. The period of consultation ends on 31 January 2021.
- 9. Employee Implications**
- 9.1. None.
- 10. Financial Implications**
- 10.1. All costs identified will be met from the Common Good funds held within both Lanark and Hamilton.
- 11. Climate Change, Sustainability and Environmental Implications**
- 11.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.
- 12. Other Implications**
- 12.1. The ongoing repairs and maintenance support the viability of Common Good assets and reduces the Council's risk to increased liabilities in the future.
- 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 is also no requirement to undertake any consultation in terms of the information contained in this report.

Paul Manning
Executive Director (Finance and Corporate Resources)

15 December 2020

Link(s) to Council Values/Ambitions/Objectives

- ♦ Accountable, effective, efficient and transparent

Previous References

- ◆ Finance and Corporate Resources Committee, 2 October 2013
- ◆ Finance and Corporate Resources Committee, 14 September 2016
- ◆ Finance and Corporate Resources Committee, 25 April 2018
- ◆ Finance and Corporate Resources Committee, 20 June 2018
- ◆ Community and Enterprise Resources Committee, 30 October 2018 – Hamilton Town Centre Strategy and Action Plan
- ◆ Finance and Corporate Resources Committee, 28 November 2018
- ◆ Community and Enterprise Resources Committee, 22 January 2019 – Parking Demand Management Review
- ◆ Finance and Corporate Resources Committee, 20 February 2019
- ◆ Finance and Corporate Resources Committee, 11 December 2019
- ◆ Finance and Corporate Resources Committee, 19 August 2020

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

13

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	20 January 2021
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Procurement Strategy Action Plan Update 2020/2021
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ provide an update on progress in the Procurement Strategy Action Plan for April to September 2020

2. Recommendation(s)

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

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

3. Background

3.1. The Council's Procurement Strategy 2020 to 2023 was approved by Executive Committee on 13 May 2020. This is the first bi-annual review of progress against the Procurement Strategy Action Plan 2020/2021.

4. Procurement Strategy and Action Plan Update

4.1. The Procurement Strategy approved in May 2020 included 7 key strategic objectives, which linked to key outcomes for the Procurement Service. An update on each of these objectives and evidence of progress in working towards these outcomes is included in Appendix 1 with highlights included below:-

- ◆ Implementation of new contract register database
- ◆ Savings target of £0.100 million included in budget strategy for 2021/2022
- ◆ Extensive liaison on contract delivery and supplier relief through Covid-19 pandemic
- ◆ Annual confirmation of payment of Living Wage in all Social Care contracts
- ◆ Contribution towards the development of the Council's first Community Wealth Building Strategy

4.2. The Procurement Strategy Action Plan included specific projects for 2020/2021, in support of our strategic objectives. An update on progress across each of the actions to the end of September 2020 is provided in Appendix 2.

4.3. A total of 14 actions are included in the action plan for 2020/2021, including one action carried forward from the 2017 to 2020 strategy. Progress is summarised in the table below:-

Category	Number	Comment
On hold	1	Action no longer scheduled for 2020/2021
Complete	1	Completed on schedule
Red	2	Action not completed within timescale, revised timescale set
Amber	6	Slippage anticipated in meeting timescale
Green	4	No issues currently anticipated in meeting timescale
Total	14	

4.4. Responding to Covid-19 priorities has had an impact on the allocation of resources to Procurement's strategic objectives due to the impact of contract management, supplier relief and sourcing for unplanned requirements and latterly, supporting services to re-mobilise, including re-tendering for projects abandoned during the pandemic. Completion timescales will therefore be kept under close review.

4.5. It is anticipated that the Procurement Service will continue to focus on Covid-19 priorities and the implications of EU Exit until March 2021 and accordingly, it is expected a number of strategic actions will be carried forward into 2021/2022.

5. Employee Implications

5.1. There are no employee implications.

6. Financial Implications

6.1. There are no additional financial implications other than those outlined in the report.

7. Climate Change, Sustainability and Environmental Implications

7.1. Specific activity that will contribute towards improved environmental outcomes from procurement activity is outlined in the appendices to the report.

8. Other Implications

8.1. The Procurement Reform (Scotland) Act 2014 requires any public organisation, which has an estimated total value of regulated procurement spend of £5 million or more (excluding VAT) in a financial year, to prepare and publish a Procurement Strategy. An organisation must also review its Procurement Strategy annually and make such revisions as it considers appropriate for the purposes of the Act. The risk of non-compliance is mitigated by the proposals in this report.

9. Equality Impact Assessment and Consultation Arrangements

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

9.2. As this is a monitoring report, no consultation is appropriate or necessary.

Paul Manning

Executive Director (Finance and Corporate Resources)

14 December 2020

Link(s) to Council Values/Ambitions/Objectives

♦ Accountable, effective, efficient and transparent

Previous References

- ◆ Procurement Strategy 2020 to 2023, Executive Committee 13 May 2020

Contact for Further Information

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

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Procurement Strategy 2020-2023 Key Objectives

Objective	Aim	Outcome	Progress
Compliance	Ensure compliance with Procurement Regulations and the Council's Standing Orders on Contracts	Improve compliance and mitigate risk of contract challenge	Procurement continue to monitor compliance with regulations and Standing Orders on Contracts across the Council, as evidenced by <ul style="list-style-type: none"> Improved approach to identification of non-contract spend Implementation of new contract register database Rollout of training on new Standing Orders on Contracts
Value for Money	To secure Best Value, balancing cost and quality of service and support the Council in achieving budget savings	Improved Value for Money in support of the Council's Financial Strategy	We continue to work with Resources in recognising demand and cost drivers and identifying opportunities for efficiencies, as evidenced by: <ul style="list-style-type: none"> Savings target of £0.100m included in budget strategy for 2021/2022
Collaborative	Identify and influence collaborative opportunities to work with public partners and drive value through the power of public sector procurement	Improved levels of collaborative activity and delivery of efficiencies	We continue to engage with procurement partners to identify collaborative opportunities and influence development of collaborative working, as evidenced by <ul style="list-style-type: none"> 93% participation in Scotland Excel frameworks Increased levels of engagement with Scottish Procurement Alliance, Procurement for Housing and Hub South West
Contract and Supplier Management	Support Resources to take a proactive approach to contract and supplier management to achieve innovation and value in contract delivery	Ensure suppliers meet contractual obligations, drive improvements in supplier performance and achieve efficiency improvements	We can demonstrate an improved approach to contract and supplier management, as evidenced by: <ul style="list-style-type: none"> Implementation of Electronic contract management (eCM) for pilot contracts, including Early Years and Care at Home suppliers Extensive liaison on contract delivery and supplier relief through Covid-19 pandemic

			<ul style="list-style-type: none"> Improved levels of engagement with Social Care providers through Care at Home moratoria.
Fair Work Practices	Work with suppliers to improve Fair Work Practices, including payment of the Living Wage and compliance with Council Charters	Improved Fair Work Practices and Living Wage for those involved in delivery of Council contracts	<p>We continue to promote Fair Work Practices and payment of the Living Wage, as evidenced by:</p> <ul style="list-style-type: none"> Annual confirmation of payment of Living Wage in all Social Care contracts Commencing programme to establish Living Wage status of all contracts in new Contract Register database
Sustainable and Ethical	Secure wider social, economic and environmental benefits through contracts as set out in the Sustainable Procurement Duty	Meet the Sustainable Procurement Duty	<ul style="list-style-type: none"> Procurement has completed the first stage of the Scottish Government's Flexible Framework to assess the organisational approach to sustainable procurement. We continue to engage with local suppliers and SMEs to promote contract opportunities and our joint work in this area is continuing with the Supplier Development Programme and Economic Development partners. Contribution towards development of Community Wealth Building Strategy Completion of Ethical Procurement training for all members of procurement team. Working with Police Scotland on Serious and Organised Crime.
Community Benefits	Ensure Community Benefits are secured and delivered to contribute towards a prosperous, fairer and more sustainable South Lanarkshire	Maximise Community Benefits and contribute to National Outcomes	<p>We continue to work to develop our approach to Community Benefits to drive improvements in this area, as evidenced by:</p> <ul style="list-style-type: none"> Participation in rollout of Glasgow Region City Deal CB monitoring software "Cenefits" and considering this solution for the Council's internal CB monitoring approach.

Procurement Strategy Action Plan 2020/2021

Action	Strategic Objective	Responsibility	Timescale	Status	Update
Complete Sustainability Toolkit following redesign by Scottish Government	Sustainable and Ethical	Procurement	March 2021	Amber	Procurement has completed the Flexible Framework (organisation level assessment of sustainable procurement) with associated actions to progress to next level. Prioritisation framework (category level assessment) to be carried for category strategies as completed.
Preparation of category plans for Social Care, ICT and Construction. Develop category plans for Fleet and Waste	Compliance	Procurement & Resources	March 2021	Amber	Social Care and Construction category strategies being prioritised.
Deliver improvements identified from Procurement Competency Framework Assessments.	Compliance	Procurement	March 2021	Green	Development requirements for Competency Framework incorporated to appraisals and training opportunities identified as appropriate. Five members of the Procurement team currently undertaking training through SXL Academy.
Pilot implementation of Electronic Contract Management	Contract and Supplier Management	Procurement & Resources	March 2021	Green	ECM in place for Early Years procured service arrangement and in development for Care at Home providers.

Action	Strategic Objective	Responsibility	Timescale	Status	Update
Implementation of Project Management software	Compliance	Procurement & IT Services	March 2021	Amber	PMO software currently in procurement stage although financial constraints mean project will need to be reviewed.
Introduce audit review arrangements as agreed by Corporate Management Team	Compliance	Procurement	September 2020 Carry forward to 21/22	Red	Limited progress due to Covid-19 priorities. Revised date set.
Review of operation of Quick Quote	Compliance	Procurement	September 2020 Carry forward to 2021/22	Red	Limited progress due to Covid-19 priorities. Revised date set.
Implementation of Objective and development of electronic workflow to support tender and contract processes	Compliance	Procurement	March 2021	Amber	Limited progress in rollout to date due to Covid-19 priorities
Development of Procurement training modules	Compliance	Procurement & Personnel Services	March 2021	Amber	Limited progress due to Covid-19 priorities
Complete Procurement and Commercial Improvement Programme	Compliance	Procurement	March 2021	On hold	Scottish Procurement and Scotland Excel have confirmed that PCIP Programme assessments will not proceed in 2020/2021 due to Covid-19.
Implementation of Community Benefit monitoring software	Community Benefits	Procurement & Resources	March 2021	Amber	Discussions underway with system developer, impact of CWB strategy to be considered
Prepare for new procurement arrangements on contracts and commodities as a result of Brexit	Contract and Supplier Management	Procurement & Resources	March 2021	Green	Brexit position subject to monitoring
Manage supplier and supply chain impacts arising from COVID-19	Contract and Supplier Management	Procurement & Resources	March 2021	Green	Significant input to impact of Covid-19 on suppliers, including contract management, supplier relief and supporting service re-mobilisation.

Action	Strategic Objective	Responsibility	Timescale	Status	Update
Implement new database solution for Contracts Register (carried forward from 2017-2020 Strategy Action Plan)	Compliance	Procurement & IT Services	September 2020	Complete	New contract register solution has successfully gone live at the end of September 2020.

Report

14

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	20 January 2021
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Update of the Finance and Corporate Resources Risk Register and Risk Control Plan
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ present 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, which was reviewed in April 2020, 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 1 and 25 (low – very 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 Committee on 11 December 2019.
- 3.6. The Resource's top risk register and risk control plan has been reviewed. This work was completed in November 2020.

- 3.7. The Central Risk Management team annually review Resource compliance with the Risk Management Strategy. The outcome of the 2019/20 review identified that Finance and Corporate Resources achieved 100 per cent compliance, scoring 42 out of a possible 42.

4. Resource Risk Management

- 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 gave consideration to 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, 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 register are summarised below:-
- ◆ A new very high level risk has been added to the risk register in respect of 'The Covid-19 pandemic'
 - ◆ A new high level risk in respect of potential liabilities arising from claims for historic abuse noted following details of the Scottish Government's financial redress scheme being published
 - ◆ A new high level risk added in respect of the IT led project to upgrade telephone network from analogue to digital. This affects the community alarm systems.
 - ◆ All risks have been rescored in line with the revised 5x5 risk scoring matrix. The scoring matrix was changed from a 3x3 matrix, following a review of the Council's Risk Management Strategy at the start of the year. The revised 5x5 scoring matrix and definitions for likelihood and impact is shown at Appendix 1.
- 5.6. Risks scored 15 to 25 are considered to be very high risks and risks scored 8 to 12 are considered to be high risks. Very high and high risks are monitored closely. The top risks identified for the Resource, that is those that are residually scored as being very high and high, are attached at Appendix 2.

5.7. Risks evaluated residually as being medium or low risk will be monitored to ensure that they continue to be adequately managed.

5.8. The Committee is asked to note the contents of the Resource Risk Register.

6. Insurance Hotspots

6.1. As part of the work that is currently being undertaken in connection with the ongoing Insurance Fund Review, the Council's insurers were approached and asked to carry out an analysis of our claims experience for the last 5 years for Public Liability, Employers' Liability, motor and property claims, with a view to identifying areas where a number of similar types of claim or high value claims were originating, through claims leakage reports.

6.2. The first stage of the analysis has been completed, and insurers have now been asked to provide their opinion on mitigating measures that can be implemented by the Council to prevent future reoccurrence of the identified insurance hotspot areas. The outcome of this hotspots review will be reported as part of the Insurance Fund Review recommendations.

7. Scope and appetite for risk

7.1. The 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 very 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. The Council's universal risk tolerance levels were recently updated as part of the review of the risk management strategy this year, with the ideal risk profile defined as:-

- ◆ No more than 10 per cent of residual risks at a very high level
- ◆ No more than 15 per cent of risks at a high level
- ◆ Around 50 to 60 per cent of residual risks at a medium level
- ◆ No more than 30 per cent of residual risks at a low level

7.4. Table 1 below shows the top risks heat map, i.e. it details the total number of risks for each individual residual risk score. Table 2 below notes the overall risk profile for the top risks.

Table 1 – Top Risks Heat Map

Likelihood	5 Almost Certain			2		
	4 Likely			3		1
	3 Possible		9	7	2	
	2 Unlikely	2	12	7	4	
	1 Rare	4	8	9	2	
		1 Negligible	2 Minor	3 Moderate	4 Major	5 Catastrophic
Impact						

Table 2 –Top Risks Risk Profile

Risk Category	Risk Rating	Number of residual risks	Percentage of residual risks
1	Very high	3	4.2%
2	High	16	22.2%
3	Medium	30	41.7%
4	Low	23	31.9%
		72	100.0%

- 7.5. Despite the fact that the profile noted in Table 2 is out with the ideal universal risk exposure defined by the Risk Management Strategy, this risk exposure is reasonable as these are the highest level risks currently being faced by the Resource, and a number of the top risks scores have increased significantly this year as a result of the effects of Covid-19.
- 7.6. Finance and Corporate Resources has ensured that all inherent risks scored at a very high and high level have cost effective control measures in place. Where further control measures are required, these are included within the Resource risk control plan.
- 7.7. A direct comparison of risk scores for this year compared to last year is not possible, given the change in the scoring matrix, along with the addition of a new very high risk rating.

8. Risk Control Actions

- 8.1. There were no risk control actions due for delivery between April and October 2020
- 8.2. 16 actions due for completion during 2019/2020 have been completed. One hundred per cent (16/16) of these risk control actions were completed on time against an overall Resource target of 90 per cent.
- 8.3. Details of the completion of risk control actions during 2019/2020 and 2020/2021 to date are contained in Table 3 below.

Table 3 – Completion of top risk control actions

	2019/20	2020/21 (as at 31 October 2020)
Total number of actions due	16	0
Completed on time	16	0
Completed late	0	0
Due to be completed at a later date	0	13

- 8.4. Progress with completion of Resource 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 13 risk control actions due for completion during the remainder of 2020/2021, with a further 5 actions due to be completed in future years. Details of these actions are noted at Appendix 3. The Committee is asked to note that the outstanding actions to mitigate risks within the Risk Control Plan will be progressed by the relevant officers.

9. Major projects, partnerships or change

- 9.1. Within Finance and Corporate Resources 4 partnerships have been identified. 1 of these is considered to be high risk, the Community Planning Partnership (CPP). The remaining 3 partnerships have been assessed as being low risk.
- 9.2. Appropriate risk management arrangements are in place for the CPP with regular reports on their risk register and action plan presented to the CPP Board.

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. There are no direct financial implications associated with the Resource's top risks. There are a number of proposed risks which are classified under the heading of financial, including additional costs stemming from Covid-19. Where this is the case, the appropriate controls and actions have been included in the risk control cards and progress will be monitored.

13. Climate Change, Sustainability and Environmental Implications

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

14. Other Implications

- 14.1. Failure to demonstrate that risk is actively considered and managed cannot only lead to avoidable financial loss but could also affect delivery of services and could affect the Resources' reputation.

15. Equality Impact Assessment and Consultation Arrangements

- 15.1. 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.
- 15.2. Consultation on the content of this report has been undertaken with the Resource Management Team.

Paul Manning

Executive Director (Finance and Corporate Resources)

15 December 2020

Link(s) to Council Values/Ambitions/Objectives

- ♦ Accountable, effective and efficient

Previous References

- ◆ Report to Finance and Corporate Resources Committee – 11 December 2019 – 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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Appendix 1 – 2020 Risk scoring matrix and likelihood and impact definitions

Likelihood

Score	1	2	3	4	5
Description	Rare	Unlikely	Possible	Likely	Almost certain
Likelihood of occurrence	1 in 10 years	1 in 3 years	1 in 2 years	Annually	Monthly
Probability of occurrence	The event may occur in certain circumstances	The event could occur	The event may occur	The event will probably occur	The event is expected to occur or occurs regularly

Impact

	Reputation	Financial	Service delivery/ Time to recover	Compliance	Safety
1 Negligible	Public concern restricted to local complaints	<£50,000 per annum	No impact to service quality; limited disruption to operations.	No external interest	Minor injury – no lost time
2 Minor	Minor adverse local/public/media attention and complaints	£50,000-£250,000 per annum	Minor impact to service quality; minor service standards are not met; short term	Very minor attention from legislative/regulatory body	Minor injury – resulting in lost time
3 Moderate	Adverse national media Public attention	£250,000 to £500,000 per annum	Significant fall in service quality; major partnership relationships strained; serious disruption in service standards	Short-term attention from legislative/regulatory body	Major injury or ill health resulting in lost time
4 Major	Serious negative national or regional criticism	£500,000 to £1million per annum	Major impact to service delivery; multiple service standards are not met; long term disruption to operations; multiple partnerships affected	Medium-term attention from legislative/regulatory body	Fatality; Or injuries to several people
5 Catastrophic	Prolonged international, regional and national condemnation	>£1million per annum	Catastrophic fail in service quality and key service standards are not met; long term catastrophic interruption to operations; several major partnerships are affected	National impact with rapid intervention of legislative/regulatory body	Multiple fatalities; Or injuries to large number of people

The assessments for impact and likelihood combine to provide an overall inherent risk score on the scale of between 1 and 25, using the Council's recognised risk matrix.

Risk matrix

Likelihood	5 Almost Certain	5	10	15	20	25
	4 Likely	4	8	12	16	20
	3 Possible	3	6	9	12	15
	2 Unlikely	2	4	6	8	10
	1 Rare	1	2	3	4	5
		1 Negligible	2 Minor	3 Moderate	4 Major	5 Catastrophic
		Impact				

The risk score is calculated as follows:

Likelihood score x Impact score = Risk Score

Finance and Corporate Resources Risk Register (as at 31 October 2020)
Extract of risks with residual score category of Very High and High

Risk Category	Key risk	Inherent Risk Score	Sample of Controls	Residual Risk Score
1 Very High (15-25)	The Council does not provide an adequate response to the pandemic; maintaining critical services; delivering emergency response commitments as a Category One Responder; and protecting wellbeing of employees and service users as far as reasonably practicable. Responding to the pandemic will impact on everything else the Council does. Council Top Risk	25	<ul style="list-style-type: none"> Working with Cosla on national financial impact to inform discussions with Government on funding. Specific cost centres established to monitor spending Changes made to Registration processes – registrations available online/over the phone/weekend working Community Wellbeing Helpline established 	20
	Reduction in Council funding/income, as well as increased service demands, results in difficulties achieving savings and maintaining front line services Council Top Risk	25	<ul style="list-style-type: none"> An embedded and systematic approach to savings identification Robust processes in place to report annual budget and Council Tax proposals to Elected Members Council's long term financial strategy includes scenario planning 	20
	The Council is significantly affected by the impact of the UK leaving the European Union Council Top Risk	25	<ul style="list-style-type: none"> The HM Treasury has provided assurances around the current EU funded programme for all projects with a signed agreement in place prior to UK leaving the EU Council Resources have familiarised themselves with the content of the no-deal technical papers produced by the UK Government and reviewed their contingency plans to ensure that they are 	20

			<p>sufficiently robust to deal with any significant negative impact that may arise from the UK leaving the EU.</p> <ul style="list-style-type: none"> • The Council's Economic Development Service provides support to businesses within the South Lanarkshire area. 	
2 High (8-12)	Potential liability arising from claims of historic abuse Council Top Risk	16	<ul style="list-style-type: none"> • Responses prepared to the Scottish Government Redress Scheme call for views • Regular actuarial reviews undertaken for pre-fund liabilities • Review of predecessor authorities insurance cover undertaken 	12
	Fraud, theft, organised crime and cyber attacks Council Top Risk	20	<ul style="list-style-type: none"> • Anti-Fraud and Corruption Strategy • Whistle-blowing procedures • Cyber security and information security training • The Council has in place a technical IT infrastructure that provides information security protocols in line with industry best practice. This is subject to regular independent review to ensure its continued effectiveness. 	12
	Information Governance not subject to adequate control Council Top Risk	20	<ul style="list-style-type: none"> • Awareness raising • Information Governance Group in place • Information Governance Strategy 	12
	Failure to respond - major event/emergency Council Top Risk	16	<ul style="list-style-type: none"> • Media response policy • IT business continuity plans • Emergency Management Team 	12
	Insurance fund insufficient to meet known liabilities	20	<ul style="list-style-type: none"> • Regular actuarial reviews • Management of claims trends • Review of operation of Council's insurance fund. 	12

Procurement practice and management of contracts Council Top Risk	25	<ul style="list-style-type: none"> • Procurement Strategy and action plan • Contracts register in place • Procurement Annual Report published 	9
IT Development and functionality does not meet service requirements Council Top Risk	20	<ul style="list-style-type: none"> • IT Asset Management Plan • ICT Development Fund • IT Programme Board 	9
Lack of capacity and skills to meet increased service demands Council Top Risk	20	<ul style="list-style-type: none"> • Workforce Strategy • Performance Appraisal Process • Learning and Development Strategy 	9
Inaccurate information relating to Council services reported via media	12	<ul style="list-style-type: none"> • Timeous response to media enquiries • Guidelines on media enquiries contained within Corporate Standards • Contact sheets provided to the media 	9
Audit plan not delivered	12	<ul style="list-style-type: none"> • Managed systematic approach to work allocation and monitoring arrangements • Capacity planning 	9
Difficulties in placing insurance cover	16	<ul style="list-style-type: none"> • Support from appointed insurance broker • Sound experience in placing covers • Regular reviews to ensure optimal balance between retention of risk and purchased covers 	9
Failure to deliver the Modern Apprenticeship programme	12	<ul style="list-style-type: none"> • Compliance process in place • Commitment from senior management • Appropriately trained and qualified staff available to delivery relevant internal programmes 	9
Death or injury to employees, service users or members of the public affected by Council operations	20	<ul style="list-style-type: none"> • Occupational Health and Safety Management System embedded throughout the Council 	8

	Council Top Risk		<ul style="list-style-type: none"> • Risk assessments and safe systems of work developed and implemented • Resource H&S Groups in place 	
	Failure to achieve the outcomes of the Community Plan Council Top Risk	20	<ul style="list-style-type: none"> • Partnership Progress Group established • Community Engagement Manager and team in place • Neighbourhood plans developed 	8
	Community Alarms - Failure to successfully transition from the current analogue service to a digital solution within the pre-determined timescale	20	<ul style="list-style-type: none"> • Project plan in place • Project Review Board established • Sessions held to scope full organisation requirements 	8
	Failure to manage financial aspects of City Deal Council Top Risk	25	<ul style="list-style-type: none"> • Financial aspects reviewed for each business case at all stages of the project • Assurance frameworks • Specific project risk registers in place 	8

Appendix 3 – Finance and Corporate Resources 2020/2021 Risk Control Plan

Action:	Who:	Target date:
Implementation of APEX Procurement Database	Finance Adviser (Procurement)	December 2020
Brexit - Investigate new opportunities for funding.	Head of Finance (Strategy)	December 2020
Review and audit of H&S training completed for specific machinery in high risk areas within Services/Resources	Health, Safety and Wellbeing Manager	December 2020
Review of H&S Training Matrices	Health, Safety and Wellbeing Manager	December 2020
Finalise A2D Project Plan	Programme Co-Ordinator, IT Services	December 2020
Establish work specific A2D steering groups	Programme Co-Ordinator, IT Services	December 2020
Formal audits of Resources management of procurement processes and procedures, identifying corrective actions to mitigate the risks identified	Audit and Compliance Manager	March 2021
Progress agile working across the council through full deployment of Windows 10 laptops / Office 365 / Soft Phones.	Head of IT Services	March 2021
Implement actions per ICT Asset Management Plan	Head of IT Services	March 2021
Develop Digital and IT Strategies for 2021 - 2024	Head of IT Services	March 2021
Implement Service Improvements identified from IT Service Review	Head of IT Services	March 2021
Complete outstanding PIAs and publish summary details on the internet	Legal Services Manager/Assistant Registrar	March 2021
A2D - Conduct pilot and review findings	Programme Co-Ordinator, IT Services	March 2021
A2D - Approve service provision model	Programme Co-Ordinator, IT Services	June 2021
Implementation of EDRMS Phase 2	Head of IT Services	June 2021
A2D - Approve Alarm Receiving Centre model	Programme Co-Ordinator, IT Services	June 2021
Complete exit from IT Caird Data Centre and Migration to Hybrid Cloud solution.	Head of IT Services	December 2021
A2D - Digital solution procured and implemented	Programme Co-Ordinator, IT Services	March 2024

Report

15

Report to:	Finance and Corporate Resources Committee
Date of Meeting:	20 January 2021
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Calls for Views: Procurement Reform (Scotland) Act 2014 - Post Legislative Scrutiny
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1. Purpose of Report

1.1. The purpose of the report is to: -

- ◆ to advise of the Scottish Parliament's Economy, Energy and Fair Work Committee's call for views on the Procurement Reform (Scotland) Act 2014
- ◆ to provide details of the Council's response, which is due for submission on 22 January 2021

2. Recommendation(s)

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

- (1) that the content of the Council's response to the calls for views on the Act, as set out in Appendix 1 of the report, be noted.

3. Background

3.1. The Procurement Reform (Scotland) Act 2014 ("the 2014 Act") placed a number of responsibilities on public bodies to consider how procurement activity can be used to improve the economic, social and environmental wellbeing of their area and how they will facilitate the involvement of SMEs, third sector and supported businesses and promote innovation.

3.2. The Economy, Energy and Fair Work Committee has agreed to carry out post-legislative scrutiny of the 2014 Act and has requested written evidence on how the act has impacted procurement in Scotland since it came into force in April 2016. The Committee will consider the written evidence received and hold an evidence session with the Cabinet Secretary for Economy, Fair Work and Culture to explore the issues raised.

4. The Procurement Reform (Scotland) Act 2014

4.1. On 13 May 2014, the Scottish Parliament published the Procurement Reform (Scotland) Act 2014.

4.2. The main points noted within the Act are summarised below:-

- ◆ the Act places a number of general duties on public bodies regarding their procurement activities and also places some administrative requirements on higher spending public bodies to publish procurement strategies and annual procurement reports

- ◆ the sustainable procurement duty requires that before a contracting authority buys goods or services, it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality
- ◆ all Scottish public bodies must consider the use of community benefit requirements for regulated procurements where the estimated value of the contract is £4 million or more. A community benefit is a contractual requirement which can relate to training and recruitment or the availability of sub-contracting opportunities. Alternatively, a community benefit can be intended to improve the economic, social or environmental wellbeing of the authority's area
- ◆ Statutory Guidance on Addressing Fair Work Practices, including the Living Wage, requires public bodies to consider whether it is relevant and proportionate to include a question on fair work practices, to be evaluated along with other relevant criteria
- ◆ public bodies are required to include in their organisational procurement strategy a statement on their general policy on "the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements"
- ◆ the sustainable procurement duty requires public bodies to consider how they might facilitate the involvement of SMEs, the third sector and supported businesses in their procurements and which should be designed in a way that encourages them to be involved
- ◆ the Act requires Scottish public bodies to set out their prompt payment policy in their procurement strategies

5. Call for views

5.1. The Scottish Parliament's Economy, Energy and Fair Work Committee issued a call for views on the Bill on 7 December 2020 with a response date of 22 January 2021.

5.2. Details of the Council's response to the call for views is contained in Appendix 1.

5.3. The key issues raised within the Council's response to the call for views are summarised below:-

- ◆ the 2014 Act has raised the profile of the sustainable procurement duty objectives including climate issues, Fair Work Practices, Living Wage, Community Benefits and local/SME spend
- ◆ balancing the requirements of the sustainable procurement duty against wider procurement regulations and the need for improved value, collaboration and cost saving continues to be challenging
- ◆ review of the performance measures used to help quantify the impact of the Act and the provision of software solutions to aid monitoring and reporting would be beneficial
- ◆ the Act has been one of several factors driving consideration of climate issues and climate sustainability is an area which has been embedded in several contractual arrangements for the Council
- ◆ there has been a positive impact on Fair Work Practices in South Lanarkshire contracts
- ◆ the use of the national advertising portals make public procurement opportunities very accessible to SMEs and local supply chains
- ◆ the focus on value and sustainable procurement must be balanced with pressure on local authority budgets and attempts to secure savings through the procurement process

- ♦ it can be challenging to measure many of the outcomes of the sustainable procurement duty

6. Employee Implications

- 6.1. There are no employee implications in terms of the recommendations contained within this report.

7. Financial Implications

- 7.1. There are no financial implications in terms of the recommendations contained within this report.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no implications in terms of climate change, sustainability or the environment in terms of the recommendations contained within this report.

9. Other Implications

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

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. No equality impact assessment is required in terms of the recommendations contained within this report.

Paul Manning

Executive Director (Finance and Corporate Resources)

29 December 2020

Link(s) to Council Values/Ambitions/Objectives

- ♦ Accountable, Effective, Efficient and Transparent

Previous References

- ♦ None

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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South Lanarkshire Council's Response to the Scottish Parliament's Economy, Energy and Fair Work Committee Call for Views on the Procurement Reform (Scotland) Act 2014

Call for views questions	South Lanarkshire Council's Response
Has the sustainable procurement duty helped to improve social, environmental and economic wellbeing and to reduce inequality?	The focus on the sustainable procurement duty has increased the profile of climate issues, Living Wage, Fair Work Practices, Community Benefits and local and SME spend. The associated wider societal impact on economic wellbeing and inequality is more challenging to quantify.
What are the barriers to the successful application of the sustainable procurement duty, and what changes could be made to improve its impact?	Balancing the requirements of the sustainable procurement duty against wider procurement regulations and the need for improved value, collaboration and cost saving continues to be challenging. A review of the range of performance measures would be beneficial to ensure they remain relevant and are reported consistently across public bodies. The use of the newly developed sustainability toolkit could further help demonstrate impact and improvement.
How can the impact of the sustainable procurement duty be measured?	Annex A to the Annual Procurement Report seeks to gather performance data in respect of a number of sustainable measures, including Living Wage, SME and local spend, Supported Businesses and Community Benefits: however, the resource intensive nature of maintaining and reporting on this data should be noted. In respect of spend analysis, consideration should be given to expanding the metrics in the national spend observatory and potentially the introduction of software tools to record and monitor data.
How has the Act affected public bodies consideration of climate policies and the circular economy through their procurement activity?	The Act has been one of several factors driving consideration of climate issues and climate sustainability is an area which has been embedded in several contractual arrangements for the Council, including waste management contracts, focus on reducing the use of single use plastics, emissions measures in transport, LED street lighting, and procurement of electric fleet. Building projects have also embedded sustainability measures in their specifications, including energy efficiency measures, for example, biomass boilers in schools.

How successful has the 2014 Act been in promoting community benefits through procurement?	The Act has been successful in promoting Community Benefits and South Lanarkshire Council has embedded Community Benefits for all regulated procurements, which is wider than the £4m threshold stipulated in the Act. The most successful areas for community benefit impact have been major investment programmes through Glasgow Region City Deal and Hub SW which can demonstrate extensive programmes of Community Benefits.
What steps could be taken to improve the use of community benefit requirements in the public procurement system?	The introduction of a consistent approach to determining community benefit requirements, for example, extension of the points-based system promoted by Glasgow Region City Deal would be useful to both procuring authorities and suppliers. The implementation of consistent monitoring software to record and monitor delivery of community benefits would be beneficial, potentially through PCSt.
What impact has the 2014 Act had on promoting fair work as part of public procurement contracts?	There has been a positive impact on Fair Work Practices (FWP) in South Lanarkshire contracts, with FWP included as a mandatory technical scored question in all Invitations to Tender and an unscored question on payment of Living Wage (as this cannot be mandated). The Council has also adopted the Construction and Ethical Care Charters, and this encourages compliance from contractors with the principles within each.
How measurable is that impact?	A consistent approach to scoring and measurement of FWP is required to measure the impact: although payment of Living Wage can be an effective indicator of supplier FWP intentions.
How has the 2014 Act promoted the payment of the real Living Wage?	Payment of the Living Wage has been a key focus in procurement following the 2014 Act. Payment of the Living Wage, although it cannot be mandated, is including as a non-scored question on all South Lanarkshire Council Invitations to Tender. All social care contracts, which account for 30% of council spend, are monitored on payment of the Living Wage annually.
What more could be done through procurement activity to promote the real Living Wage and other fair work practices?	The inclusion of a Living Wage indicator in the national spend data would enable a consistent and measurable approach to analyse Council spend with Living Wage employers. This could have a significant impact on promotion of Living Wage.

How is the 2014 Act supporting SMEs and local supply chains since it came into force in 2016? Are there any changes that would promote increased involvement of SMEs and local supply chains in public procurement contracts?	There has been significant focus on supporting SMEs and local supply chains since the Act was introduced, supported through national reporting of local and SME spend through the national spend observatory and Local Government Benchmarking Framework. Increased involvement of SMEs and local suppliers, for those SMEs who wish to access public contracts, is dependent on access to tender opportunities and support to bid successfully. Improved accessibility to subcontracting opportunities from Tier 1 contractors would be beneficial to SMEs.
How accessible is the public procurement process in Scotland to SMEs and local supply chains?	The use of the national advertising portals of PCS and PCSt make public procurement opportunities very accessible to SMEs and local supply chains and increasing use of social media promotion of contract opportunities is also useful. Use of the Single Procurement Document (SPD) and training opportunities on the bid process from the Supplier Development Programme also improve accessibility.
Have SMEs gained an increased share of public procurement contracts as a result of the 2014 Act?	Scottish Procurement's Annual Report for 2019 reported that spend with SMEs across all public procurement bodies was broadly static and this has also been the case in South Lanarkshire Council, although expenditure with local enterprises and local SMEs have both increased.
What has been the impact of this prompt payment policy requirement?	In accordance with our prompt payment policy, South Lanarkshire Council consistently pays 90% of all invoices within 30 days and this is expected to have a beneficial impact on our suppliers and their subcontractors.
Are businesses experiencing improved prompt payment as a result of this policy?	Yes. Although this policy is measured for Councils through the Directors of Finance group, a national measure would be useful to demonstrate compliance with the prompt payment policy. Consideration should also be given to ensuring prompt payment policy is extended to subcontractors nationally.
What steps is the Scottish Government taking to ensure that procurement manuals and guidance are adhered to?	Scottish Procurement website has published significant guidance in support of the Procurement Reform Act, including Procurement Journey and Sustainability Toolkit. Regular Scottish Procurement Policy Notes (SPPNs) are issued to all public bodies advising of any changes to policy

	and guidance and the Act requires Councils to confirm their compliance through the Annual Procurement Report.
How can long-term value be promoted through the public procurement process (rather than lowest cost)?	The principles of most economically advantageous tender are well established for council procurements. The focus on value and sustainable procurement must be balanced with pressure on local authority budgets and attempts to secure savings through the procurement process.
How can the Scottish Government ensure that SMEs are supported in their efforts to bid for public sector work?	SMEs who have an interest in public sector contracts require accessible opportunities, through PCS and PCSt and skills development to improve the quality of bids. The Supplier Development Programme provides a key role in supporting SMEs to access tender opportunities and secure contracts through their training programme and support for council tenders.
How can the Scottish Government ensure that procuring public authorities have access to the necessary skills to support bidders?	Procuring public authorities have a responsibility to promote tenders opportunities and signpost bidders to support through close working with Economic Development functions and the Supplier Development Programme.

