

FINANCE AND CORPORATE RESOURCES COMMITTEE

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.