

## FINANCIAL RESOURCES SCRUTINY FORUM

Minutes of meeting held in Committee Room 5, Council Offices, Almada Street, Hamilton on 11 November 2010

**Chair:**

Councillor Tommy Gilligan

**Councillors Present:**

John Anderson, Pam Clearie, Mary McNeill, Graham Simpson, George Sutherland, Jim Wardhaugh

**Councillors' Apologies:**

Brian McCaig, Graham Scott

**Attending:****Corporate Resources**

G Bow, Administration Adviser; G Cochran, Administration Assistant

**Enterprise Resources**

T Donnachie, Accountant (Finance Section); J Turner, Operations Manager (Transportation Engineering)

**Finance and Information Technology Resources**

P Manning, Head of Finance; L O'Hagan, Finance Manager (Accounting and Budgeting)

**Housing and Technical Resources**

I Douglas, Project Services Manager (Design)

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**1 Declaration of Interests**

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No interests were declared.

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**2 Minutes of Previous Meeting**

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The minutes of the meeting of the Financial Resources Scrutiny Forum held on 30 September 2010 were submitted for approval as a correct record.

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

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**3 Information Requested from Resources**

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A report dated 25 October 2010 by the Chief Executive was submitted on information received from Resources in response to issues raised at the previous meeting of the Forum.

Details were provided as follows:-

**Revenue Budget Monitoring****Finance and Information Technology Resources - Payments to Other Bodies**

In terms of the information presented on payments which were statutory and those which the Council had discretion over, the definition used for statutory payment was that the payment was required to support the provision of a statutory service. In addition, the same payments were analysed between those that were contractual and those that were non contractual.

### **Community Resources – Concierge Services**

Community Resources had confirmed that the 'overtime experienced at the higher level due to additional service requests' related mainly to the Halls Service. The additional demand had resulted in a corresponding over recovery of income.

The under recovery of income due to reduced levels of service provision related mainly to the Concierge Service where an area of service provision was no longer required and was offset by an underspend in basic pay. The remainder of the underspend in basic pay related to vacancies and offset the additional expenditure on overtime required to maintain service delivery.

### **Community Resources – Trading Services**

#### **Facilities Management Trading Services – Absence Monitoring**

Community Resources had confirmed that the absence levels within the janitorial service were due to the long-term absence of 12 janitors which equated to 183 days. During May 2010, the level of absence had reduced due to 6 of the janitors returning to work.

#### **Facilities Management Trading Services – Impact of Healthy Eating Initiatives in Schools**

Community Resources advised that the Hungry for Success initiative had been implemented in all primary schools in 2004 and in secondary schools 2 years later. The overarching intent behind the provision of nutritionally balanced school meals was to first of all educate pupils as to the value of healthy meals and, secondly, to provide meals that were high in nutritional value. In the very long term, the National Health Service might see a reduction in the level of obesity, diabetes, and heart disease and it was reasonable to assume that the education of pupils through the Hungry for Success programme might contribute modestly to a reduction in the level of pressure on the National Health Service in years to come.

From a pupil perspective, it was clear that pupils leaving primary and joining secondary schools expected to see the same healthy range of menu items.

#### **Land and Fleet Trading Services – Pool Car Pilot**

An update was provided on the Council's Pool Car pilot which indicated that around 30 pool cars were currently available (situated at strategic locations throughout the Authority) with varying levels of uptake. Early "teething" problems within the pilot had been addressed.

In financial terms, the cost per mile had been reduced from 40p paid to employees to 10p per mile in fuel costs. Acknowledging the environmental benefits of using the pool car fleet, which was in the lowest band of CO<sup>2</sup>, a contribution would be made in carbon savings. The carbon emissions formula calculated that car pools produced 48% less CO<sup>2</sup> than grey fleet cars.

A full report on the impact of the pool car initiative would be provided once the initiative had developed.

### **Capital Budget Monitoring**

#### **Community Resources – Fixed Play Areas**

In relation to the physical work and funding for projects to create and maintain play areas, Community Resources confirmed that the proposed facilities at Law Community Play Park and Strathaven Park were being financed through funds raised by local groups. Facilities at Grange Terrace, Pettinain and Haghholm Road, Cleghorn were being financed through developer contributions (planning gain). Loch Park, Carluke was being provided as a replacement for the fixed play area which was originally situated at Loch Park Stadium.

The above projects had started prior to the commencement of the Member/Officer working group on Fixed Play Areas and the projects would continue. In most cases, the only Council expenditure related to staff time, ie design/tendering and project management.

### **Enterprise Resources – Roads Capital Programme**

The Head of Finance Services confirmed that the footway capital project at Milford, East Kilbride had temporarily been held pending the financial outturn of other projects in the programme. This exercise had now been completed and the project was programmed to be undertaken during November, weather permitting.

#### **The Forum decided:**

- (1) that the information provided by Resources on issues raised at the last meeting of the Forum be noted; and
- (2) that further details be provided to the next meeting of the Forum on Payments made to Other Bodies by Community, Corporate, Finance and Information Technology and Housing and Technical Resources.

*[Reference: Minutes of 30 September 2010 (Paragraph 3)]*

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## **4 Revenue Budget Monitoring 2010/2011**

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A report dated 25 October 2010 by the Chief Executive was submitted on the position of the Council's revenue budget at 1 October 2010 including:-

- ◆ the financial position of the revenue budget for the General Services, Housing Revenue and Trading Operations accounts
- ◆ the financial and operational position of Enterprise Resources' Trading Operations, Financial and Operational Performance Review as at 1 October 2010 (Period 7)

The figures included an underspend on the General Fund Revenue Account of £0.252 million and an underspend of £0.005 million on the Housing Revenue Account.

The forecast for the General Fund Account, Housing Revenue and Trading Operations accounts at 31 March 2011 was a breakeven position.

#### **The Forum decided:**

- (1) that the financial position of the revenue budget for the General Services, Housing Revenue and Trading Operations accounts be noted;
- (2) that the position of Enterprise Resources' Trading Operations, Financial and Operational Performance Review as at 1 October 2010 (Period 7) be noted;
- (3) that information be provided by Education Resources on the underspend of £0.101 million to Strathclyde Passenger Transport;
- (4) that information be provided by Housing and Technical Resources on:-
  - ◆ the overspend within employee costs for travel and subsistence
  - ◆ the overspend in Property Services totalling £0.083 million in respect of waste and water charges within principal offices
- (5) that information be provided by Social Work Resources on:-
  - ◆ the underspend within Adult Services in relation to vacant Mental Health Officer posts
  - ◆ the future recruitment plans in relation to the provision of Hospital Social Workers

*[Reference: Minutes of 30 September 2010 (Paragraph 4)]*

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## **5 Capital Budget Monitoring 2010/2011**

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A report dated 25 October 2010 by the Chief Executive was submitted on the position of the Council's various capital programmes at 1 October 2010 including information on:-

- ◆ the financial and physical progress of the various General Fund Capital Programmes
- ◆ the financial and physical progress of the Housing Capital Programme

The General Fund Capital Programme covered Education Resources, Social Work Resources and Roads and Transportation Services and General Services. Following approval of the amendments proposed at the Executive Committee on 3 November 2010, the General Fund Capital Programme totalled £155.382 million and the Housing Capital Programme £42.033 million. At 1 October 2010, £56.601 million had been spent on the General Fund Capital Programme and £17.117 million had been spent on the Housing Capital Programme.

### **The Forum decided:**

- (1) that the progress of the Housing Capital Programme be noted; and
- (2) that the progress of the General Fund Capital Programme be noted.

*[Reference: Minutes of 30 September 2010 (Paragraph 5)]*

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## **6 Urgent Business**

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There were on items of urgent business.