

## EXECUTIVE COMMITTEE

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 6 July 2011

### Chair:

Councillor Edward McAvoy

### Councillors Present:

David Baillie, Jackie Burns (Depute), Tommy Gilligan, Ian Gray, Jim Handibode, Eileen Logan, Jim McGuigan, Alex McInnes, Henry Mitchell, Patrick Ross-Taylor, David Shearer, Mary Smith, Hamish Stewart, George Sutherland, Chris Thompson, Sheena Wardhaugh, David Watson, Pat Watters

### Councillors' Apologies:

Peter Craig, Jim Docherty, Hugh Dunsmuir, Beith Forrest, Anne Maggs

### Attending:

#### Chief Executive's Service

H McNeil, Head of Audit and Improvement

#### Corporate Resources

R McIlwain, Executive Director; G Bow, Administration Adviser; C McIlquham, Clerical Assistant; A Morton, Central Research Unit Manager

#### Education Resources

L Forde, Executive Director

#### Enterprise Resources

C McDowall, Executive Director

#### Finance and Information Technology Resources

P Manning, Head of Finance

#### Housing and Technical Resources

L Freeland, Executive Director

#### Social Work Resources

H Stevenson, Executive Director

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## 1 Declaration of Interests

The following interest was declared:-

<b>Councillor(s)</b>	<b>Item(s)</b>	<b>Nature of Interest(s)</b>
Sutherland	Property Transfer to Third Sector Organisations - Results of Pilot Exercise	Member of Stonehouse Development Trust

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## 2 Minutes of Previous Meeting

The minutes of the meeting of the Executive Committee held on 8 June 2011 were submitted for approval as a correct record.

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

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## 3 Capital Budget Monitoring Final Outturn 2010/2011

A report dated 8 June 2011 by the Chief Executive was submitted on the:-

- ◆ outturn position of the Capital Programme for the year ended 31 March 2011
- ◆ proportion of the General Fund Capital Programme which had been carried forward as a financial commitment for year 2011/2012

Expenditure and funding for the Capital Programmes for 2010/2011 were detailed. General Fund projects totalling £4.576 million would be managed as part of the 2011/2012 Programme. The cost of those projects would be met from the funding carried forward.

On the Housing Capital Programme, £40.628 million had been spent against a budget of £42.033. A summary of expenditure and funding was also given for the Hamilton Ahead Capital Programme.

**The Committee decided:**

- (1) that the outturn on the 2010/2011 General Fund and Housing Capital Programmes be noted; and
- (2) that the carry forward of projects from the 2010/2011 General Fund Capital Programme into the 2011/2012 General Fund Capital Programme be approved.

*[Reference: Minutes of 11 May 2011 (Paragraph 3)]*

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

A report dated 8 June 2011 by the Chief Executive was submitted on the:-

- ◆ level of accumulated funds of the Council at 31 March 2011
- ◆ year end position on the General Fund and Housing Revenue Account
- ◆ revenue budget performance of each Resource

The General Fund showed a surplus which, when added to the surplus brought forward from 2009/2010, resulted in an accumulated surplus of £8.476 million to be carried over to 2011/2012.

The Housing Revenue Account showed a surplus for the year of £3.742 million which, when added to the surplus brought forward from 2009/2010, resulted in an accumulated surplus of £4.955 million to be carried over to 2011/2012.

A summary of the General Fund Account was given together with an explanation on the key elements. £11.553 million had been the anticipated contribution to Reserves towards the funding of specific projects. As a result of the final outturn position, a further transfer of £3.985 million was proposed. This included an additional allocation to the Winter Maintenance Fund of £1 million, an allocation to the Council's IT infrastructure of £1 million and an allocation of £1.985 million to the Repairs and Renewals Fund. This would result in a total contribution to Reserves of £15.538 million to meet the following commitments:-

<b>Reserves</b>	<b>Amount £million</b>
Repairs and Renewals Fund	3.985
Information Technology Development Fund	1.000
Capital Fund	4.378
Winter Maintenance Fund	3.000
Insurance Fund	3.175
<b>Total</b>	<b>15.538</b>

Reserves totalling £3.622 million had already been used leaving a net movement to the Reserve Fund of £11.916 million.

Each of the Trading Services had met its statutory financial target and the financial position was given.

Continued financial control would be exercised to ensure proper monitoring of revenue budgets.

**The Committee decided:**

- (1) that the proposed allocations to the Reserve Fund be approved; and
- (2) that the Revenue Budget Final Outturn 2010/2011 be noted.

*[Reference: Minutes of 11 May 2011 (Paragraph 4)]*

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## **5 Capital Budget Monitoring 2011/2012**

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A report dated 17 June 2011 by the Chief Executive was submitted on:

- ◆ proposals to finalise the General Fund Capital Programme for 2011/2012 to take account of projects carried forward to the new financial year and adjustments made to the Capital Programme by Resources
- ◆ proposals to finalise the Housing Capital Programme totalling £41.928 million
- ◆ the physical and financial progress at 10 June 2011 on the various Capital Programmes

The General Fund Capital Programme included Education Resources, Social Work Resources, Roads and Transportation Services and General Services. The General Fund Capital Programme totalled £133.802 million and the Housing Capital Programme £41.928 million. At 10 June 2011, £12.209 million had been spent on the General Fund Capital Programme and £2.645 million on the Housing Capital Programme.

Proposed amendments by Resources, which would result in a net decrease of £5.165 million to the overall Programme, were detailed in an appendix to the report. This would give a revised total of £128.637 million for the 2011/2012 General Fund Capital Programme. Details were also given on the progress of the Hamilton Ahead Programme.

Ongoing monitoring of the Capital Programmes would be carried out by the Financial Resources Scrutiny Forum and reports submitted to this Committee on a regular basis.

**The Committee decided:**

- (1) that the adjustments to the General Fund Capital Programme to take account of projects carried forward from 2010/2011 and amendments proposed by Resources be approved;
- (2) that the various Capital Programmes for 2011/2012 be noted; and
- (3) that the position on the various Capital Programmes, as detailed in the report, be noted.

*[Reference: Minutes of 10 February 2011 (Paragraph 5)]*

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## **6 Revenue Budget Monitoring for Period 1 April to 10 June 2011**

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A report dated 20 June 2011 by the Chief Executive was submitted comparing actual expenditure against budgeted expenditure for the period ending 10 June 2011.

The figures included an underspend on the General Fund Revenue Account of £0.132 million and an underspend of £0.023 million on the Housing Revenue Account.

The forecast outturn for the General Fund Revenue Account and the Housing Revenue Account to 31 March 2012 was a breakeven position.

A number of significant movements had been required as part of the 2011/2012 Revenue Budget process including:-

- ◆ the transfer of £1.128 million from the General Services Capital Programme to the General Services Revenue Budget to assist Strathclyde Police with their 2011/2012 Capital Programme
- ◆ the transfer of £2.034 million from the General Services Capital Programme to the General Services Revenue Budget 2011/2012 to meet budgeted spend on the Council's Private Housing Scheme of Assistance
- ◆ the allocation of £0.734 million to Community Resources' Revenue Budget to meet the anticipated costs for the International Children's Games in 2011/2012
- ◆ the transfer of £1 million from Community Resources' Revenue Budget to the Zero Waste Fund to meet additional expenditure anticipated with the implementation of the Waste Management Project in future years
- ◆ confirmation that Housing and Technical Resources would, from 2011/2012 onwards, manage the budgeted allocation of £3.216 million of central support from General Services to the Housing Revenue Account
- ◆ the allocation of additional resources to each Resource to meet the costs of implementing the Living Wage throughout the Council

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

*[Reference: Minutes of 10 February 2011 (Paragraph 4)]*

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## **7 Trading Operations Financial Performance for Period 1 April to 10 June 2011**

A report dated 20 June 2011 by the Chief Executive was submitted on the projected financial results for 2011/2012 for the Council's Trading Services. It was forecast that surpluses for the year ending 31 March 2012 would total £9.650 million. At 10 June 2011, surpluses of £1.732 million had been achieved.

The original target for Trading Services surpluses had been set at £9.722 million. However, a number of adjustments had been required resulting in a reduction of the budgeted trading surplus by £0.072 million to £9.650 million.

Officials were working to maximise the levels of surplus for each Trading Service using the projected figure as a minimum target.

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

*[Reference: Minutes of 11 May 2011 (Paragraph 5)]*

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## **8 Employee Management Information - April 2010 to March 2011 Yearly Summary**

A report dated 3 June 2011 by the Executive Director (Corporate Resources) was submitted on employee management information relating to the Council for the period 1 April 2010 to 31 March 2011 as follows:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances and Dignity at Work cases
- ◆ employee development
- ◆ labour turnover/analysis of leavers and exit interviews
- ◆ recruitment monitoring

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

*[Reference: Minutes of 23 June 2010 (Paragraph 9)]*

## **9 Audit of Best Value and Community Planning - 2010/2011 Follow-up**

A report dated 22 June 2011 by the Chief Executive was submitted on an update received from the Council's Auditor, PricewaterhouseCoopers, detailing progress made in 2010/2011 on the remaining audit actions arising from the Audit of Best Value and Community Planning.

There had been 14 actions identified as a result of the original Audit of Best Value and Community Planning. 3 of the actions had continued into 2010/2011 together with additional actions reflecting further requirements. This had resulted in 8 actions being carried into 2010/2011. Details of how the actions were being progressed were provided including confirmation that 4 of those actions had been fully implemented during 2010/2011 with the other 4 being progressed but continuing into 2011/2012. The detailed follow-up report provided by the Auditor was attached as an appendix to the report.

**The Committee decided:**

- (1) that progress achieved in progressing the actions arising from the Audit of Best Value and Community Planning during 2010/2011 be noted;
- (2) that appropriate action be taken by Executive Directors to respond to the actions carried forward into 2011/2012; and
- (3) that the report be referred to the Risk and Audit Scrutiny Forum for consideration as part of its scrutiny function and to the South Lanarkshire Partnership Board for its consideration.

*[Reference: Minutes of 23 June 2010 (Paragraph 20)]*

## **10 South Lanarkshire Council Annual Governance Statement for 2010/2011**

A report dated 20 June 2011 by the Executive Director (Corporate Resources) was submitted on the Annual Governance Statement for 2010/2011.

During 2010/2011, the Good Governance Working Group had progressed the delivery of the Good Governance Statement with input from the Good Governance Resource Lead Officers Group. The annual review for 2010/2011 had been undertaken using the Finance Advisory Network model following consideration by the Risk and Audit Scrutiny Forum.

The Statement of Governance and Internal Control was attached as an appendix to the report and included a progress report on last year's actions together with a range of actions to be undertaken in 2011/2012 which would be developed and progressed by the Good Governance Working Group.

Following approval, the Good Governance Statement for 2010/2011 would be included in the Council's 2010/2011 Annual Report.

**The Committee decided:** that the Annual Governance Statement for 2010/2011 be approved.

*[Reference: Minutes of 23 June 2010 (Paragraph 13)]*

*Councillor Thompson left the meeting during this item of business*

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## **11 Single Property Needs Solution**

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A joint report dated 15 June 2011 by the Executive Directors (Enterprise Resources) and (Housing and Technical Resources) was submitted on:-

- ◆ the development of a Single Property Needs Solution for the Council
- ◆ proposals to realign a number functions between Enterprise Resources and Housing and Technical Resources in order that a Single Property Needs Solution might be delivered more effectively
- ◆ initial work carried out to review staffing arrangements and budget transfers associated with the new arrangements

The development strategy for the Property Needs Solution would be undertaken by Enterprise Resources with any actions required to support the development of the strategy, such as site transfers or procurement, being undertaken by Housing and Technical Resources.

Details of the functions to remain within Enterprise Resources and those to be transferred to Housing and Technical Resources were provided together with the associated staffing implications. As part of the proposals, 30 employees would transfer from Enterprise Resources to Housing and Technical Resources.

It was considered that there would be benefits and efficiencies to be gained from the new unified structure and progress on the impact and scale of the efficiencies would be assessed and reported to a future meeting of the Performance and Review Scrutiny Forum.

Further discussions would take place with employees and Trade Unions to allow the new arrangements to be implemented by September 2011.

**The Committee decided:** that the revised arrangements for carrying out the necessary functions to deliver a Single Property Needs Solution and associated staffing and budgetary transfer proposals, as detailed in the report, be approved.

*[Reference: Minutes of 16 December 2009 (Paragraph 13)]*

*Councillor Thompson re-entered the meeting during this item of business*

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## **12 Land and Property Transfers and Disposals**

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A report dated 16 June 2011 by the Executive Director (Enterprise Resources) was submitted on recommendations to:-

- ◆ declare an area of land surplus to operational requirements
- ◆ reallocate 2 areas of land between Resources for operational requirements

The recommendations had been made in terms of agreed procedures for dealing with surplus land and property.

**The Committee decided:**

- (1) that land at High Blantyre Road, Hamilton (140 square metres) be declared surplus to the Council's requirements and referred to the Executive Director (Enterprise Resources) to negotiate its disposal;
- (2) that land at the following locations be transferred:-
  - ◆ Calder House, Blantyre (0.96 hectares) from Corporate Land Bank to Education Resources
  - ◆ Carlisle Road, Ferniegair (0.22 hectares) from Community Resources to the Corporate Land Bank

*[Reference: Minutes of 11 May 2011 (Paragraph 13)]*

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### **13 Property Transfer to Third Sector Organisations - Results of Pilot Exercise**

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A report dated 16 June 2011 by the Executive Director (Enterprise Resources) was submitted on:-

- ◆ the results of a pilot exercise aimed at developing criteria and procedures to govern the transfer of Council property to Third Sector organisations
- ◆ proposals to ensure the effective management of future approaches made by Third Sector organisations interested in property transfer

The key objective of the pilot project had been to identify a process that enabled the various issues to be considered in a balanced way and to test draft criteria that would provide a fair basis for the assessment of each application for transfer.

The criteria had been developed around 3 broad areas including property, organisation and project. The specific elements required under each of the criteria headings were detailed in the report.

The Council had identified 5 properties that had been assessed as having potential for asset transfer. Interested parties had been invited to complete an application form expressing their interest. An assessment, based on the application forms, had been carried out by the Public Asset Transfer Group and the outcome of the evaluation of each application was provided in the report. Recommendations had been made on each of the applications.

Only the Stonehouse Public Institute was currently considered to be suitable for disposal to the Third Sector subject to the detailed terms and conditions being approved by the Estates Committee.

In relation to Uddingston Village Hall, it was now proposed that the Uddingston Village Action Group be given an extended time period to develop a feasible plan for the future management of the hall.

The process and criteria used in the pilot exercise would be used for the assessment of any future requests for public asset transfer and the Public Asset Transfer Group would develop a guidance document to assist Third Sector organisations in their understanding of the assessment process and criteria.

### **The Committee decided:**

- (1) that the recommendations arising from the assessment of applications in relation to the transfer of the following properties, which had been included in the pilot project, to Third Sector organisations be approved:-
  - ◆ Springhall Senior Citizens' Hall, 50 Cruachan Road, Rutherglen
  - ◆ Halfway Park Pavilion, Halfway
  - ◆ Jubilee Hall, Broomfield Road, Lesmahagow
- (2) that the transfer of Stonehouse Public Institute to Stonehouse Development Trust be approved in principle subject to the approval of the principal terms and conditions of transfer by the Estates Committee;
- (3) that consideration of the future of Uddingston Village Hall be continued to the next meeting of this Committee to allow the Uddingston Village Action Group an extended period to develop a feasible plan for the future management of the hall on terms which would be acceptable to the Council;
- (4) that the process and criteria used in the pilot exercise be adopted for the assessment of any future requests for public asset transfer; and
- (5) that the Public Asset Transfer Group develop a guidance document to assist Third Sector organisations to understand the assessment process criteria.

*[Reference: Minutes of 23 March 2011 (Paragraph 18)]*

*Councillor Sutherland, having declared an interest in the above item, withdrew from the meeting during its consideration*

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## **14 Proposal to Upgrade Larkhall Housing Office to Provide a Local Integrated Facility**

A report dated 15 June 2011 by the Executive Director (Housing and Technical Resources) was submitted on works to upgrade the local housing office in Union Street, Larkhall to provide accommodation for a local integrated facility.

Discussions between Council Resources and with external agencies had confirmed a willingness to share accommodation in Larkhall and to progress the development of a local integrated facility. The range of services which would operate from the new facility were detailed in the report.

The current housing office would have to be remodelled at an estimated cost of £0.363 million to be met in part from:-

- |                                                          |                |
|----------------------------------------------------------|----------------|
| ◆ the Council's Regeneration budget                      | £0.250 million |
| ◆ South Lanarkshire Leisure and Culture's Capital Budget | £0.023 million |

The remainder of the funding required would be met from the Housing General Services Capital Fund.

Initial discussions had taken place with the Regional Assessor on the design of Larkhall Library within the new facility to allow it to retain its rates exemption status as part of the South Lanarkshire Leisure and Culture Trust. Any additional requirements requested by the Assessor could impact on the overall cost of the work.



**The Committee decided:**

- (1) that the development of a local integrated facility within the current housing office in Larkhall be approved;
- (2) that the financial package to meet the estimated remodelling costs totalling £0.363 million be approved; and
- (3) that the project be completed during financial year 2011/2012.

*[Reference: Minutes of 3 November 2010 (Paragraph 8)]*

*Councillor Smith left the meeting during this item of business*

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## **15 Proposals for the Southwest Territory Hubco**

A report dated 14 June 2011 by the Executive Director (Housing and Technical Resources) was submitted on the development of a Hubco for the Southwest of Scotland and the extent of the Council's involvement.

The Hubco was a new shared approach to the procurement of community facilities and would involve a number of public sector partners working with a private sector partner who would be appointed following a formal tendering process.

Throughout Scotland 5 Hub territories had been established with South Lanarkshire being included in the Southwest Territory. Progress made by each of the 5 territories in developing their Hubcos was detailed.

Details of the model to be used when establishing the Hubco were provided together with a summary of the potential advantages and the options open to the Council in terms of the level of its participation.

Following a full legal review of all of the relevant documentation, it was considered that the advantages to the Council of becoming a shareholder were limited and, consequently, it was proposed that the Council not sign the Letter of Intent and Memorandum of Understanding. This would not impact on the Council's ability to participate effectively in the process as it would still be named in the Official Journal of the European Union Procurement Notice.

As the Council currently procured major capital investment through framework partnership agreements, the use of the Hubco was not considered to be advantageous in the short to medium term and it was proposed that no capital projects for the project pipeline be offered by the Council.

**The Committee decided:**

- (1) that the Council confirm its agreement to being named within the Official Journal of the European Union Procurement Notice for the procurement of a private partner for the Southwest Territory Hubco;
- (2) that the Council decline the opportunity to become a shareholder in the Hubco or sign the Letter of Intent and Memorandum of Understanding; and
- (3) that no capital projects for the project pipeline be offered by the Council.

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## **16 Recommendations Referred by Resource Committees**

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A report dated 28 June 2011 by the Chief Executive was submitted on recommendations which had been referred to this Committee by the following Resource Committees:-

- ◆ Education Resources Committee of 14 June 2011
- ◆ Finance and Information Technology Resources Committee of 14 June 2011
- ◆ Corporate Resources Committee of 15 June 2011
- ◆ Enterprise Resources Committee of 15 June 2011

The recommendations of the Resource Committees were as follows:-

### **Education Resources Committee**

- ◆ that the Education Resources' Resource Plan 2011/2012 be approved

*[Reference: Minutes of Education Resources Committee of 14 June 2011 (Paragraph 4)]*

### **Finance and Information Technology Resources Committee**

- ◆ that the Finance and Information Technology Resources' Resource Plan 2011/2012 be approved

*[Reference: Minutes of Finance and Information Technology Resources Committee of 14 June 2011 (Paragraph 5)]*

### **Corporate Resources Committee**

- ◆ that the Corporate Resources' Resource Plan 2011/2012 be approved
- ◆ that the revised Policy on Support for Employees Experiencing Domestic Abuse be approved

*[Reference: Minutes of Corporate Resources Committee of 15 June 2011 (Paragraph 5 and 7)]*

### **Enterprise Resources Committee**

- ◆ that the Education Resources' Resource Plan 2011/2012 be approved

*[Reference: Minutes of Enterprise Resources Committee of 15 June 2011 (Paragraph 4)]*

### **The Committee decided:**

- (1) that the recommendations of the 4 Resource Committees in relation to Resource Plans for 2011/2012 be approved; and
- (2) that the recommendation of the Corporate Resources Committee in relation to the revised Policy on Support for Employees Experiencing Domestic Abuse be approved.

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## **17 Corporate Parenting Update**

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A joint report dated 13 May 2011 by the Executive Directors (Education Resources) and (Social Work Resources) was submitted on progress achieved with the implementation of a Corporate Parenting approach in South Lanarkshire.

A report had been considered in 2009 outlining work which required to be undertaken to develop a consistent approach to Corporate Parenting across partner agencies. This work involved several key strands and was based on 2 Government reports which had set out a number of key actions including:-

- ◆ the development of a Corporate Parenting Policy
- ◆ the facilitation of a multi-agency Corporate Parenting event with the full participation and involvement of looked after young people
- ◆ reaching agreement on a set of actions which partners would sign up to deliver, both within their own organisations and across the children's services planning partnership

Details of the progress achieved against each of the key actions were provided in the report.

Work would now be carried out to ensure the full implementation of the Corporate Parenting Policy and the continuous monitoring, review and development of the Corporate Parenting Action Plan. The Corporate Parenting Sub-group would provide an annual report to Corporate Parenting partners.

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

*[Reference: Minutes of 16 December 2009 (Paragraph 15)]*

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## **18 Gauging Recovery Impact Monitoring (GRIM) - Quarter 4 Summary Report**

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A report dated 17 June 2011 by the Executive Director (Corporate Resources) was submitted on:-

- ◆ a summary of the Gauging Recovery Impact Monitoring (GRIM) indicators used to monitor the state of the economic recovery in South Lanarkshire
- ◆ the range of interventions/actions implemented by the Council and its community planning partners to reduce the impact of the recession within the South Lanarkshire area

The data was reported quarterly and monitored the changing position at Quarter 4 in 2010/2011 against 5 key impact themes as follows:-

- ◆ social impact
- ◆ council revenue
- ◆ community
- ◆ labour market
- ◆ business impact

The various responses and interventions that the Council and its partners had implemented to aid recovery against each of the impact themes were detailed in the report.

**The Committee decided:** that the summary results across the set of Gauging Recovery Impact Monitoring (GRIM) indicators for Quarter 4 2010/2011 and the interventions/actions implemented by the Council and its community planning partners to reduce the impact of the recession in South Lanarkshire be noted.

*[Reference: Minutes of Performance and Review Scrutiny Forum of 22 March 2011 (Paragraph 4)]*

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## **19 Community Engagement Framework**

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A report dated 11 May 2011 by the Executive Director (Corporate Resources) was submitted on the refreshed Community Engagement Framework.

The original Community Engagement Framework had been published by the Community Planning Partnership in November 2004 and had been designed as a tool for use by community planning partners when carrying out community engagement activity.

The revised Framework, which was attached as an appendix to the report, had been approved by the Community Planning Partnership in March 2011. Examples and quotes of where engagement activity had made a difference were now included.

The effectiveness of the Framework would be assessed through evidence that communities had shaped plans and regular feedback from partners and communities on the effectiveness of the Council's community engagement approaches.

The Council's Community Engagement Co-ordination Group would review the Framework formally every 2 years and informally as the need arose.

**The Committee decided:** that the intention to use the revised Community Engagement Framework and its roll out to Community Planning partners be noted.

*[Reference: Minutes of 28 May 2008 (Paragraph 9)]*

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## **20 Urgent Business**

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There were no items of urgent business.