

FINANCE AND CORPORATE RESOURCES COMMITTEE

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 7 February 2018

Chair:

Councillor Gladys Miller

Councillors Present:

Alex Allison, John Anderson, John Bradley (*substitute for Councillor Horne*), Walter Brogan, Janine Calikes, Graeme Campbell, Margaret Cooper, Peter Craig, Maureen Devlin, Isobel Dorman, Joe Fagan, Geri Gray, Eric Holford, Eileen Logan, Monique McAdams, Ian McAllan, Catherine McClymont, Hugh Macdonald, Mark McGeever, Jim McGuigan, Graham Scott, Collette Stevenson (Depute), Jim Wardhaugh, Jared Wark

Councillors' Apologies:

Graeme Horne (Depute), John Ross (ex officio)

Attending:**Finance and Corporate Resources**

P Manning, Executive Director; C Fergusson, Corporate Procurement and Transactions Manager; T Little, Head of Communications and Strategy; G McCann, Head of Administration and Legal Services; S McLeod, Administration Officer; K McVeigh, Head of Personnel Services; F Morrison, Finance Manager (Benefits and Revenues); J Taylor, Head of Finance (Strategy); B Teaz, Head of Information Technology Services

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Finance and Corporate Resources Committee held on 15 November 2017 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 minutes of the meetings of the Appeals Panel held on 18 and 23 January 2018 were submitted for approval as a correct record.

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

4 Revenue Budget Monitoring 2017/2018 - Finance and Corporate Resources

A report dated 10 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted comparing actual expenditure for the period 1 April to 8 December 2017 against budgeted expenditure for 2017/2018 for Finance and Corporate Resources.

The Committee decided:

- (1) that the breakeven position on the Finance and Corporate Resources' revenue budget, as detailed in Appendix A to the report, be noted;
- (2) that the forecast to 31 March 2018 of a breakeven position be noted; and
- (3) that the budget virements, as detailed in the appendices to the report, be approved.

[Reference: Minutes of 15 November 2017 (Paragraph 5)]

5 Capital Budget Monitoring 2017/2018 - Finance and Corporate Resources

A report dated 3 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted advising of progress on Finance and Corporate Resources' capital programme for 2017/2018 and summarising the expenditure position at 8 December 2017.

The Committee decided: that the Finance and Corporate Resources' capital programme of £1.959 million, and expenditure to date of £1.129 million, be noted.

[Reference: Minutes of 15 November 2017 (Paragraph 6)]

6 Finance and Corporate Resources - Workforce Monitoring - October and November 2017

A report dated 28 December 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the following employee information for Finance and Corporate Resources for the period October and November 2017:-

- ◆ 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 9 September 2017

The Committee decided: that the report be noted.

[Reference: Minutes of 15 November 2017 (Paragraph 7)]

7 Council-wide Workforce Monitoring - October and November 2017

A report dated 28 December 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the following Council-wide employee information for the period October and November 2017:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances, Dignity at Work cases and mediation referrals
- ◆ analysis of leavers and exit interviews

- ◆ recruitment monitoring
- ◆ Staffing Watch as at 9 September 2017

The Committee decided: that the report be noted.

[Reference: Minutes of 15 November 2017 (Paragraph 8)]

8 Treasury Management Activity - Third Quarter Review

A report dated 29 December 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the third quarter review of Treasury Management activity for 2017/2018.

Details were given on:-

- ◆ market performance
- ◆ debt management and borrowing strategy
- ◆ investment activity
- ◆ management of risk
- ◆ next quarter investment plans
- ◆ treasury management indicators
- ◆ provision of banking services

The Committee decided: that the report be noted.

[Reference: Minutes of 15 November 2017 (Paragraph 9)]

9 Finance and Corporate Resources' Resource Plan 2017/2018

A report dated 21 December 2017 by the Executive Director (Finance and Corporate Resources) was submitted on the Finance and Corporate Resources' Resource Plan 2017/2018.

The Resource Plan for 2017/2018 outlined the:-

- ◆ objectives and actions for 2017/2018
- ◆ capital and revenue resources for 2017/2018
- ◆ organisational structure of the Resource

In line with the Council's performance management arrangements, a progress report on actions identified in the 2017/2018 Resource Plan would be submitted to a future meeting of the Committee.

The Committee recommended to the Executive Committee: that the Finance and Corporate Resources' Resource Plan for 2017/2018 be approved.

[Reference: Minutes of 15 November 2017 (Paragraph 10), Minutes of the Executive Committee of 8 November 2017 (Paragraph 7) and Minutes of South Lanarkshire Council of 6 December 2017 (Paragraph 3)]

10 Revenue Collection and Approval for Write-offs

A report dated 12 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted on:-

- ◆ collection performance for 2017/2018 on revenues income which comprised Council Tax, non-domestic rates, sundry debts and arrears
- ◆ performance against the Business Rates Incentivisation Scheme (BRIS) target
- ◆ the write-off of irrecoverable Council Tax, non-domestic rates, Hamilton and Carluke Town Centre Improvement District (BID) levies, sundry debt, former tenant rent arrears, factoring arrears and housing benefit overpayments

The BRIS was intended to incentivise growth of the local business tax base with a view to increasing non-domestic rates income yields. The Scottish Government set annual targets for growth (buoyancy) and councils that met their target would retain 50% of the additional income generated. The annual buoyancy target for South Lanarkshire Council for 2017/2018 had been set at 1.7% and the Council's performance against the target for the third quarter to the end of December 2017 was +0.10%. This meant that the Council's tax base required to achieve growth of 1.6% by 31 March 2018 to secure additional funding under the Scheme.

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

- ◆ irrecoverable Council Tax accounts from 1993/1994 to 2017/2018 to the value of £358,474.60 relating primarily to prescribed debt, sequestrations and estates of the deceased
- ◆ non-domestic rates from 2015/2016 to 2017/2018 totalling £549,885.79 relating to debtors who were in liquidation, had ceased trading or had been sequestrated
- ◆ BID levies totalling £3,897.91
- ◆ sundry debts to a value of £266,086.15
- ◆ former tenant rent arrears totalling £50,297.13, factoring arrears totalling £3,108.67 and housing benefit overpayments totalling £8,164.31

The Committee decided:

- (1) that the Council's performance in the collection of revenues be noted;
- (2) that the Council's performance against the Business Rates Incentivisation Scheme target be noted; and
- (3) that the write-off of the following irrecoverable debts be approved:-
 - ◆ Council Tax debt from 1993/1994 to 2017/2018 to the value of £358,474.60
 - ◆ non-domestic rates from 2015/2016 to 2017/2018 totalling £549,885.79
 - ◆ Hamilton and Carluke Town Centre Business Improvement District levies totalling £3,897.91
 - ◆ sundry debts to a value of £266,086.15
 - ◆ house rent and associated charges £61,570.11

[Reference: Minutes of 15 November 2017 (Paragraph 11)]

11 Update of the Finance and Corporate Resources' Risk Register and Risk Control Plan

A report dated 8 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted on the Risk Register and Risk Control actions for Finance and Corporate Resources.

The risks were scored in accordance with the Council's scoring mechanism which scored risks based on likelihood and impact of risk. This had resulted in risks being scored between 1 to 9 (low to high). Risks were scored on their inherent risk (risk if nothing was done) and their residual risk (risk after applying controls).

The Risk Register would be monitored and updated 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.

Details of the top risks (scored 7 to 9) for the Resource were detailed in the appendix to the report and table one within the report demonstrated that the risk exposure within the Resource was in line with acceptable tolerance.

There were 2 risk control actions due for completion during the remainder of 2017/2018 and outstanding actions to mitigate the risks would be progressed by relevant officers.

The Committee decided:

- (1) that the contents of the Finance and Corporate Resources' Risk Register be noted; and
- (2) that it be noted that the outstanding risk control actions for 2017/2018 would be progressed by relevant officers.

[Reference: Minutes of 23 November 2016 (Paragraph 15)]

12 Procurement Performance Report - 2016/2017

A report dated 11 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted on the format and content of the Procurement Performance Report for 2016/2017.

The Procurement Performance Report, which included national best practice performance indicators and which had been made available on the Council's website, was attached as Appendix 1 to the report.

Comparisons with achievements in previous years were detailed in the report.

The Committee decided: that the Procurement Performance Report for 2016/2017, as detailed in Appendix 1 to the report, be noted.

[Reference: Minutes of 23 November 2016 (Paragraph 16)]

13 Procurement Strategy - Action Plan Update

A report dated 10 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted on progress made in relation to the Council's Procurement Strategy Action Plan for the 6 month period up to 30 September 2017.

The Procurement Strategy, covering the period January 2017 to March 2020, which had been approved by the Executive Committee at its meeting on 8 February 2017, reflected those actions continued from the previous Strategy, including the introduction and roll out of supplier and contract management modules for appropriate contracts.

The Procurement Strategy Action Plan was attached as Appendix 1 to the report and included details on progress which had been achieved and actions which had been completed. A summary of the main achievements and remaining actions, which would form part of a continual improvement programme, were summarised in the report.

The Action Plan would continue to be monitored and updates would be reported to this Committee on a 6 monthly basis.

The Committee decided: that progress on the Procurement Strategy Action Plan be noted.

[Reference: Minutes of 6 September 2017 (Paragraph 21) and Minutes of the Executive Committee of 8 February 2017 (Paragraph 8)]

14 Teachers' Pay Award Implementation 2017/2018

A report dated 25 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted:-

- ◆ advising on action taken, in terms of Standing Order No 36(c), by the Executive Director (Finance and Corporate Resources), in consultation with the Chair and an ex officio member, to implement the pay award for teachers and associated professionals covered by the Scottish Negotiating Committee for Teachers (SNCT) for the period 1 April 2017 to 31 March 2018
- ◆ on proposals agreed by the SNCT in relation to conditions of service for teachers and associated professionals

Notification had been received from COSLA regarding the implementation of a pay award for teachers and associated professionals covered by the SNCT. The award amounted to a 1% increase on all teachers' grades for the period 1 April 2017 to 31 December 2017, with a further uplift of 1% for the period 1 January to 31 March 2018. The cost of the award for 2017/2018 would be met from within existing resources and full year costs for 2018/2019 would be managed as part of the Council's 2018/2019 financial strategy.

To facilitate the processing and application of the pay award in the 26 January 2018 pay run, the Executive Director (Finance and Corporate Resources), in consultation with the Chair and an ex officio member, had, in terms of Standing Order No 36(c), approved the implementation of the pay award.

The SNCT had also agreed the following proposals in relation to conditions of service for teachers and associated professionals:-

- ◆ for supply teachers, short term supply had been restored to the individual's appropriate spinal column point regardless of the duration of the cover. Supply teachers would be paid for actual class contact time plus 10% for preparation and correction time
- ◆ all parties of the SNCT would commit to working collaboratively to undertake a strategic review of pay and reward and report its findings by April 2018. The review would recognise the role teachers played in the education of children and young people and take account of changes within Scottish education

The Committee decided:

- (1) that the action taken, in terms of Standing Order No 36(c), by the Executive Director (Finance and Corporate Resources), in consultation with the Chair and an ex officio member, to implement the pay award for teachers and associated professionals, covered by the Scottish Negotiating Committee for Teachers, for the period 1 April 2017 to 31 March 2018, be noted; and
- (2) that the proposals agreed by the Scottish Negotiating Committee for Teachers in relation to conditions of service for teachers and associated professionals be noted.

15 Urgent Business

There were no items of urgent business.