

FINANCIAL RESOURCES SCRUTINY FORUM

Minutes of meeting held in Committee Room 2, Council Offices, Almada Street, Hamilton on 3 March 2011

Chair:

Councillor Tommy Gilligan

Councillors Present:

Brian McCaig, Mary McNeill, Graham Scott, Graham Simpson, George Sutherland, Jim Wardhaugh

Councillors' Apologies:

John Anderson, Pam Clearie

Attending:**Corporate Resources**

G Cochran, Administration Assistant; C Lyon, Administration Officer

Enterprise Resources

A Colthart, Head of Support Services; G Wells, Operations Adviser

Finance and Information Technology Resources

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

Housing and Technical Resources

I Douglas, Property Services Manager

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Financial Resources Scrutiny Forum held on 3 February 2011 were submitted for approval as a correct record.

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

3 Information Requested from Resources

A report dated 18 February 2011 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:-

◆ Community Resources – Materials

Information had been requested on the under recovery of income on the budget line "Materials" within Land Services. Spend was behind the profiled budget but it had been confirmed that orders had been raised for the supply of sacks and bins for segregated waste and glass collection which would realign spend before 31 March 2011.

◆ Housing and Technical Resources – Subsidy Income

Information had been requested on the under recovery on the budget line "Fees and Charges" General within Finance, Benefits and Revenue Services. This was due to the following factors:-

- ◆ a reduction in subsidy paid by the Department for Works and Pensions to the Council in instances where benefit cheques had not been cashed
 - ◆ an under recovery of costs for rent and service costs for a sub-let in Council premises. This sub-let was currently vacant and alternative uses for this space were being explored
 - ◆ an under recovery of fees in relation to the HomeImprove Service. The budget had been set in June 2009 prior to the final Scheme of Assistance being approved by the Council. The final Scheme had altered the fee structure for the service, resulting in a sliding scale of fees which had reduced the income generated by this Service
- ◆ **Housing and Technical Resources – Capital**
Information had been requested on the updated position on the contracts to provide new sports pitches at St Andrew’s and St Bride’s High School and at Dunedin Recreational Area.

Tenders for the completion of the St Andrew’s and St Bride’s High School project had been returned by 18 February 2011. An evaluation of the tenders was currently being undertaken and it was likely to be at least 4 weeks before any works commenced. Confirmation of the proposed start date for completion of the works would be provided in due course.

Work on the Dunedin Recreational Area project was almost complete and the pitches would be monitored during the spring period to ascertain the germination and growth of the grass, with a view to the overall acceptance of the playing areas over the summer.

As part of the rolling programme of reporting on “Payments to Other Bodies”, a separate report dated 17 February 2011 by the Chief Executive was submitted with an appendix that provided details of non-statutory payments made by Social Work Resources in 2009/2010.

The Forum decided:

- (1) that the information provided in relation to the queries raised at the previous meeting of the Forum be noted; and
- (2) that the details provided in relation to non-statutory “Payments to Other Bodies” made by Social Work Resources be noted.

[Reference: Minutes of 3 February 2011 (Paragraphs 4 and 5)]

4 Revenue Budget Monitoring 2010/2011

A report dated 9 February 2011 by the Chief Executive was submitted on the position of the Council’s revenue budget at 21 January 2011 including:-

- ◆ the financial position of the revenue budget for the General Services, Housing Revenue and Trading Operations accounts
- ◆ the position of the Roads Contracting Trading Services’ Financial and Operational Performance Review as at 21 January 2011

The figures included an underspend on the General Fund Revenue Account of £0.585 million.

The forecast for the General Fund, Housing Revenue and Trading Operations accounts at 31 March 2011 was an underspend of £2 million.

Following the recent adverse weather conditions, the Scottish Government had made available £15 million of additional funding to assist councils with the costs of urgent repairs on local roads and to cover the extra costs of winter roads maintenance. South Lanarkshire Council's share of the funding was £0.172 million. This funding had been included in the figures shown at Appendix 1 to the report.

The Forum decided:

- (1) that the position be noted;
- (2) that Community Resources be requested to provide details on the accounting and financial arrangements for the International Children's Games;
- (3) that Corporate Resources be requested to provide clarification on work outsourced by the Print Room;
- (4) that Education Resources be requested to provide a breakdown of music tuition and privilege transport costs; and
- (5) that Social Work Resources be requested to provide confirmation that adequate budget provision was made for young people reaching 18 years old who transferred to Social Work Resources from Education Resources.

[Reference: Minutes of 3 February 2011 (Paragraph 4)]

5 Capital Budget Monitoring 2010/2011

A report dated 16 February 2011 by the Chief Executive was submitted on the position of the Council's various capital programmes at 21 January 2011 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, Roads and Transportation Services and General Services. The General Fund Capital Programme totalled £128.517 million and the Housing Capital Programme £42.033 million.

It was anticipated that there would be an underspend of £1.329 million on the Housing Capital Programme due to the recent severe weather which had impacted on the Kitchen and Bathroom, External Fabric and New Council House Build Programmes.

At 21 January 2011, £87.235 million had been spent on the General Fund Capital Programme and £27.870 million 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 3 February 2011 (Paragraph 5)]

6 Urgent Business

There were no items of urgent business.