

Report

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Report to:	Executive Committee
Date of Meeting:	5 October 2011
Report by:	Chief Executive

Subject:	Recommendations Referred by Resource Committee
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1. Purpose of Report

1.1. The purpose of the report is to:-

Request approval of recommendations referred to this Committee by the Finance and Information Technology Resources Committee of 13 September 2011.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

(1) that the recommendations referred by the Finance and Information Technology Resources Committee in relation to:-

- ◆ Procurement Strategy
- ◆ Treasury Management Activity and Prudential Code Indicators for 2010/2011

be approved;

(2) that the Annual Investment Report 2010/2011 be endorsed and referred to South Lanarkshire Council for formal approval in line with the Local Government Investments (Scotland) Regulations 2010.

3. Background

3.1. Finance and Information Technology Resources Committee

3.1.1 Procurement Strategy – Extract of Minute

A report dated 22 August 2011 by the Chief Executive was submitted on an updated Procurement Strategy for all Council procurement activity.

The Strategy covered the following:-

- ◆ procurement governance and leadership
- ◆ strategy and objectives
- ◆ defining the supply need
- ◆ collaboration
- ◆ sourcing
- ◆ contract and supplier management
- ◆ purchasing processes

The structure of the Strategy was aligned with the Procurement Capability Assessment, a process which represented a key element of the Scottish Government's measures to improve procurement. The Strategy also included an action plan which identified specific actions against each of the strategic objectives within the document. Those actions would be monitored through IMPROVe, the corporate performance management system.

Reports on the delivery of actions would be submitted to the Committee on a mid year and year end basis.

The Committee recommended that the Procurement Strategy be approved.
to the Executive Committee:

[Reference: Minutes of 22 August 2006 (Paragraph 8)]

3.2. Finance and Information Technology Resources Committee

3.2.1. Annual Investment Report 2010/2011 – Extract of Minute

A report dated 11 August 2011 by the Chief Executive was submitted on the Annual Investment Report for 2010/2011.

In terms of the Local Government Investments (Scotland) Regulations 2010, the Council was required to prepare an Annual Investment Strategy before the start of each financial year and an Annual Investment Report after the financial year end. Both documents required to be approved by the Council.

The Annual Investment Strategy for 2010/2011 had been approved by the Council at its meeting on 23 June 2010 and covered the following areas:-

- ◆ permitted investments
- ◆ risk management
- ◆ borrowing in advance

The Annual Investment Report detailed the Council's activity in each of those 3 areas for 2010/2011.

The Committee recommended that the Annual Investment Report 2010/2011
to the Executive Committee: be endorsed and referred to the Council for formal approval in line with the Local Government Investments (Scotland) Regulations 2010.

[Reference: Minutes of 1 June 2010 (Paragraph 5)]

3.3. Finance and Information Technology Resources Committee

3.3.1 Treasury Management Activity and Prudential Code Indicators for 2010/2011 – Extract of Minute

A report dated 15 August 2011 by the Chief Executive was submitted on Treasury Management activity and interim Prudential Code Indicators for 2010/2011.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management required the Council to prepare an annual report on its Treasury Management activities. The introduction of the Prudential Framework in April 2004 required councils to prepare a series of financial indicators

that demonstrated affordability, prudence and sustainability with regard to capital financing decisions.

The Council's capital programme included, within its funding package, planned borrowing. The Prudential Code provided a framework to assist the management of the financial implications and helped to demonstrate that the borrowing was both affordable and prudent.

Details of the Council's Treasury Management activities in 2010/2011 and the Prudential Code Indicators were provided in Appendices 1 and 2 respectively to the report.

The Committee recommended to the Executive Committee: that the Treasury Management activity and interim Prudential Code Indicators for 2010/2011 be noted.

[Reference: Minutes of 11 February 2010 (Paragraph 5)]

4. Employee Implications

- 4.1. All employee implications were highlighted as part of the original reports to Resource Committees

5. Financial Implications

- 5.1. All financial implications were highlighted as part of the original reports to Resource Committees

6. Other Implications

- 6.1. Any risks identified or other implications were highlighted as part of the original reports to the Resource Committees

7. Equality Impact Assessment and Consultation Arrangements

- 7.1. Equality impact assessment and consultation arrangements were highlighted as part of the original reports to the Resource Committees.
- 7.2. There is no requirement to carry out an Equality Impact Assessment or consultation in terms of the proposals contained in this report.

Archibald Strang
Chief Executive

22 September 2011

Link(s) to Council Objectives/Improvement Themes/Values

- ◆ Accountable, effective and efficient
- ◆ Excellent employer

Previous References

Minutes of Finance and Information Technology Resources Committee of 13 September 2011 (Paragraphs 8, 11 and 12)

List of Background Papers

- ◆ Reports to Resource Committees

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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