

# Report

Report to:	<b>Clyde Valley Learning and Development Joint Committee</b>
Date of Meeting:	<b>14 June 2010</b>
Report by:	<b>Treasurer to Clyde Valley Learning and Development Joint Committee</b>

Subject:	<b>2009/2010 Annual Accounts for the Clyde Valley Learning and Development Joint Committee</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise of the Clyde Valley Learning and Development Joint Committee final accounts position as at 31 March 2010

## 2. Recommendation(s)

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

- (1) that the Annual Report and Accounts for the Clyde Valley Learning and Development Joint Committee for the year ended 31 March 2010 be approved.

## 3. Background

3.1. The Annual Report and Accounts, as detailed at Appendix 1 to the report, shows the Income and Expenditure Account and Balance Sheet to 31 March 2010 for the Clyde Valley Learning and Development Joint Committee. These accounts have been passed for external audit to PriceWaterhouseCoopers.

3.2. The Annual Report and Accounts, as detailed at Appendix 1 to the report, comprises:-

- ◆ Introduction by the Convenor
- ◆ Service Review by the Project Manager
- ◆ Financial Statement by the Treasurer
- ◆ Income and Expenditure Account for the year ended 31 March 2010
- ◆ Statement of Movement on the General Fund for year ended 31 March 2010
- ◆ Statement of Recognised Gains and Losses for year ended 31 March 2010
- ◆ Balance Sheet as at 31 March 2010
- ◆ Cash Flow Statement for year ended 31 March 2010
- ◆ Notes to the Financial Statements
- ◆ Statement of Accounting Policies
- ◆ Statement of Responsibilities for the Statement of Accounts
- ◆ Statement on the System of Internal Financial Control
- ◆ Audit Arrangements

#### **4. Employee Implications**

- 4.1. None

#### **5. Financial Implications**

- 5.1. The Accounts show that the Committee's total revenue expenditure amounted to £0.268 million in 2009/2010 and was met by other income of £0.268 million (£0.180 million of which was the utilisation of the funds carried forward from 2007/2008). This results in a break even position.
- 5.2. As detailed above, £0.180 million of the balance carried forward from 2007/2008 was used in 2009/2010. After taking account of any accruals and commitments, this leaves a revenue cash balance of £0.224 million to be carried forward for use in future years.

#### **6. Other Implications**

- 6.1. The main risk associated with the Clyde Valley Learning and Development Joint Committee Revenue Budget is failure to manage the budget resulting in expenditure exceeding available funding. The risk has been assessed as low given the detailed budget management applied within the Joint Committee. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition, the probable outturn exercise ensured early warning for corrective action to be taken where appropriate.

#### **7. Equality Impact Assessment and Consultation Arrangements**

- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

**Paul Manning**

**Treasurer to Clyde Valley Learning and Development Joint Committee**

27 May 2010

#### **Link(s) to Council Objectives and Values**

- ◆ Value: Accountable, Effective and Efficient

#### **Previous References**

- ◆ None

#### **List of Background Papers**

- ◆ Clyde Valley Learning and Development Committee Annual Report and Accounts 2009/2010

**Contact for Further Information**

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

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***CLYDE VALLEY LEARNING AND DEVELOPMENT  
JOINT COMMITTEE***

***ANNUAL REPORT AND ACCOUNTS***

***2009-2010***

# ***CLYDE VALLEY LEARNING AND DEVELOPMENT JOINT COMMITTEE***

## **ANNUAL REPORT AND ACCOUNTS 2009-2010**

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## **EXPLANATORY FOREWORD**

### **Service Outline by the Project Manager**

The Service outline by the Project Manager sets out the objectives and Service performance of the Joint Committee for financial year 2009/10.

### **Financial Statements**

The purpose of the Annual Report and Accounts is to demonstrate stewardship of the public monies which fund the work of the Committee.

The Statement of Recommended Practice 2009 (SORP) ensures a set of statements is produced, each statement with a single clear objective. These are noted below:-

- Income and Expenditure Account - *summary of resources generated and consumed by the Joint Committee in the year.*
- Statement of Movement on General Fund balance - *reconciliation showing how the balance of income versus expenditure in the year linked in with statutory requirements for a balanced budget at financial year end.*
- Statement of Recognised Gains and Losses - *demonstration of how the movement in net worth in the Balance Sheet is identified to the Income and Expenditure Account balance and to other unrealised gains and losses.*
- Balance Sheet – *summarises the assets and liabilities of the Joint Committee.*

The cumulative underspend at the end of the year, will be held by the Committee for utilisation in future years. These monies are reflected as a creditor balance on the Balance Sheet.

### **Financial Position**

The Income and Expenditure Account and its accompanying notes and statements summarise the costs and sources of funding in carrying out the Committee's activities.

For 2009/10, the Revenue Expenditure results for the Committee are shown on page 14 – a bottom line break-even position on their Income and Expenditure Account.

The major element of the Project's expenditure is incurred in respect of Administration Costs (£0.198m, 74%).

The major element of the Board's income is in respect of the monies received from the Scottish Government (via South Lanarkshire Council) who contributed to the start-up costs of the project. This contribution totalled £0.560m in 2007/2008 and any balance unutilised has been carried forward into 2010/11 as a Creditor (£0.224m). These monies will be used for future progress on the project.

There is no movement in cash for 2009/2010, as the cumulative underspend is invested in South Lanarkshire Council's Loans Fund. This reflects the practical arrangement that exists between the Committee and South Lanarkshire Council where the Council's Loans Fund lends or borrows according to the required cash flow and activities of the Committee.

The Statement of Accounting Policies has been included which details the policies implemented when compiling and presenting the Income and Expenditure Account, Balance Sheet and related statements. The accounting policies are those recommended by the Code of Practice on Local Authority Accounting in Great Britain.

The Statement of Responsibilities for the Statement of Accounts advises that the Head of Finance for South Lanarkshire Council is designated Treasurer to the Committee and is responsible for the proper administration of the Committee's financial affairs. Full details of the Treasurer's responsibilities are included in this statement.

Further information on the Committee's finances can be obtained from the Treasurer to the Clyde Valley Learning and Development Joint Committee, Finance and Information Technology Resources, Floor 4, Almada Street, Hamilton, ML3 0AB.

## **Introduction by the Convenor of Clyde Valley Learning and Development Joint Committee**

As Chair of the Joint Committee, I would once again like to extend my thanks to the members of the Implementation Steering Group, the Clyde Valley Project staff and members of staff from each of the Clyde Valley authorities for their continued enthusiasm and commitment to the work of the Project during the past year.

The Committee is dependent on the continued involvement of all the Elected Members representing the interests of their own authorities and of the Clyde Valley Project as a whole, through their attendance at and participation in the Joint Committee meetings. I would like to thank the members for their active involvement and would encourage their continued support in the future.

It is clear from the outcomes achieved and planned future activities that the Clyde Valley Learning and Development Project now has an established firm foundation on which to build and flourish.

The Joint Committee welcomes the progress achieved during the past year particularly in establishing a common e-learning infrastructure offering exciting opportunities for sharing in the development of e-learning between the partner councils. Everything is now in place to deliver a whole range of training courses using e-learning which in turn should produce substantial savings to the Clyde Valley.

The growing profile of the Project is reflected in the interest attracted from other local authorities as demonstrated by the increasing number of Associate Members joining the group.

I am encouraged to be able to share the experiences and successes that the Project has achieved to date with colleagues from other authorities and look forward to continued progress and further substantive outcomes in the coming year.

**Councillor Denis McKenna**  
**Chair**  
**Clyde Valley Learning and Development Joint Committee**



## **PROGRESS REVIEW 2009 – 2010**

### **Introduction**

Grant funding for the Clyde Valley Learning and Development project was formally awarded on 11 July 2007. Work on the project commenced with the appointment of a Project Manager on 17 September 2007. The project manager's secondment to the project has now been formally extended to 31 March 2011. The information in this report relates to the period from 1 April 2009 to 31 March 2010.

### **Objectives**

The overall objective of the project remains to establish and deliver a number of shared approaches to training, learning and development between the Clyde Valley Councils (South Lanarkshire, North Lanarkshire, East Dunbartonshire, West Dunbartonshire, Glasgow City, East Renfrewshire, Inverclyde and Renfrewshire Councils) which will result in:-

- Greater efficiency due to shared working rather than a council-by-council approach
- Reduced duplication of effort
- The identification, development and sharing of best practice
- Setting, achieving and maintaining the highest standards of service delivery
- Modernising service delivery by improving practice and making best use of information technology
- A consistent approach to training, learning and development
- Ensuring equality of opportunity for all Clyde Valley employees in accessing appropriate learning and development
- Developing centres of excellence from which to deliver models suitable for replication nationally

### **Key Outcomes**

- Purchase of a common learning management system to allow hosting, tracking and reporting of e-learning content by the Clyde Valley councils. Savings of 25% on cost plus ongoing accumulated savings in delivery of e-learning. Savings to date of £71,100.
- Economies of scale in purchase of e-learning content saving £27,500.
- The increased availability of e-learning content will also generate significant savings for each council when set against traditional methods of training delivery.
- Use of online portfolios (Learning Assistant) by five of the partner councils to facilitate the delivery of Scottish Vocational Qualifications (SVQs) within their respective councils saved 33% of assessor time. Combined savings to date of £83,900.
- The establishment of a single Clyde Valley centre for the delivery of accredited front line management and leadership programmes has brought accredited programmes to the whole of the Clyde valley while making savings in delivery of £32,000.
- Innovative partnership approach to delivery of Management Development programme has created a best practice model while saving some £43,000 in delivering the programme.

## **Achievements and Benefits**

The formation of a robust partnership between member councils has developed a sense of ownership of the Clyde Valley's work plan with member councils now thinking in terms of a Clyde Valley solution when addressing learning and development issues within each council.

The project has expanded from its first phase of three subject areas, and continues to grow from strength to strength. The establishment of the common e-learning environment promises to deliver the highest level of savings yet for the Clyde Valley. It is in this area that the potential to share content, methods and processes with other councils in Scotland is at its greatest.

The Clyde Valley group is now an established part of the landscape in addressing established and emerging learning and development needs for the member and associate member councils.

### **Phase One**

**First Aid training** – The Clyde Valley's First Aid training is currently provided by Cordia (one of Glasgow City Council's "Arm's Length Organisations") on behalf of the Clyde Valley group. To date over 3,000 candidates have been trained with an average saving of 8% per transaction compared to previous provision. Training is delivered in "hubs" throughout the Clyde Valley with mixed groups of employees from member councils attending workshops. In cash terms this represents £13,300 to date with the prospect of the savings continuing at this rate for the foreseeable future. In addition, candidates have achieved a 100% pass rate, while evaluation has shown that over 85% of participants were confident of immediately being able to apply what they had learned in a work situation.

The programme has been supported through centralised administration by South Lanarkshire Council on behalf of the Clyde Valley which represents further time savings for the participating councils. The shared model has subsequently been replicated by three other Scottish Councils (North, East and South Ayrshire).

**Diversity** – An e-learning package has been developed and customised to reflect individual councils' requirements, available in versions for front line staff and managers. The economies of scale derived from shared development and procurement have resulted in savings of around 60% when compared with prices quoted for single council purchase. The Clyde Valley group has a longer term objective to be self sufficient in producing e-learning content. As a result, the group is currently investigating the possibilities of developing a similar e-learning solution in-house.

**Delivery of Vocational Qualifications (SVQs)** – Savings to date amount to £83,900 across the Clyde Valley. The major contributing factor being the extended use of online portfolio software to aid the delivery, assessment and verification processes. As a result of spare capacity generated by this approach, the group has now reached an agreement, where possible to deliver vocational qualifications for Clyde Valley partners from existing capacity within the group, rather than using external providers. In each example, the business case and projected benefits are evaluated before final decisions are taken. The group continues to investigate further opportunities for savings and sharing good practice, such as reviewing the number of accredited VQ centres throughout the Clyde Valley.

## Phase Two

**Accredited Management Training** – The Clyde Valley group has delivered accredited training through two different projects. The first involved the delivery of training by the Clyde Valley partners on behalf of Glasgow City Council whereby Clyde Valley training staff supported Glasgow City Council to deliver Institute of Leadership and Management (ILM) award level programmes for an initial tranche of 500 first line managers. This approach of trainers sharing and supporting delivery in other partner councils is now well established and can be called upon at relatively short notice should it be required.

The group has taken this thinking to its logical conclusion through the establishment of an accredited Clyde Valley centre in partnership with the Chartered Management Institute (CMI) to deliver accredited management and leadership programmes, the group has demonstrated savings of £32,000. Of greater significance, however, the established new way of working has resulted in ongoing shared development of new courses, materials and programmes resulting in better use of time and resources. For the employees of the Clyde Valley Councils there is now an increased choice of high quality learning and development opportunities with the option of achieving accreditation at various locations throughout the Clyde Valley.

**Management Development** – North and South Lanarkshire Councils now deliver the newly accredited management development programme in partnership with Glasgow Caledonian University (GCU). The approach to development, accreditation, validation and delivery of the post graduate certificate, diploma and masters programmes received recognition from the academic board of the University and was highly commended for its innovative approach to collaborative working between the three parties. Delivery costs generated through this partnership approach have yielded initial savings of £43,000.

**Social Care** – From the outset of the project it was recognised that learning and development issues in social care were a high priority, and had the potential to generate significant efficiencies across the Clyde Valley. In May 2008, a Development Officer was seconded to the project to help support the development of the social care learning and development agenda.

This was quickly followed by the establishment of a Social Care Sub Group in July 2008. The Sub Group comprises representatives of the Clyde Valley councils, and is drawn from officers in the field of Social Work/Social Care training, learning and development. The Sub Group was given the task of identifying priority subject areas for learning and development based on common strategic and local requirements. These were then prioritised based on defining a business case for change, and identifying an appropriate solution to address the need.

The following subject areas were identified in the first instance:-

- Moving and assisting training
- Food hygiene
- Anti racist training
- Child and adult protection
- Behaviour management
- Personal safety
- Induction for social care managers and team leaders

A wide range of delivery models and approaches have now been identified and are currently being implemented and evaluated by the group. These range from joint procurement of training (moving and assisting and food hygiene), development of e-learning content (anti-racist training), joint approaches to core training (child and adult protection) and development of a best practice checklist and training materials capable of being customised to meet local delivery requirements (personal safety and induction).

**Equality Training** –The Equality Training sub group identified a number of areas of common concern, including training for Equality Impact Assessments, provision of translation and interpreting services and developing consistent standards for equality training. An audit of provision of equality training at present provided for managers and supervisors has been completed and will be used to target common development needs.

**Elected member training** – The officers' sub group was established and set about exploring opportunities for joint training provision. An initial audit of planned training and possible development opportunities suggested scope for shared provision of planning regulations, scrutiny and code of conduct, finance, personal safety, media training / presentations and public speaking. The group evaluated the options to pursue this agenda and have agreed to follow an informal approach where training commissioned by member councils is made available to partners, and the offers reciprocated as demand requires.

**E-Learning** – This aspect of the Clyde Valley's work represents a major area for potential savings and development of best practice. In June 2009, the group undertook a joint procurement process to purchase a common e-learning management system and related infrastructure (content development tool, 360° appraisal software, evaluation and reporting tool). The joint approach alone yielded savings of 25% in price savings to the Clyde Valley when set against existing charges for single council purchase.

Of far greater significance to the Clyde Valley and beyond, is the opportunity this common approach provides to deliver common training content through e-learning, while significantly reducing costs of delivery when compared to traditional training methods. In addition, the common approach reduces duplication of effort as content developed by the Clyde Valley is immediately available to all member councils. This agreement has been formalised through an e-learning sharing protocol which has been opened up to all Clyde Valley councils and additionally to other councils throughout Scotland.

### **Phase Three**

**Future priorities** – The Project Implementation Steering Group has held a series of development days to review progress to date, identify further subject areas for phase three of the project and evaluate the existing delivery outcomes in more detail. It has been agreed to develop a business case to investigate potential benefits from addressing the following strategically important subject areas over the coming year:-

- Performance Management
- Management of Strategic and Cultural Change
- Consistency in Equality and Diversity Training
- Learning and Development in Education
- Energy Management

Specific interest in the work of the project has expanded the project's membership through the admission of Associate Members. In 2008, North Ayrshire and South Ayrshire Councils were formally introduced as Associate Members. More recently several other councils have become aware of the work of the Clyde Valley and have indicated an interest in participating in some of the group's activities through Associate Membership. To date, Aberdeen City and Midlothian Councils have become Associates, with pending interest from a further five councils currently in discussion.

## **Conclusion**

Many of the barriers to establishing the project have now been overcome, and both the project's Joint Committee and the member councils remain as committed as ever to achieving the objectives and realising the potential of the project.

As a workforce development project, the primary activities address the learning and development needs of all the employees of the Clyde Valley councils. However, in attempting to demonstrate best value in the delivery of appropriate and targeted learning and development, the outcomes delivered remain focused on each council delivering excellence in all service areas to the general public across the Clyde Valley.

**Gerry Farrell,**  
**Project Manager - Clyde Valley Learning and Development Project**

## **FINANCIAL STATEMENT BY TREASURER**

In the third year of the Joint Committee, I have continued to experience the support of staff within Personnel Services of South Lanarkshire Council and also my own staff in Finance and Information Technology Resources. I would take this opportunity to show my appreciation for the continued support of the operational staff in the 8 constituent Councils and would stress that this unified approach has been necessary in confirming the financial direction of the Joint Committee.

During financial year 2007/2008, the Joint Committee received an allocation of funding from the Government's Efficiency and Reform Fund (£0.560m). This money was for start-up costs on a stream of projects to be implemented by the Joint Committee. The current year (2009/10) utilisation of these funds was £0.180m (cumulative £0.336m), which leaves £0.224m to be carried into financial year 2010/2011.

I look forward to supporting the finances of the Joint Committee and to further assist the Committee in the implementation of the planned project streams.

**Paul Manning**  
**Treasurer – Clyde Valley Learning and Development Joint Committee**

## Income and Expenditure Account for the Year Ended 31 March 2010

2008/2009 £000		2009/2010 £000	Notes
0	Employee Costs	0	
0	Property Costs	0	
0	Supplies and Services	66	
178	Administration Costs	198	1
2	Payments to Other Bodies	3	3
<u>2</u>	Financing Charges	<u>1</u>	
182	Total Expenditure	268	
<u>(182)</u>	Income	<u>(268)</u>	
<b>0</b>	<b>Net Cost / (Return) of Service</b>	<b>0</b>	
0	Return on Pension Assets	0	
0	Interest Costs on Pensions	0	
<u><b>0</b></u>	<b>Net Operating Expenditure (Deficit / (Surplus))</b>	<u><b>0</b></u>	

## **Statement of Movement on the General Fund Balance**

A Statement of Movement on the General Fund Balance is not required as net operating expenditure for the year ended 31 March 2010 is zero as shown in the Income and Expenditure Account. There are no balances recorded in the Income and Expenditure Account which are required by statute and non-statutory proper practices to be debited or credited to the General Fund balance for the year ended 31 March 2010.



## **Statement of Total Recognised Gains and Losses**

There are no recognised gains and losses for the year ended 31 March 2010 as the Joint Committee has no assets.

## Balance Sheet as at 31 March 2010

2008/09 £000s		2009/10 £000s	Notes
	<b><u>Current Assets</u></b>		
25	Debtors	22	4
390	Investment in South Lanarkshire Council Loans Fund	204	5
<u>415</u>	<b>Total Assets</b>	<u>226</u>	
	<b><u>Current Liabilities</u></b>		
(415)	Creditors	(226)	6
<u>0</u>	<b>Total Assets less Liabilities</b>	<u>0</u>	
	<b><u>Represented By :</u></b>		
<u>0</u>	General Fund Balance	<u>0</u>	
<u>0</u>		<u>0</u>	

**Paul Manning**  
Treasurer  
25 June 2010

## Cash Flow Statement 2009/2010

		<b>notes</b>	
<b>2008/2009</b>	<b>2009/2010</b>		<b>2009/2010</b>
£000	£000		£000
<b>Revenue Activities</b>			
<b>Cash Outflows</b>			
0	Cash paid to and on behalf of employees		0
192	Other operating cash payments		276
192	<b>Total Cash Outflows</b>		<b>276</b>
<b>Cash Inflows</b>			
	Other operating cash receipts		
93	Cash received for goods and services		91
93	<b>Total Cash Inflows</b>		<b>91</b>
<b>99</b>	<b>Net Cash (Inflow) / Outflow from Revenue Activities</b>	<b>7</b>	<b>185</b>
<b>Returns on Investment and Servicing of Finance</b>			
<b>Cash Outflows</b>			
2	Interest Paid		1
2	<b>Total Cash Outflows</b>		<b>1</b>
<b>Cash Inflows</b>			
0	Interest Received		0
0	<b>Total Cash Inflows</b>		<b>0</b>
<b>1</b>	<b>Net Cash (Inflow) / Outflow from Servicing of Finance</b>		<b>1</b>
<b>Capital Activities</b>			
<b>Cash Outflows</b>			
0	Total Cash Outflows		0
<b>Cash Inflows</b>			
0	Total Cash Inflows		0
<b>0</b>	<b>Net Cash Outflow from Capital Activities</b>		<b>0</b>
<b>101</b>	<b>Net Cash (Inflow) / Outflow Before Financing</b>		<b>186</b>
<b>Management of Liquid Resources</b>			
(101)	Net increase / (decrease) in short term deposits		(186)
0	Net (increase) decrease in other liquid assets		0
<b>(101)</b>	<b>Net Cash Inflow / (Outflow) from the Management of Liquid Resources</b>	<b>8</b>	<b>(186)</b>
<b>Financing</b>			
<b>Cash Outflows</b>			
0	Total Cash Outflows		0
<b>Cash Inflows</b>			
0	Total Cash Inflows		0
<b>0</b>	<b>Net Cash Outflow from Financing</b>		<b>0</b>
<b>0</b>	<b>Net Decrease / (Increase) in Cash</b>	<b>9</b>	<b>0</b>

## Notes to the Financial Statements

### 1 Payments to South Lanarkshire Council

The Board makes payments to South Lanarkshire Council for administration / support services.

	<b>2009/2010</b>	<b>2008/2009</b>
	<b>£000</b>	<b>£000</b>
Personnel – Employee Time	102	107
<b>Total Payment to South Lanarkshire Council</b>	<b>102</b>	<b>107</b>
Training Costs for Member Councils	96	71
<b>Total Administration Costs</b>	<b>198</b>	<b>178</b>

### 2 Local Government Act 1986 - Separate Publicity Account

Section 5 of the above Act requires the Joint Committee to maintain a separate account for publicity. There was no expenditure incurred during 2009/10.

### 3 Auditors Remuneration

The auditor's remuneration is included in the Payments to Other Bodies' expenditure. The auditor remuneration of £2,510 consists of two components: a fixed charge of £300 and auditor fees of £2,210.

	<b>2009/10</b>	<b>2008/09</b>
	<b>£000</b>	<b>£000</b>
Auditors Remuneration :		
Fees payable to Audit Scotland with regard to external audit services carried out by the appointed auditor (PricewaterhouseCoopers LLP)	3	2
	<b>3</b>	<b>2</b>

#### 4 Debtors

The Debtors figure is analysed as follows:-

	2009/10 £000	2008/09 £000
Training Recharges	2	5
Unused Learning Assistant Licences	20	20
	<b>22</b>	<b>25</b>

#### 5 Short Term Investments

All of the Committee's £0.204m short term investments are held in the South Lanarkshire Councils Loan Fund.

#### 6 Creditors

The Creditors figure is analysed as follows:-

	2009/10 £000	2008/09 £000
Training invoices	0	10
Audit fee	2	1
Balance of Efficiency and Reform Monies held on behalf of constituent councils and the Training Project	224	404
	<b>226</b>	<b>415</b>

#### 7 Reconciliation of between the net surplus or deficit on the Income and Expenditure Account to the Revenue Activities Net Cash Flow

	2009/10 £000	2008/09 £000
Surplus/(Deficit) for the Year	0	0
<u>Items on an Accruals Basis</u>		
(Decrease)/Increase in Debtors	(3)	25
Decrease/(Increase) in Creditors	189	76
<u>Items Classified under Returns on Investment and Servicing of Finance in the Cash Flow Statement</u>		
Interest Paid – Interest on Revenue Balances	(0)	(2)
<b>Net Cash Flow from Revenue Activities</b>	<b>186</b>	<b>99</b>

## 8 Reconciliation of Movements in Liquid Assets

	Opening Balance 01/04/2009 £000	Closing Balance 31/03/2010 £000	Movement in Liquid Assets £000
Investment in South Lanarkshire Council Loans Fund	390	204	186

## 9 Reconciliation of Movement in Cash to Movement in Net Debt

The net cash movement of the Clyde Valley Learning and Development Joint Committee is nil, as any overspends are funded from the Joint Committee's holdings in South Lanarkshire Council's Loans Fund. This is shown on the Cash Flow Statement and the Balance Sheet respectively. The Clyde Valley Learning and Development Project – Joint Committee has no loan debt.

## 10 Financing and Management of Liquid Resources

Liquid Resources are held by South Lanarkshire Council as lead authority and are available to the Committee as required.

## 11 Financial Instruments

The investment disclosed in the Balance Sheet is classified within the following financial instrument category:-

	2009/10 £000	2008/09 £000
Investments Maturing within 12 months	204	390

## 12 Date of Signing of Annual Accounts

The accounts were authorised by the Head of Finance, Finance and Information Technology Resources on 25 June 2010, Treasurer to the Clyde Valley Learning and Development Project – Joint Committee.

## 13 Post Balance Sheet Events

No events occurred between 1 April 2010 and 25 June 2010 that would have an impact on the 2009/2010 financial statements. The later date is the date on which the accounts were authorised by the Head of Finance, Finance and Information Technology Resources, Treasurer to the Clyde Valley Learning and Development Joint Committee.

## Statement of Accounting Policies

### (a) **General**

The general policies adopted in compiling and presenting the Accounts are those recommended by the Code of Practice on Local Authority in Great Britain issued jointly by the Chartered Institute of Public Finance and Accountancy (C I P F A) and the Local Authority (Scotland) Accounts Advisory Committee (L A S A A C). There are no significant departures from those recommendations.

### (b) **Debtors and Creditors**

#### **Accruals basis**

The income and expenditure account is compiled on an accruals basis. Where goods have been sold but the income not received by end 31 March 2010 or goods have been received but not paid for by end March 2010, then the income and expenditure account has been amended to reflect the outstanding amounts.

#### **(i) Debtors**

All specific and material sums payable to the Joint Committee have been brought into account.

#### **(ii) Creditors**

Sundry Creditors are accrued on the basis of payments made during the first three weeks following 31st March 2010, together with specific accruals in respect of further material items.

### (c) **Allocation of Support Expenses**

The allocation of Support Expenses is the cost of those South Lanarkshire employees who provide a direct service to the Joint Committee. The individual support department is Personnel Services where employees are directly involved in the operations of the Joint Committee. The recharge is made on a consistent basis.

### (d) **Borrowing Facilities**

The Committee is a separate legal entity and has South Lanarkshire Council as its lead authority. The loans' fund of South Lanarkshire Council acts as banker to the Joint Committee and consequently lends or borrows according to the required cash flow and activities of the Committee.

### (e) **Financial Instruments**

For investments due within 12 months, prevailing benchmark rates have been used to provide the fair value. Where an instrument has a maturity of less than 12 months the fair value is taken to be the principal outstanding.

Creditors due within 12 months are not classed as a financial instrument.

## **Statement of Responsibilities for the Statement of Accounts**

### **The Clyde Valley Learning and Development Joint Committee's responsibilities**

The Clyde Valley Learning and Development Joint Committee is required to:-

- make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Committee, that officer is the Treasurer
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets

### **The Treasurer's responsibilities**

The Treasurer is responsible for the preparation of the Committee's statement of accounts in accordance with proper accounting practices set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (the "Code of Practice").

In preparing this statement of accounts, the Treasurer has:-

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that were reasonable and prudent
- complied with the Code of Practice

The Treasurer has also:-

- kept proper accounting records which were up to date
- taken reasonable steps for the prevention and detection of fraud and other irregularities

**Paul Manning**

**Treasurer – Clyde Valley Learning & Development Joint Committee**

**25 June 2010**



## **Statement on the System of Internal Financial Control**

1. The statement is given in respect of the Statement of Accounts for Clyde Valley Learning and Development Joint Committee. I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated in connection with the resources concerned.
2. The system of internal control can provide only reasonable and not absolute assurance that assets are safeguarded, that transactions are properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.
3. As a Joint Committee established during financial year 2007/08, I am aware of our governance duties. As the work of the Joint Committee develops, I undertake to continue my commitment to transparency and openness in our governance arrangements and will review these as appropriate during 2010/11.
4. The following activities have taken place to date in relation to establishing a robust governance infrastructure:-
  - All eight Councils continue to be represented on the Joint Committee.
  - The Scheme of Delegation, Terms of Reference, Standing Orders, Financial Regulations and stakeholder roles and responsibilities defined in 2007/08 remain in place.
  - Meetings of the Joint Committee are held on a quarterly basis with Councillor Denis McKenna (South Lanarkshire Council) elected Chair of the Joint Committee. Councillor Jean Jones (North Lanarkshire Council) has been elected as Vice-Chair of the Joint Committee.
  - Scheme of Delegation allows for Clyde Valley Implementation Steering Group to manage, direct and prioritise the work programme.
  - Minute of Agreement has been produced and signed by each of the participating Councils.
  - Centralised invoicing and re-charging administered through South Lanarkshire Council.
  - Financial Management arrangements through South Lanarkshire Council's FMS Ledger system.
5. The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. These arrangements follow the systems of financial management in place within the lead authority, South Lanarkshire Council. The Joint Committee use the Council's Financial Management and Payroll systems and is subject to the relevant controls in place as directed by the Internal/External Audit guidance.
6. It is my view that in the third year of the Joint Committee (financial year 2009/10), the systems for internal control were reasonably effective and will continue to be reviewed and improved as appropriate in 2010/11.

**Paul Manning**

**Treasurer - Clyde Valley Learning and Development Steering Group**

## **Audit Arrangements**

Under arrangements approved by the Commission for Local Authority Accounts in Scotland ("The Accounts Commission"), the auditor with overall responsibility for the audit of the accounts of the Clyde Valley Learning and Development Project – Joint Committee for the year ended 31 March 2010 is:

PricewaterhouseCoopers LLP  
141 Bothwell Street  
Glasgow  
G2 7EQ

## Glossary of Terms

**Much of the terminology used in this Report is intended to be self-explanatory, however, the following additional definition and interpretation of terms used may be helpful:-**

**1. Employee Costs**

This includes salaries, wages, overtime, bonus, enhancements, employer's pension and national insurance, travelling and subsistence expenses and other staff allowances.

**2. Property Costs**

This includes rent and rates, property insurance, repair and maintenance of property, upkeep of grounds, heating and lighting, furnishings and fittings and the allocation of accommodation costs.

**3. Supplies and Services**

This includes materials, books, uniforms and protective clothing, the purchase and maintenance of equipment and tools and various services carried out by external contractors.

**4. Administration Costs**

This includes printing and stationery, advertising, postages, telephone costs and central support services allocations for administration.

**5. Payments to Other Bodies**

This includes payments to other organisations and agencies providing services complementing or supplementing the work of the Joint Committee.

**6. Borrowing Facilities and Temporary Interest on Revenue Balances**

The loans fund of South Lanarkshire Council lends or borrows according to the cash flow of the Joint Committee. This temporary interest credited / debited to the Joint Committee's Income and Expenditure Account reflects the interest earned or charged to the Committee for funds lent to or borrowed from the loans fund of South Lanarkshire Council.

**7. Sales, Fees and Charges**

This is income from charges to citizens and organisations for the direct use of the Joint Committee's services or the purchase of goods from the Committee e.g. sale of training courses.