

# Report

Report to:	<b>Clyde Valley Learning and Development Joint Committee</b>
Date of Meeting:	<b>6 June 2016</b>
Report by:	<b>Treasurer to Clyde Valley Learning and Development Joint Committee</b>

Subject:	<b>2015/2016 Annual Report and Accounts - 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 2016

## 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 2016 be noted; and
- (2) that it be noted that the Annual Report and Accounts would be submitted to the external auditor by 30 June 2016.

## 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 2016 for the Clyde Valley Learning and Development Joint Committee. These accounts will be passed for external audit to PricewaterhouseCoopers LLP.

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

- ◆ Introduction by the Convener
- ◆ Management Commentary
- ◆ Movement in Reserves Statement
- ◆ Comprehensive Income and Expenditure Account for the year ended 31 March 2016
- ◆ Balance Sheet as at 31 March 2016
- ◆ Cash Flow Statement for year ended 31 March 2016
- ◆ 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 Joint Committee's total revenue expenditure amounted to £0.176 million in 2015/2016 and was met by other income of £0.178 million. This results in a £0.002 million surplus, which can be added to the revenue cash balance of £0.007 million brought forward from 2014/2015.
- 5.2. After taking account of any accruals and commitments, this leaves a revenue cash balance of £0.009 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.
- 6.2. There are no implications for sustainability in terms of the information contained in this report.

#### **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.

**Jackie Taylor**

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

16 May 2016

#### **Previous References**

- ◆ None

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

- ◆ Clyde Valley Learning and Development Committee Annual Report and Accounts 2015/2016

#### **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***

***STATEMENT OF ACCOUNTS***

***2015/2016***

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

## **STATEMENT OF ACCOUNTS 2015/2016**

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

The Clyde Valley Learning and Development Project stands unique as a local government collaboration within the field of learning and development; one which has now been delivering successful outcomes and shared benefits to all of its Members and Associates for nine years.

The programme of work delivered over this period has seen a wide variety of short term project work as well as longer term challenges which can sometimes take much longer to come to fruition. In both scenarios, the proof of success can best be gauged by the transition from project work, to becoming established as the accepted model for delivery within the Clyde Valley Councils. It is in the context of this latter category that the Project has had some notable successes.

In Social Care, the Promoting Positive Behaviour (PPB) programme has now passed relatively seamlessly into becoming the preferred model of choice for the majority of our Member Councils. The significance of the task of developing this model should not be forgotten, and it is for this reason that it is immensely satisfying that the PPB model is now so widely used.

Similarly, it is now difficult to imagine the Clyde Valley Councils running the wide range of learning and development programmes on offer without considering the role that e-learning now plays in facilitating that delivery.

In this vein, it is also worth highlighting the new programme that the Clyde Valley Project has developed in partnership with the Royal Environmental Health Institute of Scotland (REHIS). This programme which involves another example of innovative partnership working, is the first of its kind in Scotland. The signs are that this new jointly awarded course will become a new benchmark for this type of training in local authorities throughout the country.

Each of these examples illustrate why it is my belief that the Clyde Valley Project continues to have a significant role to play in shaping the future of learning and development for each of our organisations in the coming years.

Once again I would like to thank the Members and officers of all the Member Councils for their continued support and commitment to the Project and I hope I can count on you all once again for your support as we look forward optimistically to another successful year ahead.

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

## **MANAGEMENT COMMENTARY 2015/2016**

### **Introduction**

The Management Commentary of the Clyde Valley Learning and Development Joint Committee will provide the reader with information on the environment in which the Joint Committee operates and on the Joint Committee's performance, both operationally and financially.

The following commentary relates to the 2015/2016 financial year, which within the context of the challenges facing all our public services, Clyde Valley Learning and Development Joint Committee continues to grow from strength to strength.

### **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

### **Financial Statements**

The purpose of the financial statements is to demonstrate stewardship of the public monies which fund the work of the Committee.

The financial statements have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2015/2016, supported by International Financial Reporting Standards (IFRS) which ensures a set of statements is produced, each statement with a single clear objective.

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.

## **Performance Review 2015/2016**

The Clyde Valley Member Councils continue to measure and monitor the benefits and outcomes they achieve through their involvement in the project on an ongoing basis. As the project's stability is maintained and the achievements are considered each year, several themes emerge which demonstrate the added value delivered to Member Councils through a collaborative approach.

In the financial year 2015/2016, benefits have been realised through making cost savings and developing best practice in the following areas:-

- ◆ Joint Procurement
- ◆ E-Learning development and content sharing
- ◆ Savings in delivery of Scottish Vocational Qualifications
- ◆ Social Care
- ◆ Promoting Positive Behaviour
- ◆ Accredited Front Line Management training (CMI)

In addition to the recurring benefits identified by the Members, it is clear that the established infrastructure, culture and practice prevalent within the Clyde Valley Project, promotes and facilitates countless opportunities for networking, exploring new opportunities and sharing best practice. This remains a source of interest for other organisations further afield, as the number of Associate Members continues to rise, thereby providing a broader network for sharing best practice.

During this year there have been three main strands of work carried out by the Group. These could be categorised as maintaining and developing the existing programmes of work (specifically e-learning and Promoting Positive Behaviour); developing emerging learning opportunities (e.g a new programme of food hygiene training) and investigating and scoping new opportunities for development. This was highlighted by the focus on the importance of transformational change for all Clyde Valley Councils, and the specific learning and development needs associated with delivering these changes.

Some examples of these activities include the following:-

### **Existing Programmes**

#### **Development of e-learning**

This workstream remains at the centre of the Clyde Valley Project work. All councils (both Associate and Full Members) are now actively creating their own content, based on their own specific development needs. Where this content has a generic dimension, the content is being shared across the full membership without incurring any initial development costs. This approach continues to maximise the return on the Group's investment in the Learning Management System, and associated sharing protocols.

The development of good practice is driven by participation in the bi-monthly e-learning group meetings, which are attended by more than 15 councils regularly, either in person or via conference call or video link. This remains a powerful forum for problem solving, developing and sharing new skills and techniques and for managing the ongoing improvements to the Brightwave product set (known as spirits).

### Promoting Positive Behaviour (PPB)

The PPB programme is now firmly established within the core group of Clyde Valley Member Councils, with seven of the eight councils now running programmes. This is now supported by a robust three tier Governance structure which ensures strong corporate governance of the overall programme, attention to the course content and delivery of the training, and the local management of capacity, quality assurance and evaluation of outcomes. The PPB programme is no longer regarded as a work in progress but is now an established means of delivering best practice training for field workers working with both adults and children in Social Work, Social Care and Education.

### **Newly Developed Programmes**

A new approach was developed this year to deliver the high volume of council training required for Elementary Food Hygiene. Traditionally this training has been delivered to meet the Royal Environmental Health Institute of Scotland's (REHIS) certificated course through a traditional classroom based approach. The Clyde Valley Group having written a proposal to move away from this approach, has now developed a set of four e-learning modules to deliver a new programme in partnership with REHIS. This will be the first ever jointly badged course which REHIS have endorsed, to be delivered through e-learning, and will be released for all councils to use early in the 2016/2017 financial year.

This example has the twin benefits of generating savings in costs of delivery, while providing an improved learning and development solution for learners.

### **Scoping of new work**

Following a consultation process involving members of the Clyde Valley Implementation Steering Group, a set of six priority areas were identified to form the basis of future developments for the Group.

The six areas of work which are currently being scoped, cover the following:

- ◆ Further exploitation of technology in learning and development
- ◆ Agile working and supporting organisational re-structuring
- ◆ Flexible approach to coaching
- ◆ Succession Planning
- ◆ Personal and organisational resilience
- ◆ Continued development of opportunities in e-learning

These work areas focused on the strategic requirement to address transformational change with the Clyde Valley Councils.

### **Financial Performance**

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

For 2015/2016, the Revenue Expenditure results for the Committee are shown on page 7 – an underspend position (£0.002m) on the Income and Expenditure Statement which will be carried forward into 2016/2017. The major element of the Project's expenditure is incurred in respect of Administration Costs (£0.174m, 98.86%).



The Committee's income is mainly made up of contributions from Member authorities. There is a small amount of funding remaining from 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 the balance unutilised along with the underspend (£0.002m) in 2014/2015 has been carried forward into 2016/2017 as a Creditor (£0.007m). The underspend (£0.002m) for 2015/2016 will be added to this Creditor balance and these monies will be used for future progress on the project.

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 the United Kingdom, as supported by the International Financial Reporting Standards.

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.

## **Outlook**

The Clyde Valley Learning and Development Group continues to seek out opportunities to deliver innovation in learning and development through collaborative working. Although the work remains extremely challenging in the context of significant savings target for all, the outcomes achieved still add value for both Member and Associate Councils alike, while keeping the Clyde Valley Group at the forefront of innovation and good practice.

The mutual support of the Member Councils to achieve this remains the greatest strength of the Project and it is to be hoped that this will continue for the foreseeable future.

Although the funding from the Scottish Government has now come to an end, financial contributions from each of the Authorities who are members of the Joint Committee have been secured for 2016/2017, and as such the accounts have been prepared on a going concern basis. Should arrangements not be agreed with the Local Authority members, outstanding monies will be returned and service provision will return to a local authority level.

**Jackie Taylor**  
**Treasurer - Clyde Valley Learning and Development Joint Committee**  
**South Lanarkshire Council Headquarters, Almada Street, Hamilton, ML3 0AA.**  
**6 June 2016**

## **Movement in Reserves Statement**

The Movement in Reserves Statement shows the movement in the year on the different reserves held by the authority, analysed into useable reserves and other reserves. This gives a summary of the changes that have taken place in the funding section of the Balance Sheet over the financial year.

A statement of Movement in Reserves has not been included as there is no movement in the funding section of the balance sheet and the General Fund balance for year ended 31 March 2016 is zero.

**Comprehensive Income and Expenditure Statement  
for the Year Ended 31 March 2016**

The Comprehensive Income and Expenditure Statement gives a summary of resources generated and consumed by the Joint Committee in the year.

<b>2014/15</b>		<b>2015/16</b>	
<b>£000</b>		<b>£000</b>	<b>Notes</b>
180	Administrative Expenses	174	1
<u>2</u>	Payments to Other Bodies	<u>2</u>	2
182	Total Expenditure	176	
<u>(184)</u>	Income	<u>(178)</u>	
<b>(2)</b>	<b>(Surplus) / Deficit on Provision of Service</b>	<b>(2)</b>	
<u><b>2</b></u>	<b>Total Comprehensive Income and Expenditure</b>	<u><b>2</b></u>	

## Balance Sheet as at 31 March 2016

The Balance Sheet summarises the assets and liabilities of the Joint Committee at the Balance Sheet date.

2014/15 £000		2015/16 £000	Notes
	<b><u>Current Assets</u></b>		
13	Debtors	0	3
36	Short Term Investments	38	9
<u>49</u>	<b>Total Current Assets</b>	<u>38</u>	
	<b><u>Current Liabilities</u></b>		
(49)	Creditors	(38)	4
<u>0</u>	<b>Net Current Assets</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>	

The notes on pages 11-13 form part of the financial statements.

The unaudited statement of accounts on pages 7-17 were approved for issue by the Clyde Valley Learning and Development Joint Committee on 6 June 2016.

**Jackie Taylor**  
**Treasurer – Clyde Valley Learning and Development Joint Committee**  
**6 June 2016**

## Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Clyde Valley Learning and Development Joint Committee during the reporting year. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Joint Committee are funded by way of taxation and grant income or from the recipients of services provided by the Joint Committee. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Joint Committee's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Joint Committee.

<b>2014/15</b>		<b>2015/16</b>
<b>£000</b>		<b>£000</b>
(2)	Net (surplus) or deficit on the provision of services	(2)
10	Adjust net surplus or deficit on the provision of services for non cash movements	0
<hr/> 8	Net cash flows from Operating Activities	<hr/> (2)
(8)	Investing Activities (note 7)	2
<hr/> 0	Net increase or decrease in cash and cash equivalents	<hr/> 0
<hr/> 0	Cash and cash equivalents at the beginning of the reporting year	<hr/> 0
<hr/> <b>0</b>	<b>Cash and cash equivalents at the end of the reporting year</b>	<hr/> <b>0</b>

## Notes to the Financial Statements

### 1 **Administrative Expenses**

The Clyde Valley Learning and Development Joint Committee makes the following payments for administration / support services.

	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
Personnel – Employee Time	28	28
<b>Total Payment to South Lanarkshire Council</b>	<b>28</b>	<b>28</b>
Training Costs for Member Councils	146	152
<b>Total Administration Costs</b>	<b>174</b>	<b>180</b>

### 2 **Auditors' Remuneration**

The auditors' remuneration is included in the Payments to Other Bodies' expenditure.

	<b>2015/16</b>	<b>2014/15</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 auditors (PricewaterhouseCoopers LLP)	2	2
	<b>2</b>	<b>2</b>

### 3 **Debtors**

The Debtors figure is analysed as follows:

	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
Training Recharges	0	13
	<b>0</b>	<b>13</b>

### 4 **Creditors**

The Creditors figure is analysed as follows:

	<b>2015/16</b>	<b>2014/15</b>
	<b>£000</b>	<b>£000</b>
Training invoices	0	13
Audit fee	2	2
Prepaid Contributions from Local Authorities	27	27
Balance of Efficiency and Reform Monies held on behalf of constituent councils and the Training Project	5	5
Balance of funding held on behalf of constituent councils and the Training Project	4	2
	<b>38</b>	<b>49</b>

### 5 **Related Parties**

The Clyde Valley Learning and Development Joint Committee is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Joint Committee. Disclosure of these transactions allows readers to assess the extent to which the Joint Committee might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Joint Committee.

All transactions with Local Authorities were entered into under the terms of the Joint Committee and where appropriate reported through the Joint Committee. During the year the Joint Committee transacted with the following Local Authorities:

	<b>Receipts 2015/16 £000</b>	<b>Payments 2015/16 £000</b>	<b>Receipts 2014/15 £000</b>	<b>Payments 2014/15 £000</b>
South Lanarkshire Council	75	28	90	28
East Dunbartonshire Council	9	0	11	0
East Renfrewshire Council	10	0	11	0
Glasgow City Council	9	0	5	0
Inverclyde Council	3	0	3	0
North Lanarkshire Council	38	0	30	0
Renfrewshire Council	20	0	22	0
West Dunbartonshire Council	6	0	7	0
<b>Total</b>	<b>170</b>	<b>28</b>	<b>179</b>	<b>28</b>

At the year end the Joint Committee held debtor and creditor balances with the Local Authorities detailed below:

	<b>Debtors Balances 2015/16 £000</b>	<b>Creditors Balances 2015/16 £000</b>	<b>Debtors Balances 2014/15 £000</b>	<b>Creditors Balances 2014/15 £000</b>
South Lanarkshire Council	38	9	49	7
East Dunbartonshire Council	0	3	0	3
East Renfrewshire Council	0	3	0	3
Glasgow City Council	0	5	0	5
Inverclyde Council	0	3	0	3
North Lanarkshire Council	0	5	0	5
Renfrewshire Council	0	5	0	5
West Dunbartonshire Council	0	3	0	3
<b>Total</b>	<b>38</b>	<b>36</b>	<b>44</b>	<b>34</b>

## 6 Cash Flow Statement - Non Cash Movements

Description	2015/16 £000	2014/15 £000
Movement in Debtors	(13)	13
Movement in Creditors	11	(5)
<b>Total</b>	<b>(2)</b>	<b>8</b>

## 7 Cash Flow Statement – Investing Activities

	2015/16 £000	2014/15 £000
Purchase or (Sale) of short-term and long-term investments	2	(8)
<b>Net cash flows from investing activities</b>	<b>2</b>	<b>(8)</b>

## 8 Financing and Management of Liquid Resources

Liquid Resources are held by South Lanarkshire Council as lead authority and are available to Clyde Valley Learning and Development Joint Committee as required.

## 9 Financial Instruments

The following category of financial instrument is carried in the balance sheet:

	2015/16 £000	2015/16 £000	2015/16 £000	2014/15 £000	2014/15 £000	2014/15 £000
Investments	Long Term	Current	Total	Long Term	Current	Total
Loans and Receivables	0	38	38	0	36	36
<b>Total Investments</b>	<b>0</b>	<b>38</b>	<b>38</b>	<b>0</b>	<b>36</b>	<b>36</b>

## 10 Date of Signing of the Statement of Accounts

The statement of accounts was authorised on 6 June 2016, by the Treasurer to the Clyde Valley Learning and Development Joint Committee.

## 11 Post Balance Sheet Events

No events occurred between 1 April 2016 and 6 June 2016 that would have an impact on the 2015/16 financial statements. The later date is the date on which the accounts were authorised by the Treasurer to the Clyde Valley Learning and Development Joint Committee.

## 12 Going Concern

The accounts have been prepared on the going concern basis on the basis that funding from partner Local Authorities has been received for 2016/17.



## **Statement of Accounting Policies**

### **(a) General**

The general policies adopted in compiling and presenting the financial statements are those required by the Local Authority Accounts (Scotland) Regulations 2014, section 12 of the Local Government in Scotland Act 2003, requires they be prepared in accordance with proper accounting practices. These practices primarily comprise Code of Practice on Local Authority in the United Kingdom 2015/2016, issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee (LASAAC), and the Service Expenditure Reporting Code of Practice (SERCOP) 2015/16 supported by International Financial Reporting Standards (IFRS). There are no significant departures from those recommendations.

The financial statements have been prepared under the historic cost convention and accounting policies have been applied consistently.

### **(b) Accruals basis**

The Comprehensive Income and Expenditure Statement is compiled on an accruals basis. Income and expenditure activities are accounted for in the year which they take place, not simply when payments are made or received. Where services have been provided but the income not received by end 31 March 2016 or services have been received but not paid for by end 31 March 2016, then the income and expenditure account has been amended to reflect the outstanding amounts and a debtor or creditor for the relevant amount is recorded in the balance sheet.

### **(c) Debtors and Creditors**

All specific and material sums payable to and paid by the Clyde Valley Learning and Development Joint Committee have been brought into account.

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

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

### **(e) Borrowing Facilities**

The Clyde Valley Learning and Development Joint 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 Joint Committee.

### **(f) 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 secure 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;
- approve the Statement of Accounts.

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

The Treasurer is responsible for the preparation of the Clyde Valley Learning and Development Joint Committee's Statement of Accounts in accordance with proper practices set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* (the Code).

In preparing this Statement of Accounts, the Treasurer has:-

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the local authority Code.

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.

This Statement of Accounts gives a true and fair view of the financial position of the Joint Committee at 31 March 2016 and its income and expenditure for the year ended 31 March 2016.

**Jackie Taylor**

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

**6 June 2016**

## **Statement of Governance and Internal 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 2007/2008, I am aware of our governance duties. As the work of the Clyde Valley Learning and Development Joint Committee develops, I undertake to continue my commitment to transparency and openness in our governance arrangements and will review these as appropriate during 2016/2017.
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 2007/2008 remain in place.
  - Meetings of the Joint Committee are held on a quarterly basis with Councillor Denis McKenna (South Lanarkshire Council) elected Convener 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.

Risks are identified and managed by the Project Manager on an ongoing basis.

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 Clyde Valley Learning and Development Joint Committee use the Council's Financial Management systems and are subject to the relevant controls in place as directed by the Internal/External Audit guidance.
6. It is my view that in the ninth year of the Clyde Valley Learning and Development Joint Committee (financial year 2015/2016), the systems for internal control were reasonably effective and will continue to be reviewed and improved as appropriate in 2016/2017.

**Jackie Taylor**

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

**6 June 2016**

## **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 2016 is:-

PricewaterhouseCoopers LLP  
141 Bothwell Street  
Glasgow

## 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. Administration Costs**

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

**2. Payments to Other Bodies**

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

**3. 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 Clyde Valley Learning and Development Joint Committee. This temporary interest credited / debited to the Clyde Valley Learning and Development 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.

**4. Sales, Fees and Charges**

This income from charges to external organisations and bodies for the direct use of the Clyde Valley Learning and Development Joint Committee's services or the purchase of goods from the Joint Committee e.g. sale of training courses.