

**FINANCE AND CORPORATE RESOURCES COMMITTEE**

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 25 April 2018

**Chair:**

Councillor Gladys Miller

**Councillors Present:**

Alex Allison, John Anderson, Janine Calikes, Graeme Campbell, Andy Carmichael (*substitute for Councillor Brogan*), Peter Craig, Maureen Devlin, Mary Donnelly (*substitute for Councillor McGuigan*), Isobel Dorman, Joe Fagan, Eric Holford, Graeme Horne (Depute), Eileen Logan, Ian McAllan, Catherine McClymont, Hugh Macdonald, Mark McGeever, Graham Scott, Collette Stevenson (Depute), Jim Wardhaugh, Jared Wark

**Councillors' Apologies:**

Walter Brogan, Margaret Cooper, Geri Gray, Monique McAdams, Jim McGuigan, John Ross (ex officio)

**Attending:****Finance and Corporate Resources**

P Manning, Executive Director; S Abbott, Administration Assistant; C Fergusson, Head of Finance (Transactions); G McCann, Head of Administration and Legal Services; S McLeod, Administration Officer; K McVeigh, Head of Personnel Services; J Taylor, Head of Finance (Strategy); B Teaz, Head of Information Technology Services

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**1 Declaration of Interests**

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No interests were declared.

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**2 Minutes of Previous Meeting**

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The minutes of the meeting of the Finance and Corporate Resources Committee held on 7 February 2018 were submitted for approval as a correct record.

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

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**3 Minutes of Recruitment Committee**

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The minutes of the meeting of the Recruitment Committee held on 15 January 2018 were submitted for noting and the minutes of the meeting held on 9 February 2018 were submitted for approval as a correct record.

**The Committee decided:**

- (1) that the minutes of the meeting of the Recruitment Committee of 15 January 2018 be noted; and
- (2) that the minutes of the meeting of the Recruitment Committee of 9 February 2018 be approved as a correct record.

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

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A report dated 28 March 2018 by the Executive Director (Finance and Corporate Resources) was submitted comparing actual expenditure for the period 1 April 2017 to 2 February 2018 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; and
- (2) that the forecast to 31 March 2018 of a breakeven position be noted.

*[Reference: Minutes of 7 February 2018 (Paragraph 4)]*

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

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A report dated 21 March 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 2 February 2018.

**The Committee decided:** that the Finance and Corporate Resources' capital programme of £1.959 million, and expenditure to date of £1.307 million, be noted.

*[Reference: Minutes of 7 February 2018 (Paragraph 5)]*

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#### **6 Finance and Corporate Resources - Workforce Monitoring - December 2017 to February 2018**

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A report dated 13 March 2018 by the Executive Director (Finance and Corporate Resources) was submitted on the following employee information for Finance and Corporate Resources for the period December 2017 to February 2018:-

- ◆ 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 December 2017

**The Committee decided:** that the report be noted.

*[Reference: Minutes of 7 February 2018 (Paragraph 6)]*

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#### **7 Council-wide Workforce Monitoring - December 2017 to February 2018**

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A report dated 13 March 2018 by the Executive Director (Finance and Corporate Resources) was submitted on the following Council-wide employee information for the period December 2017 to February 2018:-

- ◆ 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 December 2017

**The Committee decided:** that the report be noted.

*[Reference: Minutes of 7 February 2018 (Paragraph 7)]*

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## **8 Revenue Collection and Approval of Write-Offs**

A report dated 26 March 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
- ◆ the write-off of irrecoverable Council Tax, sundry debt, former tenant rent arrears, factoring arrears and housing benefit overpayments

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

- ◆ irrecoverable Council Tax accounts from 1993/1994 to 2017/2018 to the value of £333,687.05, relating primarily to prescribed debt, sequestrations and estates of the deceased
- ◆ sundry debts to a value of £52,878.89
- ◆ former tenant rent arrears totalling £217,544.88, factoring arrears totalling £7,547.84 and housing benefit overpayments totalling £133,289.68

**The Committee decided:**

(1) that the Council's performance in the collection of revenues be noted; and

(2) that the write-off of the following irrecoverable debts be approved:-

- ◆ Council Tax debt from 1993/1994 to 2017/2018 to the value of £333,687.05
- ◆ sundry debts to a value of £52,878.89
- ◆ house rent and associated charges totalling £358,382.40

*[Reference: Minutes of 7 February 2018 (Paragraph 10)]*

*Prior to consideration of the above item, the Chair congratulated Craig Fergusson on his recent appointment to the post of Head of Finance (Transactions) and welcomed him to his first meeting of the Finance and Corporate Resources Committee in that capacity*

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## **9 Modernisation of Charitable Trust Funds**

A report dated 5 April 2018 by the Executive Director (Finance and Corporate Resources) was submitted on proposals to modernise the Charitable Trust Funds administered by the Council.

The Council administered a total of 69 individual Trust Funds. The value of those Trust Funds as at 1 April 2017 was £1.198 million. The individual Trust Funds were reported to the Office of the Scottish Charity Regulator (OSCR), under the following registered Scottish charities:-

- ◆ South Lanarkshire Council – Charitable Trusts (SC025089)
- ◆ South Lanarkshire Council – Educational Trusts (SC028135)
- ◆ East Kilbride Information Technology Centre Trust (SC015221)

This Committee acted as the governing body of the Trusts and annual reports were presented to Committee advising of monies distributed and remaining balances within the Trusts. The Trusts were primarily the result of bequests which had gifted varying sums of money to the Council for specific purposes, such as assisting the poor, or to provide prizes in schools. Several of the Trusts were bequeathed many years ago and the vast majority did not have formal constitutions.

The lack of constitutions or governing documents meant that payments were made on a historic basis and many Trust Funds were dormant, with no payments being made at all. In addition, the purposes of some of the Trust Funds were outdated which meant that the Trust Funds were not being used to their full potential.

Council officers had sought to maximise the benefit that could be derived from the Trust Funds, however, the lack of formal constitutions had restricted the payments that could be made. Discussions had been held with OSCR and the Council's external auditor regarding the constitutions and the removal of obstacles such as restrictions on the distribution of capital and unknown or out of date purposes.

It was proposed that a modernised approach to administering the Trusts was adopted and details of this approach and the proposed Trustees were provided in the report. The proposed Trust Deeds for the South Lanarkshire Charitable Trust and the South Lanarkshire Educational Trust, attached as Appendices 2 and 4 to the report respectively, would provide the basis for the governance of the Trust Funds and specify the purposes for which payments from the Trust Funds could be made. The Head of Finance (Strategy) intimated that current arrangements for the Elizabeth B Mitchell Memorial Trust would remain. If approved, officers within Administration and Legal Services would consult with OSCR regarding the formal adoption of the Trust Deeds.

A training plan for the Trustees would be established that would further set out their roles and responsibilities, as summarised in the report. It was anticipated that the Trustees would meet on a quarterly basis to consider funding bids and a timetable of meetings would be drawn up.

The East Kilbride Information Technology Centre (ITEC) Trust Fund had been established by East Kilbride District Council, East Kilbride Development Corporation and Hamilton District Council in 1983 and transferred to South Lanarkshire Council following local government re-organisation in 1996.

The purpose detailed in the Trust Deed was the establishment and operation of a centre in East Kilbride to provide training and education in basic electronic assembly computing, electronic office and other work involving use of new technology for young unemployed people living in the East Kilbride district.

The ITEC Trust Fund had ceased to directly provide training services following re-organisation in 1996 and had been dormant for a number of years, with no expenditure. The balance on the Trust Fund as at 31 March 2017 was £27,043.00.

The Trustees had the power to pay part or all of the balance of the Trust Fund for the benefit of such purposes as the law regarded as charitable, however, it would be preferable if the funds were used in a way that would fit closely to the purpose of the Trust Fund. Officers within Education Resources and Finance and Corporate Resources were working to develop suitable projects that would utilise the balance of the Fund in its entirety. Once suitable projects had been identified, a meeting of the ITEC Trust Committee of Management would be arranged to allow the Trustees to consider the proposals.

Following discussion, Councillor Miller, seconded by Councillor Horne, moved that recommendations 1 and 2 within the report be approved and that consideration of recommendation 3 relating to the appointment of the Trustees of the South Lanarkshire Charitable Trust and the South Lanarkshire Educational Trust be continued to a future meeting of the Executive Committee. Councillor Holford, seconded by Councillor Campbell, moved as an amendment that the modernisation of the Charitable Trust Funds be deferred to allow the establishment of a member working group to consider this matter further and submit its findings to this Committee at a later date. On a vote being taken by a show of hands, 5 members voted for the amendment and 17 for the motion which was declared carried.

**The Committee decided:**

- (1) that the proposals, as detailed in the report, to modernise the Charitable Trust Funds administered by the Council be approved;
- (2) that the proposed Trust Deeds for the South Lanarkshire Charitable Trust and the South Lanarkshire Educational Trust, attached as Appendices 2 and 4 to the report respectively, be approved; and
- (3) that the appointment of the Trustees of the South Lanarkshire Charitable Trust and the South Lanarkshire Educational Trust be referred to a future meeting of the Executive Committee for its consideration.

*[Reference: Minutes of 6 September 2017 (Paragraph 20)]*

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## **10 Social Impact Pledge**

A report dated 26 January 2018 by the Executive Director (Finance and Corporate Resources) was submitted on a proposal for the Council to sign a Social Impact Pledge.

The Social Impact Pledge was a Scottish Government initiative hosted by the Communities Channel Scotland which was aimed at increasing the social impact of public sector organisations. The Pledge enabled organisations to demonstrate leadership by challenging their policies and practices to ensure they made a positive contribution to their communities.

To sign up to the Pledge, organisations were asked to complete and sign a Pledge Form, attached as Appendix 1 to the report, which included up to 3 commitments to improve their policies or operations to deliver benefits to their communities. Those commitments should be new, did not need to be big, but should make a tangible impact on people and communities.

All the Council's Resources had been consulted and it was proposed that the Council sign a Social Impact Pledge which contained the following 3 commitments for the Council to:-

- ◆ provide support for social enterprises to develop and deliver their business plans in a manner that benefited the community

- ◆ offer care experienced young people the opportunity to explore future career options, including offering work experience tasters and appropriate learning opportunities. An Education link would be maintained with the Council's Learning and Development and Employability Teams throughout secondary schools to ensure a wide range of options were explored
- ◆ run a small pilot for a new social group model for young people with an Autism Spectrum Condition that were at risk of social isolation

**The Committee decided:** that the Council sign a Social Impact Pledge which contained the 3 commitments detailed above.

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## 11 Common Good - Update

A report dated 20 March 2018 by the Executive Director (Finance and Corporate Resources) was submitted on:-

- ◆ the cyclical spend committed against the Common Good repairs and maintenance budgets for both Lanark and Hamilton
- ◆ variations to the ground lease at Hamilton Park Racecourse and partial assignation to permit the development of a hotel

The Common Good accounts in Lanark and Hamilton held a number of properties. An active approach to maintenance supported the liability of those assets and reduced the Council's risk to greater liability in the future. At its meeting on 2 October 2013, this Committee had approved an annual cyclical maintenance plan of £15,000 for both Lanark and Hamilton Common Good properties.

Details of current and potential commitments in relation to the Lanark Common Good repairs and maintenance budget were provided in the report. There were currently no commitments against the Hamilton Common Good repairs and maintenance budget.

The Housing and Technical Resources Committee, at its meeting held on 7 March 2018, approved partial assignation and change of use to grant a lease to Hamilton Park Racecourse Hotel Company Limited to permit the development of a hotel.

Negotiations had been undertaken and provisional agreement reached on the principal terms and conditions for the variation of the existing lease, assignation and new lease which would result in an increase in the income to the Hamilton Common Good Fund of approximately £55,000 per annum.

**The Committee decided:**

- (1) that the cyclical spend committed against the Common Good repairs and maintenance budgets for Lanark and Hamilton be noted; and
- (2) that the variation to the ground lease at Hamilton Park Racecourse and partial assignation to permit the development of a hotel, which would result in increased revenue of approximately £55,000 per annum for the Hamilton Common Good Fund, be noted.

*[Reference: Minutes of 6 September 2017 (Paragraph 19) and Minutes of Housing and Technical Resources Committee of 7 March 2018 (Paragraph 11)]*

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## 12 Urgent Business

There were no items of urgent business.