

## FINANCIAL RESOURCES SCRUTINY FORUM

Minutes of meeting held in Committee Room 2, Council Offices, Almada Street, Hamilton on 30 September 2010

**Chair:**

Councillor Tommy Gilligan

**Councillors Present:**

John Anderson, Mary McNeill, Graham Scott, Graham Simpson, George Sutherland, Jim Wardhaugh

**Councillors' Apologies:**

Pam Clearie, Brian McCaig

**Attending:****Community Resources**

S Kelly, Head of Facilities, Fleet and Grounds Services; M Zahir, Assistant Finance Manager

**Corporate Resources**

G Bow, Administration Adviser; G Cochran, Administration Assistant

**Finance and Information Technology Resources**

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

**Housing and Technical Resources**

D Craig, Contract Strategy Manager; B McElhinney, Property Investment Manager

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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 Financial Resources Scrutiny Forum held on 2 September 2010 were submitted for approval as a correct record.

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

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**3 Information Requested Overview Report**

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A report dated 14 September 2010 by the Executive Director (Finance and Information Technology Resources) was submitted on information received from the following Resources in response to issues raised at the previous meeting of the Forum:-

- ◆ Community Resources (levels of overtime payments on refuse collections)
- ◆ Education Resources (unitary charge for PPP schools)
- ◆ Enterprise Resources (payments made to Strathclyde Partnership For Transport Ferry Operators)

A separate report dated 14 September 2010 by the Executive Director (Finance and Information Technology Resources) was tabled providing details of significant payments made by the Council to a range of Other Bodies.

Community Resources had confirmed that the overspend on overtime to deal with refuse collection was due to increasing service requests. The Service had seen a continual increase in the level of requests but the degree of movement on a period to period basis could be anything from 4% to 40% and, to minimise costs, the Service covered the additional requests through overtime.

Education Resources confirmed that the estimate of the level of unitary charge that the Council was likely to pay in 2010/2011 in respect of the PPP school's programme was £26.9 million.

Enterprise Resources confirmed that the Council paid a quarterly overall payment of £5.587 million to cover its share of SPT loan charges and general activities. For the purposes of Government returns, the Council was required to allocate the expenditure on passenger transport over a number of different service areas, including buses, ferries, underground transport and loan charges. The result of this arrangement was that the Council budget lines showed an actual and a budget against ferries and underground transport which it did not have in its geographical area.

In terms of significant payments made to Other Bodies, details were provided on all payments of over £0.010 million made by the Council on a Resource basis. The list did not include payments made to nursery providers, payments made under the senior citizens' grants process or payments made to individuals.

**The Forum decided:**

- (1) that the information provided by Resources on issues raised at the last meeting of the Forum be noted; and
- (2) that additional information be added to the report on Payments to Outside Bodies to show whether the payments were made on a contractual or statutory basis.

*[Reference: Minutes of 2 September 2010 (Paragraph 3)]*

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#### **4 Revenue Budget Monitoring 2010/2011**

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A report dated 14 September 2010 by the Executive Director (Finance and Information Technology Resources) was submitted on the position of the Council's revenue budget at 6 August 2010 including:-

- ◆ the financial position of the revenue budget for the General Services, Housing Revenue and Trading Operations accounts
- ◆ the financial and operational position of Facilities Management and Land and Fleet Services Trading Operations as at 6 August 2010 (Period 5)

The figures included an underspend on the General Fund Revenue Account of £0.161 million and a breakeven position on the Housing Revenue Account.

The forecast outturn for the General Fund Revenue Account and the Housing Revenue Account at 31 March 2011 was a breakeven position.

**The Forum decided:**

- (1) that confirmation that an allocation would be made to Community Resources' budget to meet costs incurred as a result of hosting the 2011 International Children's Games be noted;

- (2) that further information be provided on Concierge Services to clarify conflicting information on an overspend on overtime payments and an under recovery of income due to a reduction in service provision; and
- (3) that information be provided by Community Resources on:-
- ◆ the reason for a rise in the absence level for janitors of 6.9% in April 2010
  - ◆ the impact of the Council's Healthy Eating Initiatives
  - ◆ the detail of the Pool Car Initiative

*[Reference: Minutes of 2 September 2010 (Paragraph 4)]*

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## **5 Capital Budget Monitoring 2010/2011**

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A report dated 14 September 2010 by the Executive Director (Finance and Information Technology Resources) was submitted on the progress of the Council's various capital programmes at 6 August 2010 including information on:-

- ◆ the financial and physical progress of the various General Fund Capital Programmes
- ◆ the financial and physical progress of the Housing Capital Programme

The General Fund Capital Programme covered Education Resources, Social Work Resources, Roads and Transportation Services and General Services. Following approval of the amendments proposed at the Executive Committee on 22 September 2010, the General Fund Capital Programme totalled £157.120 million and the Housing Capital Programme £40.508 million. At 6 August 2010, £35.308 million had been spent on the General Fund Capital Programme and £11.289 million on the Housing Capital Programme.

### **The Forum decided:**

- (1) that the progress of the Housing Capital Programme be noted;
- (2) that the progress of the General Fund Capital Programme be noted;
- (3) that further clarification be requested on the physical work and funding for projects to create or maintain play areas in view of the review of provision currently being undertaken by a member/officer Task and Finish Group; and
- (4) that an explanation be requested on the reason for holding the roads' project at Milford, East Kilbride.

*[Reference: Minutes of 2 September 2010 (Paragraph 5)]*

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## **6 Urgent Business**

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There were no items of urgent business.