

## FINANCIAL RESOURCES SCRUTINY FORUM

Minutes of meeting held in Committee Room 5, Council Offices, Almada Street, Hamilton on 24 November 2011

**Chair:**

Councillor Lynn Filshie

**Councillors Present:**

John Anderson, Pam Clearie, Brian McCaig, Graham Scott, Graham Simpson, Jim Wardhaugh

**Councillors' Apologies:**

Bobby Lawson, Mary McNeill

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

G Donachie, Operations Manager; M Zahir, Assistant Finance Manager

**Finance and Corporate Resources**

P Manning, Executive Director; G Bow, Administration Manager; G Cochran, Administration Assistant; L O'Hagan, Finance Manager (Accounting and Budgeting)

**Housing and Technical Resources**

I Douglas, Property Services Manager; D Lowe, Head of Property 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 Financial Resources Scrutiny Forum held on 13 October 2011 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 from Previous Meeting**

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A report dated 31 October 2011 by the Executive Director (Finance and Corporate Resources) was submitted on information received from Resources in response to issues raised at the previous meeting of the Forum.

Details were provided as follows:-

**◆ Community Resources – Vacancies**

Information had been requested on the number of vacancies within Environmental Protection and Consumer and Trading Standards Services which had resulted in an underspend of £0.238 million on Employee Costs within the Service.

Due to the restructuring exercise within Environmental Services, 2 management posts and an Environmental Health Officer post had been identified as potential savings and would form part of the savings proposed for next year. The Service also had a number of vacant posts, of which 2 in the night team had been filled.

As a result of a recent job evaluation exercise within the Service, it was anticipated that a number of employees would benefit financially. Payment would be backdated to September 2011 which would decrease the level of underspend.

Information had also been requested on the number of vacancies within Waste Services which had resulted in a £0.107 million underspend on Employee Costs within the Service.

This underspend was attributed to a combination of vacancies and a reduction in the use of seasonal resources due to the sharp fall in requests for special uplifts. The number of requests for the first 6 month period in 2011/2012 was 35,139, a reduction of 108,839 for the same period in 2010/2011.

◆ **Finance and Corporate Resources – Telephones**

Clarification had been requested on the overspend within the budget line “Telephones”. The overspend originated from 2007/2008 when a decision was made to provide Councillors with a desktop/laptop and Broadband connection to the Council network from their homes. No specific funding had been identified for this investment and Corporate Resources had covered the overspend each year on an ad hoc basis.

◆ **Finance and Corporate Resources – Membership, Fees and Subscriptions**

Information had been requested on the overspend within Personnel Services to deal with the Council’s responsibilities relating to equal opportunities. This reflected the obligation to promote equal opportunities throughout South Lanarkshire. No specific funding had been identified for this investment and Corporate Resources had covered the overspend each year on an ad hoc basis.

◆ **Community Resources – Dunedin Recreation Area**

Clarification was requested on the delay in completing the General Services Capital Programme project at Dunedin Recreation Area, East Kilbride.

The area surrounding the new football pitch was experiencing drainage issues which the contractor was trying to repair. The impact of this was that the detail of the final account had still to be agreed. The demand for Dunedin Recreation Area was being accommodated through other local facilities.

**The Forum decided:** that the information provided in relation to the queries raised at the previous meeting of the Forum be noted.

*[Reference: Minutes of 13 October 2011 (Paragraphs 3 and 4)]*

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#### **4 Revenue Budget Monitoring 2011/2012**

A report dated 31 October 2011 by the Executive Director (Finance and Corporate Resources) was submitted on the position of the Council’s revenue budget at 30 September 2011 including:-

- ◆ the financial position of the revenue budget for the General Services, Housing Revenue and Trading Operations accounts
- ◆ the position of the Facilities, Fleet and Grounds Maintenance, Financial and Operational Performance at 30 September 2011

The figures included an underspend on the General Fund Revenue Account of £0.277 million and a breakeven position on the Housing Revenue Account.

A number of significant movements had been required as part of the 2011/2012 Revenue Budget process including the:-

- ◆ allocation of £1.890 million from Enterprise Resources to Housing and Technical Resources to reflect the transfer of the Estates function
- ◆ allocation of £0.190 million to the South Lanarkshire Leisure and Culture Trust in respect of the ongoing implementation of the Living Wage
- ◆ allocation of £0.376 million to Education Resources and £0.090 million to Housing and Technical Resources from centrally held rates funding to alleviate the increase in the rate poundage as part of the Local Government Settlement for 2011/2012
- ◆ inclusion of £0.156 million in Enterprise Resources' revenue budget figure to reflect funding received for flood prevention as part of the Government grant allocation received for 2011/2012

The forecast outturn for the General Fund Revenue Account and the Housing Revenue Account to 31 March 2012 was a breakeven position.

**The Committee decided:**

(1) that the position be noted; and

(2) that information be provided to the next meeting of the Forum:-

- ◆ on the specific costs to the Council of dealing with fly-tipping as a result of the falling demand for the bulky uplift service
- ◆ giving a breakdown of the Fixed Penalty Notices issued by Environmental Services
- ◆ on proposals to carry out a review of the realignment of salary levels within Early Years and School Support through Education Resources' 2012/2013 Revenue Budget process
- ◆ highlighting the factors which had led to the number of vacant posts throughout all Resources of the Council
- ◆ outlining the reasons for the difference between the underspend in Housing and Technical Resources and the level of under recovery in income as a result of reduced participation in the Care of Gardens Scheme

*[Reference: Minutes of 13 October 2011 (Paragraph 4)]*

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## **5 Capital Budget Monitoring 2011/2012**

A report dated 4 November 2011 by the Executive Director (Finance and Corporate Resources) was submitted on the progress of the Council's various capital programmes at 30 September 2011 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 included Education Resources, Social Work Resources, Roads and Transportation Services and General Services. The General Fund Capital Programme totalled £127.848 million and the Housing Capital Programme £42.668 million. At 30 September 2011, £50.745 million had been spent on the General Fund Capital Programme and £12.481 million on the Housing Capital Programme.

**The Forum decided:**

(1) that the progress of the General Fund Capital Programme be noted;

- (2) that the progress of the Housing Capital Programme be noted; and
- (3) that information be provided to the next meeting of this Forum on the frequency and cost implications of works carried out to replace signs painted directly onto road surfaces.

*[Reference: Minutes of 13 October 2011 (Paragraph 5)]*

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## **6 Urgent Business**

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There were no items of urgent business.