

**POLICY AND RESOURCES (FINANCE AND CUSTOMER SERVICES) SUB –
12 September 2012**

Motherwell, 12 September 2012 at 2 pm.

**A Meeting of the POLICY AND RESOURCES (FINANCE AND CUSTOMER SERVICES)
SUB-COMMITTEE**

PRESENT

Councillor Burrows, Convener; Councillors Baird, Clinch, Fagan, Fellows, P. Hogg, Jones, Logue, Lunny, Lyle, McAnulty, McCabe, McKay, McNally, O'Brien, O'Rorke, Shevlin and Stevenson.

CHAIR

Councillor Burrows (Convener) presided.

IN ATTENDANCE

The Administrative Officer (Committee and Civic Governance Services), Executive Director of Finance and Customer Services, Head of Financial Services, Head of E-Government and Service Development, Economic Development Manager and Revenue and Benefits Manager.

APOLOGIES

Councillors Logue, McShannon, Spowart and Stocks.

**DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC.
(SCOTLAND) ACT 2000**

1. Councillor Shevlin declared a non financial interest in item 2 by virtue of his membership of the Board of Town Centre Activities Limited and took no part in its consideration.

The Convener exercised his discretion to vary the order of business, as hereinafter minuted.

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TOWN CENTRE ACTIVITIES (TCA) LIMITED – CHANGE OF ARTICLES OF ASSOCIATION

2. There was submitted a report (docketed) dated 6 September 2012 by the Head of Regeneration and Infrastructure Services seeking approval to amend the Articles of Association of Town Centre Activities Limited and homologation of the appointment of two Independent Directors to the Board (1) outlining the background to Town Centre Activities Limited which is a limited company by guarantee with a charitable status and an arms length external organisation of the Council responsible for the provision of a remote monitoring service for all public CCTV cameras in North Lanarkshire and the delivery of Town Centre Management and the Shopmobility Service; (2) proposing that the Articles of Association be amended to increase the total number of Directors from 9 to 11 in line with the Office of Scottish Charity Regulator Guidance that there should be a majority of independent Directors; (3) seeking homologation of the appointment of two independent Directors to the Board, namely Superintendent Alick Irvine of Strathclyde Police and Scott Duguid, a local resident with background in property and development management, and (4) recommending that the Executive Director of Environmental Services be appointed as Director to the Board.

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Decided:

- (1) that it be agreed that in accordance with Sections 288 to 300 of the Companies Act 2006, with North Lanarkshire Council being the sole member of the Company, the Articles of Association of Town Centre Activities Limited be amended in order to increase the number of Directors from 9 to 11;
- (2) that the Executive Director of Environmental Services be nominated by the Council as a Director on the Board of Town Centre Activities Limited, and
- (3) that the appointment of Superintendent Alick Irvine and Scott Duiguid to the Board of Town Centre Activities Limited be homologated.

REVENUE BUDGET MONITORING REPORTS 2012/2013 – FINANCE AND CUSTOMER SERVICES (INCLUDING MISCELLANEOUS SERVICES), COUNCIL SUMMARY AND TRADING ACCOUNTS/ PUBLIC PRIVATE PARTNERSHIPS

3. There were submitted reports dated 7, 10 and 21 August 2012 by the Head of Financial Services (1) advising of the overall financial position of, respectively, Finance and Customer Services (including Miscellaneous Services), the Council Summary, which included both the General Fund Account and the Housing Revenue Account, and the Environmental Services Trading Operations and the Public Private Partnerships; (2) providing a comparison of actual expenditure and income against the estimated expenditure and income for the period from 1 April to 20 July 2012, together with explanations for the most significant variances; (3) highlighting a projected year end surplus of £3.047m for the Council which was due to a number of factors, and (4) setting out, with regard to the Council Summary report, the consolidated budget monitoring position of all the Services, with additional information available within Appendix 1 to the report.

Decided: that the terms of the reports and the current position in relation to the Council Summary be noted.

CAPITAL BUDGET MONITORING REPORTS 2012/2013 - FINANCE AND CUSTOMER SERVICES CAPITAL PROGRAMME AND COMPOSITE CAPITAL PROGRAMME

4. There were submitted reports dated 7 and 15 August 2012 by the Executive Director of Finance and Customer Services (1) advising of the performance of, respectively, the Capital Programme for Finance and Customer Services and the Composite Capital Programme; (2) outlining the projected year end outturn position and resultant variances for both, and (3) providing information on the current expenditure up to and including 20 July 2012.

Decided: that the financial position of the Finance and Customer Services Capital Programme and the Composite Capital Programme, as at 20 July 2012, be noted.

TREASURY MANAGEMENT MONITORING REPORT – 1 APRIL TO 30 JUNE 2012

5. With reference to paragraph 5 of the Minute of the meeting of this Sub-Committee held on 13 June 2012, when the Treasury Management activity report for the period up to 31 March 2012 was noted, there was submitted a report (docketed) dated 10 August 2012 by the Head of Financial Services (1) advising of the Council's net overall borrowing position as at 30 June 2012, as shown in Appendix 1 to the report; (2) summarising the short term borrowing, the short term investment transactions and the interest rate movements during this period; (3) seeking approval to increase the money limits for

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money market funds up to a maximum of £30m, and (4) outlining the position with regard to the Prudential Code for Capital Finance in Local Authorities as detailed in Appendix 2 to the report.

Decided:

- (1) that the money limits for money market funds be increased up to a maximum of £30m with the limit per fund of £10m or 0.5% of the fund size remaining unchanged, and
- (2) that the treasury management activity for the period up to 30 June 2012, including the positive performance against the key prudential indicators, be noted.

TREASURY MANAGEMENT ANNUAL ACTIVITY REPORT 2011/2012

6. There was submitted a report (docketed) dated 10 August 2012 by the Executive Director of Finance and Customer Services (1) advising of the treasury management activity undertaken during 2011/2012 and the resultant impact on the Council's borrowing and investment strategy, as detailed in Appendix A to the report; (2) detailing the Council's performance during the year against those mandatory prudential indicators as set out in the CIPFA Prudential Code for Capital Finance in Local Authorities, and (3) confirming that the overall approach adopted by the Council's Treasury Management Section throughout the year met the key requirements of the 2011/2012 Treasury Strategy, with the performance and results being highlighted within Appendix A to the report.

Decided: that the contents of the report be noted, including the Treasury Management activity undertaken during 2011/2012 and its resultant impact on the Council's borrowing and investment strategy as set out in Appendix A to the report.

ANNUAL ACCOUNTS 2011/2012 AND FINANCIAL OUTTURN POSITION

7. There was submitted a report (docketed) dated 15 August 2012 by the Executive Director of Finance and Customer Services (1) advising that the annual statutory accounts of the Council for the year ended 31 March 2012 had been submitted to the Controller of Audit by the due date of 30 June 2012; (2) summarising the significant features of the 2011/2012 accounts; (3) highlighting major variances against the Council's annual budget for the year, and (4) intimating that £17,776,000 of the accumulative general fund surplus remained unallocated and recommending that funding earmarked for change management costs be increased by £17,776,000.

Decided:

- (1) that the funding earmarked for the change management costs be increased by £17.776m, and
- (2) that the terms of the report be otherwise noted.

ANNUAL EFFICIENCY STATEMENT 2011/2012

8. There was submitted a report (docketed) dated 10 August 2012 by the Executive Director of Finance and Customer Services (1) advising of the submission of the Council's Annual Efficiency Statement (AES) for the year ended 31 March 2012, as detailed within Appendix 1 to the report, which identified £16.090m of recurring savings and £2.478m of non-recurring savings giving a total of £18.568m of efficiency savings for 2011/2012; (2) outlining the background to the AES and the process used for the production of the annual statement, and (3) enclosing, in Appendix 2 to the report, a detailed description of the efficiency gains achieved by the Council for 2011/2012.

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Decided: that the submission of the annual efficiency statement 2011/2012 to the Convention of Scottish Local Authorities be noted.

PERFORMANCE PORTFOLIO - 2011/2012 PERFORMANCE INDICATOR RESULTS

9. There was submitted a report (docketed) dated 9 August 2012 by the Executive Director of Finance and Customer Services (1) providing an overview of the performance of the indicators within Finance and Customer Services' performance portfolio for 2011/2012; (2) summarising the performance against the targets for each Division; (3) setting out those indicators (a) that had performed well and were within the threshold, as detailed in Appendix 1 to the report; (b) that had not met the target, together with the corrective action, where required, as set out in Appendix 2 to the report, and (c) that had exceeded expectations, as detailed in Appendix 3 to the report, and (4) indicating that the results would be used for all year end reporting, where applicable.

Decided: that the terms of the report be noted.

FINANCE AND CUSTOMER SERVICES QUARTERLY EXCEPTIONS REPORT PERFORMANCE PORTFOLIO – 1 APRIL TO 30 JUNE 2012

10. There was submitted a report (docketed) dated 9 August 2012 by the Executive Director of Finance and Customer Services (1) advising of performance results for the first financial quarter of 2012/2013; (2) setting out the Service priorities and performance portfolio indicators not performing within acceptable thresholds; exceeding target; or on target, all grouped by Head of Service as detailed in Appendix A, and (3) detailing those areas which were performing well or were on track, as set out in Appendix B to the report.

Decided: that the contents of the report be noted

COMPOSITE CAPITAL PROGRAMME 2013/14 TO 2017/18

11. There was submitted a report (docketed) dated 27 August 2012 by the Executive Director of Finance and Customer Services regarding the plan to take forward the development of the Composite Capital Programme for the five year period from 2013/14 to 2017/18 (1) outlining the background to the development of a five year Capital Programme which would coincide with the period covered by the new Corporate and Community Plans and the length of the current Council; (2) setting out, in Section 3.1 of the report, the potential level of core resources available for capital expenditure over the next five years; (3) providing details of the capital planning process which would consider unavoidable commitments, priorities for asset management plans and new investments; (4) highlighting a number of emerging issues which may require to be addressed in the Capital Programme, and (5) providing details of the timetable for the production of the five year Capital Programme.

Decided: that the development of the Composite Capital Programme 2013/14 to 2017/18 be noted.

GENERAL DEBTORS BAD DEBT WRITE-OFFS 2012 – FINANCE AND CUSTOMER SERVICES

12. There was submitted a report (docketed) dated 6 August 2012 by the Head of Revenue Services regarding a formal write off of outstanding debt for Finance and Customer Services which was

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deemed uncollectable (1) providing details of debt which had been considered to be unrecoverable, including debts under £250 amounting in total to £46,210.33 which had been written off by the Executive Director of Finance and Customer Services in terms of his delegated powers, and (2) proposing that a number of debts greater than £250 to the value of £172,606.64, be written off.

Decided:

- (1) that it be noted that the Executive Director of Finance and Customer Services had exercised his delegated powers to write-off debts under £250 amounting in total to £46,210.33, and
- (2) that the write-off of a number of debts over £250 to the value of £172,606.64 as set out in Appendix 1 to the report, be approved.

**REMIT FROM HOUSING AND SOCIAL WORK SERVICES COMMITTEE OF 16 AUGUST 2012 -
GENERAL DEBTORS BAD DEBT WRITE-OFF**

13. With reference to paragraph 23 of the Minute of the meeting of the Housing and Social Work Services Committee held on 16 August 2012 when, that Committee, having considered a report (docketed as relative to the meeting of that Committee) dated 16 August 2012 by the Head of Housing and Social Work Resources summarising outstanding debtor accounts which were deemed uncollectable following attempts at recovery, had agreed (1) to note that the Executive Director of Finance and Customer Services in terms of his delegated powers, had written off debts under £250 amounting in total to £32,809.63 and £94,335.82 for Social Work Services and Housing Services, respectively, which were considered uncollectable; (2) that the write-off of a number of items over £250 to the value of £48,933.04 and £211,230.19 for Social Work Services and Housing Services, respectively, be approved, and (3) that the report be remitted to this Sub-Committee for consideration, the Sub-Committee considered the report.

Decided: that the terms of the report be approved.

**REMIT FROM LEARNING AND LEISURE SERVICES COMMITTEE OF 23 AUGUST 2012 –
ANNUAL SUNDRY DEBT WRITE-OFF FOR LEARNING AND LEISURE SERVICES**

14. With reference to paragraph 19 of the Minute of the meeting of the Learning and Leisure Services Committee held on 23 August 2012, when that Committee, having considered a report dated 25 July 2012 by the Head of Resources summarising outstanding debtor accounts relating to Learning and Leisure Services which were deemed uncollectable, had agreed (1) to note that the Executive Director of Finance and Customer Services, in terms of his delegated powers, had written off debts under £250 in value which amounted, in total, to £17,242.84; (2) that debts greater than £250 and which amounted to, in total, £14,062.21 be written off, and (3) that the report be referred to this Sub-Committee for consideration, the Sub-Committee considered the report.

Decided: that the terms of the report be approved.

**REMIT FROM CORPORATE SERVICES COMMITTEE OF 23 AUGUST 2012 – GENERAL
DEBTORS BAD DEBT WRITE-OFF FOR CORPORATE SERVICES 2011/2012**

15. With reference to paragraph 2 of the Minute of the meeting of the Corporate Services Committee held on 23 August 2012, when that Committee, having considered a report (docketed as relative to the meeting of that Committee) dated 9 August 2012 by the Executive Director of Corporate Services summarising debtor accounts relating to Corporate Services which were deemed uncollectable, had

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agreed (1) to note that the Executive Director of Finance and Customer Services, in terms of his delegated powers, had written off debts under £250 amounting in total to £381.91; (2) that debts greater than £250 to a total value of £370 be written off, and (3) that the report be remitted to this Sub-Committee for consideration, the Sub-Committee considered the report.

Decided: that the terms of the report be approved.

REMIT FROM ENVIRONMENTAL SERVICES COMMITTEE OF 14 AUGUST 2012 - GENERAL DEBTORS DEBT WRITE-OFF

16. With reference to paragraph 17 of the Minute of the meeting of the Environmental Services Committee held on 14 August 2012, when that Committee, having considered a report (docketed as relative to the meeting of that Committee) dated 14 August 2012 by the Executive Director of Environmental Services seeking approval to formally write off external debt, had agreed (1) to note that the Executive Director of Finance and Customer Services under delegated powers, had written off debts of £19,491.14; (2) that the write-off debt of over £250 to the value of £99,883.71 be approved, and (3) that the report be remitted to this Sub-Committee for consideration, the Sub-Committee considered the report.

Decided: that the terms of the report be approved.

PAYMENT OF LOCAL TAXATION AND BENEFIT UPDATE

17. With reference to paragraph 8 of the Minute of the meeting of this Sub-Committee held on 13 June 2012, there was submitted a report dated 6 August 2012 by the Head of Revenue Services (1) updating the Sub-Committee on the payment performance of Council Tax and Non-Domestic Rates and the administration of Housing/Council Tax Benefit up to the end of July 2012, together with comparable figures for the same period for the previous financial year and details of Council Tax collection levels since 1993/94; (2) indicating that the right time indicator which related to the average number of days taken to process new claims and changes for Council Tax and Housing Benefit was averaging 20.8 days for new claims and 6.8 days for a change of events, both of which exceed the national and Scottish average; (3) providing details of the benefits awarded as at 31 July 2012 together with details for the previous year, and (4) detailing the current position regarding the collection of outstanding debt for the Community Charge up to the end of July 2012.

Decided: that the terms of the report be noted.

PROCURING CHANGE - AMENDMENTS TO GENERAL CONTRACT STANDING ORDERS

18. **C** With reference to paragraph 5 of the Minute of the meeting of this Sub-Committee held on 21 May 2008, when new Contract Standing Orders were approved and adopted with effect from 1 June 2008, there was submitted a report (docketed) dated 16 August 2012 by the Head of Revenue Services (1) advising of proposed alterations to the Council's Contract Standing Orders as detailed in the Annexes to the report, and (2) indicating that a comprehensive review of the General Contract Standing Orders was being undertaken to further enhance governance and risk management arrangements and to encourage best practice in procurement arrangements with the outcome being reported to a future meeting of this Sub-Committee.

Decided:

- (1) that the amendments to the General Contract Standing Orders as detailed in the Annexes to the report, be approved and adopted, and
- (2) that the arrangements for a review of General Contract Standing Orders be noted.

WELFARE REFORM UPDATE

19. There was submitted a report (docketed) dated 14 August 2012 by the Head of Revenue Services summarising a number of changes being introduced by the Government as part of the Welfare Reform Programme following the introduction of Universal Credit (UC) and the anticipated impact on the Council (1) outlining the background to Universal Credit which was a new benefit that would be introduced to all new out of work benefit claimants from October 2013 replacing current means tested benefits and tax credits for working people aged 16 to 60 years; (2) advising that total payments would be capped at £500 per household per week and it was anticipated that this would affect 127 families in North Lanarkshire; (3) intimating that the Housing and Council Tax Benefit Service responsibilities would transfer to the DWP following the introduction of UC; (4) summarising the staffing provision and function for those involved in the provision of Housing and Council Tax Benefit Services; (5) indicating that the Council would require to administer the replacement for Council Tax Benefit, however, the number of staff required would be determined when the operational scope of the replacement scheme had been determined after which there would be a need to assess options available to staff as part of the workforce development planning including retraining, re-deployment, transfer to DWP and redundancy; (6) intimating that local authorities may be required to administer crisis loans and, if so, this would require a management system within the Council to operate the scheme, and (7) detailing the possible impact of the introduction of UC on the Council's First Stop Shops, Single Fraud Investigation Service, the Civica System, the administration subsidy and the Housing Rent Account.

Decided: that the terms of the report be noted.

CONSULTATION ON COUNCIL TAX CHARGES ON LONG TERM UNOCCUPIED HOMES

20. There was submitted a report (docketed) dated 29 August 2012 by the Head of Revenue Services seeking approval of the Council's response to the Scottish Government Consultation on the Introduction of an additional Council Tax charge on long term unoccupied homes (1) outlining the background to the consultation, and (2) enclosing in Appendix 1 to the report a proposed response to the consultation.

Decided: that the submission of the Council's response to the Scottish Government Consultation on Council Tax Charges on Long Term Unoccupied Homes as set out in Appendix 1 to the report be approved.

CHRISTMAS GIFT SCHEME 2012

21. There was submitted a report (docketed) dated 7 August 2012 by the Head of E-Government and Service Development (1) outlining the proposed arrangements for the operation of the Christmas Gift Scheme for 2012, as detailed within the report and Appendix 1 thereto, and (2) advising that all eligible applicants would be entitled to receive £15.

Decided: that the distribution proposals for the Christmas Gift Scheme 2012, as detailed within the report and Appendix 1 thereto, be approved.

CUSTOMER SERVICES UPDATE

22. There was submitted a report (docketed) dated 23 July 2012 by the Head of E-Government and Service Development (1) intimating that the current Customer Services Strategy which set the direction for the Council's Customer Services Service Provision runs from 2008 to 2012; (2) detailing a number of projects and initiatives which have been undertaken as part of the current Strategy; (3) advising that, to build on the success of the current strategy, a new strategy was being developed for 2013/17, however, given the planned public consultation on the Corporate and Community Plans it was considered that it would be more appropriate to carry out the Customer Services strategy consultation at a later date to ensure as high a response rate as possible; (4) proposing that public consultation be carried out in early 2013 and that the current Customer Services Strategy be extended till May 2013; (5) setting out details of the progress and work undertaken in respect of customer care standards, the Customer Contact Centre; First Stop Shops and the Municipal Bank, Blue Badges and the Channel Shift Programme, and (6) providing details of a number of key supporting initiatives, and (7) setting out, in Appendix A to the report, the Customer Contact Centre demand analysis for the period from 1 April to 30 June 2012.

Decided:

- (1) that the extension of the current Customer Services Strategy until May 2013 be approved, and
- (2) that the terms of the report be otherwise noted.

NATIONAL FRAUD INITIATIVE

23. There was submitted a report (docketed) dated 14 August 2012 by the Executive Director of Finance and Customer Services (1) outlining the background to and the role of the National Fraud Initiative; (2) setting out details of the mandatory and discretionary data sets which would be submitted as part of the National Fraud Initiative 2012, and (3) detailing proposals relative to the Council's participation in the National Fraud Initiative 2012/2013.

Decided:

- (1) that the Council's participation in the National Fraud Initiative 2012/2013 be supported, and
- (2) that the detailed proposals contained with the report be noted.

EXTENSION OF CONTRACT FOR THE PROVISION OF TELECOM NETWORKS, VOICE CALLS AND LINES AND INFRASTRUCTURE AND CONNECTIVITY

24. With reference to paragraph 17 of the Minute of the meeting of this Sub-Committee held on 1 September 2012 when it was noted that the most advantageous tender for the Telecom Networks, Voice Calls and Lines and Infrastructure and Connectivity contract was that by Virgin Media Business, Glasgow and had been accepted, there was submitted a report dated 8 August 2012 by the Head of E-Government and Service Development (1) seeking approval to extend the existing contract for the period of one year, and (2) intimating that Virgin Media was proposing to implement a change to its call and feature tariffs to reflect recent market changes which, if implemented by 1 October 2012, would result in an approximate saving to the Council of £58,100.

Decided:

- (1) that the extension of the existing contract for the provision of Telecom Networks, Voice Calls and Lines and Infrastructure and Connectivity for a period of one year be approved, and
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- (2) that it be noted that £58,100 of savings would be delivered as a result of proposed changes by Virgin Media to the call and feature tariffs reflecting market changes.

PROCUREMENT OF ENTERASYS TELECOMMUNICATIONS HARDWARE AND SOFTWARE

25. There was submitted a report (docketed) dated 7 August 2012 by the Head of E-Government and Service Development seeking approval to use a buying solutions framework agreement as the basis for competitive tendering for Enterasys Telecommunications Hardware and Software requirements at an estimated total annual value of £150,000.

Decided: that the use of the buying solutions framework agreement as the basis for competitive tendering for Enterasys Telecommunications Hardware and Software requirements be approved.

CONFERENCES

26. There was submitted a report (docketed) dated 31 August 2012 by the Head of Central Services on two invitations received in respect of attendance at conferences and seeking that consideration be given to these invitations.

Decided: that no attendance be authorised.