

Motherwell, 9 November 2004 at 2 pm.

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

PRESENT

Councillor Pentland, Convener; Councillor Burrows, Vice-Convener; Councillors Fagan, Gormill, Holloway, Jones, Lyle, McAuley, J. Martin, Morgan and G. Murray.

CHAIR

Councillor Pentland (Convener) presided.

IN ATTENDANCE

The Chief Committee Services Manager; Director of Finance; Head of Accounting Services; Head of Revenue Services; Head of Information Technology Services and Audit Manager, Finance Department.

APOLOGIES

Councillors Curley, McCabe, H. McGuigan, Maginnis, Morris and Smith.

STRUCTURE REVIEW : RISK AND INSURANCE SECTION, FINANCE DEPARTMENT

1. There was submitted a report (docketed) dated 26 October 2004 by the Director of Finance (1) detailing proposed changes to the structure of the Risk and Insurance Section of the Department of Finance to enable the recommendations of the Best Value Review to be implemented; (2) outlining within Section 5 of the report, proposals for the implementation of the changes, and (3) setting out the financial implications of the proposals.

Decided:

- (1) that the revised staffing structure set out in the report be approved, and
- (2) that the report be remitted to the Policy and Resources (Personnel) Sub-Committee for consideration.

REVENUE BUDGET MONITORING REPORT 2004/2005

(1) FINANCE DEPARTMENT

2. There was submitted a report dated 4 October 2004 by the Director of Finance comparing actual income and expenditure for the Finance Department against the estimates for the year to 17 September 2004, showing projected outturn variances and providing explanations for the major projected outturn variances.

Decided: that the terms of the report be noted.

(2) MISCELLANEOUS SERVICES

3. There was submitted a report dated 7 October 2004 by the Director of Finance comparing actual expenditure and income on Miscellaneous Services against the estimates for the year to 17 September 2004 and presenting a projected outturn for the year together with explanations on the most significant variances.

Decided: that the terms of the report be noted.

(3) COUNCIL SUMMARY

4. There was submitted a report dated 7 October 2004 by the Director of Finance setting out the overall position on both the General Fund Account and the Housing Revenue Account for the financial year to 17 September 2004 (1) consolidating the budget monitoring position of each department; (2) comparing projected outturn expenditure with the budget; (3) providing explanations of significant variances where applicable; (4) outlining the on-going position with regard to the shortfall in the Supporting People Grant, and (5) detailing the factors attributed to the projected deficit of £0.199m within the General Fund Account.

Decided:

- (1) that the on-going position with regard to the shortfall in Supporting People Grant be noted;
- (2) that with regard to the overall deficit projection of £0.199m, which is attributed to increased expenditure within the Housing and Property Services Department, the Housing and Technical Services Committee be requested to ensure that every effort is made to address this position and bring the expenditure back in line with the budget, and
- (3) that the contents of the report be otherwise noted.

COMPOSITE CAPITAL PROGRAMME 2004/2005 - MONITORING REPORT

5. There was submitted a report dated 11 October 2004 by the Director of Finance (1) summarising the financial performance of the Composite Capital Programme for 2004/2005; (2) providing an update on the movement of the resources/expenditure budgets; (3) summarising the financial performance of the programme and its commitments; (4) outlining the projected year end outturn position and the resultant variances, and (5) providing information on current expenditure up to and including 17 September 2004.

Decided: that the financial position of the Composite Capital Programme as at 17 September 2004, be noted.

FINANCE DEPARTMENT CAPITAL PROGRAMME 2004/2005 - MONITORING REPORT

6. There was submitted a report dated 11 October 2004 by the Director of Finance summarising the financial performance of the Finance Department Capital Programme for 2004/2005, including information on current expenditure up to and including 17 September 2004 and providing explanations for significant movements.

Decided: that the financial position of the Finance Department Capital Programme as at 17 September 2004 be noted.

TREASURY MANAGEMENT MONITORING REPORT

7. There was submitted a report (docketed) dated 13 October 2004 by the Director of Finance (1) advising of the overall borrowing position as at 30 September 2004, as shown in Appendix 1 to the report; (2) indicating that a debt restructuring exercise had been undertaken during the period from 1 July to 30 September 2004, as shown in Appendix 2 to the report; (3) outlining long term loans repaid during the same period with no additional long term borrowing undertaken, as detailed in Appendix 3 to the report; (4) setting out the short term borrowing transactions for the quarter ended 30 September 2004 as shown in Appendix 4 to the report; (5) detailing short term investment transactions for this period as shown in Appendix 5 to the report; (6) giving details of interest rate movements during this period, and (7) outlining the position of the prudential indicators as at 30 September 2004 as shown in Appendix 6 to the report.

Decided:

- (1) that the compliance of Treasury Activity with the approved Treasury Policy Statement and the positive steps being taken to reduce overall interest costs be noted, and
- (2) that the contents of the report be otherwise noted.

PERFORMANCE MONITORING REPORT - DEPARTMENT OF FINANCE

8. There was submitted a report dated 15 October 2004 by the Director of Finance advising of current performance against a selection of key performance indicators across the Finance Department for the period from 1 July to 30 September 2004, as detailed in Appendices 1-9 of the report.

Decided: that the terms of the report be noted.

COUNCIL TAX - PROGRESS REPORT

9. There was submitted and report dated 12 October 2004 by the Director of Finance (1) providing an update on Council Tax Collection performance during the period from 1 April to 30 September 2004 and comparing it with the same period for 2003, and (2) advising of a continued improvement in the recovery of Council Tax.

Decided: that the terms of the report be noted.

COUNCIL TAX DISCOUNT FOR UN-OCCUPIED DWELLINGS (SCOTLAND) REGULATIONS 2004

10. There was submitted a report (docketed) dated 27 October 2004 by the Director of Finance (1) advising that the Scottish Executive has issued a draft Statutory Instrument "The Council Tax (Discount for Unoccupied Dwellings) (Scotland) Regulations 2004"; (2) advising of the intention to introduce a power for local authorities to vary the level of discount granted for empty dwellings and/or second homes; (3) outlining the background to the draft Regulations, and (4) intimating that a policy regarding the application of the power to vary the amount of discount which the regulations will provide will require to be considered at a future meeting.

Decided:

- (1) that a further report regarding the policy development required, following the publication of the regulations, be submitted to a future meeting;

- (2) that the report be referred to the Housing and Technical Services Committee for information, and
- (3) that the contents of the report be otherwise noted.

INTERNAL AUDIT 2004/2005 - PROGRESS REPORT

11. There was submitted a report dated 11 October 2004 by the Audit Manager detailing the progress in the financial year to 30 September 2004 against the Internal Audit Plan for the year 2004/2005.

Decided: that the terms of the report be noted.

SPENDING REVIEW 2004

12. There was submitted a report (docketed) dated 11 October 2004 by the Director of Finance (1) advising that the Scottish Executive had published its Spending Review Plans, launched under the heading "Building a Better Scotland: Spending Proposals 2005/2008: Enterprise Opportunity, Fairness"; (2) outlining in the Spending Review Plan the total spending of the Scottish Executive, including the resources allocated to Local Government; (3) indicating that the AEF (Aggregate External Finance) figures for individual Councils for each of the three years 2005/2006 to 2007/2008 will be announced in December 2004, and (4) intimating that the Executive expects Councils to announce Council Tax levels for 2005/2006 and indicative levels for 2006/2007 and 2007/2008 in February 2005.

Decided:

- (1) that the progress made to date in compiling the Council's budget for 2005/06 be noted, and
- (2) that the contents of the report be otherwise noted.

PUBLIC/EMPLOYER'S LIABILITY CLAIMS - POSITION AS AT 30 SEPTEMBER 2004

13. There was submitted a report dated 12 October 2004 by the Director of Finance providing details of the status of insurance claims lodged against the authority during the period from 1 April 1996 to 30 September 2004, and summarising the position of the outstanding claims.

Decided: that the terms of the report be noted.

TENDER FOR PROVISION OF CONTRACT IT STAFF - CONTRACT EXTENSION

14. With reference to paragraph 23 of the Minute of the meeting of this Sub-Committee held on 9 September 2003, when it was agreed that the existing Framework Agreement for the provision of Contract Information Technology Staff be extended for a further twelve months until 30 November 2004, there was submitted a report dated 23 September by the Director of Finance proposing, for reasons detailed in the report, that this contract be extended for a further 12 months until 30 November 2005.

Decided: that the Director of Finance be authorised to extend the existing Framework Agreement for the provision of Contract Information Technology staff for a further twelve months until 30 November 2005.

CONFERENCES

15. There was submitted a report (docketed) dated 3 November 2004 by the Director of Administration advising that seven invitations had been received in respect of attendance at conferences, and seeking that consideration be given to these invitations.

Decided:

- (1) that the Council be represented at the undernoted conference:-

Conference	Venue	Date	Attendance
Prudential Code: An Introductory Workshop for Elected Members	Glasgow	29 November 2004	Councillor Burrows

and

- (2) that otherwise no attendance be authorised.

It was agreed in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, that the public be excluded from the meeting for the following item on the grounds that the business involved the likely disclosure of exempt information as defined in paragraph 8 of Part 1 of Schedule 7A of the Act.

TRADING OPERATIONS/PPP SUMMARY POSITION

16. There was submitted a report dated 6 October 2004 by the Director of Finance summarising the financial position of the Trading Accounts and expected return from the Council's Public Private Partnership for the period from 1 April to 17 September 2004.

Decided: that the contents of the report be noted.