

Motherwell, 6 September 2005 at 2 pm.

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

PRESENT

Councillor Pentland, Convener; Councillor Burrows, Vice-Convener; Councillors Curley, Gormill, Holloway, Homer, Jones, McAuley, Maginnis, J. Martin, Morgan and Murray.

CHAIR

Councillor Pentland (Convener) presided.

IN ATTENDANCE

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

APOLOGIES

Councillors Fagan, McCabe and Morris.

WELCOME

The Convener welcomed Graham Proudfoot, Procurement Manager, Finance Department to his first meeting of the Policy and Resources (Finance) Sub-Committee.

FINANCIAL PLAN 2005/2006 TO 2007/2008

1. There was submitted a report (docketed) dated 10 August 2005 by the Director of Finance (1) enclosing for approval, the Financial Plan for 2005/2006 to 2007/2008, incorporating the financial settlement details and budgets for those years included in the Spending Review 2004; (2) advising that, unlike previous years, this Council had made no decision on indicative Council Tax increases for 2006/07 and 2007/08 while awaiting the outcome of representations to the Executive on the level of grant funding, and (3) highlighting the key points contained within the Plan.

Decided: that the Financial Plan 2005/06 to 2007/08 be approved.

DEPARTMENTAL RACE EQUALITY PLAN

2. With reference to paragraph 4 of the Minute of the meeting of this Sub-Committee held on 31 May 2005, there was submitted a report dated 9 August 2005 by the Director of Finance providing details on the progress towards implementation of the Finance Department's revised Race Equality Action Plan.

Decided: that the contents of the report be noted.

REVENUE BUDGET MONITORING REPORTS 2005/2006

(1) FINANCE DEPARTMENT

3. There was submitted a report dated 16 August 2005 by the Director of Finance comparing actual income and expenditure for the Finance Department against the estimates for the year to 22 July 2005 and providing explanations for the major projected outturn variances.

Decided: that the terms of the report be noted.

(2) MISCELLANEOUS SERVICES

4. There was submitted a report dated 8 August 2005 by the Director of Finance comparing actual expenditure and income on Miscellaneous Services against the estimates for the year to 22 July 2005 and presenting a projected outturn for the year together with explanations of the most significant variances.

Decided: that the terms of the report be noted.

(3) COUNCIL SUMMARY

5. There was submitted a report dated 16 August 2005 by the Director of Finance setting out the overall position on both the General Fund Account and the Housing Revenue Account for the year to 22 July 2005, comparing projected outturn expenditure with budget, and providing explanations of significant variances where applicable.

Decided: that the terms of the report be noted.

TRADING OPERATIONS/PPP SUMMARY POSITION

6. There was submitted a report dated 10 August 2005 by the Director of Finance summarising the financial position of the trading accounts and the expected return from the Public Private Partnerships for the period from 1 April to 22 July 2005.

Decided: that the contents of the report be noted.

COMPOSITE CAPITAL PROGRAMME 2005/2006 - MONITORING REPORT

7. There was submitted a report dated 12 August 2005 by the Director of Finance (1) summarising the financial performance of the Composite Capital Programme for 2005/2006; (2) providing an update on the movement of the resources and expenditure budgets; (3) summarising the financial performance of the programme and its commitments; (4) outlining the projected year-end outturn position and resultant variances, and (5) giving information on the current expenditure up to and including 22 July 2005.

Decided:

- (1) that the financial position of the Composite Capital Programme as at 22 July 2005 be noted;
-
-

- (2) that it be noted that the issues within the 2005/2006 Composite Capital Programme as detailed in paragraph 4 of the report, would be addressed within the mid-year review;
- (3) that the current position with regard to the review of the 2005/2006 to 2007/2008 Composite Capital Programme be noted, and
- (4) that the contents of the report be otherwise noted.

FINANCE DEPARTMENT CAPITAL PROGRAMME 2005/2006 - MONITORING REPORT

8. There was submitted a report dated 11 August 2005 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 22 July 2005 and providing explanations of significant movements.

Decided:

- (1) that the budget realignments outlined in paragraph 4.1 of the report be approved, and
- (2) that the financial position of the Finance Department Capital Programme, as at 22 July 2005, be noted.

ANNUAL TREASURY MANAGEMENT ACTIVITY REPORT 2004/2005

9. There was submitted a report dated 27 July 2005 by the Director of Finance enclosing a copy of the Annual Treasury Management Activity Report for 2004/2005 and setting out the major Treasury Management issues addressed in initiatives undertaken by the Council during the year 2004/2005 in terms of the Treasury Policy Statement.

Decided: that the contents of the Annual Treasury Management Activity Report 2004/2005, be noted.

TREASURY MANAGEMENT MONITORING REPORT

10. There was submitted a report (docketed) dated 27 July 2005 by the Director of Finance (1) advising on the Council's overall borrowing position as at 30 June 2005, as detailed in Appendix 1 to the report; (2) detailing in Appendix 2 to the report, the long term borrowing and repayment transactions during 1 April to 30 June 2005; (3) outlining a breakdown of the new long term borrowing transactions and other long term repayments during the same period as shown in Appendix 3 to the report; (4) setting out short term borrowing and repayment transactions for the quarter ended 30 June 2005 as shown in Appendix 4 to the report; (5) providing a breakdown of the new short term investment transactions for the quarter ended 30 June 2005 as detailed in Appendix 5 to the report, and (6) intimating the position with regard to the prudential indicators for 2005/2006 as detailed in Appendix 6 to the report.

Decided:

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

ANNUAL ACCOUNTS 2004/2005 AND FINANCIAL OUTTURN POSITION

11. There was submitted a report dated 15 July 2005 by the Director of Finance (1) advising of the annual statutory accounts of the Council for the year ended 31 March 2005, submitted to the Controller of Audit by the due date of 30 June 2005; (2) summarising the significant features of the 2004/2005 accounts, and (3) highlighting the areas of movement from the initial budgeted positions.

Decided: that the contents of the report be noted.

DEPARTMENT OF FINANCE PERFORMANCE MONITORING REPORT - 1 APRIL TO 30 JUNE 2005

12. There was submitted a report dated 10 August 2005 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 April to 30 June 2005, as detailed in Appendices 1 to 8 of the report.

Decided: that the contents of the report be noted.

COUNCIL TAX PROGRESS REPORT

13. There was submitted a report dated 16 August 2005 by the Director of Finance (1) providing an update on the Council Tax collection performance during the period from 1 April to 31 July 2005 and comparing it with the same period last year; (2) advising that there has been a marginal decrease in collection compared to the same period last year, and (3) outlining ongoing initiatives undertaken by the Debt Recovery Team.

Decided: that the terms of the report be noted.

PROCURING CHANGE

(1) TELEPHONY SERVICES

14. With reference to paragraph 9 of the Minute of the meeting of this Sub-Committee held on 7 September 2004, there was submitted a report (docketed) dated 26 July 2005 by the Director of Finance (1) referring to the review of the current level of call charges within the BT contract as part of the review of the Council's spend for cash savings and efficiencies; (2) indicating that the virement of budgets in respect of the savings identified in paragraph 1.2 to the report would be required to fund the operation of the procurement project; (3) advising of the adoption of the *One Bill* facility which allows billing information to be provided electronically and the review of business processes; (4) seeking authority to enter into a competitive tendering exercise for all Data and Voice services as detailed in the report, and (5) proposing that no new contracts or extensions to existing contracts for Data or Voice be undertaken until the conclusion of the tendering exercise.

Decided:

- (1) that the savings obtained from the contract variation with BT be noted;
- (2) that the virement of budgets in respect of the savings identified in paragraph 1.2 of the report be approved;
- (3) that the adoption of "*One Bill*" facility and review of business processes be approved;

- (4) that the Director of Finance be authorised to enter into a competitive tendering exercise for all Data and Voice services detailed in the report;
- (5) that Departments should not enter into any new contracts or authorise any extensions to existing contracts for Data or Voice services until the conclusion of the competitive tendering exercise, and
- (6) that reports be submitted to future meetings of this Sub-Committee detailing progress and outcomes.

(2) PHOTOCOPIERS/PRINTING MANAGEMENT

15. With reference to paragraph 9 of the Minute of the meeting of this Sub-Committee held on 7 September 2004, there was submitted a report (docketed) dated 16 August 2005 by the Director of Finance (1) advising on the number of contract arrangements, separately and through the Authority's Buying Consortium (ABC) relating to the purchase/rental of printers/photocopiers/faxes and consumables; (2) seeking approval for the use of non-branded cartridges as outlined in section 4 of the report, and (3) agreeing to the virement of budgets reflecting the savings as detailed in paragraphs 3.6 and 4.4 of the report.

Decided:

- (1) that the use of non-branded cartridges as detailed in section 4 of the report be approved, and
- (2) that the virement of budgets reflecting the savings identified in paragraphs 3.6 and 4.4 of the report be approved.

TENDER REPORT: ICT SERVICE DELIVERY PARTNERSHIP

16. With reference to paragraph 18 of the Minute of the meeting of this Sub-Committee held on 31 May 2005, there was submitted a report (docketed) dated 24 August 2005 by the Director of Finance (1) advising on the outcome of the ICT Service Delivery tendering exercise; (2) outlining the background to this exercise, and (3) seeking approval of the recommendations contained within the report.

Decided:

- (1) that the Director of Finance be authorised to enter into an agreement with Steria Limited for modules 1-5 of the ICT Service Delivery Partnership contract;
- (2) that the Director of Finance be authorised to enter into an agreement with Cendris for module 6 of the ICT Service Delivery Partnership contract, and
- (3) that the Director of Finance be authorised to include the successful companies in each of the 5 Framework Agreements as listed in Appendix 1 to the report.

TENDER FOR THE SECURITY UPLIFT OF CASH IN TRANSIT

17. There was submitted a report (docketed) dated 23 August 2005 by the Director of Finance (1) advising that three tenders were received on behalf of the Council by the Authorities Buying Consortium for the Security Uplift of Cash/Cheques/Documentation from Area Offices, Laundromats, Leisure Centres and Schools for a period of three years commencing on 1 October 2005 with an option to extend the contract for an additional year at the discretion of the Council; (2) giving details of

three companies which had responded, and (3) proposing that Brinks Limited, be selected as the supplier for the Security Uplift of Cash in Transit.

Decided: that the offer by Brinks Limited in the sum of £194,893.19 per annum for the Security Uplift of Cash in Transit for a period of three years commencing on 1 October 2005 with an option to extend the contract for an additional year at the discretion of the Council be accepted.

APPOINTMENT OF RISK MANAGEMENT INSURANCE ADVISER/BROKER

18. There was submitted a report (docketed) dated 9 August 2005 by the Director of Finance (1) seeking approval of the appointment of a Risk Management Insurance Adviser/Broker; (2) outlining the process of this appointment, and (3) proposing that Aon Limited be appointed as Adviser/Broker from 1 October 2005 at a fee of £2,500 for the insurance tender process and a flat charge of £5,000 per annum plus £100 per hour beyond 50 hours usage by the Council.

Decided: that the appointment of Aon Limited as the Council's Risk Management Insurance Adviser/Broker on the terms and conditions detailed in the report be noted.

LEASING ADVICE TENDER: APPOINTMENT OF FINANCIAL ADVISORY CONSULTANTS

19. There was submitted a report (docketed) dated 27 July 2005 by the Director of Finance (1) seeking approval of a list of organisations, as detailed in paragraph 3.2 to the report, to be invited to tender for the provision of leasing advice to North Lanarkshire Council; (2) detailing the background to this exercise, and (3) outlining the proposals contained within the report.

Decided:

- (1) that the list of organisations highlighted in paragraph 3.2 of the report be invited to tender for the provision of leasing advice services to North Lanarkshire Council, and
- (2) that a further report be submitted to this Sub-Committee on completion of the tender exercise.

CONFERENCES

20. There was submitted a report (docketed) dated 18 August 2005 by the Director of Administration advising that five invitations had been received in respect of attendance at Conferences, and seeking that consideration be given to these invitations.

Decided:

- (1) that the following conference attendance be homologated:-

Conference	Venue	Date(s)	Attendance
IRRV Annual Scottish Exhibition and Conference 2005	Crieff	7 and 8 September 2005	Councillors Pentland and Burrows

and

- (2) that otherwise no attendance be authorised.