

**Motherwell, 5 September 2006 at 2 pm.**

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

**PRESENT**

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

**CHAIR**

Councillor Burrows (Vice-Convener) presided.

**IN ATTENDANCE**

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

**APOLOGIES**

Councillors Fagan, McCabe, H. McGuigan, Morgan, Pentland and Smith.

**CHAIR'S REMARKS**

**(1) WELCOME TO VISITORS**

The Vice-Convener welcomed a youth group from Warsaw who were on an exchange visit to North Lanarkshire.

He concluded by wishing the visitors a safe journey home.

**(2) RETIRAL**

The Vice-Convener also announced that this would be the last meeting of the Policy and Resources (Finance) Sub-Committee attended by Mike Gilmour, Head of IT who would soon be leaving the service of the Council and, on behalf of the Members, extended gratitude for his years of service and wished him well for the future.

**REMIT FROM COMMUNITY SERVICES COMMITTEE OF 30 AUGUST 2006 – STOCK ADJUSTMENTS FOR THE FINANCIAL YEAR 2005/2006**

1. With reference to paragraph 18 of the Minute of the meeting of the Community Services Committee held on 30 August 2006 when that Committee, having considered a report dated 15 August 2006 by the Director of Community Services advising of the proposed transport stock adjustment within the Community Services Department for materials and fuel for the financial year 2005/2006, had agreed (1) that the stock adjustments for material and fuel for the financial year 2005/2006 be approved, and (2) that a report be remitted to this Sub-Committee for consideration, the Sub-Committee considered the report.

**Decided:** that the terms of the report be approved.

**NATIONAL FRAUD INITIATIVE 2006/2007**

2. There was submitted a report dated 4 August 2006 by the Director of Finance (1) advising of North Lanarkshire Council's participation in the National Fraud Initiative (NFI) in Scotland in 2004/2005, and (2) detailing proposals relative to the Council's participation in the NFI 2006/2007.

**Decided:** that the Council's participation in the National Fraud Initiative (NFI) 2006/2007 be approved and the detailed proposals contained within the report be endorsed.

**DEPARTMENTAL RACE EQUALITY UPDATE**

3. With reference to paragraph 2 of the Minute of the meeting of this Sub-Committee held on 6 September 2005, there was submitted a report dated 7 August 2006 by the Director of Finance providing an update on the progress of the Finance Department's revised Race Equality Plan.

**Decided:** that the contents of the report be noted.

**REVENUE BUDGET MONITORING REPORTS 2006/2007**

**(1) FINANCE DEPARTMENT**

4. There was submitted a report dated 9 August 2006 by the Director of Finance comparing actual income and expenditure for the Finance Department against estimates for the year to 21 July 2006 and providing explanations for the major projected outturn variances.

**Decided:** that the contents of the report be noted.

**(2) MISCELLANEOUS SERVICES**

5. There was submitted a report dated 9 August 2006 by the Director of Finance comparing actual expenditure and income on Miscellaneous Services against the estimates for the year to 21 July 2006 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**

6. There was submitted a report dated 10 August 2006 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 21 July 2006, 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**

7. There was submitted a report dated 7 August 2006 by the Director of Finance summarising the financial position of the Trading Accounts and the expected return from Public Private Partnership for the period from 1 April to 21 July 2006.

**Decided:** that the terms of the report be noted.

**COMPOSITE CAPITAL PROGRAMME 2006/2007 – MONITORING REPORT**

8. There was submitted a report dated 9 August 2006 by the Director of Finance (1) providing an update on the movement in resources and expenditure budgets since the approval of the Composite Capital Programme 2006/2007; (2) summarising the financial performance of the Composite Capital Programme to date; (3) outlining the projected year end outturn position and resultant variances; (4) giving information on the current expenditure up to and including 21 July 2006; (5) identifying in section 5 of the report a number of potential risk areas, and (6) highlighting in paragraph 6 of the report the progress being made with the preparation of draft Capital Investment Plans 2008/2009 to 2010/2011.

**Decided:**

- (1) that the financial position of the Composite Capital Programme as at 21 July 2006 be noted;
- (2) that it be noted that the current issues within the 2006/2007 Composite Capital Programme as highlighted in Section 5 will be addressed through the mid-year review process described in Section 4 of the report;
- (3) that the position with regard to progress of the Capital Investment Plans 2008/2009 to 2010/2011 be noted, and
- (4) that the contents of the report be otherwise noted.

**FINANCE DEPARTMENT CAPITAL PROGRAMME 2006/2007 – MONITORING REPORT**

9. There was submitted a report dated 14 August 2006 by the Director of Finance giving an update on the current capital programme for the Finance Department and providing a summary of the financial performance of the Department as at 21 July 2006.

**Decided:** that the financial position of the Finance Department Capital Programme, as at 21 July 2006, be noted.

**ANNUAL TREASURY MANAGEMENT ACTIVITY REPORT 2005/2006**

10. There was submitted a report dated 31 July 2006 by the Director of Finance (1) advising of the Treasury Management Activity undertaken during 2005/2006 and the resulting impact on the Council's borrowing and investment strategy, and (2) detailing the Council's performance during the year in those mandatory Treasury Indicators which are set out in the Prudential Code for Capital Finance in Local Authorities.

**Decided:** that the contents of the Annual Treasury Management Activity Report 2005/2006, be noted.

**ANNUAL ACCOUNTS 2005/2006 AND FINANCIAL OUTTURN POSITION**

11. There was submitted a report dated 12 July 2006 by the Director of Finance (1) advising of the annual statutory accounts of the Council for the year ended 31 March 2006, submitted to the Controller of Audit by the due date of 30 June 2006; (2) summarising the significant features of the 2005/2006 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 2006**

12. There was submitted a report dated 18 August 2006 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 2006 as detailed in Appendices 1 to 7 of the report.

**Decided:** that the contents of the report be noted.

**FINANCE DEPARTMENT PERFORMANCE REPORT 2005/2006**

13. There was submitted a report dated 16 August 2006 by the Director of Finance setting out some of the major achievements of the Department of Finance during 2005/2006.

**Decided:** that the Finance Department Performance Report 2005/2006 be noted.

**COUNCIL TAX PROGRESS REPORT**

14. There was submitted a report dated 16 August 2006 by the Director of Finance (1) providing an update on the Council Tax collection performance during the period from 1 April to 31 July 2006 and comparing it with the same period last year; (2) advising that there has been a marginal increase 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.

**SCOTTISH EXECUTIVE SOCIAL RESEARCH PAPER – IMPROVING COUNCIL TAX RATES IN SCOTLAND**

15. There was submitted a report dated 25 August 2006 by the Director of Finance (1) advising of a study commissioned by the Scottish Executive into the factors accounting for the differences in Council Tax recovery mechanisms in Scotland compared to England and Wales, and (2) recommending best practice which would promote higher collection rates in Scotland as detailed in paragraph 3.8 of the report.

**Decided:** that the contents of the report be noted.

**REDETERMINATION OF COUNCIL TAX FOR RESIDENTS IN SHARED CARE ACCOMMODATION**

16. There was submitted a report dated 25 August 2006 by the Director of Finance (1) advising that the Scottish Executive, by means of a Statutory Instrument, is amending the Council Tax regulations to give relief to residents of some Care Homes which recently had their status altered by the Assessor, leaving them liable for Council Tax, which had not previously been the case; (2) that the cost of the Council Tax write-off up to 30 September 2006, the period prior to the new legislation, amounts to £30,817.44; (3) that this liability will be reimbursed by the Executive through the Revenue Support Grant, and (4) that the total amount paid to date towards the liability which is due to be refunded amounts to £28,799.65.

**Decided:**

- (1) that the proposal to write-off the £30,817.44 liability in respect of residents' Council Tax Liability be approved, and
- (2) that the refund of £28,799.65 paid to the affected residents be approved.

**FINANCE DEPARTMENT ADMINISTRATION SERVICES REVIEW**

17. There was submitted a report dated 29 August 2006 by the Director of Finance (1) advising of a review of the Administration Services provision within the Finance Department; (2) seeking approval to (a) delete the six posts from the Departmental establishment referred to in paragraph 5.1 of the report; (b) create five posts within the Administrative Services Team referred to in paragraph 5.1 of the report; (c) re-designate the nine posts within the Administrative Services Team referred to in paragraph 5.1 of the report; (d) create the two posts for Creditor Scanning referred to in paragraph 5.1 of the report, and (e) agree a revised management structure of posts referred to in Appendices 2, 3, 4, 5 and 6 of the report; (3) intimating that the proposals will result in an annual budgeted saving of £64,910, and (4) recommending that the report be remitted to the Policy and Resources (Personnel) Sub-Committee.

**Decided:**

- (1) that six posts be deleted from the departmental establishment referred to in paragraph 5.1;
- (2) that five posts be created within the Administrative Services Team referred to in paragraph 5.1;
- (3) that nine posts be redesignated within the Administrative Services Team referred to in paragraph 5.1;
- (4) that two posts be created for Creditors Scanning referred to in paragraph 5.1;
- (5) that the revised management structure of posts referred to in Appendices 2, 3, 4, 5 and 6, be approved, and
- (6) remit the report to the Policy and Resources (Personnel) Sub-Committee.

**CONFERENCES**

18. There was submitted a report (docketed) dated 17 August 2006 by the Director of Administration advising that six 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

<b>Conference</b>	<b>Venue</b>	<b>Date</b>	<b>Attendance</b>
IRRV Annual Scottish Conference	Crieff	6 and 7 September 2006	Councillor Burrows

and

- (2) that otherwise no attendance be authorised.