

**POLICY AND RESOURCES (FINANCE AND CUSTOMER SERVICES) SUB –
20 May 2015**

Motherwell, 20 May 2015 at 2 pm.

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

PRESENT

Councillor Burrows, Convener; Councillor Spowart, Vice-Convener; Councillors Baird, Clinch, Fagan, P. Hogg, Logue, Lyle, McAnulty, McCulloch, McKay, McNally, G. 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 E-Government and Service Development, Head of Financial Services and Head of Revenue Services.

APOLOGIES

Councillors Fellows, Jones, Lunny, McCabe and Stocks.

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

1. The meeting noted that there were no declarations of interest.

**REVENUE BUDGET MONITORING REPORTS 2014/15 - FINANCE AND CUSTOMER SERVICES
AND COUNCIL SUMMARY**

2. There were submitted reports dated 17 and 23 March 2015 by the Head of Financial Services (1) advising of, respectively, the expenditure for the financial year 2014/15 for Finance and Customer Services (including Miscellaneous Services) and the Council Summary, which included both the General Fund Account and the Housing Revenue Account; (2) providing a comparison of actual expenditure and income against the estimated expenditure and income for the period 1 April 2014 to 27 February 2015, together with explanations for the most significant variances; (3) projecting a year end surplus of £11.990m for the Council which was due to a number of factors, details of which were contained within the report, and (4) setting out, with regard to the Council Summary report, the consolidated budget monitoring position of all Services with additional information available within Appendix 1 to the report.

Decided: that the reports and consolidated budget monitoring position in relation to the Council Summary be noted.

**CAPITAL BUDGET MONITORING REPORTS 2014/15 - FINANCE AND CUSTOMER SERVICES
CAPITAL PROGRAMME AND COMPOSITE CAPITAL PROGRAMME**

3. There were submitted reports dated 13 March and 10 April 2015 by the Executive Director of Finance and Customer Services (1) advising of, respectively, the Finance and Customer Services Capital Programme and the Composite Capital Programme for 2014/15; (2) outlining the projected year end outturn position and resultant variances for both, and (3) providing a summary of the position of the Composite Services Capital Programme and the Housing Revenue Account Capital Programme as at 27 February 2015, within Appendix 1 to the report.

Decided: that the reports be noted.

PAYMENT OF LOCAL TAXATION AND BENEFIT UPDATE

4. With reference to paragraph 7 of the Minute of the meeting of this Sub-Committee held on 25 February 2015, there was submitted a report dated 1 May 2015 by the Head of Revenue Services (1) updating the Sub-Committee on payment performance of Council Tax and Non Domestic Rates and the administration of the Housing Benefit and Council Tax Benefit/Reduction Scheme for the period up to 31 March 2015; (2) indicating that, due to a change in the collection date for 2014/15, although it was not possible to accurately show a like for like comparison between the current year and the previous year collection rate, the year end collection rate for 2014/15 showed an increase of 0.2% compared to 2013/14; (3) stating that, from April 2014, changes to the payment date for Council Tax payments had led to a marked uptake in direct debit as a method of payment, an increase of 8,255 payees (13.25%) from the previous year; (4) indicating that performance against the indicators relating to the average number of days to process new claims and changes to Council Tax and Housing Benefit were averaging 24 days for new claims and nine days for a change of event; (5) intimating that, following guidance from the Scottish Government and the Department for Work and Pensions (DWP), the Council had re-assessed the Discretionary Housing Payments provided to affected households to ensure that all eligible applicants were awarded 100% where it related to a loss due to the Removal of Spare Room Subsidy (RSRS), also known as the Bedroom Tax; (6) outlining the background to the Council Tax Reduction Scheme which replaced Council Tax Benefit on 1 April 2013, together with a comparison of total award on a monthly basis from 2012/13 to 2014/15; (7) detailing the current position with regard to the collection of outstanding Community Charge for the period up to 31 March 2015, and (8) advising that the Scottish Government had introduced the Community Charge Debt (Scotland) Act 2015, which removed the liability to pay Community Charge debt and Community Water Charge debt, and had consequently committed to recompense local authorities with a fixed amount to mitigate against the loss of this income stream.

Decided: that the report be noted.

TREASURY MANAGEMENT MONITORING REPORT – 1 JANUARY TO 31 MARCH 2015

5. There was submitted a report dated 16 April 2015 by the Head of Financial Services (1) advising of the Council's net overall borrowing position as at 31 March 2015, as shown in Appendix 1 to the report; (2) providing information on debt restructuring, borrowing, short-term investments and interest rate movements during the period, and (3) outlining the position with regard to the Prudential Code for Capital Finance in Local Authorities, as detailed in Appendix 2 to the report, and indicating that the performance against Prudential Indicators remained in accordance with those previously approved by the Sub-Committee.

Decided: that the Treasury Management Activity for the period up to 31 March 2015, including the positive performance against key prudential indicators, be noted.

SCOTTISH WELFARE FUND 2014/2015

6. With reference to paragraph 10 of the Minute of the meeting of this Sub-Committee held on 25 February 2015, there was submitted a report dated 4 May 2015 by the Head of E-Government and Service Development (1) providing an update on the progress of the implementation of the Scottish Welfare Fund in its second year of operation, together with details of improvements to the Service; (2) outlining the background to the Scottish Welfare Fund which was introduced on 1 April 2013 as an interim two year scheme to delivery Community Care Grants and Crisis Grants; (3) stating that funding for the scheme remained unchanged from year one at £2,956,014 and would continue at that level during 2015/16; (4) informing that the number of applications to the Fund had risen significantly in the second year of operation, with the Council experiencing a 108% increase in applications for Crisis Grants, and a rise of 21% in applications for Community Care Grants; (5) indicating that during 2014/15 the Council made 22,071 decisions on applications to the Fund with 15,449 grants being awarded, amounting to a total spend of £3.43m with details of the monthly breakdown set out within Table 1 of the report; (6) detailing, within Table 2 of the report, the increased number of Crisis and Community Care Grant awards and refusals for each month of 2014/15; (7) advising that although the Scottish Public Service Ombudsman would take over responsibility for 2nd Tier Review Hearings from 1 April 2016, local authorities would remain responsible for 1st Tier Reviews as well as the administration and preparation of cases for the 2nd Tier Review; (8) setting out details of a number of Service improvements, which had been reflected in a recent follow-up audit of the Service which delivered an assessment of “substantial assurance” that appropriate controls were in place and risks were being managed, and (9) intimating that the permanent staffing structure for the Service was now in place and would better allow the Service to cope with the increased demand experienced since April 2014.

Decided: that the significant progress made in the delivery of the Scottish Welfare Fund be noted.

WELFARE REFORM: PROGRAMME ROLLOUT OF UNIVERSAL CREDIT

7. With reference to paragraph 11 of the Minute of the meeting of this Sub-Committee held on 25 February 2015, there was submitted a report dated 1 May 2015 by the Head of Revenue Services (1) providing an update on the introduction and rollout of Universal Credit in North Lanarkshire which had commenced on 9 March 2015, was initially implemented within specific pilot sites and for specific target claimant groups, with the eventual migration of all legacy benefits to Universal Credit planned for 2019; (2) setting out details of the arrangements in respect of the delivery of universal support; (3) intimating that the Department for Work and Pensions (DWP) had estimated that 5,780 eligible applicants would make a claim in the period to March 2016, and (4) providing details of the Delivery Partnership Agreement (DPA) that the DWP had with the Council and which detailed the service delivery obligations and expectations for both parties.

Decided: that the report be noted.

CUSTOMER SERVICES – YEAR END UPDATE 2014/2015

8. There was submitted a report dated 4 May 2015 by the Head of E-Government and Service Development (1) referring to the Customer Services provision through the primary customer contact channels; (2) intimating that telephone enquiries continued to be the most popular channel for requesting a service from the Council and, for the period from 1 April 2014 to 31 March 2015 there were 553,074 incoming calls, 167,858 outgoing calls and 88,664 on-line requests for service; (3) indicating that during that period there were 960,311 visits to the First Stop Shops and Municipal Bank with an average waiting time of three minutes and fifty five seconds; (4) detailing the breakdown of demand usage and statistics in respect of the Customer Contact Centre, First Stop Shops, Blue

Badges, Scottish Welfare Fund, the Council website and Looking Local; (5) providing a breakdown of key statistics for all primary customer contact channels for the period from 1 April 2014 to 31 March 2015, together with a comparison with the previous five years, and (6) giving an update on a number of key supporting initiatives, including Automatic Call Distribution, First Stop Shop Improvement Programme, National Services Scotland, Enterprise Information Management, Mygovscot, Quality of Customer and Property Data and a Customer Portal.

Decided: that the report be noted.

Prior to the following item of business, Councillor Burrows left the meeting and Councillor Spowart, Vice-Convener, assumed the Chair.

UPDATE ON IMPLEMENTATION OF ICT STRATEGY - ICT TRANSFORMATION PROGRAMME

9. With reference to paragraph 14 of the Minute of the meeting of this Sub-Committee held on 25 February 2015, there was submitted a report dated 4 May 2015 by the Head of E-Government and Service Development (1) providing details of the key developments and milestones in respect of Network Redesign, Flexible and Mobile Working and High Schools Bandwidth Upgrade; (2) advising that, in line with agreed governance procedures another three projects had been approved to proceed, and (3) setting out details of the three additional projects, School Service Desk Phase 2, PaperLite, and Biztalk.

Decided: that the report be noted.

COLLABORATIVE CONTRACT FOR PAYMENT PROCESSING SERVICES AND PAYMENT CARD PRODUCTION

10. With reference to paragraph 20 of the Minute of the meeting of this Sub-Committee held on 22 February 2012, there was submitted a report dated 1 May 2015 by the Head of Revenue Services (1) advising of the Council's decision to participate in a collaborative contract for payment processing services and payment card production; (2) informing that the current collaborative contract, led by Renfrewshire Council, and awarded to AllPay, terminated on 31 May 2015; (3) intimating that, in accordance with the delegated authority given to the Executive Director of Corporate Services, and following consultation with the Convener, participation in the collaborative contract, led by Comhairle nan Eilean Siar, and awarded on behalf of the participating Councils to PSC Limited was agreed; (4) indicating that the contract was for a period of three years, with the option to extend for a period of one year, and (5) detailing the terms of the contract award.

Decided: that the decision taken by the Executive Director of Corporate Services, following consultation with the Convener, to participate in the collaborative contract for payment processing services and payment card production, be noted.

PROVISION OF TELECOM NETWORKS, VOICE CALLS AND LINES AND INFRASTRUCTURE AND CONNECTIVITY

11. With reference to paragraph 15 of the Minute of the meeting of this Sub-Committee held on 26 November 2014 when approval was given to proceed to a mini competition for the Provision of Fixed Telephony Lines and Minutes via the Scottish Government Fixed Telephony Services Framework Contract, there was submitted a report dated 27 February 2015 by the Head of E-Government and Service Development (1) advising of the award of the contract for the Provision of Fixed Lines and Minutes to Virgin Media Business for the period of three years, commencing on

1 July 2015, with an option to extend for a period of one year until 30 June 2019; (2) intimating that, after checking and evaluation on the basis of 60% price and 40% quality, the tender submitted by Virgin Media Business had been the most economically advantageous, and (3) informing that the Executive Director of Corporate Services had progressed the matter in terms of her delegated powers.

Decided: that the action taken by the Executive Director of Corporate Services, following consultation with the Convener of the Policy and Resources (Finance and Customer Services) Sub-Committee, to award the contract for the Provision of Fixed Telephony Lines and Minutes to Virgin Media Business for an initial period of three years, be noted.

PROCUREMENT OF SECURITY INFORMATION EVENT MANAGEMENT SYSTEM

12. There was submitted a report dated 20 February 2015 by Head of E-Government and Service Development (1) intimating that as part of the Council's response to maintaining its compliance with PSN, a commitment was given that a Security Information Event Management (SIEM) system would be implemented to log and monitor ICT security incidents, threats and events; (2) setting out in the report, the outcome of an evaluation process which had been undertaken; (3) indicating that, after checking and evaluation, the most economically advantageous solution was that submitted by Dell with their system Secureworks, in the sum of £297,649.26, and (4) advising that the Executive Director of Corporate Services had, following consultation with the Convener, progressed this matter in terms of her delegated powers.

Decided: that the action taken by the Executive Director of Corporate Services, following consultation with the Convener, to award the contract for the Provision of a Security Information Event Management system to Dell, be noted.

TENDER FOR COUNCIL INSURANCE PROGRAMME (EXCLUDING COMBINED LIABILITY) 2016

13. With reference to paragraph 16 of the Minute of the meeting of this Sub-Committee held on 25 February 2015, there was submitted a report dated 1 May 2015 by the Head of Revenue Services (1) indicating that the current insurance policies held by the Council were on a five year long term agreement basis, and were due to expire on 31 March 2016; (2) seeking approval to undertake a tendering exercise for the Council's insurance policies, excluding combined liability; (3) advising that with a view to improving the management of the contract and assist the Council operationally, it was proposed that the contract be for a period of 5.5 years (66 months), and (4) intimating that, based on the current annual premium, the estimated minimum contract value would be approximately £9.6 m for the 5.5 year agreement, and as that sum exceeded the financial threshold stipulated in the EU Public Sector Procurement Directive, the procurement would be subject to an EU compliant procurement process.

Decided: that a competitive tendering exercise be undertaken for the Council's insurance policies (excluding combined liability).

CONTRACTS ACCEPTED UNDER FINANCIAL LIMITS – 26 FEBRUARY TO 12 MAY 2015

14. There was submitted a report dated 12 May 2015 by the Head of Democratic and Legal Services intimating that the two contracts highlighted within Appendix 1 to the report had been accepted by the Executive Director of Corporate Services in accordance with Contract Standing Orders for the period from 26 February to 12 May 2015.

Decided: that the contracts accepted by the Executive Director of Corporate Services in the reported period from 26 February to 12 May 2015 be noted.
