

**DUNDEE CITY REGION STRATEGIC DEVELOPMENT PLANNING AUTHORITY
INTERIM JOINT COMMITTEE MEETING
19 AUGUST 2008**

**REPORT ON: THE PROJECT PLAN AND ORGANISATIONAL STRUCTURE FOR
THE STRATEGIC DEVELOPMENT PLANNING AUTHORITY**

REPORT BY: INTERIM STRATEGIC DEVELOPMENT PLAN MANAGER

REPORT NO: 02-2008

1 PURPOSE OF REPORT

1.1 To advise the Committee of the proposed Project Plan and Organisational Structure for the Strategic Development Planning Authority.

2 RECOMMENDATION

2.1 It is recommended that the Interim Joint Committee:

- agree that a dedicated team of Project Director, Senior Planner and Project Support Officer be established to support the SDPA and manage SDP preparation;
- agree that further work is undertaken to establish the additional staff support required from within each constituent authority to deliver the Strategic Development Plan, including an estimate of the budget required;
- agree that the option of co-locating the team with Scottish Enterprise in Dundee should be explored and a detailed proposal reported to the Joint Committee;
- agree the draft project plan as the basis for the SDP work, subject to periodic review;
- note the costs of delivering the first SDP will be significant and invites councils to consider the implications and confirm that the required resources will be made available; and
- refer the above matters to each constituent authority for ratification.

3 BACKGROUND

3.1 The Interim Joint Committee of the Strategic Development Planning Authority for the Dundee City Region at its meeting on the 26th March 2008 agreed to the appointment of consultants to assist in the delivery of the Project Plan and related documents. It was also agreed that the project be managed through a Prince 2 environment.

3.2 Given the challenging timescales set out by the Scottish Government for the production of the Strategic Development Plan the Officer Steering Group agreed to appoint consultants on a short term contract to assist in the delivery of the Project Plan and the setting up of the new organisational structure.

4 ORGANISATIONAL STRUCTURE AND PROJECT PLAN

- 4.1 The finalised consultants reports have now been received and been reviewed by the Officer Steering Group of the four authorities. The work contained in these reports presents a considerable step forward in the establishment of the Strategic Development Plan Authority and towards the project planning arrangements for the delivery of the first Strategic Development Plan. Whilst the Officer Steering Group largely endorses the findings of both reports, there are a number of key areas where decisions are required by the Strategic Development Plan Authority and the four constituent member authorities. Set out below are the key findings of the joint reports.

5 PROJECT PLAN

- 5.1 Mindful of the fact that the requirements of the Planning etc (Scotland) Act 2006 to ensure that Strategic Development Plans are updated within a five year rolling programme, the consultants were asked to consider the entire Strategic Development Plan cycle from inception through Plan preparation to monitoring of the adopted Plan. By taking the full Strategic Development Plan cycle, this has allowed a more complete picture to be identified of the long-term resource requirements. The detailed Project Plan prepared has identified all of the key stages in the Plan preparation, the timescale for these and the resources required to deliver the individual elements. In common with the findings of most other local authorities, the consultants have found that the Scottish Government's rather optimistic proposed target date for the submission of the first Strategic Development Plan is unrealistic. Overall, the consultants found that from the commencement of work on the Strategic Development Plan to the submission of the proposed Plan to Scottish Ministers would take approximately 3 years 1 month. The Officer Steering Group found that both the proposed timetable and the estimate of required resources was a reasonable interpretation of the legislative requirements and the resources required for delivery.
- 5.2 Over the five year life of the project, the consultants estimated that an equivalent of 23 person years will be required to deliver the Strategic Development Plan. These figures do not include support services such as Management, Project Support, Committee Administration, Finance and Legal. It is also clear from the Project Plan that the resource requirements vary from year to year dependent upon the stages in Plan preparation with a particularly heavy workload in the initial years. It is particularly during these peak periods that additional resources will require to be brought in from the constituent authorities to supplement the core team.
- 5.3 The workload in the preparation of the Strategic Development Plan will vary from year to year. Whilst the consultants findings indicate that the bulk of the work should be carried out by a core team, this will require to be supplemented by additional resources from within the teams of the four constituent authorities. This will require the four authorities to commit to the provision of these resources at the appropriate time that the very exacting timetable can be met.

6 STAFF RESOURCES

- 6.1 It is estimated that the preparation of one complete cycle of the plan process (5 years) will require approximately 23 person years. The Scottish Government also expects the next cycle of plan preparation to commenced by year four of the cycle

and with the process being front loaded in terms of resource requirements it may be assumed that approximately 30 person years are required within any 5 year period.

6.2 The consultants considered three options for the delivery of the Plan:

- Externalising the whole project to a consultancy;
- Developing a virtual team;
- The establishment of a core team.

6.3 The option of externalising the project was discounted as having practical difficulties but also as it was considered to be the most expensive option. The option of a virtual team on the surface appeared to be the least expensive in direct costs however there were significant hidden costs to the individual Councils in supporting the virtual team members and this may significantly impact on the work of these Councils. It was also considered that the lack of direct control over the team may endanger the delivery of the plan as competing priorities from the base authority draw away resources perhaps at critical stages of the plan process.

6.4 The clear recommendation from the consultants' work was that the preferred option was the creation of a dedicated core team and that this was essential to the efficient and timely delivery of the plan. This accords with the Scottish Government's guidance. The establishment of a core team was presented as having the following benefits:

- The requirements for the quality and quantity of technical expertise the SDP requires would be met;
- The burden on the Councils is eased;
- The SDP is given cache and profile through the employment of quality staff and management;
- The commitment of the Councils is apparent to the Scottish Government and key stakeholders; and
- The Councils, through the team, can develop a single door approach for strategic planning while the team has the opportunity to develop other responsibilities in the longer term as confidence in its delivery capability grows.

6.5 Informed by the consultant's findings, it is considered that the following dedicated team/resource structure be approved. The costs shown are estimates, subject to further refinement. Secondments to supplement this core team would also be needed depending on project stage.

Recommended Dedicated Core Team

	Cost (£K)
Project Director	55
Senior Planner	35
Project Support Officer	25
Total Annual Cost pa	£115K
Plus overhead @ 60%	£184K
Annual Cost per Council	£46K
5yr cost per Council@ 3%pa inflation	£244K

- 6.6 To deliver the Plan this core team will need to be supplemented by secondments from the constituent authorities depending on the skills required and the stage of the plan process. This will add additional costs to those projected for the dedicated team set out above. This may be up to 4.5 persons at anyone time. However, further work requires to be undertaken to establish the actual staff resource required and the potential costs of this resource.

7 ACCOMMODATION

- 7.1 The consultants considered the accommodation needs of the core team and evaluated, against a range of criteria, three potential locations:
- Tayside House, Dundee City Council Offices in Dundee
 - Enterprise House, Scottish Enterprise Offices in Dundee
 - Bordeaux House, TACTRAN Offices in Perth
- 7.2 The option of locating in Tayside House was taken out of consideration due to the potential difficulties associated with the SDPA being located within one particular Council. In assessing the other two options the consultant, whilst acknowledging that it was a difficult choice, concluded that the preferred option should be to co-locate with Scottish Enterprise in Enterprise House, Dundee. He considered that the space offered in Dundee was of a significantly higher quality and taken together with its central location there were particularly strong arguments in favour of Enterprise House option.

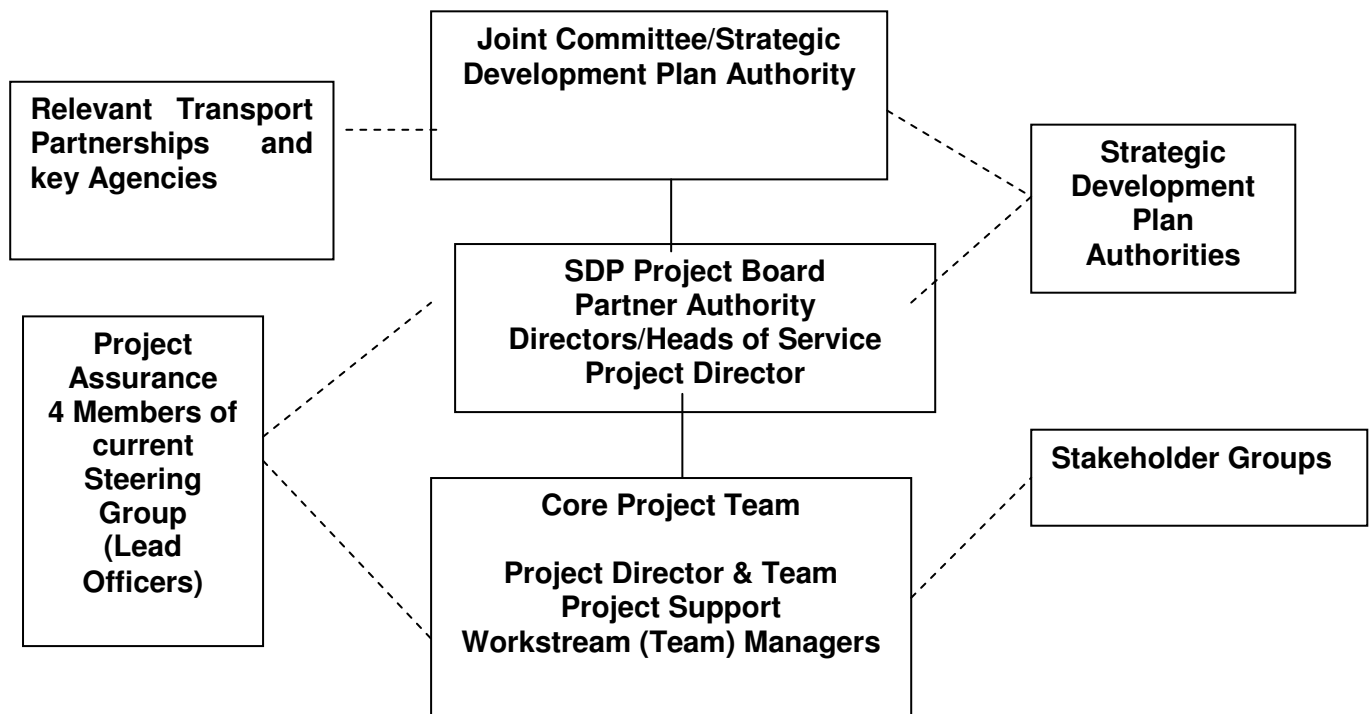
8 BUDGET

- 8.1 As has been highlighted above in Section 6, the establishment of a core team has significant financial costs currently estimated at £244,000 per annum at 2008 costs. Whilst the core staff and ancillary costs represent the majority of the Strategic Development Plan authority costs, there are other potential costs which will be required to be built into the projected budget. These costs will include:
- Seconded Staff
 - Consultancy work
 - Printing and production costs
 - IT systems
 - Research and information
 - Share of Examination in Public Costs
- 8.2 Recognising that start-up costs will be higher where a new dedicated team is being set up, the SG has indicated that £120,000 will be available conditional on committing to a dedicated team. This offer of grant aid in for 2008-9 and whilst covering set up costs does not cover the running costs of the core team for future years
- 8.3 Clearly detailed budgeted projections will require to be drawn up for all of these areas. Detailed work will be required to be done to provide reliable and robust budget estimates for these additional costs. These will be presented to a future meeting of the Joint Committee

9 PROJECT ORGANISATION AND STRUCTURE

- 9.1 The recommended organisational structure of the SDPA is set out in Appendix 1. The consultants have recommended that SDP board should comprise the four councils' Directors/Heads of Service while the proposed project assurance role should be carried by the lead officer steering group members representing the four Councils
- 9.2 The Statutory Guidance also sets out provision for non voting members to be appointed to the Joint Committee in an advisory role. The consultants have recommended that the consideration should be given to co-opting senior representatives from the regional transport partnerships and key agencies onto the SDPA as no-voting technical members. As initial meetings of the Joint Committee will be focusing on organisational arrangements, the appointment of non voting members is not a priority and will be the subject of a future report.

Figure 1 Governance Structure



10 CONCLUSIONS

- 10.1 Significant progress has been made in the past months and although much work remains to be done the proposals contained within this report set out a robust framework for the delivery of the organisational arrangements for the Strategic Development Plan Authority. It is now critical that the recommendations put forward in this report are implemented as soon as possible. Any delays are likely to impact

upon the ability of the SDPA to meet the statutory deadlines for the submission of the SDP.

11 CONSULTATIONS

- 11.1 The Director of Infrastructure Services, Angus Council, The Director of Planning and Transportation, Dundee City Council, The Head of Development Services, Fife Council and The Executive Director of the Environment Service, Perth & Kinross Council have been consulted and are in agreement with the contents of this report.

12 BACKGROUND PAPERS

- 12.1 Report by Brian Farrell, Management and Policy Consultant, Dundee City Region Strategic Development Plan: Organisational Options.
- 12.2 Report by Alvin Gardiner of PRo2 Prince 2, Development of a Project Initiation Document for the Dundee City Region Strategic Development Plan
- 12.3 Minute of Meeting of Dundee City Region Strategic Development Plan Interim Joint Committee of 26th March 2008.

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