

**DUNDEE, PERTH, ANGUS AND NORTH FIFE
STRATEGIC DEVELOPMENT JOINT COMMITTEE PLANNING AUTHORITY**

TUESDAY, 23RD NOVEMBER, 2010 AT 11.00 AM

**THE CONFERENCE ROOM, ENTERPRISE HOUSE
3 GREENMARKET, DUNDEE**

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which might be perceived as influencing your opinion/vote on any matter.

AGENDA OF BUSINESS

1 APOLOGIES

2 MINUTE OF MEETING OF 31ST AUGUST, 2010

(Copy enclosed).

3 APPOINTMENT OF CONVENER AND VICE CONVENER

In terms of paragraph eleven of the Minute of Agreement, the Convenership and Vice-Convenership shall rotate annually from amongst its members alphabetically and by calendar year.

The Joint Committee is therefore invited to appoint a Convener from Fife Council and a Vice-Convener from Perth and Kinross Council, with effect from 1st January, 2011.

4 STRATEGIC DEVELOPMENT PLAN AUTHORITY PROJECT PLAN UPDATE

(Report No SDPA10-2010 by the Strategic Development Plan Authority Manager enclosed).

5 STRATEGIC DEVELOPMENT PLAN AUTHORITY - UPDATE AND THREE YEAR PROPOSED BUDGET

(Report No SDPA11-2010 by the Strategic Development Plan Authority Manager enclosed).

6 DATES OF FUTURE MEETINGS

Wednesday, 16th February, 2011
Tuesday, 24th May, 2011
Tuesday, 30th August, 2011
Tuesday, 25th October, 2011

All meetings will take place at the Tayplan Offices, 3 Greenmarket, Dundee and commence at 10.00 am.

At a MEETING of the **DUNDEE, PERTH, ANGUS AND NORTH FIFE STRATEGIC DEVELOPMENT PLANNING AUTHORITY JOINT COMMITTEE** held at Dundee on 31st August, 2010.

Present:-

Angus Council

Councillor Ian GAUL

Dundee City Council

Councillor Will DAWSON
Councillor David BOWES

Fife Council

Councillor John BEARE
Councillor Donald LOTHIAN

Perth and Kinross Council

Councillor Alan JACK
Councillor John KELLAS
Councillor Ann GAUNT

Councillor Will DAWSON, in the Chair.

I APOLOGIES

Apologies were intimated from Bailie Rod Wallace and Councillors Bob Myles, David May and Tony Martin.

II MINUTE OF MEETING OF 16TH FEBRUARY, 2010

The minute of the above meeting was submitted and approved.

III PRESENTATION - TAYplan MAIN ISSUES REPORT - CONSULTATION APRIL TO JULY 2010

The Strategic Development Planning Authority Manager gave a brief presentation on consultation carried out over the period April to July 2010 on the TAYplan Main Issues Report, covering:-

- the Consultation Events
- Responder Profiles
- Responses to the Main Issues Report
- Equalities and Human Rights Impact Assessment Responses

IV TAYplan MAIN ISSUES REPORT - CONSULTATION RESPONSES

There was submitted Report No SDPA06-2010 by the Strategic Development Plan Authority Manager providing the Joint Committee with an overview of the response to the consultation on the Main Issues Report of the Strategic Development Plan.

The Joint Committee agreed to note the overview of responses to the Main Issues Report consultation.

V STRATEGIC DEVELOPMENT PLAN AUTHORITY BUDGET UPDATE

There was submitted Report No SDPA07-2010 by the Strategic Development Plan Authority Manager providing an update for the Joint Committee on the Strategic Development Plan Authority budget for year ending 2009/10, and the current budget year projections.

The Joint Committee agreed to:-

- (a) note the 2009/10 draft Statement of Accounts as set out in Appendix One to the report;
- (b) note the 2009/10 draft Management Accounts as set out in Appendix Two to the report; and
- (c) note the projected budget for 2010/11, as set out in Appendix Three to the report.

VI STRATEGIC DEVELOPMENT PLAN AUTHORITY PROJECT PLAN UPDATE

There was submitted Report No SDPA08-2010 by the Strategic Development Planning Authority Manager updating the Joint Committee on the progress of the preparation of the TAYplan Strategic Development Plan.

The Joint Committee noted that the Strategic Development Plan was being delivered in line with the approved Project Plan timescales.

VII SESplan MAIN ISSUES REPORT - CONSULTATION RESPONSE

There was submitted Report No SDPA09-2010 by the Strategic Development Authority Manager seeking authorisation to submit comments to SESplan Strategic Development Planning Authority (SDPA) as TAYplan's response to their Main Issues Report.

The Joint Committee agreed to approve Appendix One to the report as TAYplan's response to SESplan's Main Issues Report consultation.

VIII CLIMATE CHANGE

Alex Hill, the Met Office's Chief Advisor to the Government in Scotland and Northern Ireland, gave a presentation on climate change covering public perception, the possible effects of climate change, and possible mitigation and adaptation measures.

Thereafter he answered questions from members of the Joint Committee and was thanked for a very interesting presentation.

IX DATE OF NEXT MEETING

It was noted that the next meeting would take place on Tuesday, 23rd November, 2010 at 11.00 am in the Conference Room, Enterprise House, 3 Greenmarket, Dundee.

REPORT TO: DUNDEE, PERTH, ANGUS AND NORTH FIFE
STRATEGIC DEVELOPMENT PLANNING AUTHORITY
JOINT COMMITTEE MEETING ON 23rd NOVEMBER 2010

REPORT ON: STRATEGIC DEVELOPMENT PLAN AUTHORITY: UPDATE AND 3 YEAR
PROPOSED BUDGET

REPORT BY: PAMELA EWEN, STRATEGIC DEVELOPMENT PLAN AUTHORITY
MANAGER

REPORT NO: SDPA11-2010

1 PURPOSE OF REPORT

- 1.1 This report provides information on the audited accounts for the last financial year. In addition, an update for the Joint Committee on the Strategic Development Plan Authority (SDPA) budget for year ending 31st March 2010 and a proposed 3 year budget to the period 31st March 2014 is set out.

2 RECOMMENDATION

- 2.1 It is recommended that The Joint Committee:
- a) Note the audited accounts for year ending 31st March 2010 as set out in Appendix One;
 - b) Report to Members and the Controller of Audit on the 2009/10 Audit as set out in Appendix Two;
 - c) Note the current budget projections for current year ending 31st March 2011 as set out in Appendix Three;
 - d) Approve the 3 year budget to 31st March 2014 as set out Appendix Three; and,
 - e) Approve the reserve balance (projected £156,500) be carried over in full into the next financial year (2011/12).

3 FINANCIAL IMPLICATIONS

- 3.1 The financial implications are set out within the main body of this report.

4 BUDGET UPDATE

Audited accounts for year ending 31st March 2010

- 4.1 The unaudited accounts for the previous financial year were reported to the last Joint Committee in August 2010 (Report 07/2010: SDPA Budget Update). The accounts have now been audited (see Appendix One to this report).
- 4.2 The Report to members details one action in respect of Financial planning which states 'TAYplan will not be immune from the financial pressures upon its constituent councils. It will need robust information about activity, costs and performance to identify ways of more effectively delivering services with decreasing levels of income. *Risk: TAYplan is unable to meet expenditure commitments from available income.*' This committee report sets out a review of the SDPA budget and this will continue to be monitored through The Joint Committee quarterly. The project risk plan already identifies this risk.

Budget update for current year ending 31st March 2011

- 4.3 An update from the quarterly report to the previous Committee (Report 07/2010: SDPA Budget Update) is set out in Appendix Three to this report. The projected budget is £232,300 (including research contributions/income) against a base budget of £284,450. Some additional savings are projected in this financial year of £52,000. The projected reserve balance is £156,500 which would be carried over to 2011/12.
- 4.4 Efficiencies savings of 18% have been made within this years budget, achieved largely through partnership funding for transport research (TACTRAN and Transport Scotland), together with an overall reduction in external research costs through work being delivered internally. In addition, savings have been made within the staff training and travel costs budgets. These savings are taken forward into the next financial year.

Proposed 3 year budget to 31st March 2014

Context

- 4.5 At the Joint Committee in August 2009 a revised project plan was agreed (Report 12-2009: SDPA Project Plan Update) with the approval of the first Strategic Development Plan anticipated by January 2013.
- 4.6 The budget projections are based on delivering the project plan and commencing the 2nd Strategic Development Plan in early 2013 with some research, hence the differential external consultancy projections. These projections have been considered within the wider context of continuous and increasing pressure on local authority budgets.

Proposed Budget

- 4.7 The projected budget for this current financial year is £232,300. For the following three years it is:
- | | |
|---------|----------|
| 2011/12 | £233,600 |
| 2012/13 | £302,300 |
| 2013/14 | £247,000 |

- 4.8 Appendix Three provides the detailed breakdown of the three year projections. Over the period to 31st March 2014 there are a number of costs which are proposed to remain largely unchanged, for example office rent. The known differential costs relate to external consultancy, legal fees, advertising and the examination process. The later being the most significant with a projected cost of £110,000, 50% of which requires to be covered by TAYplan SDPA. To date there has not been an examination of a Strategic Development Plan and as such the projected cost is based on assumptions which have been discussed with the Reporters Unit.

Justification

- 4.9 Within the context of wider budget pressures, these three year projections are presented as the most realistic. Savings have been built within each year taking account of the stage the project will be at. The research through external consultancy has been reduced from the current budget year base of £50,000 to £15,000 over the next 2 years and then £30,000 to commence the 2nd Strategic Development Plan. If external research requirements exceed this budget financial contributions will be sought from the constituent Councils and other funding sources, where appropriate.
- 4.10 At the meeting of the Joint Committee in November 2008 (Report 06/2008: Proposed Staffing and Draft Budget for SDPA) it was agreed that an annual budget of £60,000 per authority to the SDPA be recommended to partner authorities for approval. This was subsequently agreed to by the constituent Councils.

- 4.11 The annual agreed income is £240,000 and this is required in full to March 2014 to deliver the project plan and meet the statutory requirements as agreed. The detailed projections in Appendix Three highlight that in some years the costs of the TAYplan SDPA exceed the annual agreed income. This will be monitored as we progress through the first Plan and have actual costs on which to project more accurately in future years. The three year projections have a projected reserve balance at March 2014 of £97,200. The reserve balance is considered below in more detail.
- 4.12 The report to The Joint Committee in November 2009 (Report 14/2009: SDPA Budget Update and 3 Year Proposed Budget) highlighted a future budget pressure of an additional £6,250 per authority at 2014. Projections over the period to 2018 have been undertaken which takes the SDPA through to the decision on the second SDPA. These projections have helped inform the current 3 year projections, as set out in Appendix Three to this report. Given the efficiency savings which have been made it is not anticipated that additional contributions beyond the £60,000 will be required by the constituent Councils until 2018, unless there are unexpected higher costs relating to the examination, legal costs or future research. This risk has been minimised by incorporating reasonable costs within the projections.

Reserve Balance

- 4.13 A significant positive reserve balance is projected at the end of this current financial year of £164,000. Annually the balance is accrued with interest retained. Within TAYplan's first financial year (2008/09) the four constituent Councils made a contribution of £25,000 and this together with a one-off grant from the Scottish Government of £140,000 provided the start-up budget for the new Authority. In following years each Council has contributed £60,000 pa.
- 4.14 Over the past 3 financial years (including the current) significant savings have been made with less than originally anticipated being utilised for external consultancy (achieved largely through partnership working) and other smaller savings. The most significant costs projected within each cycle of producing a Strategic Development Plan relate to the examination, research to inform future Main Issues Report, printing, consultation, and legal fees.
- 4.15 The annual budget projections fluctuate aligned with the different stages of the Project Plan. The current reserve balance is projected to be reduced year on year through to March 2018 where there is likely to be a minimal amount. At March 2018 it is anticipated that the second Strategic Development Plan will be approved.
- 4.16 It is considered prudent to cap this reserve balance at £100,000 unless there are circumstances which justify otherwise. This will be considered annually at each Autumn Joint Committee.

Justification for reserve balance 2010/11

- 4.17 Carrying over the full reserve balance of £156,500 into 2011/12 financial year will ensure that there is sufficient funds for the examination of the Proposed Plan and any legal fees that may accrue in relation to this first Plan. To do otherwise, would require the four constituent Councils to increase their annual contributions within the next four years.

5 CONSULTATIONS

- 5.1 The Treasurer and Clerk to TAYplan, the Director of Infrastructure Services, Angus Council, The Director of City Development, Dundee City Council, The Head of Development Services, Fife Council and the Executive Director (Environment), Perth & Kinross Council have been consulted and are in agreement with the contents of this report.

6 BACKGROUND PAPERS

- 6.1 Report 07-2010: SDPA Budget Update, Joint Committee 31st August 2010.
- 6.2 Report 12-2009: SDPA Project Plan Update, Joint Committee 25th August 2009.
- 6.3 Report 06-2008: Proposed Staffing and Draft Budget for SDPA, Joint Committee 25th November 2008.
- 6.4 Report 14-2009: Budget Update and 3 Year Proposed Budget, Joint Committee 24th November 2009.

Pamela Ewen
Strategic Development Plan Authority Manager
12 November 2010

