

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

**MONDAY, 25TH JUNE, 2018 AT 3.00 PM**

**BOARD ROOM, ENTERPRISE HOUSE, GREENMARKET, DUNDEE**

**AGENDA OF BUSINESS**

**1 DECLARATION OF INTEREST**

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 would reasonably be regarded as so significant that they are likely to prejudice your discussion or decision-making.

**2 APOLOGIES**

**3 MINUTE OF MEETING OF 22ND JANUARY, 2018 (page no 1)**

(Copy enclosed).

**4 ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31ST MARCH, 2018  
(page no 3)**

(Report SDPA6-2018 by the TayPlan Treasurer enclosed).

**5 DRAFT AUDITED ACCOUNTS FOR THE YEAR TO 31ST MARCH, 2018 (page no 7)**

(Report No SDPA7-2018 by the TayPlan Treasurer enclosed).



ITEM No ...3.....
-------------------

At a MEETING of the **DUNDEE, PERTH, ANGUS AND NORTH FIFE STRATEGIC DEVELOPMENT PLANNING AUTHORITY JOINT COMMITTEE** held at Dundee on 22nd January, 2018.

Present:-

Angus Council

Councillor Bill Duff

Dundee City Council

Councillor Will Dawson

Fife Council

Councillor Karen Marjoram  
Councillor Brian Thomson

Perth and Kinross Council

Councillor Willie Wilson

**I DECLARATION OF INTEREST**

There were no declarations of interest.

**II APOLOGIES**

Apologies were intimated on behalf of Councillor Sturrock, Myles, Flynn, Marra, Brett, Lyle and Gray.

**III MINUTE OF MEETING OF 31ST AUGUST, 2017**

The minute of the above meeting was submitted and approved.

**IV APPONTMENT OF CONVENER AND VICE-CONVENER**

The Joint Committee agreed that Councillor Will Dawson be appointed as Convener and Councillor Karen Marjoram as Vice-Convener until 31st December, 2018, in terms of paragraph 11 of the Minute of Agreement.

Councillor Dawson thereupon took the Chair.

**V TAYPLAN SDP 2017 UPDATE AND PLANNING (SCOTLAND) BILL 2017**

There was submitted Report No SDPA1-2018 by the Strategic Development Planning Authority Manager informing the Joint Committee of the approval of the TAYplan Strategic Development Plan 2017 by Scottish Ministers and of the publication of the Planning (Scotland) Bill 2017, including the programme of reforms relating to the system for strategic development planning.

The Joint Committee agreed to:-

- (i) note the approval of the TAYplan Strategic Development Plan 2017, with modifications by Scottish Ministers; and
- (ii) note the publication and content of the Planning (Scotland) Bill 2017, and the potential implications for the strategic planning system.

## **VI NEW TAYPLAN ACTION PROGRAMME**

There was submitted Report No SDPA02-2018 by the Strategic Development Planning Authority Manager seeking approval and adoption of the new Action Programme which accompanied the newly approved TAYplan 2017.

The Joint Committee agreed to approve Appendix 1 as the new Action Programme (2018), subject to minor amendment which had been intimated to the Manager prior to the meeting.

## **VII TAYPLAN BUDGET UPDATE AND TWO YEAR PROJECTIONS**

There was submitted Report No SDPA3-2018 by the Strategic Development Planning Authority Manager providing an update on the TAYplan budget for the year ending 31st March, 2018 and the SDPA Management's two year budget projections to the period 31st March, 2020.

The Joint Committee agreed to:-

- (i) note the budget projections for current year ending 31st March, 2018 as set out in Appendix 1; and
- (ii) note the SDPA Manager's two year budget projections to 31st March, 2020 as set out in Appendix 2 and monitoring thereof.

## **VIII TAYPLAN ANNUAL AUDIT PLAN 2017/2018**

There was submitted Report No SDPA5-2012 by the Strategic Development Planning Authority Treasurer detailing the TAYplan Annual Audit Plan for 2017/2018.

The Joint Committee noted the content of the report.

## **IX TAYPLAN ANNUAL REPORT 2016/2017**

There was submitted Report No SDPA4-2012 by the Strategic Development Planning Authority Treasurer detailing the TAYplan Annual Report for 2016/2017.

The Joint Committee noted the content of the report.

## **X TAYPLAN PLANNING PERFORMANCE FRAMEWORK**

There was submitted a letter received by the Strategic Development Planning Authority Manager detailing feedback from the Scottish Government on the Planning Performance Framework Report for the period April, 2016 to March, 2017.

The Joint Committee agreed to note the content of the letter.

## **XI DATE OF NEXT MEETING**

To be confirmed.

Will DAWSON Convener.

**ITEM No ...4.....**

**REPORT TO:** TAYPLAN JOINT COMMITTEE – 25 JUNE 2018

**REPORT ON:** ANNUAL GOVERNANCE STATEMENT FOR THE YEAR TO 31 MARCH 2018

**REPORT BY:** TAYPLAN TREASURER

**REPORT NO:** SDPA 6-2018

**1 PURPOSE OF REPORT**

To present the Annual Governance Statement for approval and inclusion into the unaudited Annual Accounts for the year ended 31 March 2018.

**2 RECOMMENDATIONS**

It is recommended that the Joint Committee:

- i notes the contents of this covering report;
- ii approves the Annual Governance Statement which is included as an Appendix to this report; and
- iii instructs the Treasurer to include the Annual Governance Statement in the Annual Accounts for the year to 31 March 2018.

**3 FINANCIAL IMPLICATIONS**

None.

**4 BACKGROUND**

- 4.1 The relevant statutory provisions regarding the preparation of the Joint Committee's Accounts are contained in the Local Authority Accounts (Scotland) Amendment Regulations 2014. Section 5 of these regulations require "*...an annual review of the effectiveness of a Joint Committee's system of internal control. The findings of that review are to be considered at a meeting of elected members, and following that review, members must approve an annual governance statement. There is no requirement to have separate meetings for the consideration of the findings and then the approval of the annual governance statement. Both may be undertaken at the same meeting.*"
- 4.2 As in previous years the Annual Accounts (including the Annual Governance Statement) will be prepared in accordance with the Code of Practice on Local Authority Accounting (the Code) which stipulates that the following information should be included in the Annual Governance Statement:
- i. An acknowledgement of responsibility for ensuring there is a sound system of governance;
  - ii. An indication of the level of assurance that the systems and processes that comprise the Joint Committee's governance arrangements can provide;
  - iii. A brief description of the key elements of the governance framework;
  - iv. A brief description of the process that has been applied in maintaining and reviewing the effectiveness of the governance arrangements, including some

comment on the role of the Joint Committee, internal audit and other explicit reviews/assurance mechanisms;

- v. An outline of the actions taken, or proposed, to deal with significant governance issues, including an agreed action plan; and
  - vi. A specific statement on whether the Joint Committee's financial management arrangements conform with the governance requirements of the CIPFA *Statement on the Role of the Chief Financial Officer in Local Government* (2010) as set out in the CIPFA's *Application Note to Delivering Good Governance in Local Government: Framework*; and where they do not, an explanation of how they deliver the same impact.
- 4.3 The Annual Governance Statement for the year ended 31 March 2018 is included on Appendix A.

## 5 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environment Assessment, Anti-Poverty and Equality Impact Assessment and Risk Management. There are no major issues identified.

## 6 **CONSULTATIONS**

The manager and other officers have been consulted on the contents of this report and are in agreement with the contents.

## 7 **BACKGROUND PAPERS**

- 7.1 CIPFA: Code of Practice on Local Authority Accounting in the UK 2017/18
- 7.2 The Local Authority Accounts (Scotland) Regulations 2014
- 7.3 CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016) and CIPFA's Delivering Good Governance in Local Government Framework(2016).

**GREGORY COLGAN**  
**TREASURER**

**11 JUN 2018**

## ANNUAL GOVERNANCE STATEMENT

### Scope of Responsibility

Tayplan is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently and effectively. The Joint Committee also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Joint Committee's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

To this end the Joint Committee, through its constituent Authorities, who have approved and adopted a local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE framework *Delivering Good Governance in Local Government*. This statement explains how the Joint Committee through utilisation of Dundee City Council's systems and procedures delivers good governance and reviews the effectiveness of these arrangements.

### The Committee's Governance Framework

The governance framework comprises the systems, processes, cultures and values by which the Joint Committee is directed and controlled. It also describes the way it engages with, accounts to and leads the local community. It enables the Joint Committee to monitor the achievement of its objectives and consider whether those objectives have led to the delivery of appropriate, cost-effective services.

Within the overall control arrangements the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented or would be detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision.

The overall control arrangements include:

- Identifying the Joint Committee's objectives.
- Monitoring of objectives by the Treasurer and Tayplan Manager.
- A systematic approach to monitoring service performance at elected member, senior officer and project level.
- Reporting performance regularly to Joint Committee
- Clearly defined Standing Orders and Schemes of Administration covering Financial Regulations, Tender Procedures and Delegation of Powers.
- Formal project appraisal techniques and project management disciplines.
- Setting targets to measure financial and service performance.
- Formal revenue budgetary control systems and procedures.

## **Review of Effectiveness**

Members and officers of the Joint Committee are committed to the concept of sound governance and the effective delivery of the Joint Committee services and take into account comments made by external auditors and other review agencies and inspectorates and prepare actions plans as appropriate.

In addition the utilisation of the systems and procedures of Dundee City Council means that reliance can be placed on the effectiveness of their governance framework. This is reviewed annually by a working group of senior council officers and Senior Officers from each council service complete a self-assessment of their own arrangements.

The Executive Director of Corporate Services, Dundee City Council is Treasurer to the Joint Committee and has complied fully with the principles set out in CIPFA's role of the Chief Financial Officer (2016)..

The annual review demonstrates sufficient evidence that the code's principles of delivering good governance in local government operated effectively and the Joint committee complies with the Local Code of Corporate Governance in all significant respects.

---

**David Littlejohn**  
**Acting Tayplan Manager**  
**August 2018**

---

**Cllr Will Dawson**  
**Convener Joint Committee**  
**August 2018**



ITEM No ...5.....
-------------------

**REPORT TO:** TAYPLAN JOINT COMMITTEE – 25 JUNE 2018

**REPORT ON:** DRAFT AUDITED ANNUAL ACCOUNTS FOR THE YEAR TO 31 MARCH 2018

**REPORT BY:** TAYPLAN TREASURER

**REPORT NO:** SDPA 7-2018

## 1 PURPOSE OF REPORT

To present the draft audited Annual Accounts for the year ended 31 March 2018.

## 2 RECOMMENDATIONS

It is recommended that the Joint Committee:

- i note the contents of this covering report;
- ii note the Draft Annual Accounts which is included as an Appendix to this report
- iii instructs the Treasurer to submit the Annual Accounts to the Controller of Audit, Accounts Commission for Scotland.

## 3 FINANCIAL IMPLICATIONS

The TAYplan's 2017/2018 Revenue Expenditure shows that there was underspend of £111k during the year, analysis of major various underspend and overspend are detailed below :

	<b>£000</b>
Staff costs underspend (after required accounting adjustments)	(65)
Other Operations underspend	(15)
Third Party Payments underspend	(30)
Income	(1)
<b>Total</b>	<b>(111)</b>

Further detailed analysis of various under and overspend together with reasons for these variances are included on page 4 of the Annual Accounts. The overall effect of the above resulted in a closing General Reserve Balance of £147k as at 31 March 2018.

## 4 BACKGROUND

- 4.1 The relevant statutory provisions regarding the preparation of the Joint Committee's Accounts are contained in the Local Authority Accounts (Scotland) Amendment Regulations 2014. Section 8 of these regulations requires that "... all the accounts of the local authority are made up and balanced as soon as practicable after the year end of each financial year and that sufficient copies of an abstract of the said accounts for each financial year are prepared ... and submitted to the authority and submitted to the appointed Auditor not later than 30 June in the next financial year...".
- 4.2 The draft Audited Annual Accounts (Appendix A) for the year ended 31 March 2018 is attached.
- 4.3 As in previous years the Annual Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting (the code).

- 4.4 The outcome of the audit will be reported back to the Joint Committee in due course.

**5 POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environment Assessment, Anti-Poverty and Equality Impact Assessment and Risk Management. There are no major issues identified.

**6 CONSULTATIONS**

The manager and other officers have been consulted on the contents of this report and are in agreement with the contents.

**7 BACKGROUND PAPERS**

None

**GREGORY COLGAN  
TREASURER**

**11 JUNE 2018**

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



**ANNUAL ACCOUNTS  
FOR PERIOD ENDED 31 MARCH 2018**

**UNAUDITED**

**JUNE 2018**

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

**ANNUAL ACCOUNTS 2017/2018**

**CONTENTS**

	<b><u>Page No</u></b>
Members and Officials'	1
Management Commentary	2
Annual Governance Statement	6
Annual Remuneration Report	8
Statement of Responsibilities for the Annual Accounts	12
<i>Financial Statements:</i>	
- Comprehensive Income and Expenditure Statement	13
- Movement In Reserves Statement	14
- Balance Sheet	15
- Cash Flow Statement	16
Notes to the Financial Statements	17

**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
MEMBERS AND OFFICIALS**

The Authority comprises 12 elected members: 3 each from Angus Council, Dundee City Council, Fife Council and Perth & Kinross Council. The under-noted Councillors have been nominated by their constituent Authorities to serve on the Joint Authority and the under-noted officers serve as officials of the Authority.

At the end of the financial year 2017/18, the Members and Officials of the Committee were:

**Representing Dundee City Council**

Councillor Will Dawson  
Councillor Mark Flynn  
Councillor Michael Marra



**Representing Perth & Kinross Council**

Councillor Murray Lyle  
Councillor Tom Gray  
Councillor Willie Wilson



**Representing Fife Council**

Councillor Tim Brett  
Councillor Karen Marjoram  
Councillor Brian Thomson



**Representing Angus Council**

Councillor Bill Duff  
Councillor Ron Sturrock (Convenor)  
Councillor Bob Myles



**Interim**

**SDPA MANAGER** Mr David Littlejohn

**CLERK** Mr Roger W H Mennie LL.B (Hons) ,Dip L.P., Dundee City Council

**TREASURER** Mr Gregory Colgan, BAcc(Hons), ACMA, CGMA , Dundee City Council

**Contact details:**

**SDPA Manager (Acting)**

TAYplan  
Strategic Development  
Planning Authority  
Enterprise House  
3 Greenmarket  
Dundee  
DD1 4QB

01382-307184  
tayplan.manager@  
tayplan-sdpa.gov.uk

**Clerk**

c/o Dundee City Council  
Corporate Services  
21 City Square  
Dundee  
DD1 3BY

01382-434204  
roger.mennie@  
dundeecity.gov.uk

**Treasurer**

c/o Dundee City Council  
Corporate Services  
50 North Lindsay Street  
Dundee  
DD1 1NZ

01382-434431  
gregory.colgan@  
dundeecity.gov.uk

## DUNDEE, PERTH, ANGUS AND NORTH FIFE STRATEGIC DEVELOPMENT PLANNING AUTHORITY MANAGEMENT COMMENTARY

### INTRODUCTION

We are pleased to present the Annual Accounts for Dundee, Perth, Angus and North Fife Strategic Development Planning Authority (SDPA) for the year ended 31<sup>st</sup> March 2018. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2017/2018 ("the Code"). The Management Commentary provides a context for the annual accounts, an analysis of performance during the year and an insight into the priorities and plans for the Authority. The principal financial risks and uncertainties facing the Authority are identified, together with the potential impact and actions being taken.

Strategic Development Planning Authorities (SDPA's) have Joint Committees created by the Planning etc. (Scotland) Act 2006 and the Strategic Development Planning Authorities (SDPAs) Designation (No 3) (Scotland) order 2008 (SSI no 197). The Act's provisions came into force on 25 June 2008.

The Dundee, Perth, Angus and North Fife SDPA was established under the above Act consisting and operating on behalf of 4 Councils: Dundee City; Perth & Kinross; Angus; and Fife. The key role of the SDPA is to prepare and maintain an up to date Strategic Development Plan (SDP) for the area. This process involves engagement and consultation with a number of key stakeholder organisations and the wider community.

The first Strategic Development Plan was approved by Scottish Ministers on 8th June 2012. The Authority is required to review and submit a new Plan to Ministers within 4 years of date of approval i.e. by 8<sup>th</sup> June 2016. The new proposed plan was submitted to Scottish Ministers on 7<sup>th</sup> June 2016 and approved on 11 October 2017.

Alongside the Plan an Action Programme was prepared in collaboration with TAYplan's 13 Key Stakeholders. All these public organisations agreed to the Programme's content (actions to deliver the Plan).

The SDPA has an establishment of three staff, a part-time Interim SDPA Manager, full time Senior Planner and Planning Officer. To help ensure the project plan is delivered, temporary staff are recruited at peak times. Professional, legal, financial and I.T. services are provided by Dundee City Council in its role as host authority. The Finance Officer has regular scheduled meetings with the SDPA Manager to review the on-going position in relation to both the local authority contributions and the SDPA administration budget, in accordance with the financial regulations agreed by the Joint Committee.

The Authority comprises 12 elected members: 3 each from Angus Council, Dundee City Council, Fife Council and Perth & Kinross Council. The Authority is supported by an officers group. Joint Committee Meetings are chaired by the Convener, on the following rotational basis:

Year	Convener	Vice Convener
2012	Perth & Kinross Council, Councillor John Kellas	Angus Council, Councillor Mari Evans (after May)
2013	Angus Council, Councillor Mari Evans	Dundee City Council, Councillor Will Dawson
2014	Dundee City Council, Councillor Will Dawson	Fife Council, Councillor Lesley Laird
2015	Fife Council, Councillor Lesley Laird	Perth & Kinross Council, Councillor John Kellas
2016	Perth & Kinross Council, Councillor Tom Gray	Angus Council, Councillor Rob Murray
2017	Angus Council, Councillor Ron Sturrock	Dundee City Council, Councillor Will Dawson

### MISSION, VISION AND STRATEGIC OBJECTIVES

The TAYplan Strategic Development Plan 2016-2036 sets out the vision, principles and objective for the TAYplan area. The proposed vision for the TAYplan area states:-

"By 2036 the TAYplan area will be sustainable, more attractive, competitive and vibrant without creating an unacceptable burden on our planet. The quality of life will make it a place of first choice where more people choose to live, work, study and visit, and where businesses choose to invest and create jobs." The vision took into account the individual visions set out by each of the constituent councils in their Council Plans and Single Outcome Agreements.

The plan identifies the core Strategic Objectives to help it fulfil the Authority's Mission and Vision, and so ensure:-

- effective resource management and promoting an accessible, connected and networked region
- supporting sustainable economic development and improving regional image and distinctiveness
- enhancing the quality of place through better development outcomes

## MANAGEMENT COMMENTARY (Continued)

Each Strategic Objective is supported by a detailed set of priorities and tasks, against which performance is regularly monitored by the TAYplan Board comprising the Heads of Planning of the 4 constituent Planning Authorities and the TAYplan Manager. Progress is reported to the Joint Committee. This provides members with the opportunity to discuss and agree appropriate action.

### REVIEW OF PERFORMANCE

During 2017/18 TAYplan's focus was on publishing and distributing the Approved Plan and updating the Action Plan prior to it being approved by the Joint Committee in February 2018.

Because of the Scottish Government's stated intent to remove Strategic Development Plans from the Scottish planning system, no work was undertaken to prepare the third TAYplan. The Planning (Scotland) Bill is currently progressing through Parliament and it is anticipated it will be approved, with or without amendments, in September 2018.

A new Development Plan Scheme setting out the current position was approved by the Joint Committee in March 2018.

### Key Outcomes

**2017/2018**

#### Development Planning:

Age of local /strategic development plan(s) (years and months) at end of reporting period requirement: less than 5 years

Yes

Will the local/strategic development plan(s) be replaced by their 5<sup>th</sup> anniversary:

Yes

Were development plan scheme engagement/consultation commitments met during the year

Yes

The approved TAYplan Strategic Development Plan (2016) will be 5 years old on 11 October 2021. It is not anticipated there will be a direct replacement but rather a duty on the 4 Authorities to co-produce a regional input to the next National Planning Framework.

This reporting year has therefore seen the completion of all work necessary to comply with planning legislation.

No performance indicators have been specifically identified to measure financial performance. However, the SDPA agrees a budget in advance of each year and considers a detailed budget monitoring report with a forecast for the year of income and expenditure at each meeting. This allows regular and close scrutiny of activities against specific financial targets to take place and is considered adequate for the authority.

## MANAGEMENT COMMENTARY (Continued)

## FINANCIAL PERFORMANCE REVIEW

## Revenue Expenditure

The control of the revenue expenditure of the Authority is an ongoing exercise which requires a positive contribution from the staff and members of the Authority and the Constituent Local Authorities to ensure that the Authority's financial objectives are achieved and those financial resources are fully utilised.

The following table compares the budget and requisitions approved by the Authority to actual expenditure and income of the Authority.

	Approved Budget	Actual Expenditure/ (Income)	Variance
	£000	£000	£000
Staff Costs	90	27	(63)
Property Costs	14	14	-
Supplies and Services	23	11	(12)
Transport Costs	3	-	(3)
Third Party Payments	214	184	(30)
Corporate and Democratic Core	8	8	-
<b>Cost Of Services</b>	<b>352</b>	<b>244</b>	<b>(108)</b>
Other Operating Income & Expenditure	(7)	(7)	-
Financing & Investment Income & Expenditure	-	(1)	(1)
<b>(Surplus)/Deficit on Provision of Services before Requisition Income</b>	<b>345</b>	<b>236</b>	<b>(109)</b>
Requisition Income	(184)	(184)	-
<b>Total Comprehensive (Income) and Expenditure</b>	<b>161</b>	<b>52</b>	<b>(109)</b>
IAS 19 Adjustments		(2)	(2)
<b>Movement in General Fund Balance</b>		<b>50</b>	<b>(111)</b>

The reasons for the main under/overspends are explained in the variance analysis below:

## Staff Costs (Underspend £63k)

Due to Senior Planning Officer post vacant and Planning Officer on maternity leave during 2017.18 contributed to staff budget underspend. Since September 2016 there have been no costs associated with the Manager's post as the Head of Tay Cities Deal has absorbed the function into his role.

## Supplies and Services (Underspend £12k)

There were savings on computer cost of £4k, lower spend on Hospitality & Venue hire £3k and general office expenses by £5k.

## Transportation Cost (Underspend £3k)

The savings in travel is based on the reporting cycle and requirement to attend meetings out with office base.

## Third Party Payments (Underspend £30k)

Underspend in external consultancy fees for commissioning of Transport modelling, also other consultancy work to support the preparation of TAYplan 3 wasn't being progressed due to Scottish Government's intent to abolish Strategic Development Plans from the Scottish planning system. .

## Income (Over recovery £1k)

Income from interest in revenue balances



## **MANAGEMENT COMMENTARY (Continued)**

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk facing the SDPA is the uncertainty around the future of Strategic Development Plans. .

Over the past two years the Scottish Government has been reviewing the operation of the planning system in Scotland. The Scottish Government has published its position statement on the Planning Review which included its intent to remove Strategic Development, the Planning (Scotland) Bill is currently progressing through Parliament and it is anticipated it will be approved in September 2018. The statutory duty to prepare and implement Strategic Development Plans will remain until the legislation is passed, albeit in the case of the Dundee, Perth, Angus and North Fife SDPA no additional work will be undertaken in relation to TAYplan 3 until there is clarity on the future of SDPs. Therefore the SDPA will function at a minimal level to ensure it complies with its duty under the 1997 Planning Act. Should Parliament decide to retain SDPs, the TAYplan Board will ensure adequate resources are put in place to fulfil the SDPA's statutory duty to commence preparation of TAYplan 3.

### **FUTURE DEVELOPMENTS**

Future developments will generally be identified from change in Government or local authority policy, changes in the development plan and / or wider economic changes in the region. Close links are maintained with appropriate government departments which will ensure that arising issues are identified early enough to allow any appropriate action to be taken to re-position the SDPA and its activities.

### **CONCLUSION**

Sound financial management and effective risk management have enabled the Authority to successfully manage its financial affairs during the financial year 2017/2018.

Despite uncertainties and significant challenges, operational performance continues to remain at a high level and effective management of a committed staff will continue to ensure that the Authority is able to meet its objective.

We wish to acknowledge the significant efforts and exceptional hard work of all staff in facing up to the challenges encountered and contributing to the Authority's successful operational performance, the staff whose financial stewardship has contributed to the Authority's financial position at 31<sup>st</sup> March 2018 and everyone involved in the preparation of the annual accounts.

**Gregory Colgan, BAcc(Hons), ACMA, CGMA**  
**Treasurer**  
**Dundee, Perth, Angus and North Fife**  
**Strategic Development Planning Authority**  
**25 June 2018**

**David Littlejohn MA, MPhil, MRTPI**  
**Interim SDPA Manager (At 31<sup>st</sup> March 2018)**  
**Dundee, Perth, Angus and North Fife**  
**Strategic Development Planning Authority**  
**25 June 2018**

**Councillor Will Dawson**  
**Convener**  
**25 June 2018**

**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
ANNUAL GOVERNANCE STATEMENT**

### **Scope of Responsibility**

Tayplan is responsible for ensuring that its business is conducted in accordance with the law and appropriate standards. This is to ensure that public funds and assets at its disposal are safeguarded, properly accounted for and used economically, efficiently and effectively. The Authority also has a duty to make arrangements to secure continuous improvement in the way its functions are carried out.

In discharging these responsibilities elected members and senior officers are responsible for implementing effective arrangements for governing the Authority's affairs and facilitating the effective exercise of its functions, including arrangements for the management of risk.

To this end the Authority, through its constituent Councils, has approved and adopted a local Code of Corporate Governance that is consistent with the principles of the CIPFA/SOLACE framework Delivering Good Governance in Local Government. This statement explains how the Authority through utilisation of Dundee City Council's systems and procedures delivers good governance and reviews the effectiveness of these arrangements.

### **The Committee's Governance Framework**

The governance framework comprises the systems, processes, cultures and values by which the Authority is directed and controlled. It also describes the way it engages with, accounts to and leads the local community. It enables the Authority to monitor the achievement of its objectives and consider whether those objectives have led to the delivery of appropriate, cost-effective services.

Within the overall control arrangements the system of internal financial control is intended to ensure that assets are safeguarded, transactions are authorised and properly recorded, and material errors or irregularities are either prevented or would be detected within a timely period. It is based on a framework of regular management information, financial regulations, administrative procedures and management supervision.

The overall control arrangements include:

- Identification and monitoring of the Authority's strategic objectives.
- A systematic approach to monitoring service performance at elected member, senior officer and project level.
- Reporting performance regularly to Authority
- Clearly defined Standing Orders and Schemes of Administration covering Financial Regulations, Tender Procedures and Delegation of Powers.
- Formal project appraisal techniques and project management disciplines.
- Setting targets to measure financial and service performance.
- Formal revenue budgetary control systems and procedures.

### **Review of Effectiveness**

Members and officers of the Joint Committee are committed to the concept of sound governance and the effective delivery of the Authority services and take into account comments made by external auditors and other review agencies and inspectorates and prepare actions plans as appropriate.

In addition the utilisation of the systems and procedures of Dundee City Council means that reliance can be placed on the effectiveness of their governance framework. This is reviewed annually by a working group of senior council officers and Chief Officers from each council service complete a self-assessment of their own arrangements.

The Executive Director of Corporate Services, Dundee City Council is Treasurer to the Authority and has complied fully with the principles set out in CIPFA's Role of the Chief Financial Officer in Local Government.

The annual review demonstrates sufficient evidence that the code's principles of delivering good governance in local government operated effectively and the Authority complies with the Local Code of Corporate Governance in all significant respects.

**ANNUAL GOVERNANCE STATEMENT (Continued)**

Internal Audit did not conduct any audit work specifically on SDPA. Dundee City Council's 2017/18 Annual Internal Audit Report, presented to the Council's Scrutiny Committee, concluded that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and control for the year to 31 March 2018. On this basis we have concluded that there were no significant governance weaknesses which would impact on the SDPA's governance arrangements.

---

**David Littlejohn**  
**Interim Tayplan Manager (At 31 March 2018)**  
**25 June 2018**

---

**Cllr Will Dawson      Convener**  
**Joint Committee**  
**25 June 2018**

**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
ANNUAL REMUNERATION REPORT**

## **INTRODUCTION**

The Authority is required to prepare and publish within its Statement of Accounts an Annual Remuneration Report under the Local Authority Accounts (Scotland) Regulations 2014. The report sets out the remuneration of the Convener and Senior Employees of the Authority and accrued pension benefits of the Senior Employees. The report also provides information on the number of Authority employees (including Senior Employees) whose total actual remuneration was £50,000 or more, this information being disclosed in salary bandings of £5,000 above £50,000. The following report has been prepared in accordance with the aforementioned Regulations. All information disclosed in the table 1 at page 8 in this Remuneration Report has been audited by Audit Scotland. The other sections of the Remuneration Report have been reviewed by Audit Scotland to ensure that they are consistent with the financial statements.

## **REMUNERATION ARRANGEMENTS**

### **Convener**

The remuneration of Councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (Scottish Statutory Instrument No. 2007/183). The Regulations set out the remuneration payable to Councillors with the responsibility of a Convener or Vice Convener of a Joint Authority. The Regulations require the remuneration to be paid by the Council of which the Convener or Vice Convener is a member. The Council is also required to pay pension contributions arising from the Convener or Vice Convener being a member of the Local Government Pension Scheme.

There is no remuneration paid to the Convener and Vice- Convener of the Authority.

### **Senior Employees**

The salaries of Senior Employees take account of the duties and responsibilities of their posts

For the purposes of the Remuneration Report, the Regulations set out the following criteria for designation as a Senior Employee of the Authority:

- (i) has responsibility for management of the Authority to the extent that the person has power to direct or control the major activities of the authority (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- (ii) holds a post that is politically restricted by reason of section 2(1)(a), (b) or (c) of the Local Government and Housing Act 1989; or
- (iii) annual remuneration, including any remuneration from a local authority subsidiary body, is £150,000 or more.

The Authority has determined that staff filling the role of SDPA Manager are deemed to be Senior employees of the Authority.

The Regulations also require information to be published on the total number of Authority employees (including Senior Employees) whose total actual remuneration was £50,000 or more. This information is to be disclosed in salary bandings of £5,000 above £50,000. No employees of the Authority received remuneration of £50,000 therefore there is no disclosure required in 2017/2018(or 2016/2017). Remuneration of Senior Employees is shown in the table 1 (page 9) :

## ANNUAL REMUNERATION REPORT (Continued)

**ACCRUED PENSION BENEFITS**

Pension benefits are provided through the Local Government Pension Scheme (LGPS) which is a career average related earnings (CARE) pension scheme. This means that pension benefits are based on the career average revalued pay and the number years that the person has been a member of the scheme

The scheme's normal retirement age for employees is 65.

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members being based on how much pay falls into each tier. This is designed to give more equality between the cost and benefits of scheme membership. Prior to 2009, contribution rates were set at 6% for all non-manual employees. The member's contribution rates are as follows:

Whole Time Pay	Contribution Rate 2016/2017	Whole Time Pay	Contribution Rate 2017/2018
On earnings up to and including £20,500	5.5%	On earnings up to and including £20,500	5.5%
On earnings above £20,500 and up to £25,000	7.25%	On earnings above £20,500 and up to £25,000	7.25%
On earnings above £25,000 and up to £34,400	8.5%	On earnings above £25,000 and up to £34,400	8.5%
On earnings above £34,400 and up to £45,800	9.5%	On earnings above £34,400 and up to £45,800	9.5%
On earnings above £45,800	12%	On earnings above £45,800	12%

If a person works part-time their contribution rate is worked out on the whole-time pay rate for the job, with actual contributions paid on actual pay earned.

There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004. Since April 2015 the LGPS changed to a defined benefit pension scheme worked out on a career average basis, on rate of 1/49<sup>th</sup> of the amount of pensionable pay you received in that scheme year. Pension benefits to 31 March 2015 are protected and paid on final leaving salary. Between April 2009 and March 2015 the accrual rate guarantees a pension based on 1/60<sup>th</sup> of final pensionable salary and years of pensionable service. Prior to 2009 the accrual rate guaranteed a pension based on 1/80<sup>th</sup> and a lump sum based on 3/80<sup>th</sup> of final pensionable salary and years of pensionable service.

**Convener**

There were no pension contributions made by the Authority in respect of the Convener and the Vice Convener of the Authority.

**Senior Employees**

During 2017/2018, there have been no salaries costs associated with the Manager's post as the Head of Tay Cities Deal has absorbed the function into his role.

**SENIOR EMPLOYEE ACCRUED PENSION BENEFITS**

Employee Name	Post Title	Pension as at 31 March 2018	Lump sum as at 31 March 2018	Pension Contribution by Authority 2017/18
		£	£	
David Littlejohn	Manager	Nil	Nil	Nil

Previous year 2016/2017, the acting SDPA Manager post was filled by staff employed by Dundee City Council, who as such were entitled to be members of the Superannuation Scheme which is administered by Dundee City Council. This provides staff with defined benefits upon their retirement, and the SDPA contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

The employing authority is responsible for all pension payments related to "added years" it has awarded, together with related increases. There are no awards in respect of staff seconded to SDPA.

## ANNUAL REMUNERATION REPORT (Continued)

**SENIOR EMPLOYEE ACCRUED PENSION BENEFITS**

Employee Name	Post Title	Pension as at 31 March 2017  £	Lump sum as at 31 March 2017  £	Pension Contribution by Authority 2016/17
Gordon Reid	Manager	18,007	34,183	1,891

The SDPA Manager Gordon Reid was in post from April 2016 to September 2016 for 2 days per week and the in year contributions reflect this proportion of the total employers contribution made in the year

**Exit Packages**

There were no exit packages in 2017/208 (2016/2017 Nil).

## ANNUAL REMUNERATION REPORT (Continued)

TABLE 1 – REMUNERATION OF SENIOR EMPLOYEES

Employee Name	Post Title	Salary, Fees & Allowances	Bonuses	Taxable Expenses	Compensation for Loss of Employment	Other Payments	Total Remuneration 2017/2018	Total Remuneration 2016/2017
		£	£	£	£	£	£	£
Gordon Reid (April 2016 – September 2016)	Manager	-	-	-	-	-	-	14,438
David Littlejohn (October 2016 – March 2017)	Manager	-	-	-	-	-	-	-
David Littlejohn (April 2017 – March 2018)	Manager	-	-	-	-	-	-	-
<b>Total</b>		-	-	-	-	-	-	<b>14,438</b>

There is no salaries costs associated for covering Manger's post during 2017.18, however in previous year 2016/2017 Dundee City Council have recharged £14,438 being six months' salary and on cost for Gordon Reid pro rata 2 days per week for covering Manager's post. This is in line with the agreed report SDPA09-2015 Section 5.5 which is detailed below:

Given the project plan adjustments, and as a result lighter workload for the core team, the Board have agreed that the Manager role will be filled over the next 12 months on a temporary and part time basis. The post will be covered by existing Development Plan Managers from within the constituent Councils; Fife Council over the period October 2015 – March 2016 and Dundee City Council over the period April – September 2016. Since October 2016 there have been no costs associated with the Manager's post to SDPA as the Head of Tay Cities Deal has absorbed the function into his role. The Board are confident that operationally this will meet the requirements to deliver the project plan.

David Littlejohn  
Interim SDPA Manager  
Dundee, Perth, Angus and North Fife  
Strategic Development Planning Authority  
31 August 2018

Convener  
Dundee, Perth, Angus and North Fife  
Strategic Development Planning Authority  
31 August 2018

**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
STATEMENT OF RESPONSIBILITIES FOR THE ANNUAL ACCOUNTS**

**The Authority's responsibilities**

The Authority is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In this Authority, that officer is the Treasurer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- approve the Audited Annual Accounts.

I confirm that these Annual Accounts were approved for signature by the Authority at its meeting in August 2018

Signed on behalf of SDPA Joint Committee

**Convener**  
**31 August 2018**

**The Treasurer's responsibilities**

The Treasurer is responsible for the preparation of the Authority's Annual Accounts in accordance with proper practices as required by legislation and set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code of Practice').

In preparing the Annual Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with legislation; and
- complied with the Code of Practice (in so far as it is compatible with legislation).

The Treasurer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the Annual Accounts give a true and fair view of the financial position of the Authority at the reporting date and the transactions of the Authority for the year ended 31 March 2018.

**Gregory Colgan, BAcc(Hons), ACMA, CGMA**  
**Treasurer**  
**Dundee, Perth, Angus and North Fife**  
**Strategic Development Planning Authority**  
**31 August 2018**



**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT**

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

2016/17			2017/18			
Gross Expenditure	Gross Income	Net Expenditure / (Income)	Budgeted Net Expenditure / (Income)	Gross Expenditure	Gross Income	Net Expenditure / (Income)
£000	£000	£000	£000	£000	£000	£000
<b>Expenditure</b>						
104		104	Staff Costs	90	27	27
14		14	Property Costs	14	14	14
32		32	Supplies and Services	23	11	11
1		1	Transport Costs	3	-	-
61		61	Third Party Payments	214	184	184
8		8	Corporate and Democratic Core	8	8	-
<b>220</b>		<b>220</b>	<b>Cost Of Services</b>	<b>352</b>	<b>244</b>	<b>244</b>
	(4)	(4)	Other Operating Income & Expenditure	(7)		(7)
-	(1)	(1)	Financing and Investment Income and Expenditure (note 4)	-	-	(1)
<b>220</b>	<b>(5)</b>	<b>215</b>	<b>(Surplus)/Deficit on Provision of Services before Requisitions</b>	<b>345</b>	<b>244</b>	<b>(8)</b>
	(204)	(204)	Requisition Income	(184)	-	(184)
<b>220</b>	<b>(209)</b>	<b>11</b>	<b>Total Comprehensive Income and Expenditure</b>	<b>161</b>	<b>244</b>	<b>(192)</b>

**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
MOVEMENT IN RESERVES STATEMENT**

This statement shows the movement in the year on the different reserves held by the Authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and 'unusable reserves'. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Reserve Balance. The Net Increase/Decrease before Transfers to Earmarked Reserves line shows the statutory General Reserve Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.

	General Reserve Balance £000	Total Usable Reserves £000	Unusable Reserves £000	Total Authority Reserves £000
<b>Balance at 31 March 2016</b>	<b>208</b>	<b>208</b>	<b>(1)</b>	<b>207</b>

**Movement in Reserves during 2016/2017**

<b>Total Comprehensive Expenditure and Income</b>	<b>(11)</b>	<b>(11)</b>	<b>-</b>	<b>(11)</b>
Adjustments between accounting basis & funding basis under regulations (note 5)	-	-	-	-
<b>Net Increase / (Decrease) before Transfers to Earmarked Reserves</b>	<b>(11)</b>	<b>(11)</b>		<b>(11)</b>
Transfers to/from Earmarked Reserves	-	-	-	-
<b>Increase / (Decrease) in 2016/2017</b>	<b>(11)</b>	<b>(11)</b>	<b>-</b>	<b>(11)</b>
<b>Balance at 31 March 2017 carried forward</b>	<b>197</b>	<b>197</b>	<b>(1)</b>	<b>196</b>

**Movement in Reserves during 2017/2018**

<b>Total Comprehensive Expenditure and Income</b>	<b>(52)</b>	<b>(52)</b>	<b>-</b>	<b>(52)</b>
Adjustments between accounting basis & funding basis under regulations (note 5)	2	2	(2)	-
<b>Net Increase/Decrease before Transfers to Earmarked Reserves</b>	<b>(50)</b>	<b>(50)</b>	<b>(2)</b>	<b>(52)</b>
Transfers to/from Earmarked Reserves	-	-	-	-
<b>Increase / (Decrease) in Year 2017/2018</b>	<b>(50)</b>	<b>(50)</b>	<b>(2)</b>	<b>(52)</b>
<b>Balance at 31 March 2017 carried forward</b>	<b>147</b>	<b>147</b>	<b>(3)</b>	<b>144</b>

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

**BALANCE SHEET**

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net liabilities of the Authority (assets less liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category is usable reserves, i.e. those that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves. The second category is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

<b>As at 31 March 2017 £000</b>		<b>As at 31 March 2018 £000</b>
	<b>Current Assets</b>	
208	Cash Held By Dundee City Council (note 10)	196
-	Short Term Debtors (note 16)	-
<u>208</u>		<u>196</u>
	<b>Less Current Liabilities</b>	
(13)	Short Term Creditors (note 17)	(52)
<u>195</u>	<b>Total Net Assets</b>	<u>144</u>
	<b>Represented By:</b>	
196	Usable Reserves (note 6)	147
(1)	Unusable Reserves (note 7)	(3)
<u>195</u>		<u>144</u>

The unaudited accounts were issued on 25 June 2018 and the audited accounts were authorised for issue by the treasurer on 2018.

**Gregory Colgan, BAcc(Hons), ACMA, CGMA**  
Treasurer  
Dundee, Perth, Angus and North Fife  
Strategic Development Planning Authority  
2018

**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
CASH FLOW STATEMENT**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of requisitions from Constituent Authorities. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

<b>2016/17</b>		<b>2017/18</b>
<b>£000</b>		<b>£000</b>
(11)	Net surplus or (deficit) on the provision of services	(52)
9	Adjust net surplus or deficit on the provision of services for non cash movements (note 9)	40
<b>(2)</b>	<b>Net increase or (decrease) in cash and cash equivalents (note 8)</b>	<b>(12)</b>
 210	 Cash and cash equivalents at the beginning of the reporting period	 208
<b>208</b>	<b>Cash and cash equivalents at the end of the reporting period (note 10)</b>	<b>196</b>

The cash balance is managed by Dundee City Council.

**DUNDEE, PERTH, ANGUS AND NORTH FIFE  
STRATEGIC DEVELOPMENT PLANNING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS**

**1 ACCOUNTING POLICIES**

**A General Principles**

The Annual Accounts summarise the Authority's transactions for the 2017/2018 financial year and its position at the year-end of 31 March 2018. The Authority is required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 1985. Section 12 of the Local Government in Scotland Act 2003 requires that they be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2017/2018 and the Service Reporting Code of Practice 2017/2018, supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Annual Accounts is principally historical cost.

**B Accruals of Income and Expenditure**

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Expenses in relation to services received (including those rendered by the Authority's employees) are recorded as expenditure when the services are received, rather than when payments are made.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where there is evidence that debts are unlikely to be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

**C Cash and Cash Equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents comprise short term lending that is repayable on demand or within 3 months of the Balance Sheet date and that is readily convertible to known amounts of cash with insignificant risk of change in value. In the Cash Flow Statement (page 13), cash and cash equivalents are repayable on demand and form an integral part of the Authority's cash management.

**D Changes in Accounting Policies and Estimates and Errors**

Changes in accounting policies are only made when required by proper accounting practices or when the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

**E Employee Benefits**

**Benefits Payable During Employment**

Short-term employee benefits (those that fall due wholly within 12 months of the year-end), such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees, are recognised as an expense in the year in which employees render service to the Authority. An accrual is made against services in the Surplus or Deficit on the Provision of Services for the cost of holiday entitlements and other forms of leave earned by employees but not taken before the year-end and which employees can carry forward into the next financial year. The accrual is made at the remuneration rates applicable in the following financial year. Any accrual made is required under statute to be reversed out of the General Reserve Balance by a credit to the Accumulating Compensated Absences Adjustment Account in the Movement in Reserves Statement.

### Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy and are charged on an accruals basis to the Non Distributed Costs line in the Comprehensive Income and Expenditure Account at the earlier of when the Authority can no longer withdraw the offer of those benefits or when the Authority recognises costs for a restructuring. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Reserve balance to be charged with the amount payable by the Board to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for termination benefits related to pensions enhancements and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

### Post Employment Benefits

Dundee City Council is, for the purpose of employment law, the "employing authority" of the Joint Committee employees. Therefore, employees of the Authority are members of the Local Government Superannuation Scheme (Tayside Superannuation Fund), a defined benefits scheme which is administered by Dundee City Council. The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Authority. On the grounds of materiality, the pension costs included in the accounts have not been determined in accordance with International Accounting Standard 19 (Employee Benefits). Instead, the accounts include the employer's contribution to the scheme as an expense in the Comprehensive Income and Expenditure Statement.

## **F Events After the Reporting Period**

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

## **G Leases**

### *Operating Leases*

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (eg if there is a rent-free period at the commencement of the lease).

## **H Provisions, Contingent Liabilities and Contingent Assets**

### Provisions

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For example, the Authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation. Provisions are charged as an expense to the Comprehensive Income and Expenditure Statement in the year that the Authority becomes aware of the obligation, and measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the Comprehensive Income and Expenditure Statement. Where some or all of the payment required to settle a provision is expected to be recovered from another party (eg from an insurance claim), this is only recognised as income for the Authority if it is virtually certain that reimbursement will be received if the Authority settles the obligation.

#### Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note to the accounts.

#### Contingent Assets

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. Contingent assets are not recognised in the Balance Sheet but are disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

### **I Reserves**

Reserves are created by appropriating amounts out of the General Reserve Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the Surplus/Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Reserve Balance in the Movement in Reserves Statement so that there is no net charge against requisition income for the expenditure. Certain reserves are kept to manage the accounting processes for non-current assets and retirement benefits and these reserves do not represent usable resources for the Authority. Further information on the Authority's reserves is contained in notes 6 and 7.

### **J VAT**

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

## **2 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

In applying the accounting policies set out in Note 1, the Authority has had to make certain judgements about future events. The key judgement made in the Statement of Accounts relates to the high degree of uncertainty about future levels of funding for public bodies. The Authority has determined that this uncertainty is not sufficient to provide an indication that the assets of the Authority might be impaired as a result of a need to reduce levels of service provision.

The Scottish Government has published its position statement on the Planning Review which included its intent to remove Strategic Development Plans, the Planning (Scotland) Bill is currently progressing through Parliament and it is anticipated it will be approved in September 2018. The Statutory duty will remain until the legislation is passed, albeit in the case of the Tayside, Dundee, Perth and North Fife SDPA no work will be undertaken in relation to Strategic Development Plan 3 and the SDPA will function at a minimal level to ensure it complies with its duty under the 1997 Planning Act. Despite the uncertainties around the future of SDPA, annual accounts for 2017/2018 are prepared adopting the going concern accounting and reporting policy.

## **3 ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT NOT YET BEEN ADOPTED**

There were no relevant accounting standards that have been issued but are not yet adopted in the 2017/2018 Code of Practice on Local Authority Accounts in the United Kingdom.

#### 4 COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT - FINANCING AND INVESTMENT INCOME AND EXPENDITURE

2016/17 £000		2017/18 £000
(1)	Interest receivable and similar income	(1)
(1)	<b>Total</b>	<b>(1)</b>

#### 5 MOVEMENT IN RESERVES STATEMENT - ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

	General Reserve Balance £000	Movement in Unusable Reserves £000	Total 2017/18 £000
<b>Movements in 2017/2018</b>			
<b>Adjustment involving the Accumulating Compensated Absences Adjustment Account:</b>			
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	2	(2)	-
<b>Total Adjustments</b>	-	-	-

	General Reserve Balance £000	Movement in Unusable Reserves £000	Total 2016/17 £000
<b>Comparative Movements in 2016/2017</b>			
<b>Adjustment involving the Accumulating Compensated Absences Adjustment Account:</b>			
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	-	-	-
<b>Total Adjustments</b>	-	-	-

#### 6 BALANCE SHEET - USABLE RESERVES

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement on page 14.

#### 7 BALANCE SHEET - UNUSABLE RESERVES

2016/17 £000		2017/18 £000
(1)	Accumulating Compensated Absences Adjustment Account	(3)
(1)	<b>Total Unusable Reserves</b>	<b>(3)</b>



**Accumulating Compensated Absences Adjustment Account**

The Accumulating Compensated Absences Adjustment Account absorbs the differences that would otherwise arise on the General Reserve Balance from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Reserve Balance is neutralised by transfers to or from the Account.

2016/17		2017/18
£000		£000
(1)	<b>Balance at 1 April</b>	(1)
1	Settlement or cancellation of accrual made at the end of the preceding year	1
(1)	Amounts accrued at the end of the current year	(3)
-	Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	(2)
(1)	<b>Balance at 31 March</b>	(3)

**8 NET CASH FLOW FROM OPERATING ACTIVITIES**

The net cash flows from operating activities of £12k (2016/2017 £2k) include the following items:

31 March 2017		31 March 2018
£000		£000
1	Other Receipts from finance activities	1

**9 NET SURPLUS OR DEFICIT ON THE PROVISION OF SERVICE FOR NON CASH MOVEMENTS**

2016/17		2017/18
£000		£000
5	Movement in short term debtors	-
4	Movement in short term creditors	40
9	<b>Total</b>	<b>40</b>

**10 CASH FLOW STATEMENT - CASH AND CASH EQUIVALENTS**

The balance of Cash and Cash Equivalents is made up of the following elements:

31 March 2017		31 March 2018
£000		£000
208	Cash managed by Dundee City Council	196
208	<b>Total cash and cash equivalents</b>	<b>196</b>

## 11 MEMBERS ALLOWANCES

In 2017/2018 the Authority there were no payments made for Members Allowances (2016/2017 None)

## 12 EXTERNAL AUDIT COSTS

Under the terms of the Public Finance and Accountability (Scotland) Act 2000, the Authority is required to submit statutory accounts for audit. The Accounts Commission has advised that the auditor of the Authority will be Audit Scotland. The total fee payable to Audit Scotland for 2017/2018 for external audit services is £2,810 (2016/2017 £2,771).

## 13 EVENTS AFTER THE BALANCE SHEET DATE

There were no events that occurred between 1 April 2018 and 25 June 2018 that would have an impact on the 2017/2018 financial statements (2016/2017 none). The latter date is the date on which the accounts were authorised for issue by the Treasurer.

## 14 RELATED PARTIES

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Authority.

Angus, Dundee City, Perth & Kinross and Fife Councils are considered to be related parties of the Dundee, Perth, Angus and North Fife Strategic Development Planning Authority, in terms of the Accounting Code of Practice. During the 2017/2018 financial year, the Authority entered into the following transactions with these four Councils as detailed below:

2016/2017			2017/2018	
Income From £000	Charges From £000		Income From £000	Charges From £000
		<b>Angus Council</b>		
51	-	Local Authority Contribution	46	-
-	15	Contribution Rebate	-	46
<b>51</b>	<b>15</b>		<b>46</b>	<b>46</b>
		<b>Dundee City Council</b>		
51	-	Local Authority Contribution	46	-
1	-	Interest On Revenue Balances	1	-
-	14	Management Recharge	-	-
-	8	Corporate Services	-	8
-	15	Contribution Rebate	-	46
<b>52</b>	<b>37</b>		<b>47</b>	<b>54</b>
		<b>Perth &amp; Kinross Council</b>		
51	-	Local Authority Contribution	46	-
-	15	Contribution Rebate	-	46
<b>51</b>	<b>15</b>		<b>46</b>	<b>46</b>
		<b>Fife Council</b>		
51	-	Local Authority Contribution	46	-
-	15	Contribution Rebate	-	46
<b>51</b>	<b>15</b>		<b>46</b>	<b>46</b>

The undernoted balance existed between the Authority and its related parties as at 31 March 2018.

31 March 2017		Dundee City Council	31 March 2018	
Amounts Due from £000	Amounts Due To £000		Amounts Due From £000	Amounts Due To £000
-	11		-	57

## 15 Authority as Lessee

### *Finance Leases*

The Authority held no assets on finance lease during 2017/2018 and accordingly, there were no finance lease rentals paid to lessors during 2017/2018 (2016/2017 Nil). The Authority has no commitments to making payments to lessors in respect of finance leases.

### *Operating Leases*

Operating lease rental payments of £14,190 were made during 2017/2018 (2016/2017 £13,515). These relate to property rental.

In respect of operating leases, the Authority is committed to making payments to lessors of £14,190 in 2018/2019 on a lease expiring after 2018/2019.

## 16 SHORT TERM DEBTORS

	31 March 2017 £000	31 March 2018 £000
Other entities and individuals	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 17 SHORT TERM CREDITORS

	31 March 2017 £000	31 March 2018 £000
Local authorities	11	49
Other entities and individuals	2	3
<b>Total</b>	<b>13</b>	<b>52</b>

## 18 CONTINGENT LIABILITIES

No contingent liabilities existed at 31 March 2018 (31 March 2017 None).

## 19 CONTINGENT ASSETS

No contingent assets existed at 31 March 2018 (31 March 2017 None).

## 20 EXPENDITURE AND FUNDING ANALYSIS

Paragraphs 3.4.2.96 to 3.4.2.98 of the Code set out the requirements for a new expenditure and funding analysis. The expenditure and funding analysis provides a reconciliation of the statutory adjustments between the authority's financial performance on a funding basis and the surplus or deficit on the provision of services in the comprehensive income and expenditure statement. However, an Expenditure and Funding Analysis has not been included as there are no adjustments between the funding and accounting basis.

**21      DEFINED BENEFIT PENSION SCHEMES**

Staff were entitled to be members of the Superannuation Scheme which is administered by Dundee City Council. This provides staff with defined benefits upon their retirement, and the SDPA contributes towards the costs by making contributions based on a percentage of members' pensionable salaries.

It is neither appropriate nor possible for the SDPA to identify a share of the underlying liabilities in the scheme attributable to its staff. For the purposes of the annual accounts it is therefore accounted for as a defined contribution scheme.

The employing authority is responsible for all pension payments related to "added years" it has awarded, together with related increases. There are no awards in respect of staff seconded to SDPA.

In 2017/2018, there was no reimbursement to DCC in respect of superannuation contribution.