

**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

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**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

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**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 31st 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 8th June 2016. The new proposed plan was submitted to Scottish Ministers on 7th 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 th 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	-
Cost Of Services	352	244	(108)
Other Operating Income & Expenditure	(7)	(7)	-
Financing & Investment Income & Expenditure	-	(1)	(1)
(Surplus)/Deficit on Provision of Services before Requisition Income	345	236	(109)
Requisition Income	(184)	(184)	-
Total Comprehensive (Income) and Expenditure	161	52	(109)
IAS 19 Adjustments		(2)	(2)
Movement in General Fund Balance		50	(111)

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 31st 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
27th September 2018

David Littlejohn MA, MPhil, MRTPI
Interim SDPA Manager (At 31st March 2018)
Dundee, Perth, Angus and North Fife
Strategic Development Planning Authority
27th September June 2018

Councillor Will Dawson
Convener
27th September 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)
27 September 2018

Cllr Will Dawson Convener
Joint Committee
27 September 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 1/49th 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 1/60th of final pensionable salary and years of pensionable service. Prior to 2009 the accrual rate guaranteed a pension based on 1/80th and a lump sum based on 3/80th 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	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	14,438

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
27 September 2018

Convener
Dundee, Perth, Angus and North Fife
Strategic Development Planning Authority
27 September 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
27 September 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
25 June 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 £000	Gross Income £000	Net Expenditure / (Income) £000	Budgeted Net Expenditure / (Income) £000	Gross Expenditure £000	Gross Income £000	Net Expenditure / (Income) £000
						Expenditure
104		104	90	27		27
14		14	14	14		14
32		32	23	11		11
1		1	3	-		-
61		61	214	184		184
8		8	8	8	-	8
220		220	352	244		244
	(4)	(4)	(7)		(7)	(7)
-	(1)	(1)	-	-	(1)	(1)
220	(5)	215	345	244	(8)	236
	(204)	(204)	(184)	-	(184)	(184)
220	(209)	11	161	244	(192)	52
						Total Comprehensive Income and Expenditure

**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
Balance at 31 March 2016	208	208	(1)	207
<u>Movement in Reserves during 2016/2017</u>				
Total Comprehensive Expenditure and Income	(11)	(11)	-	(11)
Adjustments between accounting basis & funding basis under regulations (note 5)	-	-	-	-
Net Increase / (Decrease) before Transfers to Earmarked Reserves	(11)	(11)	-	(11)
Transfers to/from Earmarked Reserves	-	-	-	-
Increase / (Decrease) in 2016/2017	(11)	(11)	-	(11)
Balance at 31 March 2017 carried forward	197	197	(1)	196
<u>Movement in Reserves during 2017/2018</u>				
Total Comprehensive Expenditure and Income	(52)	(52)	-	(52)
Adjustments between accounting basis & funding basis under regulations (note 5)	2	2	(2)	-
Net Increase/Decrease before Transfers to Earmarked Reserves	(50)	(50)	(2)	(52)
Transfers to/from Earmarked Reserves	-	-	-	-
Increase / (Decrease) in Year 2017/2018	(50)	(50)	(2)	(52)
Balance at 31 March 2017 carried forward	147	147	(3)	144

**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'.

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

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
25 June 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.

2016/17		2017/18
£000		£000
(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
<u>(2)</u>	Net increase or (decrease) in cash and cash equivalents (note 8)	<u>(12)</u>
<u>210</u>	Cash and cash equivalents at the beginning of the reporting period	<u>208</u>
<u>208</u>	Cash and cash equivalents at the end of the reporting period (note 10)	<u>196</u>

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)	Total	(1)

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.

Movements in 2017/2018	General Reserve Balance £000	Movement in Unusable Reserves £000	Total 2017/18 £000
Adjustment involving the Accumulating Compensated Absences Adjustment Account:			
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)	-
Total Adjustments	-	-	-

Comparative Movements in 2016/2017	General Reserve Balance £000	Movement in Unusable Reserves £000	Total 2016/17 £000
Adjustment involving the Accumulating Compensated Absences Adjustment Account:			
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	-	-	-
Total Adjustments	-	-	-

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)	Total Unusable Reserves	(3)

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)	Balance at 1 April	(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)	Balance at 31 March	(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	Total	40

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	Total cash and cash equivalents	196

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
		Angus Council		
51	-	Local Authority Contribution	46	-
-	15	Contribution Rebate	-	46
<u>51</u>	<u>15</u>		<u>46</u>	<u>46</u>
		Dundee City Council		
51	-	Local Authority Contribution	46	-
1	-	Interest On Revenue Balances	1	-
-	14	Management Recharge	-	-
-	8	Corporate Services	-	8
-	15	Contribution Rebate	-	46
<u>52</u>	<u>37</u>		<u>47</u>	<u>54</u>
		Perth & Kinross Council		
51	-	Local Authority Contribution	46	-
-	15	Contribution Rebate	-	46
<u>51</u>	<u>15</u>		<u>46</u>	<u>46</u>
		Fife Council		
51	-	Local Authority Contribution	46	-
-	15	Contribution Rebate	-	46
<u>51</u>	<u>15</u>		<u>46</u>	<u>46</u>

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

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

17 SHORT TERM CREDITORS

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

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.