

**REPORT TO: DUNDEE, PERTH, ANGUS AND NORTH FIFE
STRATEGIC DEVELOPMENT PLANNING AUTHORITY
JOINT COMMITTEE MEETING ON 24th NOVEMBER 2009**

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

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REPORT NO: SDPA14-2009

1 PURPOSE OF REPORT

- 1.1 This report provides information on the audited accounts for the last financial year. In addition, an update for the Joint Committee on the Strategic Development Plan Authority (SDPA) budget for year ending 31st March 2009 and a proposed 3 year budget to the period 31st March 2013 is set out.

2 RECOMMENDATION

- 2.1 It is recommended that The Joint Committee:
- a) Note the audited accounts for year ending 31st March 2009 as set out in Appendix One;
 - b) Report to Members and the Controller of Audit on the 2008/09 Audit as set out in Appendix Two;
 - c) Note the current budget projections for current year ending 31st March 2010 as set out in Appendix Three; and,
 - d) Approve the 3 year budget to 31st March 2013 as set out Appendix Three.

3 FINANCIAL IMPLICATIONS

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

4 BUDGET UPDATE

- Audited accounts for year ending 31st March 2009
- 4.1 The unaudited accounts for the previous financial year were reported to the last Joint Committee in August 2009 (Report 13-2009: SDPA Budget Update). The accounts have now been audited (see Appendix One to this report).
- 4.2 The Report to members details one item on the action plan which has already been addressed (see Appendix Two to this report).

Budget update for current year ending 31st March 2010

- 4.3 An update from the quarterly report to the previous Committee (Report 13-2009: SDPA Budget Update) is set out in Appendix Three to this report. Some additional savings are projected in this financial year of £31,500. The projected balance is £138,000 which would be carried over to 2010/11.
- 4.4 Savings have primarily been made in a reduction in costs relating to the initial consultation and in setting the office up. Additional temporary staff resource has been utilised to assist in delivering the project plan to present the Main Issue Report to The Joint Committee on 16th February 2010.

Proposed 3 year budget to 31st March 2013

Context

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

Proposed Budget

- 4.7 The projected budget for this current financial year is £250,000. For the following three years it is:
- | | |
|---------|----------|
| 2010/11 | £262,000 |
| 2011/12 | £253,000 |
| 2012/13 | £339,000 |

- 4.8 Appendix Three provides the detailed breakdown of the three year projections. Over the period to 31st March 2013 there are a number of costs which are proposed to remain largely unchanged, for example office rent. The known differential costs relate to external consultancy and the examination process. The later being the most significant with a projected cost of £110,000, 50% of which requires to be covered by TAYplan SDPA. To date there has not been an examination of a Strategic Development Plan and as such the projected cost is based on assumptions which have been discussed with the Reporters Unit.

Justification

- 4.9 Within the context of wider budget pressures, these three year projections are presented as the most realistic with little surplus. Savings have been built within each year taking account of the stage the project will be at. The research through external consultancy has been reduced from the current budget year base of £50,000 to £30,000, £20,000 and £40,000 over the following three years. If external research requirements exceed this budget financial contributions will be sought from the constituent councils and other funding sources, where appropriate. A proposed key area of such research to inform the 2nd Strategic Development Plan will be the next Housing Needs and Demand Assessment, likely in 2013/14, beyond these budget projections.

- 4.10 At the meeting of the Joint Committee on the 25 November 2008 it was agreed that an annual budget of £60,000 per authority to the SDPA be recommended to partner authorities for approval. This was subsequently agreed to by the constituent councils.
- 4.11 The three year projections have a small positive outturn at March 2013 of £10,000. The significant cost savings from last budget year provide the balance over the current and following three years.
- 4.12 The annual agreed income is £240,000 and this is required in full to March 2013 to deliver the project plan and meet the statutory requirements as agreed. The detailed projections in Appendix Three highlight that annually the costs of the TAYplan SDPA exceed the annual agreed income, on average £285,000 based on the following 3 year projections. This will be monitored. The SDPA is new and some of these costs are based on assumptions. Ongoing monitoring over the period of the first Plan will provide actual costs on which to base future budget projections. However, this does highlight a future budget pressure of an additional £6,250 per authority.

5 CONSULTATIONS

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

6 BACKGROUND PAPERS

- 6.1 Report 13-2009: SDPA Budget Update, Joint Committee 25th August 2009.
- 6.2 Report 12-2009: SDPA Project Plan Update, Joint Committee 25th August 2009.
- 6.3 Report 06-2008: Proposed Staffing and Draft Budget for the SDPA, Joint Committee 25th November 2008.
- 6.4 Report 05-2009: Update SDPA Budget, Joint Committee 28th February 2009.

Pamela Ewen
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11th November 2009