

The City of Edinburgh Council

10:00am Thursday 10 March 2016

SESplan Governance Review and 2016/17 Operating Budget – referral from the Planning Committee

Item number	8.8
Report number	
Wards	All

Executive summary

At its meeting of 25 February 2016, the Planning Committee considered a report by the Executive Director of Place on changes to SESplan's governance framework that would expedite plan preparation and clarify governance arrangements and the 2016/17 operating budget.

The report has been referred to the Council for ratification of the new governance arrangements.

Links

Coalition pledges	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report

Terms of Referral

SESplan Governance Review and 2016/17 Operating Budget

Terms of referral

- 1.1.1 On 25 February 2016, the Planning Committee considered the attached report by the Executive Director of Place on changes to SESplan's governance framework that would expedite plan preparation and clarify governance arrangements.
- 1.2 SESplan is the Strategic Development Planning Authority for Edinburgh and south east Scotland. It comprises six councils: City of Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders and West Lothian. SESplan operates through a Joint Committee made up of two members from each constituent council and is responsible for preparing a strategic development plan (SDP) for south east Scotland.
- 1.3 The governance of SESplan is set out in its Constitution, Scheme of Delegation and Financial Rules. This framework was established by the SESplan Joint Committee in August 2008 and subsequently ratified by the six member authorities. At that time, it was agreed to keep these arrangements under review. The SESplan scheme of delegation requires that any amendments approved by the SESplan Joint Committee are referred to the six councils for ratification. In Edinburgh, the authority to ratify any changes lies with full Council.
- 1.4 SESplan's constitution, scheme of delegation and financial rules have been reviewed. On 14 December 2015, the SESplan Joint Committee agreed to amend each of the three documents and, as required by the constitution, refer the proposed changes to the constituent councils for ratification.
- 1.5 The context for the review, the proposed amendments in detail and their reasoned justification are set out in the SDP Manager's report to the Joint Committee, on 14 December 2015 (Appendix 1 to the report by the Executive Director of Place). This includes the revised versions of the three governance documents.
- 1.6 At its meeting on 18 November 2013, the Joint Committee agreed that, to provide greater continuity to the process of preparing the SDP, it would be helpful if the Convenership and Vice Convenership of the Committee ran for two years rather than one, as specified in the Constitution. It was noted also that, in terms of SDP2, this would broadly accord with key stages in the preparation process leading to submission of the Proposed Plan to Ministers in early 2017. The amendments proposed to Section 5 of the Constitution formalise the arrangements for the rotation of these roles every two years.
- 1.7 The Scheme of Delegation notes that all major decisions on SDP content must be ratified by all six member councils and specifies that decisions to approve the

Main Issues Report, Proposed Plan and modifications to the Proposed Plan must be ratified. The need for ratification does, however, reduce the scope to manage the timetable. Reducing the situations in which ratification is required could enable the timely progress of the plan and associated documents and bring efficiencies in terms of SESplan and member authorities' resources.

- 1.8 The proposed Scheme specifies that the Joint Committee may approve the publication of Supplementary Guidance for consultation. Any Supplementary Guidance which is to be prepared must be specifically identified in the approved plan and must be limited to the provision of further information or detail in respect of policies or proposals set out in the plan. Such guidance must be consistent with the approved plan. The decision to adopt the Supplementary Guidance following consultation would continue to require ratification by the member authorities.
- 1.9 The Planning Committee agreed:
- 1) To support the proposed changes to SESplan's governance framework and refer them to full Council for ratification;
 - 2) To ratify SESplan's 2016/17 operating budget and approve the payment of £46,550 as this Council's contribution.

For Decision/Action

2.1 The Council is asked to ratify the changes to SESplan's governance framework

Background reading / external references

Kirsty-Louise Campbell

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Links

Coalition pledges	See attached report
Council outcomes	See attached report
Single Outcome Agreement	See attached report
Appendices	See attached report

Planning Committee

10.00am, Thursday, 25 February 2016

SESplan Governance Review and 2016/17 Operating Budget

Item number

Report number

Executive/routine

Wards:

All

Executive summary

The purpose of this report is to invite Committee to support proposed changes to SESplan's governance framework and refer them to full Council for ratification. Committee is also asked to ratify SESplan's 2016/17 operating budget and approve the payment of £46,550 as this Council's contribution.

The purpose of the amendments to governance is to expedite plan preparation and clarify governance arrangements.

SESplan operating costs for financial year 2016/17 are £286,336. Costs will be met by equal contributions from member authorities totalling £279,300 and the shortfall made up from reserves and other income.

Links

Coalition pledges [P8, P30](#)

Council outcomes [CP10](#)

Single Outcome Agreement [SO1](#)

SESplan Governance Review and 2016/17 Operating Budget

Recommendations

- 1.1 It is recommended that the Committee:
- supports proposed changes to SESplan's governance framework and refers them to full Council for ratification; and
 - ratifies SESplan's 2016/17 operating budget and approves the payment of £46,550 as this Council's contribution.

Background

- 2.1 SESplan is the Strategic Development Planning Authority for Edinburgh and south east Scotland. It comprises six councils: City of Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders and West Lothian. SESplan operates through a Joint Committee made up of two members from each constituent council and is responsible for preparing a strategic development plan (SDP) for south east Scotland.
- 2.2 The governance of SESplan is set out in its Constitution, Scheme of Delegation and Financial Rules. This framework was established by the SESplan Joint Committee in August 2008 and subsequently ratified by the six member authorities. At that time, it was agreed to keep these arrangements under review. The SESplan scheme of delegation requires that any amendments approved by the SESplan Joint Committee are referred to the six councils for ratification. In Edinburgh, the authority to ratify any changes lies with full Council.
- 2.3 The costs of running SESPlan are set out in the Operating Budget. SESplan financial rules require that this is ratified by member authorities.

Main report

Constitution, Scheme of Delegation and Financial Rules

- 3.1 SESplan's constitution, scheme of delegation and financial rules have been reviewed. On 14 December 2015, the SESplan Joint Committee agreed to amend each of the three documents and, as required by the constitution, refer the proposed changes to the constituent councils for ratification.

- 3.2 The context for the review, the proposed amendments in detail and their reasoned justification are set out in the SDP Manager's report to the Joint Committee, on 14 December 2015 (Appendix 1). This includes the revised versions of the three governance documents.
- 3.3 At its meeting on 18 November 2013, the Joint Committee agreed that, to provide greater continuity to the process of preparing the SDP, it would be helpful if the Convenership and Vice Convenership of the Committee ran for two years rather than one, as specified in the Constitution. It was noted also that, in terms of SDP2, this would broadly accord with key stages in the preparation process leading to submission of the Proposed Plan to Ministers in early 2017. The amendments proposed to Section 5 of the Constitution formalise the arrangements for the rotation of these roles every two years.
- 3.4 The Scheme of Delegation notes that all major decisions on SDP content must be ratified by all six member councils and specifies that decisions to approve the Main Issues Report, Proposed Plan and modifications to the Proposed Plan must be ratified. The need for ratification does, however, reduce the scope to manage the timetable. Reducing the situations in which ratification is required could enable the timely progress of the plan and associated documents and bring efficiencies in terms of SESplan and member authorities' resources.
- 3.5 The proposed Scheme specifies that the Joint Committee may approve the publication of Supplementary Guidance for consultation. Any Supplementary Guidance which is to be prepared must be specifically identified in the approved plan and must be limited to the provision of further information or detail in respect of policies or proposals set out in the plan. Such guidance must be consistent with the approved plan. The decision to adopt the Supplementary Guidance following consultation would continue to require ratification by the member authorities.

2016/17 Operating Budget

- 3.6 The SESplan operating budget for 2016/17 was approved by SESplan Joint Committee on 14 December 2015, subject to ratification by the six member councils. The SESplan report and the operating budget itself are appended to this report (Appendix 2). It is estimated that SESplan's fixed costs - mainly salaries, accommodation and IT - will be £264,336. Variable costs, made up of technical support and a 10% contingency, total £22,000. The estimated total costs for the financial year 2016/17 are therefore £286,336. This will be funded from member contributions of £279,300, sales and interest from SESplan's revenue balance totalling £1,250 and £5,786 from reserves.

- 3.7 Each member authority is liable for one sixth of the annual Operating Budget. Contributions take into account cyclical changes to variable costs related to the development plan cycle. In anticipation of savings in 2014/2015, including accommodation costs following the relocation of the core team, the Joint Committee agreed that a target of 5% savings on the contribution at that time, of £49,000 per member authority, would be set for 2014/15. This was equivalent to a £2,450 reduction in member authorities' annual contributions and this was refunded to members in 2014/2015. It was agreed that SESplan's costs continue at the reduced level set in 2014/15 and it is proposed that contributions continue to be maintained at £46,550 per annum over the next three years.
- 3.8 SESplan Financial Rules state that member authority contributions are to be in place by the end of April each year.

Measures of success

- 4.1 Clarification of governance arrangements for SESplan Joint Committee.
- 4.2 Sufficient funding in place to progress the Strategic Development Plan at a rate which provides an up to date policy context for the Local Development Plan.

Financial impact

- 5.1 There are no direct financial impacts associated with the governance changes.
- 5.2 The Council is required to make a contribution of £46,550 towards the SESplan operating costs. The sum will be paid from the approved revenue budget for 2016/17 to Fife Council, the authority responsible for administering SESplan's budget.

Risk, policy, compliance and governance impact

- 6.1 Amendments agreed by the Joint Committee clarify governance arrangements but do not compromise the constituent councils' democratic oversight role.
- 6.2 There are risks to the strategic development plan (SDP) process if sufficient funding is not available to progress the SDP at a rate which provides up to date strategic planning policy context for the timeous progression of the Local Development Plan. The risks associated with this area of work are significant in terms of finance, reputation, and performance in relation to the statutory duties of the Council as Planning Authority, Roads Authority and Education Authority. The identified operating budget should ensure timeous progress of the SDP.

Equalities impact

7.1 An Equalities and Rights Impact Assessment has been carried out. There is no equalities impact arising from this report.

Sustainability impact

8.1 There is no sustainability impact as a result of this report.

Consultation and engagement

9.1 No consultation has been undertaken in relation to the preparation of this report.

Background reading/external references

[SESplan Scheme of Delegation, Constitution and Financial Regulations](#)

Paul Lawrence

Executive Director of Place

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Links

Coalition pledges	P8 - Make sure the city's people are well-housed, including encouraging developers to built residential communities, starting with brownfield sites P30 - Continue to maintain a sound financial position including long-term financial planning
Council outcomes	CP10 - A range of quality housing options CP12 - A built environment to match our ambition
Single Outcome Agreement	SO1 - Edinburgh's economy delivers increased investment, jobs and opportunities for all
Appendices	Appendix 1: SDP Manager's report to 14 December 2015 SESplan Joint Committee - SESplan Governance Review Appendix 2: SDP Manager's report to 14 December 2015 SESplan Joint Committee – Finance

For Decision	✓
For Information	

ITEM 10 – SESPLAN GOVERNANCE REVIEW

Report by: Ian Angus, SDP Manager

Purpose

This report introduces proposed amendments to SESplan’s Constitution, Scheme of Delegation and Financial Rules to accord with decisions of the Joint Committee, clarify and update details in these documents. The current governance documents are available on the [SESplan website](#). The report also proposes the adoption of Standing Orders to assist in the management of the operation of the Joint Committee.

Recommendations

It is recommended that the SESplan Joint Committee:

- a) Approve the amendments to the SESplan Constitution as set out in Appendix 1 and incorporated in the Constitution attached as Appendix 2 to this report;
- b) Approve the proposed amendments to the Scheme of Delegation, as set out in Appendix 1 and incorporated in the Scheme of Delegation attached as Appendix 3 to this report;
- c) Approve the proposed amendment to the Financial Rules, as set out in Appendix 1 and incorporated in the Financial Rules attached as Appendix 4 to this report;
- d) Refer the amendments to the SESplan Constitution, the Scheme of Delegation and Financial Rules (a, b and c above) to the constituent Councils for ratification;
- e) Remit the Clerk to prepare a revised Constitution and Scheme of Delegation for execution by the SESplan constituent Councils on the amendments being duly ratified; and
- f) Adopt the draft Standing Orders, as set out in Appendix 5 to this report.

Resource Implications

The changes proposed would result in a reduction in member and officer time required to deal with ratification processes.

Legal and Risk Implications

All risks are detailed in the SESplan Risk Register and reported to Joint Committee on an annual basis.

Policy and Impact Assessment

No separate impact assessment is required.

1. Background

- 1.1 The governance of SESplan is set out in its Constitution, Scheme of Delegation and Financial Rules. This framework was established by the SESplan Joint Committee in August 2008 and subsequently ratified by the six member authorities. At that time, it was agreed to keep these arrangements under review. Any changes to the three documents must be agreed by the six member authorities. At its meeting on 5 December 2011, the Joint Committee agreed amendments to the Constitution, Scheme of Delegation and Financial Rules to facilitate the timeous progress of the SDP and to adopt more proportionate financial reporting requirements. These amendments were ratified by all member authorities. The documents, as amended, are available at the [SESplan website](#).
- 1.2 On 18 November 2013, the Joint Committee agreed the appointment of the Convener and Vice Convener for 2014 and 2015. This report proposes amendments to the Constitution to formalise this cycle. Consideration of this matter also offers an opportunity to update and clarify other details within the Constitution, Scheme of Delegation and Financial Rules.

2. Constitution, Scheme of Delegation and Financial Rules

- 2.1 The amendments proposed to the Constitution, Scheme of Delegation and Financial Rules and the reasons for making these are summarised in Appendix 1 to this report. The most significant amendments relate to the rotation of the Convenership and Vice Convenership and a clarification regarding requirement for the ratification of decision to publish draft Supplementary Guidance for consultation.
- 2.2 At its meeting on 18 November 2013, the Joint Committee agreed that, to provide greater continuity to the process of preparing the SDP, it would be helpful if the Convenership and Vice Convenership of the Committee ran for two years rather than one, as specified in the Constitution. It was noted also that, in terms of SDP2, this would broadly accord with key stages in the preparation process leading to submission of the Proposed Plan to Ministers in early 2017. The amendments proposed to Section 5 of the Constitution formalise the arrangements for the rotation of these roles every two years.

- 2.3 The Constitution specifies that all major decisions about the content of the Strategic Development Plan, with the exception of the submission of the Proposed Plan to Ministers when no Modifications are proposed, must be ratified by each of the six member authorities. The Joint Committee is to agree a Scheme of Delegation with the member authorities which defines the nature and amount of authority delegated from the councils to the Joint Committee. The Scheme of Delegation is to be kept under review and can only be amended with the agreement of the member authorities.
- 2.1 The Scheme of Delegation notes that all major decisions on SDP content must be ratified by all six member councils and specifies that decisions to approve the MIR, Proposed Plan and modifications to the Proposed Plan must be ratified. The ratification of a Joint Committee decision relating to the SDP takes 4 - 6 weeks but SESplan Core Team resources are applied to other aspects of the project throughout the period, reducing the impact on the programme. The need for ratification does, however, reduce the scope to manage the timetable, for example around council recesses, and requires resources of the member authorities. Reducing the situations in which ratification is required could enable the timely progress of the plan and associated documents and bring efficiencies in terms of SESplan and member authorities' resources.
- 2.2 It is considered that decisions to approve the Main Issues Report, Proposed Plan and modifications to the Proposed Plan are major decisions on SDP content and it would not be appropriate to extend delegation to include these at this time. It is proposed however that the Scheme specifies that the Joint Committee may approve the publication of Supplementary Guidance for consultation. Any Supplementary Guidance which is to be prepared must be specifically identified in the approved plan and must be limited to the provision of further information or detail in respect of policies or proposals set out in the plan. Such guidance must be consistent with the approved plan. The decision to adopt the Supplementary Guidance following consultation would continue to require ratification by the member authorities.
- 2.3 While maintaining member authorities' control of the process, there are potential efficiencies to member authorities and the Core Team in reducing the requirement for the ratification of Joint Committee decisions, for example ratification of the decision to publish a Main Issues Report for consultation. Control could be maintained, for example, by enabling the triggering of a ratification cycle by any member at any stage before and including the

relevant meeting of the Joint Committee. The potential for efficiencies will arise in the preparation of the MIR for SDP3, estimated to be in 2019 - 2020.

- 2.4 It is noted also that, at this stage, the outcome of the current review of the planning system in Scotland is unknown but may necessitate a review of the governance of the SDPA. In this context, it is proposed that the Scheme of Delegation continues to be kept under review.

3. Standing Orders

- 3.1 In common with those of the other SDPAs, SESplan's constitution enables the Joint Committee to adopt Standing Orders but, to date, SESplan has not done this. Each of the other SDPAs has adopted such regulations to assist in clarifying the arrangements for the management of their business. For the same reason, it is recommended that the Joint Committee adopt Standing Orders as set out Appendix 5, attached to this report.

4. Conclusions

- 4.1 SESplan's Constitution must be updated to amend the arrangements for the rotation of the Convener and Vice Convener of the Joint Committee to accord with the decision of the Joint Committee on this matter. This allows the Joint Committee the opportunity to clarify and update other, more detailed aspects of the Constitution, Scheme of Delegation and Financial Rules. It will be helpful also to take the opportunity to adopt Standing Orders to assist in the management of the operation of the Joint Committee.

Appendices

- Appendix 1 Proposed amendments to the SESplan Constitution, Scheme of Delegation and Financial Rules
- Appendix 2 SESplan Constitution including amendments 14 December 2015
- Appendix 3 SESplan Scheme of Delegation including amendments 14 December 2015
- Appendix 4 SESplan Financial Rules including amendment 14 December 2015
- Appendix 5 SESplan Standing Orders

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Report Agreed By: Ian Angus, SDP Manager

Author Name: Ian Angus, SDP Manager

APPENDIX 1 – Proposed amendments to the SESplan Constitution, Scheme of Delegation and Financial Rules

Proposed amendments to the SESplan Constitution, Scheme of Delegation and Financial Rules

Constitution		
Paragraph	Amendment	Reason
1.3d	Remove reference local plans.	Updating to accord with statute.
1.3f	Replace reference to 'structure plans' with 'development plans'.	Updating to accord with statute.
1.3g	Replace 'strategies in structure plans or the SDP' with 'the spatial strategy of the SDP'.	Updating to accord with statute.
1.3g	Delete 'according to a Scheme to be agreed by Member Councils'.	Updating to accord with the SESplan Project Board decision on 2 November 2012 that the principles should be reflected in the roles and responsibilities of the Project Board, Operational Group and Core Team but that there should not be a scheme or 'code'. Note – the currently adopted Constitution is inconsistent in its use of 'code' and 'scheme'.
3.1	Delete.	This paragraph repeated what is established in statute, that the Joint Committee will be advisory only but its advice and decisions will be considered by the member authorities.
3.4	Remove para 3.4, which referred to Edinburgh and Lothians Structure Plan Joint Liaison Committee.	Updating to reflect the superseding of the Structure Plan by the approved SDP and the dissolution of the Joint Liaison Committee.
5.1-5.2 and 5.4-5.5	Amendments to establish a rotation of the Convenership and Vice Convenership of the Joint Committee once every two years.	Updating to accord with the decision of the Joint Committee on 18 November 2013.
9.7	Remove reference to amendments to the 'Code of Practice'.	Updating to accord with the SESplan Project Board decision on 2 November 2012 that the principles should be reflected in the roles and responsibilities of the Project Board, Operational Group and Core Team but that there should not be a scheme or 'code'.
14.1	Remove reference to the review of the 'Code of Practice'.	Updating to accord with the SESplan Project Board decision on 2 November 2012 that the principles should be reflected in the roles and responsibilities of the Project Board, Operational Group and Core Team but that there should not be a scheme or 'code'. Note – The amended Constitution retains the role of the Joint Committee to comment on planning applications referred to it by Member Councils.

Scheme of Delegation		
Paragraph	Amendment	Reason
2.3h	Remove references to consultation 'code of practice' but retain delegation to the Joint Committee to advise on planning proposals referred to the Joint Committee by member authorities.	Clarification and to accord with amendment to para 1.3g, 9.7 and 14.1 of Constitution.
2.3i	Remove reference to 'local plans'.	Updating to accord with statute.
2.3k - New	Add 2.3k: 'Approving draft statutory Supplementary Guidance prepared in accord with the SDP for consultation'	To delegate the power to the Joint Committee to approve draft Supplementary Guidance for consultation without the requirement for ratification of that decision by Member Councils.
2.3l	Replace 'Adoption of the Action Programme' with 'Adoption and updating the Action Programme'.	Clarification.
2.5	Insert 'following the statutory period for representations' following 'any modifications' in first sentence	Clarification.
2.4 – 2.6A	Amendments to clarify text.	Clarification. There is no change in the substance of the section.
3.1a	Replace 'Recruitment below the management level' with 'Recruitment of the Strategic Development Plan Manager and project team'.	Clarification of increased delegation to the Project Board and to reflect practice.

Financial Rules		
Paragraph	Amendment	Reason
Audit	Amend to confirm that SESplan audit will be completed by independent auditor.	Update to accord with a statutory requirements.

APPENDIX 2 – SESplan Constitution including amendments 14 December 2015

Edinburgh and South East Scotland Strategic Development Plan Joint Committee: Constitution

1 Strategic Development Planning Authority Duties, Objectives and Powers

- 1.1 The following planning authorities comprise the Strategic Development Planning Authority (“the Authority”) for the Edinburgh city region: the City of Edinburgh Council, East Lothian Council, Fife Council, Midlothian Council, Scottish Borders Council and West Lothian Council. This group of authorities has a statutory duty under section 4 of the Planning etc. (Scotland) Act 2006 (“the Act”) to work together and prepare, and keep under review, a Strategic Development Plan (SDP) for the Edinburgh city region.

- 1.2 The Statutory duties of the Authority are to
 - a) submit to Scottish Ministers, within a period of three months from designation as an SDPA, a plan showing the proposed boundary of the SDP area, with a justification statement as required by Section 5 of the Act;
and,
 - b) prepare, monitor and keep under review a Strategic Development Plan for the strategic development area.

- 1.3 Its other aims shall be to:
 - c) agree programmes of joint working to deal with matters arising from the above;

 - d) advise and make recommendations to the six Member Councils on conformity of local development plans with the Strategic Development Plan and on other issues arising from the statutory duties;

 - e) liaise with and make representations to central Government, Scottish Enterprise and other bodies and agencies as necessary on matters of relevance to strategic planning in the SDP area;

- f) respond to and comment on development plans, planning applications and other development proposals submitted to the Joint Committee for comment by adjoining non-Member Councils;
- g) receive reports from the Member Councils on development management matters that raise significant issues for the spatial strategy of the SDP, or would have significant cross-boundary impacts; and
- h) take such other action as may be necessary from time to time to sustain the policies contained in the SDP.

1.4 The Authority is empowered to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of these aims and objectives. Unlike Regional Transport Partnerships, primary and secondary legislation confers no independent powers to SDPAs. Specifically, the SDPA has no legal power to borrow money, give grants, employ staff, acquire land or enter into contracts. Where these are necessary, a constituent council will perform these functions on behalf of the SDPA.

2 The Joint Committee

2.1 The duties of the Authority will be carried out by a joint committee of members representing the constituent authorities. This will be called the Edinburgh and South East Scotland Strategic Development Plan Joint Committee (“the Joint Committee”). The following provisions set out a constitution for the Joint Committee.

3 Joint Committee Constitution

3.1 The Joint Committee shall have twelve members, to be appointed from the members of the six Member Councils. Each Member Council shall appoint two members to the Joint Committee.

3.2 The “constituent authorities” means the City of Edinburgh Council, East Lothian Council, Fife Council, Midlothian Council, Scottish Borders Council and West Lothian Council.

4 Appointment of Members by Member Councils

4.1 Each of the Member Councils shall appoint members to the Joint Committee and such members shall stay in office until re-appointed or replaced by the Member Councils. Each of the Member Councils, following an Ordinary Election, shall as soon as practicable appoint or re-appoint members.

4.2 A local authority member shall cease to be a member of the Joint Committee when he or she ceases to be a member of the constituent council which appointed him/her or on the appointment of another member in his/her place.

4.3 The Joint Committee shall have the ability to co-opt additional non-voting members to represent other interests or provide specialist expertise, for example a representative from the regional transport partnership.

5 Appointment of Convener and Vice-Convener

5.1 The Joint Committee shall be convened and chaired by one authority, which said role will commence on January 1 of the relevant year. The role will rotate every two years. The sequence of rotation of this role will be alphabetical by Council, unless otherwise determined by the Joint Committee.

5.2 The Joint Committee shall, at its final meeting in the second year of the Convenor's term of office appoint a Convener from the Committee members representing the authority which will next convene and chair the Joint Committee, to hold office for two years.. The Joint Committee shall appoint a Vice-Convener from the Committee members representing the authority to next take on the role of convening and chairing the Joint Committee, to hold office for two years.

5.3 The Convener, (or in his/her absence, the Vice-Convener) shall preside at any meeting. In the absence of (both) the Convener and the Vice-Convener, the members shall appoint another member to chair the meeting.

5.4 The administration of the Joint Committee will be the responsibility of the authority convening and chairing the Joint Committee.

6 Substitution

6.1 Any member of the Joint Committee may be represented by another member of the same authority.

6.2 A person appointed as a substitute shall have the same powers at the meeting as the member whom he or she is representing.

7 Vacancies

7.1 Where a casual vacancy occurs the Member Council shall appoint a new member.

- 7.2 Where a vacancy occurs in the case of the Convener, the Vice-Convener shall assume the office of Convener until the anticipated expiry of the outgoing Convener's term of office.
- 7.3 Where a vacancy occurs in the case of the Vice-Convener, the Joint Committee shall appoint a replacement until the anticipated expiry of the outgoing Vice-Convener's term of office.
- 7.4 The proceedings of the Joint Committee shall not be invalidated by any vacancy or vacancies amongst members or any defects in the method of appointment of any of its members.

8 Quorum

- 8.1 The quorum of the Joint Committee shall be four, provided that not less than three Member Councils are represented.

9 Meetings

- 9.1 The Joint Committee shall meet not less than 2 times per year.
- 9.2 The Convener, in consultation with senior officers of the Member Councils shall fix the date, time and place of meetings, subject to any previous agreement by the Joint Committee.
- 9.3 A member council can request a special meeting in exceptional circumstances where a matter requires to be considered by the Joint Committee sooner than the schedule permits.
- 9.4 Meetings shall be held in public and the Local Government (Access to Information) Act 1985 shall apply.
- 9.5 All matters coming before the Joint Committee shall be decided by the majority of members present and voting thereon. In the case of equality of votes, the person presiding at the meeting will have a second or casting vote, except in the case of appointment of members, in which case the decision shall be by lot.
- 9.6 The Joint Committee, on simple majority, shall have the power to make representation on strategic planning matters and related issues to Member Councils or, where appropriate, the Scottish Government and other organisations. Documents can be published, and evidence given, in the name of the Joint Committee with the agreement of all Member Council. Individual councils have the right to separately put forward contrary views.

- 9.7 The Joint Committee shall have the power to adopt standing orders regulating its business.
- 9.8 Senior officers of each authority will have the right to submit individual reports and recommendations to the Joint Committee.

10 Professional Support

- 10.1 Professional support for the work of the Joint Committee shall be provided by a Strategic Development Plan Manager and a small dedicated team of officers. The SDP Manager will be managed by a project board comprising senior officers from each of the Member councils. Its duties shall include agreeing reports to be presented to the Joint Committee.
- 10.2 From time to time, planning officers and technicians in the Member Councils may be required to provide professional and technical support to the work of the small dedicated team.
- 10.3 The Member Councils shall use their reasonable endeavours to meet any request from the Joint Committee or the SDP Manager for the secondment of appropriate/relevant staff to help prepare, monitor and review the SDP. Any such secondment will be on terms as may be agreed between the Member Council and the Joint Committee.

11 Financial Arrangements

- 11.1 The Joint Committee shall have no dedicated budget of its own. Financial support will be provided by the Member Councils on the basis of an equal, one-sixth share of all costs incurred in relation to the Joint Committee and its operations.
- 11.2 The level of financial devolution will be kept under review by the Joint Committee and can be amended with the agreement of all Member Councils.
- 11.3 For employment law purposes and to aid financial accountability, one SDPA Member Council will act as the employing authority, to be agreed by the Member Councils. The Member Councils will pay to that council one-sixth of the total costs reasonably incurred by it in connection with employing the dedicated team.
- 11.4 Financial contributions from the constituent authorities to the work of the Joint Committee generally, not including dedicated team staff costs, will be channelled through one council, to be agreed by the Member Councils.

12 Scheme of Delegation

- 12.1 The Joint Committee will agree a Scheme of Delegation with the Member Councils. This will define the nature and amount of authority delegated from those councils to the Joint Committee, and from the Joint Committee to officers.
- 12.2 All major decisions, for example about the content of the Strategic Development Plan, but with the exception of submission of the Proposed Plan to Scottish Ministers when no Modifications are proposed, will require to be ratified by each of the six constituent member authorities. The level of delegated authority to the Joint Committee from Member Councils, and from the Joint Committee to officers, shall be governed by a separate Scheme of Delegation to be agreed by the councils.
- 12.3 The Scheme of Delegation will be kept under review by the Joint Committee and can only be amended with the agreement of all the Member Councils.

13 Commencement and Variation

- 13.1 This constitution shall be deemed to have commenced on xxxx (*date to be added on date of execution*) and may be varied only by the agreement of all the Member Councils.

14 Consulting on Planning Proposals

- 14.1 The Joint Committee shall have an advisory role in relation to planning proposals referred to it by Member Councils.

15 Annual Report

- 15.1 The Joint Committee will prepare an annual report on its work to each of the Member Councils on or around 31 August each year.

APPENDIX 3 – SESplan Scheme of Delegation including amendments 14 December 2015

SESplan

The Strategic Development Planning Authority
for Edinburgh and South East Scotland

1.0 SCHEME OF DELEGATION

Powers delegated in this scheme must be carried out within the financial parameters set out by the separate minute of agreement on finance.

1.1 Commencement of the Scheme

The scheme shall commence and have effect as from xxxx (*date of execution to be added*).

1.2 The Interpretation of the Scheme

In the scheme the following words shall have the meanings assigned to them, that is to say:-

Member Councils are the City of Edinburgh, East Lothian, Fife, Midlothian, Scottish Borders and West Lothian Councils;

2006 Act means the Planning etc. (Scotland) Act 2006;

“SESplan” means the Strategic Development Planning Authority for Edinburgh and South East Scotland;

“Officer” means an official carrying out a function of SESplan, whether the project board or its appointees, directly employed, seconded or otherwise.

1.3 Alteration of Scheme

This scheme of delegation will be kept under review and can be amended with the agreement of all Member Councils.

2.0 DELEGATION FROM MEMBER COUNCILS TO SESPLAN

2.1 Member Councils delegate to the joint committee (“SESplan”) the power to discharge the following functions conferred by the 2006 Act on the Member Councils as joint SDPA authorities.

2.2 This delegation does not prevent any or all the member councils from discharging those statutory functions.

2.3 Delegation covers:

- a) Approving responses to relevant consultations from other bodies;
- b) Managing work on SDP preparation, monitoring and review;
- c) Initiating public consultation and stakeholder engagement;
- d) Setting a programme for relevant studies to assist in the preparation of the SDP;
- e) Recruiting and managing staff in the SDP project team;
- f) Arrangements for team premises;
- g) Authorising spending within the financial parameters set out by the separate agreement on finance;
- h) Advising on planning proposals referred to the Joint Committee by member councils;
- i) Advising and making recommendations to the Member Councils on conformity of local development plans with the strategic development plan;
- j) Approving background documents to the Strategic Development Plan including background technical papers, Equalities Impact Assessment, Schedule of Responses to the Main Issues Report, Monitoring Statement and the Development Plan Scheme;
- k) Approving draft statutory Supplementary Guidance prepared in accord with the SDP for consultation; and
- l) Adopting and updating the Action Programme.

2.4 Reports will be submitted to individual Member Councils, for information only, on substantive decisions taken and action authorised under delegated authority.

2.5 At the stage of submitting the Proposed Plan to Scottish Ministers the Joint Committee can decide, following consideration of representations received during the statutory period for representations, to submit the Proposed Plan without making any modifications. In addition to those functions listed at 2.3 above, where, and only where, the Joint Committee decide to make no changes, then the Joint Committee is authorised under delegated authority to submit the Proposed Plan and Summary of Unresolved Issues directly to Scottish Ministers without requiring the decision to be ratified by the Member Councils.

2.6 Other than those matters detailed in 2.3 and 2.5 above, and that matter detailed in 2.6A below, all other major decisions on SDP content will require to be ratified by all six Member Councils.

2.6A When the proposed plan is to be submitted to Scottish Ministers, the 2006 Act allows one or more Member Council to set out alternative proposals, along with their reasons for those alternatives. Therefore when the proposed plan is being submitted to Ministers (otherwise than in accordance with paragraph 2.5 above) ratification by at least four out of the six Member Councils will be required to allow the proposed plan to be submitted to Ministers

2.7 **Urgent Matters**

Where urgent decisions are required to be taken and do not fall within the scope of delegation to SESplan, Member Councils will convene special committee meetings, if necessary, to ensure that decisions can be made timeously and to prevent delay to the preparation of the SDP.

2.8 **Disputes**

If SESplan fails to reach consensus on matters delegated to it, then the matter will be referred to individual Member Councils. This provision does not apply in the circumstances of para 2.5 above.

3.0 **DELEGATION FROM SESplan TO OFFICERS**

3.1 SESplan delegates to officers:

- a) Recruitment of the Strategic Development Plan manager and project team, so long as such posts are within the approved structure and budget
- b) Day to day management of staff in the SDP project team

- c) Liaison with and representation of SESplan to central government and other bodies as necessary on matters relating to the SDP area
- d) Implementation of financial resources as authorised by SESplan
- e) Preparation of SDP up to drafting main stage outputs:
 - i. Preparation of main issues report and supporting documents – subject to approval by SESplan, and ratification by all Member Councils.
 - ii. Preparation of proposed plan – subject to approval by SESplan, and ratification by Member Councils
 - iii. Modification of proposed plan – subject to approval by SESplan and ratification by all Member Councils
- f) Initiation and management of consultation exercises subject to agreement of SESplan
- g) Responding to relevant consultations from other bodies
- h) Commissioning studies to assist in the preparation of the SDP

3.2 The provisions of the scheme of delegation to officers are intended to assist in the efficient and effective management of SESplan's activities. Officers must pay due regard to the need for appropriate periodic reporting of delegated decisions to SESplan.

3.3 **Urgent Matters**

Where urgent decisions are required to be taken to allow work on the SDP to progress and they do not fall within the scope of delegation to officers, SESplan will, if necessary, convene a special committee meeting.

APPENDIX 4 –SESplan Financial Rules including amendments 14 December 2015



The Strategic Development Planning Authority
for Edinburgh and South East Scotland

SESplan FINANCIAL RULES

General

These rules apply to the operation of SESplan's finances. SESplan is the strategic planning authority for Edinburgh and South East Scotland. Its membership comprises East Lothian Council, City of Edinburgh Council, Fife Council, Midlothian Council, Scottish Borders Council and West Lothian Council ("the member councils").

All transactions will be conducted in accordance with Fife Council's regulations, schemes and procedures.

Partner Liability

Fife Council, as Lead Authority, will adopt the role of "Partnership Banker" and will pay all legitimate approved expenditure including staffing & premises costs and hold all partnership balances which will be carried forward to the next financial year, unless agreed otherwise by the Joint Committee.

Fife Council will ensure that any monies that it receives on behalf of SESplan under its role as 'Partnership Banker' are clearly identified within its accounts and recorded separately from the rest of the Council's finances. Interest charged/accrued on any credit or debit on the SESplan budget will be retained within the identified SESplan accounts.

All partner authorities are liable equally for all legitimate approved expenditure and any other liabilities incurred. All partner authorities also have equal ownership over any SESplan assets.

Fife Council will invoice the other Partner Authorities at the beginning of each financial year to obtain their total annual contribution to the agreed SESplan budget.

This invoice will include VAT at the appropriate rate.

In the event that another partner authority incurs legitimate approved expenditure directly then they must invoice Fife Council, with VAT, to recover this. This expenditure will then be included in SESplan's costs.

Budget Setting

Operating Budgets for the next financial year should be proposed by the Strategic Development Plan (SDP) Manager, approved by the SESplan Joint Committee and ratified by the member councils by the end of December.

Authorising Expenditure

All expenditure relating to the SESplan budget is the responsibility of the Strategic Development Plan Manager and must be within budgets agreed by the Project Board.

No official may incur any expenditure beyond the agreed SESplan budget unless it has firstly been approved by the Project Board, in accordance with the SESplan Scheme of Delegation.

Suppliers' Invoices

The Strategic Development Plan Manager will be responsible for ensuring that invoices are properly certified for payment and for approving other officers who may authorise invoices and the limits of their authority.

All Invoices must be made out to Fife Council, to ensure payment. Any Invoices that are made out to the partnership directly or any other authority cannot be paid by Fife Council.

External Funding

Any external funding received in connection to the project from Central Government, Local Government and any other sources will be held by Fife Council.

Salaries and Wages

Appointments of all employees shall be made in accordance with the procedures approved by Joint Committee through the SESplan scheme of delegation and accord with the approved establishment, grade and rates of pay.

The processing and payment of salaries and wages shall be done through Fife Council's bureau payroll system.

Legitimate travel, hospitality and other expenses incurred in the course of duty, shall be reimbursed through Fife Council's bureau payroll system.

Audit

Expenditure & income will be recorded within Fife Council's financial ledger and will be audited by an independent auditor under Part VII of the Local Government (Scotland) Act 1973. Fife Council's internal audit service will act as SESplan's internal auditors.

Reporting Requirements

Every SESplan Joint Committee report is required to include the financial consequences of proposals for the current and future years to be stated.

The Treasurer, who will be an identified employee of Fife Council, in conjunction with the Strategic Development Plan Manager, is required to submit detailed monitoring reports to the SESplan Joint Committee **twice a year, with one occasion being at the end of each financial year**. These reports will compare actual expenditure to date and projected/final outturn expenditure with the budget position.

Further Information

For further information regarding these Financial Rules, please contact Lesley Burnie (Finance), Fife Council, Fife House, North Street, Glenrothes, KY7 5LT. Telephone - 03451 555 555 extension 444128. Email - lesley.burnie@fife.gov.uk.

APPENDIX 5 – SESplan Standing orders 14 December 2015

STANDING ORDERS

of

**THE EDINBURGH AND SOUTH EAST SCOTLAND
STRATEGIC DEVELOPMENT PLANNING AUTHORITY
JOINT COMMITTEE**

These Standing Orders shall apply and have effect on and from the day they are adopted by the Joint Committee with such amendments as may be made by the Joint Committee from time to time. These Standing Orders shall also apply, so far as relevant, to Sub-Committees.

PART I

MEETINGS AND PROCEEDINGS OF THE JOINT COMMITTEE

Days and Times of the Meetings

1. (1) The ordinary meetings of the Joint Committee shall be held in accordance with the timetable to be determined by the Joint Committee.
- (2) All other meetings of the Joint Committee shall be held at such place and on such date and at such hour as the Joint Committee may, from time to time, direct.
2. The Convener, or, in his or her absence, the Vice-Convener, may in special circumstances (of which the Convener or the Vice-Convener, as the case may be, shall be the sole judge) alter the date of any ordinary meeting of the Joint Committee.

Special Meetings

3. The Clerk shall call a meeting of the Joint Committee at any time on being required to do so by the Convener or, in his or her absence, the Vice-Convener, or on receiving a requisition in writing for that purpose signed by at least three members of the Joint Committee specifying the business proposed to be transacted at the meeting, which meeting shall be held within fourteen days of receipt of the requisition.

Calling of Meetings

4. (1) Notice of all meetings of the Joint Committee shall be given by the Clerk and the notice shall specify the business proposed to be transacted at the meeting and the order in which such business is to be brought before the meeting.
- (2) Not less than three clear days before a meeting of the Joint Committee a summons to attend the meeting, specifying the business to be transacted thereat and signed by the Clerk shall be left at or sent by post either to the usual place of residence of every member of the Joint Committee or Sub-Committee thereof or (if a member gives notice in writing to the Clerk that he or she desires summonses to be sent to

some address specified in the notice other than his place of residence) to that other address.

- (3) Want of service of a summons on any member of the Joint Committee shall not affect the validity of a meeting of the Joint Committee.

Quorum

5. No business shall be transacted at a meeting of the Joint Committee unless four members representing no less than three of the four constituent Councils are present.

Order of Business

6. The business of the Joint Committee at an ordinary meeting shall (unless otherwise directed by the Convener who may, at his/her discretion, alter the order of business at any stage) proceed in the following order:-
 - (a) Minutes of the Joint Committee and Committees and Sub-Committees thereof.
 - (b) Ordinary business including business on agenda at the request of members.
 - (c) Matters of urgency of which no previous notice has been given, provided that consideration of any such matters shall be subject to the provisions of Standing Order 7.

Matter of Urgency

7. An item of business shall not be considered at a meeting of the Joint Committee unless either:-
 - (a) a copy of the agenda including the item (or a copy of the item subject to exclusion as provided for in terms of Section 50B(2) of the Local Government (Scotland) Act 1973) is open to inspection by members of the public at the offices of the Constituent Authorities for at least three days before the meeting or, where the meeting is convened at shorter notice, from the time the meeting is convened; or
 - (b) by reason of special circumstances, which shall be specified in the minutes, the Convener of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency.

Convener / Vice Convener

9. A Convener and a Vice-Convener shall be appointed by the members of the Joint Committee at its first meeting. The Convener and Vice-Convener shall not both be persons appointed by the same Council. The Convener, if present, shall preside at meetings of the Joint Committee and in his or her absence the Vice-Convener shall preside. If both are absent another member of the Joint Committee, chosen by the members present, shall preside.

Powers and Duties of Convener

10. It shall be the duty of the Convener:-
- (a) to preserve order, and to ensure that every member of the Joint Committee shall have a fair hearing;
 - (b) to decide all matters of order, competency and relevancy;
 - (c) to decide between two or more members of the Joint Committee wishing to speak by calling on the member who has first caught his or her eye; and
 - (d) to ensure that due and sufficient opportunity is given to members of the Joint Committee who wish to speak to express their views on the subject under discussion.
11. The decision of the Convener on all matters within his or her competency shall be final, and shall not be open to question or discussion.
12. Deference shall at all times be paid to the authority of the Convener. When he or she rises to speak he or she shall be heard without interruption.

Membership

13. (1) With regard to the allocation of places on the Joint Committee, should it be necessary or expedient for any of the constituent authorities to change their nominated representatives at any time, other than at the meeting of the Joint Committee immediately following an election, it shall be competent for such changes to be intimated to the Joint Committee and the change shall have effect from the next meeting of the Joint Committee.

- (2) Notwithstanding the provisions of any Standing Order, it shall be competent for substitutions to be intimated and effected for individual meetings of the Joint Committee.

Suspension of Members

14. If any member of the Joint Committee disregards the authority of the Convener, or obstructs the meeting, or conducts himself or herself offensively at the meeting, such member may be suspended for the remainder of the sitting. A motion to suspend a member shall be made and seconded without discussion and forthwith put to the meeting. Any member of the Joint Committee so suspended shall forthwith leave the meeting and shall not without the consent of the meeting again enter the meeting, and if any member so suspended refuses to leave the meeting when so required by the Convener he or she may immediately by order of the Convener be removed from the meeting by a Joint Committee officer or by any other person authorised by the Convener to remove him/her.

Adjournment

15. (1) In the event of disorder arising at any meeting of the Joint Committee, the person in the chair may adjourn the meeting to a date he or she may fix or which the Convener of the Joint Committee may afterwards fix, and the quitting of the chair by the Convener shall be the signal that the meeting is adjourned.
- (2) The Joint Committee may, at any of their meetings, adjourn the same to such date as they may then fix, failing which as the Convener of the Joint Committee or, in his or her absence, the Vice-Convener, may thereafter fix.
- (3) A motion for the adjournment of the meeting may be made at any time (not being in the course of a speech) and shall have precedence over all other motions. It shall be moved and seconded without discussion, and shall forthwith be put to the meeting.

Reception of Deputations

16. (1) All applications requesting the Joint Committee to receive a deputation shall be in writing, duly signed, addressed and, where possible, delivered to the Clerk at least five clear working days prior to the date of the meeting at which the subject may be considered. Any later requests for deputations to be received shall be reported to the meeting and shall be dealt with in accordance with the provisions of the remainder of this Standing Order.

- (2) An application requesting the Joint Committee to receive a deputation shall in the first instance be submitted to the Joint Committee and the deputation shall, if so resolved, be received and heard by the Joint Committee.
- (3) No deputation exceeding ten in number shall be received by the Joint Committee.
- (4) Not more than two speakers on any deputation shall be heard, and the time allowed to the deputation for speaking shall not exceed seven minutes except at the discretion of the Convener.
- (5) Any member of the Joint Committee may put any relevant question to the deputation, but no member shall express an opinion upon, nor shall the Joint Committee discuss, the subject on which the deputation has been heard, until the deputation has withdrawn.

Order of Debate

17. (1) Any member of the Joint Committee desiring to speak at any meeting of the Joint Committee shall indicate accordingly and when called upon shall address the Convener, and direct his/her speech:-
 - (a) to the matter before the meeting by proposing, seconding, or supporting a motion or any amendment relative thereto;
 - (b) to a point of order; or
 - (c) to asking a question.
- (2) A member shall not speak supporting a motion or any amendment until the same shall have been seconded.
- (3) Subject to the right of the mover of a motion to reply, a member shall not speak more than once on the same issue at any meeting of the Joint Committee, except on a point of order, or with the permission of the Convener, in explanation or to clear up a misunderstanding in regard to some material part of his/her speech, in which case he/she shall introduce no new matter.
- (4) The mover of an original motion shall have a right of reply, but he/she shall introduce

no new matter, and, after he/she has commenced his/her reply, no other member shall speak on the issue except as provided in the immediately preceding paragraph of this Standing Order.

Motions and Amendments

18. (1) The import of all motions and amendments shall be stated immediately on their being proposed to the meeting by the mover before being spoken to.
- (2) All amendments must be relative to the motion and after the first amendment has been voted upon, all subsequent amendments must be substantially different from the first amendment.
- (3) In any case where a motion or an amendment has been duly seconded neither the motion nor the amendment, as the case may be, shall be altered in substance or withdrawn without the consent of a majority of the members present.
- (4) Whenever an amendment upon an original motion has been moved and seconded, no further amendment shall be moved until the result of the first amendment has been determined. If an amendment be rejected, further amendments to the original motion may be moved. If any amendment be carried, such amendment shall take the place of the original motion and shall become the motion upon which any further amendments may be moved.

Closure of Debate

19. A motion that the debate be adjourned, or that the question be now put, may be made at any stage of the debate, (not being in the course of a speech), and such motion, if seconded, shall be the subject of a vote without further debate.

Method of Voting

20. (1) The vote of the Joint Committee shall be taken by calling the roll of those present, beginning with the Convener, and the voting shall be recorded in the minutes.
- (2) After the Convener or the Clerk has announced the issue on which the vote is to be taken, no member shall interrupt the proceedings in any way whatsoever (except that, in the case where his or her name has not been called, a member may direct attention to the fact and request that his or her name be called) until the result of the division has been intimated.

- (3) A member who is absent from the meeting when his or her name is called in a division shall be entitled to record his or her vote if he or she enters the meeting before the result of the division has been intimated, provided the attention of the Clerk is directed to the return of such member before the result of the division has been intimated.

Casting Vote

21. Subject to the provisions of any enactment and of any Statutory Order or Instrument the person presiding at a meeting of the Joint Committee shall in the case of an equality of votes have a second or casting vote except where the matter which is the subject of the vote relates to the appointment of a member of the Joint Committee to any particular office or Committee, in which case the decision shall be by lot.

Points of Order

22. (1) Any member of the Joint Committee may, at any meeting of the Joint Committee, speak upon a point of order if he or she does so as soon as it arises, and if he or she states that they are making a point of order and forthwith states the point of order to which they rise.
- (2) The member who is then addressing the Joint Committee shall cease speaking, and the member who makes the point of order shall, when he/she has concluded, also cease speaking. No other member shall be entitled to speak to the point of order raised except by permission of the Convener.
- (3) The Convener shall thereupon decide the question, and, thereafter, the member who was addressing the Joint Committee at the time the point of order was raised shall be entitled (if the ruling permits him or her so to do) to continue to speak, giving effect to the ruling of the Convener.

Inclusion of Business on Joint Committee Agenda at the Request of Members

23. Subject to the provisions of the Local Government (Scotland) Act 1973 any Member of the Joint Committee who wishes brought before the Joint Committee any matter which can be competently considered thereby, shall submit to the Clerk a detailed written statement and notice of the matter not later than five clear working days before the issue of the agenda and papers to Members in order that the Clerk in terms of sections 50B, 50C and 50F of the 1973 Act may determine whether exempt information as included in Schedule 7A to the

said Act is likely to be disclosed. A member whose item is included on an agenda in terms of this Standing Order shall, when that item is rendered, be called upon to speak first.

Alteration or Revocation of Previous Resolution

24. (1) Subject to the provisions of paragraph (2) of this Standing Order, no resolution of the Joint Committee shall be altered or revoked except by a subsequent resolution made by the Joint Committee and arising from a recommendation, involving alteration or revocation, approved by a majority of the members present at a meeting of the Joint Committee. Provided that no resolution shall be altered or revoked within six months of its adoption.
- (2) The alteration or revocation of any resolution of the Joint Committee shall not affect or prejudice any proceedings, action, or liability competently done or undertaken under any such resolution prior to its alteration or revocation.

Admission of Press and Public

25. (1) Subject to paragraphs (2) and (3) of this Standing Order, every meeting of the Joint Committee shall be open to the public and press.
- (2) The public and press shall be excluded from any meeting of the Joint Committee during consideration of an item of business whenever it is likely, in view of the nature of the business, that, if they were present, information would be disclosed which was confidential in terms of Part IIIA of the 1973 Act.
- (3) The Joint Committee may, by resolution, exclude the public and press from any meeting of the Joint Committee during consideration of an item of business whenever it is likely, in view of the nature of the business, that, if they were present, information would be disclosed which falls within one or more of the categories of exempt information in terms of Part IIIA of the 1973 Act.
- (4) A resolution under paragraph 3 of this Standing Order shall:-
- (a) identify the proceedings or the part of the proceedings to which it applies; and
 - (b) state, in terms of the Act the category or categories of exempt information concerned.

Suspension of Standing Orders

26. It shall be competent, subject to the provisions of Standing Order 32(2), for a member of the Joint Committee at any time to move the suspension of any Standing Order as far as applicable which motion shall without any discussion be moved and seconded and be put to the meeting, and the motion shall be held to be carried if supported by a simple majority of those present and voting.

The Ethical Standards in Public Life Etc. (Scotland) Act 2000

27. All members of the Joint Committee shall be guided by the provisions of the Code of Conduct for Councillors.

PART II

CONSTITUTION, MEETINGS AND PROCEEDINGS OF SUB-COMMITTEES

These Standing Orders shall also apply, so far as relevant, to Sub-Committees.

Appointment of Sub-Committees

28. The Joint Committee may, as they shall deem necessary from time to time, appoint Sub-Committees for the fulfilment of any of the functions of the Joint Committee.
29. The Constitution of Standing Sub-Committees shall, so far as is practicable, reflect the geographical balance of the Joint Committee's membership.

Membership of Sub-Committees

Delegation to Sub-Committees

30. Subject to the provisions of the constitution, any enactment and of any Statutory Order, Instrument, or Scheme, the Joint Committee may at any time delegate any function to a Sub-Committee or a Principal Officer of the Joint Committee.

Quorum of Sub-Committees

31. Unless otherwise stipulated by the Joint Committee the quorum of all Sub-Committees shall be four.

PART III

REVISION OF STANDING ORDERS

- (1) Subject to the terms of any enactment and of any Standing Order, Instrument or Scheme, the foregoing Standing Orders may be altered or revoked at any ordinary meeting of the Joint Committee, if at least seven days prior notice of the motion is given to the Clerk and the motion for alteration or revocation is supported by a majority of the Joint Committee present and voting.

- (2) The preceding paragraph of this Standing Order shall not apply to these Standing Orders or portions thereof which incorporate the provisions of Statutes or of Statutory Orders or Instruments which cannot be altered or revoked by the Joint Committee.

For Decision	✓
For Information	

ITEM 8 – FINANCE

Report by: Ian Angus, SDP Manager

Purpose

This Report presents the following for SESplan Joint Committee consideration:

- Expenditure against the approved Operating Budget for 2015 / 2016 up to October 2015;
- Total forecast expenditure against the approved Operating Budget for 2015 / 2016; and
- Operating Budget for 2016 / 2017, 2017 / 2018 and 2018 / 2019.

Recommendations

It is recommended that the SESplan Joint Committee:

1. Notes the expenditure against the approved Operating Budget for 2015 / 2016 up to October 2015 as set out in Appendix 1;
2. Notes the total forecast expenditure against the approved Operating Budget for 2015 / 2016 as set out in Appendix 1;
3. Approves the Operating Budget for 2016 / 2017 as set out in Appendix 1;
4. Notes the Operating Budgets for 2017 / 2018 and 2018 / 2019 as set out in Appendix 1;
5. Agrees that member contributions for financial year 2016 / 2017 will be set at £46,550 (excluding VAT) per authority, payable to Fife Council by the 30 April 2016; and
6. Notes that Member Authorities will be required to ratify the approval of the Operating Budget for 2016 / 2017 at Recommendation 3 of this Report and to make their required contributions by the due date.

Resource Implications

As set out below and in Appendix 1.

Legal and Risk Implications

There are risks to the process if sufficient funding is not available to progress the Strategic Development Plan (SDP) at a rate which provides up to date strategic planning policy context for the timeous progression of the member authorities' Local Development Plans (LDP), as is required by the relevant legislation. All risks and responses to these are detailed in the SESplan Risk Register and reported to Joint Committee on an annual basis.

Policy and Impact Assessment

No separate impact assessment is required.

1. Operating Budget 2015 / 2016

Monitoring Expenditure to Date

- 1.1 The Annual Audit identified one action related to the presentation of financial monitoring reports to the Joint Committee. This was identified as a risk as the Joint Committee may not be fully informed of the ongoing financial position and emerging financial risks of the Authority. It was agreed at the 28 September meeting of the Joint Committee that detailed financial monitoring reports would be submitted for Committee consideration twice a year with one occasion being at the end of each financial year. This Report therefore notes the total expenditure to October 2015 of £151,014 against the approved Operating Budget for 2015 / 2016 of £300,874 (See Appendix 1).
- 1.2 To date spend on variable costs totals around £25,917. Expenditure on technical support to date includes amongst other items around £16,210 for GIS and graphics support provided by Scottish Borders and City of Edinburgh, £1,300 for placing the statutory notice advertising the publication of MIR2 within the Scotsman newspaper, £3,600 for printing hard copies of MIR2 and supporting documents for distribution to Community Councils, Member Authority planning receptions, key agencies and neighbouring authorities amongst others and £900 consultants fees for finalising the second SESplan Housing Need and Demand Assessment for robust and credible assessment by the Centre for Housing Market Analysis within the Scottish Government.
- 1.3 In terms of income, to date, Fife Council only has paid the required contribution of £46,550. Invoices have been raised and forwarded to Member Authorities (City of Edinburgh, East Lothian, Midlothian, Scottish Borders and West Lothian) for the remaining member contributions of £232,750 to be paid.

Forecast Expenditure against Approved Operating Budget

- 1.4 This Report also notes the total forecast expenditure in 2015 / 2016 relative to the Operating Budget for 2015 / 2016 which was approved at SESplan Joint Committee on the 15 December 2014 (See Appendix 1).
- 1.5 The 2015 / 2016 Budget included provision for staffing within the Core Team of the SDP Manager, Lead Officer (0.8 FTE), Planner and Temporary Planner (contract to December 2016). To provide technical and administrative support to the Core Team, a Student Planner was appointed on a temporary (one year) full time contract in August 2014. The contract was extended for a further year in August 2015 on a part time basis (0.4 FTE) and will end in August 2016.
- 1.6 There is a forecast total overspend of £4,792 on staffing in 2015 / 2016 due to additional costs related to maternity leave (assumed 12 months from January 2016).

- 1.7 In terms of other fixed costs there is a forecast total overspend of £1,800 on travel expenses and mileage, with total forecast spend for 2015 / 2016 estimated at £5,100. This is primarily a result of the relocation expenses for the Core Team associated with the office accommodation move from Edinburgh to Livingston which are payable for a four year period (December 2014 – December 2018). Ordinary travel expenses have also increased following the move from central Edinburgh to Livingston and it has been assumed that expenses will remain at the £5,100 level for 2016 / 2017 and into 2017 / 2018 and 2018 / 2019. Additional travel expenses were also incurred in the current financial year as a result of the Main Issues Report 2 consultation.
- 1.8 There is a total forecast underspend of £3,000 on administration support. It was envisaged that administration support would be sought from West Lothian Council to assist with the Main Issues Report 2 consultation. Administration support was not required and it is anticipated that minimal support will be required over the period to March 2016. The total allowance has therefore been reduced from £4,000 to £1,000 to cover any administration support should it be required.
- 1.9 The forecast is that the full variable budget of £44,000 will be spent over the financial year 2015 / 2016.
- 1.10 The difference between income and expenditure in 2015 / 2016 will be covered by funding expenditure from reserves brought forward from prior years.

2. Operating Budget 2016 / 2017 and Forecast Operating Budgets 2017 / 2018 and 2018 / 2019

- 2.1 Appendix 1 sets out a proposed Operating Budget for the financial year, 2016 / 2017. As is required under SESplan's Financial Rules, the Budget is presented for discussion and approval by the Joint Committee before ratification of that decision by the Member Authorities.
- 2.2 The 2016 / 2017 Operating Budget includes an allowance for staffing within the Core Team of the SDP Manager, Lead Officer (1 FTE – Maternity Leave cover over the period January 2016 – January 2017), Planner and Temporary Planner, a total of £227,199. The existing contract for the Temporary Planner ends in December 2016. It is proposed that the Temporary Planner post will be extended for a further year to December 2017. This will provide for stability within the Core Team over the period to submission of Strategic Development Plan 2 to Ministers (programmed for Spring 2017), allow for work streams relating to engagement and improved graphics to be progressed and take forward the actions from the lessons learned in the Main Issues Report 2 consultation.
- 2.3 The Student Planner post at 0.4 FTE will end in August 2016. There is no allowance for continuation of the Student Planner post.
- 2.4 The SESplan Core Team is also reliant on resources within the Member Authorities to assist with processing of responses received on consultations as well as technical assessments related to

transport, the spatial strategy and housing amongst other topics. It should be noted that there is a risk to the preparation of the SDP in not maintaining the resource within the Core Team, since the resources within Member Authorities to backfill any SESplan resource gaps are also limited and increasingly under pressure.

- 2.5 Accommodation costs within West Lothian Civic Centre in Livingston have been assumed at £7,500 in 2015 / 2016 with an increase of 1.5% per year for inflation. The Core Team moved into the Civic Centre in December 2014. Confirmation of the heads of terms and lease for the SESplan accommodation has been sought but the contract has yet to be signed with West Lothian Council. The issue has been identified as a risk on the SESplan Risk Register in the meantime.
- 2.6 In terms of IT / Software, the Operating Budget includes £12,000 for Objective and £1,500 per annum for Objective Connect. These systems allow management of the drafting of the plan and supporting documents and consultations on these and the sharing of papers with members and other stakeholders. Also included is the annual hosting of the SESplan website and recharge for West Lothian IT services who provide IT hardware and support to the Core Team.
- 2.7 Audit fees in 2014 / 2015 were £3,380 and costs have been assumed to be the same in future years (i.e. no reduction but also no inflation). The Budget also includes some provision for administrative support from West Lothian on an annual basis.
- 2.8 The 2016 / 2017 Operating Budget includes £20,000 for spend on technical support plus £2,000 contingency. The largest spend in this financial year will relate to GIS / Graphics support for the Proposed Plan and the Proposed Plan Period for Representations, primarily the costs of placing the statutory advert and printing hard copies of the Plan for distribution to Members Authorities and Community Councils amongst others.
- 2.9 The 2017 / 2018 Operating Budget includes £25,000 for spend on technical support plus £2,500 contingency. The largest spend in this financial year will relate to the Examination. The Examination for Strategic Development Plan 1 cost just under £25,000, therefore the Budget for 2017 / 2018 is considered realistic. However there is likely to be a requirement for Hearings on the Proposed Plan which may require the use of the contingency budget. TAYplan will be submitting its Proposed Plan for Examination ahead of SESplan and costs associated with that will provide an indication of likely costs for SESplan.
- 2.10 The 2018 / 2019 Operating Budget includes £20,000 for spend on technical support plus £2,000 contingency. The largest spend in this financial year will relate to pre Main Issues Report 3 engagement and evidence gathering.
- 2.11 Reserves would be maintained at around £20,000 per annum in each of the three years.

- 2.12 Each member authority is liable for one sixth of the annual Operating Budget. Members' contributions are payable to Fife Council on or before 30 April each year. In 2008, the members agreed a budget of £360,000 (£60,000 per authority). The actual budget for 2008 / 2009 only required a contribution of £17,000 per authority. The contributions increased to £40,000 per annum in 2009 – 2012, due to the Core Team then having a full staff complement and the costs of preparing the Main Issues Report and Proposed Plan. The one off government grant and 'carry forwards' were spent over these years and exhausted at the point when costs were expected to be the greatest, in 2012 - 2013.
- 2.13 Due to this combination of pressures, an increase in members' contributions to £49,000 per authority in 2012 / 2013 was agreed by the Joint Committee at its meeting on the 5 December 2011. Contributions were set at that level taking into account cyclical changes to the variable costs such as the Examination process and activity on SDP2 and to provide certainty to Member Authorities and the SESplan Budget planning process.
- 2.14 In anticipation of savings in 2014 / 2015, including in accommodation costs following the relocation of the Core Team, then expected early in that year, the Joint Committee agreed that a target of 5% savings would be set for 2014 / 2015 and following years. This is equivalent to a £2,450 reduction in the Member Authorities' annual contributions and this was refunded to members in 2014 / 2015. It was agreed that SESplan's costs continue at a reduced level in 2015 / 2016 and that contributions were maintained at £46,550 in 2015 / 2016. It is proposed that contributions continue to be maintained at £46,550 per authority per annum over the next three years.

3. Conclusion

- 3.1 The SESplan Financial Rules state that Member Authority contributions are to be in place by the end of April each year, within one month of the start of the financial year. It will therefore be requested that £46,550 be paid to Fife Council on or before the 30 April 2016.
- 3.2 It is requested that all member authorities take steps now in their budget setting to ensure that contributions will be in place by the start of the next financial year.

Appendices

- 1 SESplan Operating Budget 2015 / 2016 (Expenditure to October 2015 and Total Forecast) and Three Year Operating Budget (2016 / 2017 - 2018 / 2019)

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APPENDIX 1 – SESPLAN OPERATING BUDGET 2015 / 2016 (EXPENDITURE TO OCTOBER 2015 AND TOTAL FORECAST) AND THREE YEAR OPERATING BUDGET (2016 / 2017 - 2018 / 2019)

Appendix 1 - SESplan Operating Budget 2015 / 2016 (Expenditure to October 2015 and Total Forecast) and Three Year Operating Budget (2016 / 2017 - 2018 / 2019)

DESCRIPTION	2015 / 2016 Operating Budget	2015 / 2016 Expenditure to October 2015	2015 / 2016 Forecast	2015 / 2016 Variance	2016 / 2017 Operating Budget	2017 / 2018 Operating Budget	2018 / 2019 Operating Budget
Single Status Staff Costs	218,708	121,972	223,500	4,792	227,199	217,384	220,984
Training	2,000	250	2,000	0	1,000	1,000	1,000
Rent	7,500	-2,084	7,500	0	7,613	7,727	7,843
Travel Expenses / Mileage	3,300	2,862	5,100	1,800	5,100	5,100	5,100
IT / Software	16,000	1,955	16,000	0	16,000	16,240	16,484
Telephone Rental	516	86	516	0	524	532	540
Audit Fees	3,350	0	3,350	0	3,400	3,400	3,400
Administration Support	4,000	0	1,000	-3,000	2,000	2,000	2,000
Consumables	1,500	56	1,500	0	1,500	1,500	1,500
Fixed	256,874	125,097	260,466	3,592	264,336	254,883	258,851
Technical Support	40,000	25,917	40,000	0	20,000	25,000	20,000
Contingency 10%	4,000	0	4,000	0	2,000	2,500	2,000
Variable	44,000	25,917	44,000	0	22,000	27,500	22,000
Expenditure	300,874	151,014	304,466	3,592	286,336	282,383	280,851
Member Authority Contributions	-279,300	-46,550	-279,300	0	-279,300	-279,300	-279,300
Sales	-250	0	-250	0	-250	-250	-250
Income / Interest on Revenue Balance	-1,000	0	-1,000	0	-1,000	-1,000	-1,000
Income	-280,550	-46,550	-280,550	0	-280,550	-280,550	-280,550
Net	20,324	104,464	23,916	3,592	5,786	1,833	301
(Take From) / Add to Reserves	-20,324		-23,916	-3,592	-5,786	-1,833	-301
NET TOTAL	0		0	0	0	0	0
Usable reserve balance	-30,512		-26,920	3,592	-21,134	-19,301	-19,000
Usable reserve balance at 1/4/15	-50,836						
Usable reserve as % of expenditure			-8.8%		-7.4%	-6.8%	-6.8%
Additional contributions							
Target reserve (1 month's operating costs)					23,861	23,532	23,404
Shortfall on target reserve of 1 month's operating costs					0	0	0
Councils					6	6	6
Additional contribution required per council					0	0	0