

Notice of Meeting and Agenda Glasgow & the Clyde Valley Strategic Development Planning Authority Joint Committee

Date	Time	Venue
Monday, 14 September 2015	11:15	Clydeplan Offices, Lower Ground Floor, 125 West Regent Street, Glasgow G2 2SA

KENNETH GRAHAM
Head of Corporate Governance

Members

Councillors Dempsey and Moir (East Dunbartonshire Council); Buchanan and McCaskill (East Renfrewshire Council); Cameron and Scanlon (Glasgow City Council); McCormick and Wilson (Inverclyde Council); Coyle and Curran (North Lanarkshire Council); Kelly and Nicolson (Renfrewshire Council); Dunsmuir and Thompson (South Lanarkshire Council); and McAllister and O'Neill (West Dunbartonshire Council).

Further Information

This is a meeting which is open to members of the public.

A copy of the agenda and reports for this meeting will be available for inspection prior to the meeting at the Customer Service Centre, Renfrewshire House, Cotton Street, Paisley and online at www.renfrewshire.gov.uk/agendas.

For further information, please either email democratic-services@renfrewshire.gov.uk or telephone 0141 618 7112.

Items of business

Apologies

Apologies from members.

Declarations of Interest

Members are asked to declare an interest in any item(s) on the agenda and to provide a brief explanation of the nature of the interest.

1 Minute 3 - 8

Minute of the meeting of the Joint Committee held on 8th June, 2015.

2 Audited Annual Accounts 9 - 68

Joint report by the Treasurer and the Strategic Development Plan Manager.

3 Date of Next Meeting

The next meeting of the Joint Committee is scheduled to be held on Monday, 14th December, 2015 at the offices of East Renfrewshire Council.

Minute of Meeting

Glasgow & the Clyde Valley Strategic Development Planning Authority Joint Committee

Date	Time	Venue
Monday, 08 June 2015	11:15	The Library, Glasgow City Council, City Chambers, George Square, Glasgow, G2 1DU

PRESENT

Councillors Dempsey (East Dunbartonshire Council); Scanlon (Glasgow City Council); Wilson (Inverclyde Council); Curran (North Lanarkshire Council); Dunsmuir (South Lanarkshire Council); and O'Neill (West Dunbartonshire Council).

Councillor Curran, Convener, presided.

IN ATTENDANCE

S Tait, Strategic Development Plan Manager and D McDonald, Assistant Strategic Development Plan Manager (both Strategic Development Plan Core Team); H Holland, Land Planning & Development Manager (East Dunbartonshire Council); G McCarney, Planning and Building Standards Manager (East Renfrewshire Council); F Barron, Head of Planning & Building Control (Glasgow City Council); S Jamieson, Head of Economic & Social Regeneration (Inverclyde Council); L Bowden, Business Manager (Strategic Planning) (North Lanarkshire Council); M McGlynn, Head of Planning & Building Control (South Lanarkshire Council); P Clifford, Building and Planning Standards Manager and A Williamson, Team Leader Forward Planning (both West Dunbartonshire Council); and F Carlin, Head of Planning & Development, D Forbes, Finance Manager, E Coventry, Democratic Services Officer, M McKillop, Senior Auditor, K Brown, Committee Services Officer and E Currie, Committee Services Officer (all Renfrewshire Council).

APOLOGIES

Councillors Moir (East Dunbartonshire Council); Buchanan (East Renfrewshire Council); Cameron (Glasgow City Council); Coyle (North Lanarkshire Council); Kelly and Nicolson (Renfrewshire Council); and McAllister (West Dunbartonshire Council).

DECLARATIONS OF INTEREST

There were no declarations of interest intimated prior to the commencement of the meeting.

1 MINUTE

There was submitted the Minute of the meeting of the Joint Committee held on 9 March, 2015.

DECIDED: That the Minute be approved.

2 UNAUDITED ANNUAL ACCOUNTS 2014/15

There was submitted a joint report by the Treasurer and Strategic Development Plan Manager relative to the Annual Accounts for 2014/15.

The report noted that the Accounts in respect of the year ended 31st March, 2014 had been completed and forwarded to Audit Scotland for audit. The Accounts highlighted a deficit for the year of £28,578 against a budgeted breakeven position. In accordance with the Local Authority Accounts (Scotland) Regulations 2014 and in a change to previous practice, the Unaudited Accounts had only been signed by the Treasurer as proper officer. In accordance with the new guidelines, the Audited Accounts would be signed by the Convener, the Strategic Development Plan Manager and the Treasurer.

DECIDED:

(a) That the report be noted; and

(b) That it be noted that upon completion of the audit, the Audited Accounts would be presented to a future meeting of the Joint Committee.

3 ANNUAL AUDIT PLAN 2014/15

There was submitted a joint report by the Treasurer and Strategic Development Plan Manager relative to the Annual Audit Plan 2014/15 for the Joint Committee and which outlined Audit Scotland's planned activities in their audit of the 2014/15 financial year.

The report highlighted that the Annual Audit Plan 2014/15 included a section on Audit Issues and Risks. Within this section, Audit Scotland had identified a risk of 'management override of controls'. This was included in the audit plans of all bodies which Audit Scotland worked with, in light of international standards on auditing. The inclusion of this risk was not a reflection of increased risk within the Glasgow and the Clyde Valley Strategic Development Planning Authority and Audit Scotland had confirmed that they had not found any issues on this in previous years.

DECIDED: That the Annual Audit Plan 2014/15 by Audit Scotland be noted.

4 **INTERNAL AUDIT ANNUAL REPORT 2014/15**

There was submitted a report by the Chief Auditor relative to the internal audit annual report 2014/15.

The report intimated that the internal audit annual report 2014/15 for the Glasgow and the Clyde Strategic Development Planning Authority outlined the role of Internal Audit, the performance of the Internal Audit Team, the main findings from the internal audit work undertaken in 2014/15 and contained an audit assurance statement. A copy of the annual report was appended to the report.

DECIDED: That the content of the Annual Report be noted.

5 **HOUSING NEED AND DEMAND ASSESSMENT: APPRAISAL AND PUBLICATION**

There was submitted an update report by the Strategic Development Plan Manager relative to the Housing Need and Demand Assessment (HNDA).

The report intimated that the Centre for Housing Market Analysis (CHMA) in their scrutiny role had provided an initial appraisal of the HNDA in March 2015. On 21 May, 2015, following a number of minor amendments and clarifications to the HNDA, the CHMA provided their final appraisal and assessed the process and methodology used to produce the Glasgow and the Clyde Valley HNDA as “robust and credible”, subject to the receipt of the signatories of the senior housing and planning officials of the eight authorities. Sign off was duly achieved and the final HNDA was published online on 28 May, 2015.

The report highlighted that the HNDA outputs would directly inform the preparation of Housing Supply Targets and the strategic housing land requirement for the Proposed Strategic Development Plan and this would be taken forward with the Glasgow and the Clyde Valley Housing Market Partnership. The Partnership would also undertake a review of the processes around the HNDA preparation and this may form the basis of a future report to the Joint Committee.

DECIDED: That the report be noted.

6 **MAIN ISSUES REPORT - CONSULTATION RESPONSES**

There was submitted an update report by the Strategic Development Plan Manager relative to the consultation process for the Strategic Development Plan (SDP) Main Issues Report (MIR) which ran for a period of eight weeks from 30 January to 27 March, 2015.

The report highlighted that there were 85 responses received, 82 in respect of the MIR itself and three related to the Environmental Report. Appendix 1 to the report listed the organisations and individuals who had responded and Appendix 2 to the report provided an overview of the responses received. In collaboration with the authorities, consideration was now being given as to how the issues raised could be taken forward into the Proposed Plan due for publication in early 2016.

Following receipt of the responses, a number of policy areas required additional technical work and further consultation with the Key Agencies and stakeholders to develop appropriate responses in the proposed SDP. Additionally, following the MIR responses and a recommendation from the SDP Review in 2014, consideration was being given to the development of a more outcome focused approach to the Action Programme. The intention was to describe more fully the added value role that Clydeplan plays and the actions required of Clydeplan and its key delivery partners in delivering the Clydeplan strategy. The Action Programme would be reported to a future meeting of the Joint Committee.

DECIDED: That the outcome of the MIR consultation including the overview of responses as detailed in Appendix 2 to the report, the main emerging themes and the implications for the work programme in the progression towards preparation of the Proposed Plan during 2015, be noted.

7 DATE OF NEXT MEETING

DECIDED: That it be noted that the next meeting of the Joint Committee would be held on Monday, 14th September, 2015 at the offices of North Lanarkshire Council.

8 VALEDICTORY

Prior to the closure of the meeting Councillor Curran referred to the imminent retiral of Ewan Coventry, Democratic Services Officer, Renfrewshire Council and on behalf of the Joint Committee, thanked Ewan for his contribution to the work of the Joint Committee and wished him well for the future.

GLASGOW AND THE CLYDE VALLEY STRATEGIC DEVELOPMENT PLANNING AUTHORITY JOINT COMMITTEE

To: Joint Committee

On: 14 September 2015

Report by: The Treasurer and the Development Plan Manager

Heading: Audited Annual Accounts 2014-15

1. Summary

- 1.1 At the meeting of the Joint Committee on 8 June 2015 a report on the unaudited accounts for the year ended 31 March was noted.
 - 1.2 The audit certificate issued by Audit Scotland provides an unqualified opinion that the abstract of the accounts presents a true and fair view of the financial position of the Joint Committee as at 31 March 2015, in accordance with the accounting policies detailed in the accounts.
 - 1.3 A report on the 2014-15 audit by Audit Scotland is also submitted for members information. There are no matters arising from the audit which require specific reporting to members.
 - 1.4 Following the introduction of the Local Authority Accounts (Scotland) Regulations 2014 the audited accounts must be approved for signature by the Joint Committee no later than 30 September each year. Following this approval the audited accounts will be submitted to the Development Plan Manager, the Convenor and the Treasurer for signature.
-

2 Recommendations

It is recommended that members approve the audited accounts for signature and note the report by Audit Scotland.

Glasgow and the Clyde Valley Strategic Development Planning Authority

Proposed Annual audit
report to Members and
the Controller of Audit

September 2015

Key contacts

Anne McGregor, Senior Audit Manager
amcgregor@audit-scotland.gov.uk

Kenneth McFall, Senior Auditor
kmcfall@audit-scotland.gov.uk

Andrew Wallace, Trainee Auditor
awallace@audit-scotland.gov.uk

Audit Scotland
4th floor (South Suite)
8 Nelson Mandela Place
Glasgow
G2 1BT

Telephone: 0131 625 1500

Website: www.audit-scotland.gov.uk

The Accounts Commission is a statutory body which appoints external auditors to Scottish local government bodies. (www.audit-scotland.gov.uk/about/ac)

Audit Scotland is a statutory body which provides audit services to the Accounts Commission and the Auditor General. (www.audit-scotland.gov.uk)

The Accounts Commission has appointed Anne McGregor as the external auditor of Glasgow and the Clyde Valley Strategic Development Planning Authority (Clydeplan) for the period 2011/12 to 2015/16.

This report has been prepared for the use of Clydeplan and no responsibility to any member or officer in their individual capacity or any third party is accepted.

This report will be published on our website after it has been considered by the Clydeplan. The information in this report may be used for the Accounts Commission's annual overview report on local authority audits published on its website and presented to the Local Government and Regeneration Committee of the Scottish Parliament.

Contents

Key messages.....	4	Best Value and performance	15
Introduction.....	5	Appendix I – Significant audit risks	16
Audit of the 2014/15 financial statements	6	Appendix II	18
Financial management and sustainability.....	8	Appendix III.....	19
Governance and transparency.....	12	Appendix IV	20

Key messages

	• Unqualified independent auditor's report on the 2014/15 financial statements • Changed presentation of results of Green Network Partnership. These are now disclosed separately in the notes rather than added to Clydeplan's income and expenditure.
	• Overspend of £0.029m on a budget of £0.616m but overall financial management arrangements satisfactory. • In previous years we had reported we considered the level of reserves was too high and reimbursements will be made to member authorities. Level of reserves and budgets allows Clydeplan to continue with second strategic development plan with 10% of budget held as contingency.
	• Systems of internal control operated effectively but would be improved with implementing a register of interest and business continuity plan. • Meetings and papers are available to the public and we found the financial statements to be clearly presented and linked to budget.
	• Clydeplan continues with the second strategic development plan. • Lease of office finishes in October 2016 and Clydeplan will need to review its accommodation requirements in 2015/16.

Introduction

1. This report is a summary of our findings arising from the 2014/15 audit of Glasgow and the Clyde Valley Strategic Development Planning Authority (Clydeplan). The report is divided into sections which reflect our public sector audit model.
2. The management of the Clydeplan is responsible for:
 - preparing financial statements which give a true and fair view
 - implementing appropriate internal control systems
 - putting in place proper arrangements for the conduct of its affairs
 - ensuring that the financial position is soundly based.
3. Our responsibility, as the external auditor of the Clydeplan, is to undertake our audit in accordance with International Standards on Auditing, the principles contained in the Code of Audit Practice issued by Audit Scotland in May 2011 and the ethical standards issued by the Auditing Practices Board.
4. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. It is the auditor's responsibility to form and express an opinion on the financial statements; this does not relieve management of their responsibility for the preparation of financial statements which give a true and fair view.

5. A number of reports, both local and national, have been issued by Audit Scotland during the course of the year. These reports, summarised at **appendices II and III**, include recommendations for improvements.
6. **Appendix IV** is an action plan setting out our recommendations to address the high level risks we have identified during the course of the audit. Officers have considered the issues and agreed to take the specific steps in the column headed "Management action/response". We recognise that not all risks can be eliminated or even minimised. What is important is that the Clydeplan understands its risks and has arrangements in place to manage these risks. Members and executive officers group should ensure that they are satisfied with proposed action and have a mechanism in place to assess progress and monitor outcomes.
7. We have included in this report only those matters that have come to our attention as a result of our normal audit procedures; consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.
8. The cooperation and assistance afforded to the audit team during the course of the audit is gratefully acknowledged.

Audit of the 2014/15 financial statements

Audit opinion	We have completed our audit and issued an unqualified independent auditor’s report.
Going concern	The financial statements have been prepared on the going concern basis. We are unaware of any events or conditions that may cast significant on Clydeplan continue as a going concern.
Other information	We review and report on other information published with the financial statements, including the management commentary, annual governance statement and the remuneration report. We have nothing to report in respect of these statements.

Submission of financial statements for audit

9. We received the unaudited financial statements on 3 June 2015, in accordance with the agreed timetable. The working papers were of a high standard and staff provided good support to the audit team.

Overview of the scope of the audit of the financial statements

10. Information on the integrity and objectivity of the appointed auditor and audit staff, and the nature and scope of the audit, were outlined in our Annual Audit Plan presented to the Joint Committee in June 2015.

11. As part of the requirement to provide full and fair disclosure of matters relating to our independence, we can confirm that we have not undertaken non-audit related services. The 2014/15 agreed fee for the audit was set out in the Annual Audit Plan and, as we did not carry out any work additional to our planned audit activity, the fee remains unchanged.
12. The concept of audit risk is of central importance to our audit approach. During the planning stage of our audit we identified a number of key audit risks which involved the highest level of judgement and impact on the financial statements and consequently had the greatest effect on the audit strategy, resources and effort. We set out in our Annual Audit Plan the audit work we proposed to undertake to secure appropriate levels of assurance. **Appendix I** sets out the significant audit risks identified during the course of the

audit and how we addressed each risk in arriving at our opinion on the financial statements.

13. Our audit involved obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

Materiality

14. Materiality can be defined as the maximum amount by which auditors believe the financial statements could be misstated and still not be expected to affect the decisions of users of financial statements. A misstatement or omission, which would not normally be regarded as material by amount, may be important for other reasons (for example, an item contrary to law).

15. We consider materiality and its relationship with audit risk when planning the nature, timing and extent of our audit and conducting our audit programme. Specifically with regard to the financial statements, we assess the materiality of uncorrected misstatements, both individually and collectively.

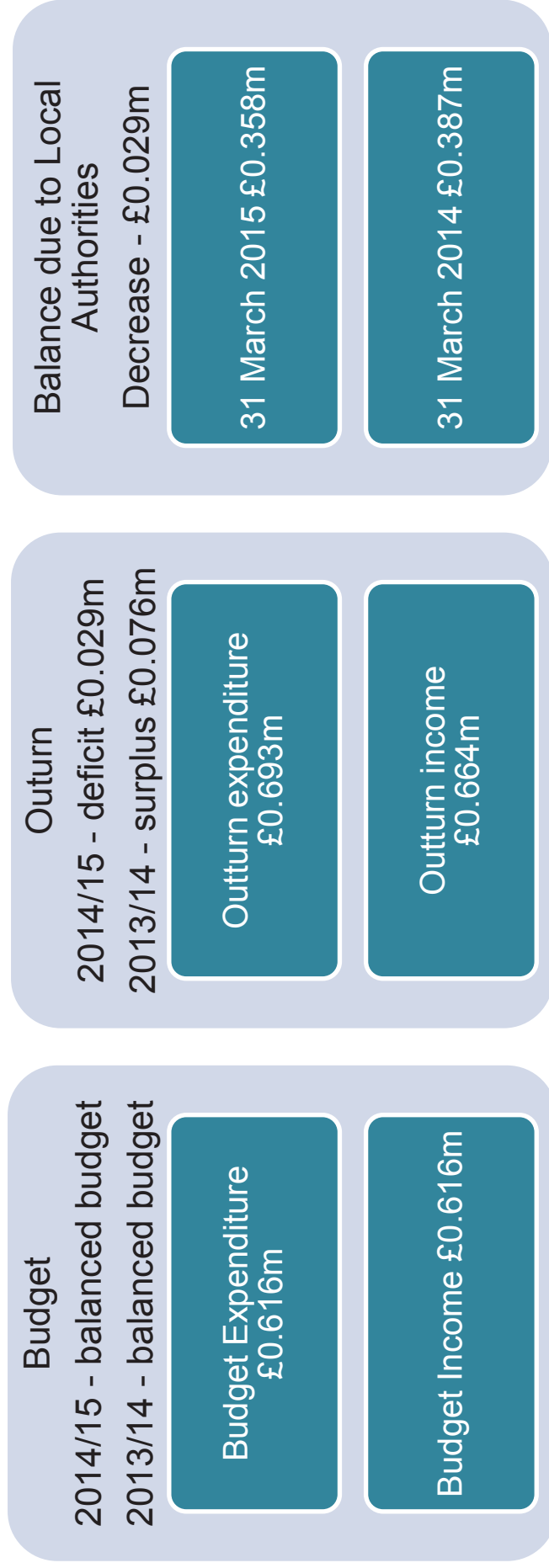
16. We summarised our approach to materiality in our Annual Audit Plan. Based on our knowledge and understanding, we set our planning materiality for 2014/15 at £8,250 (1% of gross expenditure). We report all misstatements greater than £1,000. Performance materiality was calculated at £4,125 to reduce to an acceptable level the probability of uncorrected and undetected audit differences exceeding our planning materiality level.

17. On receipt of the financial statements we reviewed our materiality levels. Materiality remained at 1% but now reflects that Green Network Partnership results are no longer included in the comprehensive income and expenditure account; materiality was set as £7,313 and performance materiality to £3,657.

Evaluation of misstatements

18. A number of presentational adjustments were identified during the course of our audit and offices agreed to amend the unaudited financial statements. No monetary errors were identified.
19. International Standard on Auditing 260 requires us to communicate to you significant findings from the audit, including:
 - The auditor's views about significant qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures.
 - Significant difficulties encountered during the audit.
 - Significant matters arising from the audit that were discussed, or subject to correspondence with management.
 - Written representations requested by the auditor.
 - Other matters which in the auditor's professional judgment, are significant to the oversight of the financial reporting process.
20. There are no matters, others than those set out elsewhere in this report, to which we wish to draw your attention.

Financial management and sustainability



Financial management

21. Clydeplan sets an annual budget to meet its commitments for the forthcoming financial year. Regular monitoring of expenditure and income against agreed budgets is central to effective financial management.

Financial outcomes

22. Clydeplan incurred an accounting deficit on the provision of services of £0.063m, as shown in the Comprehensive Income and Expenditure Statement (CIES). In the CIES, cost of services increased from £0.685m to £0.712m, a 3.9% increase. The main increases from 2013/14 were on employee costs.

23. The deficit as presented in the management commentary (and in the table above), of £0.029m is different because it is prior to items such as pension adjustments and employee leave accrual. As the budget is prepared and monitored against in this way, it is appropriate for the management commentary details to be presented as such.

24. When compared to budget, both outturn income and expenditure were higher than expected resulting in the year end deficit position of £0.029m. Overspends recorded against payments to other bodies and contractors and others were partially offset by an over recovery in other income.

Financial management arrangements

25. As auditors, we need to consider whether audited bodies have established adequate financial management arrangements. We do this by considering a number of factors, including whether:

- financial regulations are comprehensive, current and promoted within Clydeplan
- reports monitoring performance against budgets are accurate and provided regularly to budget holders
- monitoring reports do not just contain financial data but are linked to information about performance.

26. We reviewed Clydeplan's financial regulations, last updated in June 2013. We concluded that they are clear and in general remain current but need to be updated for The Local Authority Accounts

(Scotland) Regulations 2014, which states that Clydeplan should approve the accounts prior to 30 September 2015.

Appendix 4 – Action Plan No. 1

- 27.** Revenue budget monitoring reports are submitted to the Joint Committee on a quarterly basis. As well as providing comments on income and expenditure to date, the reports forecast the year-end outturn. This changed from a balanced budget to a forecast deficit of £0.012m to then £0.023m as at the end of January with the final overspend £0.029m. Each of the finance papers explained the reasons for the over-spend.

Conclusion on financial management

- 28.** We conclude that Clydeplan's financial management arrangements are broadly satisfactory.

Financial sustainability

- 29.** Financial sustainability means that Clydeplan has the capacity to meet its current and future plans.
- 30.** In assessing financial sustainability we are concerned with whether:
- there is an adequate level of reserves
 - spending is being balanced with income in the short term
 - long term financial pressures are understood and planned for
 - investment in services and assets is effective.

Effective long-term financial planning, asset management and workforce planning are crucial to sustainability.

Pension liability

31. The net liability on Clydeplan's balance sheet increased by £0.446m, from £0.368m in 2013/14 to £0.814m in 2014/15. The main reason for this increase is the pension liability rise from £0.356m to £0.802m. This 125% increase is driven by changes in pension actuary's assumptions, mainly by the reduction in the net discount rate over this period.
32. The pension liability represents the difference between expected future pension payments and the underlying value of pension fund assets available to meet this cost.
33. A material net liability can highlight a potential going concern issue however we recognise that the appointed actuary is of the view that the asset holdings and contributions from employees and employers together with increases in contributions provide security over future liabilities. In light of these factors, it is reasonable that the accounts are prepared on a going concern basis.

Balances due to local authorities

34. Like all joint committees, Clydeplan has no specific powers to retain reserves to meet future requirements and technically the amounts are due to local authorities. These balances are used to support medium term financial planning and address any unforeseen costs.

35. The overall level of unallocated reserves held by Clydeplan decreased by £0.029m during 2014/15.

Table 1: Reserves including ear-marked funds

Reserves	2015 Actual	2014 Actual	2013 Actual
IT project fund	3,771	3,771	3,771
Completing structure plan	188,715	194,615	25,500
Contingency funds	165,928	188,230	169,115
Unallocated			233,002
TOTAL	358,414	386,616	431,388

Source: annual accounts of Clydeplan

Financial planning

39. Clydeplan approved its 2015/16 budget in December 2014; total expenditure was set at £0.596m, a decrease of £0.019m from 2014/15. The main alterations from the previous year is budgeting for a decrease in employee costs of £0.017 million, a decrease in administration costs of £0.005m, and increasing consultant costs by £0.002m from 2014/15 levels.
40. Last year we reported that we considered the level of contingency funds was too high as £0.188m was over 30% of the annual budget and as part of the 2015/16 budget setting process members agreed

to reimburse constituent authorities £0.120m. The projected year-end balance for contingency funds is £0.060m, 10% of 2015/16 budget.

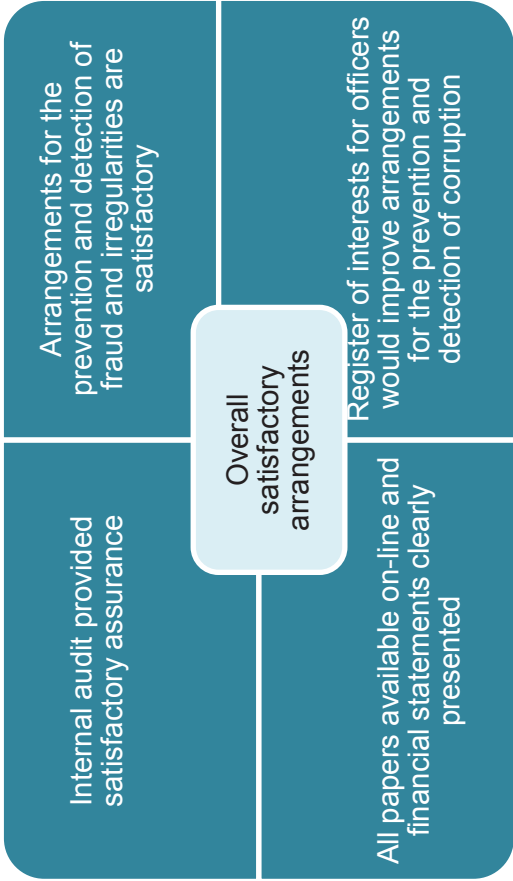
Conclusion on financial sustainability

41. We conclude that Clydeplan has adequate level of reserves and the reserves are being reviewed annually as part of the budget setting process.

Outlook

42. An indicative budget has also been prepared for 2016/17 although the funding settlement for that year and beyond is uncertain. It is recognised that over the medium term the funding position of local government across Scotland is likely to involve a further period of contraction in available resources. The level of any contraction has yet to be established and is unlikely to emerge until December 2015. It is currently forecast that Clydeplan will be required to find recurrent savings in the region of £0.014m by 2016/17, depending on local government settlement levels.
43. Clydeplan's property lease ceases in October 2016 and there may be dilapidation costs at that time but costs are currently unknown.

Governance and transparency



to understandable, relevant and timely information about how Clydeplan is taking decisions and how it is using its resources.

Green Network Partnership

- 46. There is a strong relationship between Clydeplan and the Green Network Partnership (GNP). It acts for its constituent local authorities to agree local funding to support the GNP business plan and also approves both the GNP budget plan and revenue estimates. The progress against business plans are monitored annually by members.
- 47. Funding for GNP has been extended to 31 March 2016, in particular for the Seven Lochs Heritage Project. Renfrewshire Council (the council) has agreed to remain as the administering partner and Treasurer for GNP.

Internal control

- 48. While auditors concentrate on significant systems and key controls in support of the opinion on the financial statements, their wider responsibilities require them to consider the financial systems and controls of audited bodies as a whole. However, the extent of this work should also be informed by their assessment of risk and the activities of internal audit.
- 49. With the council being the host for Clydeplan, all financial transactions of Clydeplan are processed through the financial systems of the council and are subject to the same controls and scrutiny of the council including regular reviews of internal audit.

- 44. Members and management of the Clydeplan are responsible for establishing arrangements to ensure that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and for monitoring the adequacy and effectiveness of these arrangements. We concluded that the Clydeplan has effective overarching and supporting governance arrangements which provide an appropriate framework for organisational decision making.
- 45. Citizens should be able to hold the Clydeplan to account about the services it provides. Transparency means that citizens have access

50. In the Internal Audit Annual Report 2014/15 on Clydeplan, the Chief Auditor concluded that satisfactory assurance can be placed upon the adequacy and effectiveness of Clydeplan's internal control arrangements.

Internal audit

51. Internal audit provides members and management of Clydeplan with independent assurance on risk management, internal control and corporate governance processes. We are required by international auditing standards to make an assessment of internal audit to determine the extent to which we can place reliance on its work. To avoid duplication, we place reliance on internal audit work where possible.

52. Our review of internal audit concluded that they operate in accordance with the Public Sector Internal Audit Standards and have sound documentation standards and reporting procedures in place. We placed reliance on their work on treasury management and payroll systems.

53. Clydeplan is based in basement office accommodation in Glasgow. There are no formal business continuity plans in place. A business continuity plan outlines the steps necessary for an organisation to operate following a sudden or significant change, for example lack of access to the building or major IT problems.

54. Continuity plans can address basic concerns, such as the chain of command and back-up strategies. Internal audit are reviewing

business continuity arrangements as part of their 2015/16 audit plan.

Appendix 4 – Action Plan No. 2

Arrangements for the prevention and detection of fraud

55. In our Annual Audit Plan we highlighted the responsibility audited bodies have for establishing arrangements to prevent and detect fraud and other irregularities. In our opinion the overall arrangements for the prevention of fraud within Clydeplan are satisfactory, although it should be noted that no system can eliminate the risk of fraud entirely.

56. Clydeplan is not part of this year's National Fraud Initiative (NFI). NFI is a counter-fraud exercise led by Audit Scotland, overseen by the Cabinet Office for the UK as a whole. It uses computerised techniques to compare information about individuals held by different public bodies, and on different financial systems, to identify circumstances (matches) that might suggest the existence of fraud or error. These exercises are undertaken every two years. <http://www.audit-scotland.gov.uk/work/nfi.phpf>. We would encourage Clydeplan to consider being involved in the next exercise in 2016/17.

Arrangements for maintaining standards of conduct and the prevention and detection of corruption

57. The arrangements for the prevention and detection of corruption are generally satisfactory but we consider would be improved with implementing a register of interest to minimise and manage any potential conflicts of interest. Members will have register of interests at their constituent authorities but there is no register for staff.

Appendix 4 – Action Plan No. 3

Transparency

58. When assessing transparency we consider questions such as:
- Are meetings are held in public?
 - Are papers and corporate documents available online and there is only limited use of taking papers in private?
 - Are financial statements clearly presented and budget monitoring papers concise and clear?
 - Is a register of interests available on the website?
59. Meetings of Clydeplan are held in public and papers available from the Renfrewshire Council website. The Clydeplan website also publishes information on consultations and progress with the strategic development plan. We concluded that the financial statements are clear and actual expenditure and income clearly linked to budgeted figures, as described in the management commentary.

Best Value and performance

The action programme outlines twenty proposals over the lifetime of the strategy that need to be delivered in order to achieve the vision and spatial strategy set out in the SDP.

64. In preparation of the second Strategic Development Plan for the Glasgow and Clyde region, a Main Issues Report (MIR) was published in January 2015 for public consultation. The purpose of the MIR was to highlight the key changes which might influence the SDP since its approval in May 2012 and what issues need to be considered when preparing the next SDP.
65. 85 responses were received from members of the public in relation to the MIR and consideration is currently being given to how the issues raised can be taken forward into the proposed plan due for publication in early 2016.

National performance audit reports

66. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. During 2014/15, a number of reports were issued which are outlined in appendix III. While these reports might not directly cover the work of Clydeplan, there may be lessons learned or helpful information on wider issues in local government. However, there are no formal processes in place to update members on these reports and disseminate the impact for Clydeplan.

Appendix 4 – Action Plan No. 4

60. Best value is a key factor to consider when planning policies, programmes and projects and when taking any spending decisions. Audited bodies should have systems and processes to ensure that it can demonstrate that it is delivering best value by assessing and reporting on the economy, efficiency, effectiveness and equality in service provision.

61. In this section we include commentary on whether Clydeplan continues to prepare an annual report for members and is progressing with the second strategic development plan.

Management arrangements

62. Per the minute of agreement for Clydeplan, an annual report has to be prepared; this was included in the March 2015 meeting and summarised the main work including progress with the strategic development plan, the rebranding to Clydeplan and plans of the GNP.

Strategic Development Plan

63. The Strategic Development Plan (SDP) was approved in May 2012 and a refreshed Action Programme in support of the SDP was published at the September 2014 meeting of the Joint Committee.

Appendix I – Significant audit risks

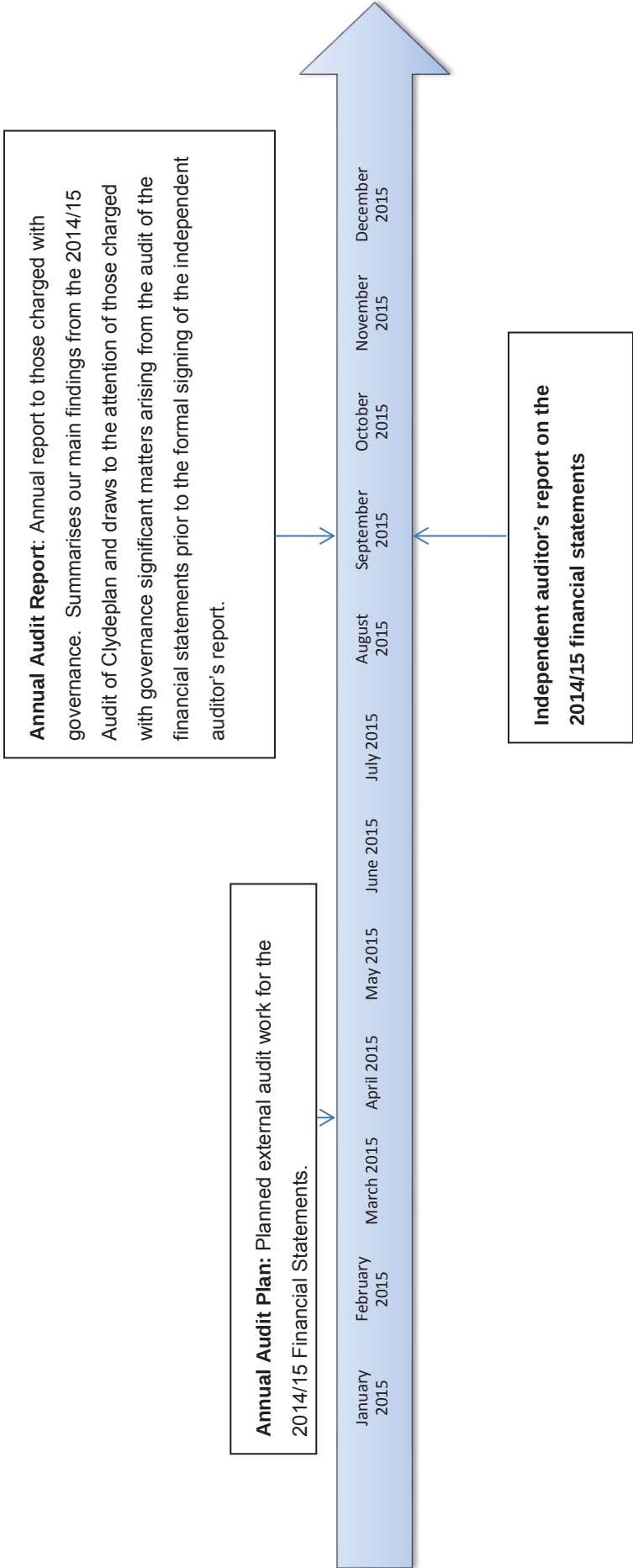
The table below sets out the financial statement audit risks we identified during the course of the audit and how we addressed each risk in arriving at our opinion on the financial statements.

Assurance procedure		Results and conclusions
Audit Risk		
Risk of material misstatement		
Management override of controls As stated in ISA 240, management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.	- Detailed testing of journal entries - Review of accounting estimates for bias - Evaluating significant transactions that are outside the normal course of business.	No issues have arisen as part of our audit work that would indicate management override of controls
Annual Governance Statement The statement of internal financial control has now been replaced by the annual governance statement which contains a number of additional disclosures.	- Review of disclosures in annual governance statement against the Delivering good governance in local government: framework - Ensure disclosures are consistent with the information within the financial statements	The annual governance statement followed the guidelines and was consistent with information on the audit. There were only minor presentation changes to wording

Audit Risk	Assurance procedure	Results and conclusions
Management Commentary The 2014 regulations require the annual accounts to include a management commentary. The Commentary will include a number of additional disclosures in comparison to the current explanatory foreword but Scottish Government guidelines are still to be issued.	Ensure information in management commentary is consistent with that contained in the financial statements and meets guidance issued.	The management commentary was compared to the Scottish Government guidance issued. In general the commentary met the guidance and was appropriate for the size of Clydeplan
Accounting for Green Network Partnership (GNP) The 2014/15 Code of Practice on Local Authority accounting adopts various accounting standards relating to group and joint ventures which Clydeplan should consider as part of the preparation of the financial statements.	Review of GNP partnership disclosures as part of the financial statements audit.	The accounting treatment was reviewed by finance officers. They proposed that GNP was not a joint operation of Clydeplan and outwith the scope of <i>IFRS 11 Joint Arrangements</i> and we agreed with this approach. The restatement note shows the impact of the change in accounting treatment. The results were included in the notes to the accounts, to meet the Terms of Reference of GNP. Satisfactory

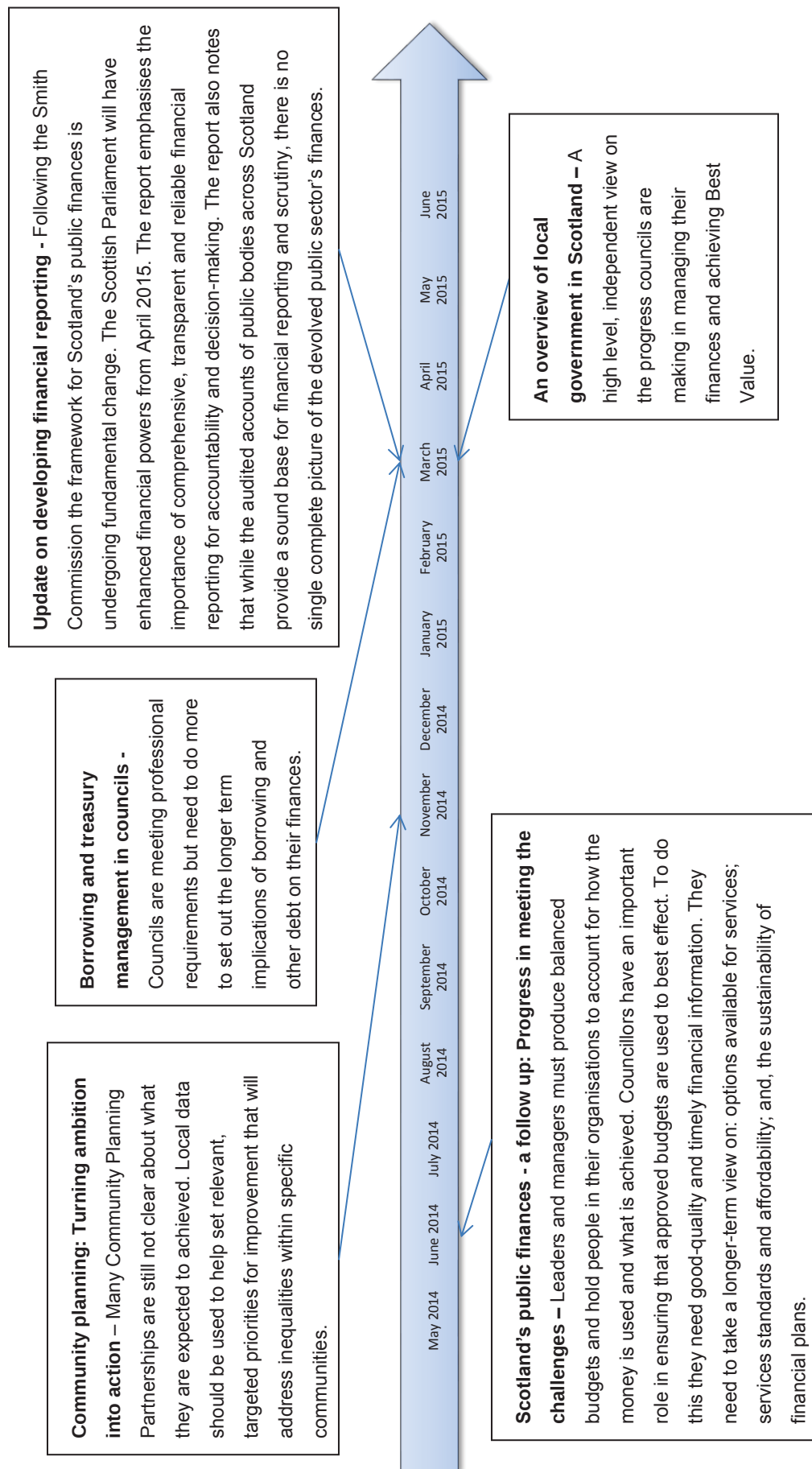
Appendix II

Summary of Clydeplan local audit reports 2014/15



Appendix III

Summary of Audit Scotland national reports 2013/14



Appendix IV

Action plan

No.	Issue/risk/Recommendation	Management action/response	Responsible officer	Target date
1 9/26	Financial Regulations The financial regulations were last updated in June 2013 but there have been changes to the process of approving the accounts, as introduced by The Local Authority Accounts (Scotland) Regulations 2014. Risk There is a risk it is not clear who is responsible for meetings the new arrangements Recommendation Financial regulations are updated to reflect new statutory requirements.	The new timescales and processes were met for the audit of the 2014/15 accounts. The regulations will be updated for changes from the statutory instruments in time for planning the audit of 2015/16 financial statements.	Treasurer	31 December 2015

No. Page/para	Issue/risk/Recommendation	Management action/response	Responsible officer	Target date
2 13/53	Business continuity plans There are no formal business continuity plans. Risk Should there be sudden or significant changes there could be delays in getting Clydeplan systems and processes running efficiently again, allowing staff to return to work. Recommendation Business continuity plans are prepared appropriate to the size and circumstances of Clydeplan.	Internal audit are undertaking a review of business continuity arrangements as part of the audit work for 2015/16. We will work with them as part of the review and implement any recommendations arising from the review.	Manager	31 March 2016
3 14/56	Registers of interest There is no register of interest for staff. Risk Clydeplan may not be able to identify and then minimise potential significant conflicts of interest. Recommendation Clydeplan implement a register of interests for staff that is updated annually. The register, or details of access to it, should be made available on the website.	Clydeplan currently has in policies on declaring gifts and hospitality and members should declare any interests at meetings. We will implement a register of staff.	Manager and Treasurer	31 December 2015

No. Page/para	Issue/risk/Recommendation	Management action/response	Responsible officer	Target date
4 15/65	Audit Scotland National Reports There is no formal process in place to review Audit Scotland's national reports pertinent to Clydeplan. Risk There is a risk that Clydeplan miss out on lessons learned from other government audits. Recommendation Audit Scotland reports are reviewed by officers and summary information or lessons learned disseminated to members.	Manager will liaise with Renfrewshire Council officers to assess best way for proportionate arrangements to review reports and decide which should be summarised for members.	Manager and Treasurer	30 November 2015



Annual Financial Statements 2014/15

CONTENTS

Management Commentary.....	3
Statement of Responsibilities for the Annual Accounts	7
Governance Statement	8
Remuneration report	11
Independent Auditor's Report	14
Movement in Reserves Statement for the year ended 31 March 2015	16
Comprehensive Income and Expenditure Statement for the year ended 31 March 2015.....	17
Balance Sheet as at 31 March 2015	18
Cash flow Statement for the year ended 31 March 2015	19
Note 1 Summary of Significant Accounting Policies	20
Note 2 Accounting Standards Issued not Adopted	24
Note 3 Critical Judgements in Applying Accounting Policies	24
Note 4 Assumptions made about the future.....	24
Note 5 Events after the balance sheet date.....	25
Note 6 Details of Movement in Reserves.....	25
Note 7 Reconciliation of the Balance on the Comprehensive Income and Expenditure Statement to the Movement in Reserves Statement.....	26
Note 8 Green Network Partnership	27
Note 9 Financing & Investment Income	29
Note 10 Operating Leases	29
Note 11 Debtors	30
Note 12 Creditors	30
Note 13 Transfer to Creditors	30
Note 14 Related Parties	30
Note 15 External Audit Costs	31
Note 16 Termination Benefits.....	31
Note 17 Retirement Benefits	31
Note 18 Contingent Liabilities and Assets.....	35

Management Commentary

Introduction

The requirements governing the format and content of local authorities' annual accounts (under s106 of the Local Government (Scotland) Act 1973 joint boards and committees are classed as local authorities) are contained in The Code of Practice on Local Authority Accounting in the United Kingdom ("the Code"). The annual accounts and contents have been prepared in accordance with chapter 5 of HM Treasury's Financial Reporting Manual 2014-15

History and Statutory Background

In 2008 the Scottish Government established Strategic Development Planning Authorities for each of the four Scottish city regions. This created the Glasgow and Clyde Valley Strategic Development Planning Authority (GCVSDPA). The principal role of the GCVSDPA is to prepare and maintain an up to date Strategic Development Plan (SDP) for the region. This process involves engagement through joint working and consultation with key stakeholder organisations and the wider community. In 2014 the GCVSDPA rebranded as Clydeplan to improve recognition and gain wider resonance within the region

GCVSDPA is a Joint Committee formed under section 57 of the Local Government (Scotland) Act 1973. The Joint Committee is comprised of the eight local authorities of East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Lanarkshire, Renfrewshire, South Lanarkshire and West Dunbartonshire. A Joint Committee is not a separate legal entity, therefore, to ensure the actions of the GCVSDPA have legal effect it must appoint a 'lead authority' with legal personality and act on its behalf to implement its decisions. The lead authority appointed to act for GCVSDPA is Renfrewshire Council.

The Joint Committee is supported by a Steering Group comprising the SDP Manager and the Chief Planning Officers (or their representatives) of each of the member authorities. The Steering Group meets at least four times a year to consider SDP reviews, consultations and reports to be presented to the Joint Committee and the work programme to be undertaken by the core team for the SDP.

The Glasgow Clyde Valley Green Network Partnership (GCVGNP) has a strong relationship with the GCVSDPA. With effect from 1 April 2014, there has been a change of accounting policy with regards to the treatment of the GCVGNP in the financial statements (See note 8).

The Strategic Development Plan

The SDP sets out a development strategy over the next 20 years of where new development should be located and a policy framework to help deliver sustainable economic growth and enhance the quality of life in the Glasgow and Clyde Valley region. The current SDP was approved by the Scottish Government on the 29 May 2012 and published on 13 July 2012.

2014-15 focussed on development of the next SDP due for publication in January 2016. Part of this process was the publication of the Main Issues Report (MIR) for consultation in January 2015. The MIR identified seven issues and posed twenty questions seeking responses from stakeholders by the 27 March 2015. The principle focus for 2015/16 will be the consideration of responses to the MIR and the development of the new SDP.

The announcement in August 2014 by the Scottish and UK governments of a £1.13 billion City Deal Infrastructure Fund across the region will play an important role in supporting the delivery of the SDP's Vision and Spatial Development Strategy.

Financial Performance

Revenue

The Comprehensive Income and Expenditure Account on page 17 summarises the total costs of providing services and the income available to fund those services.

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

The Joint Committee has returned a deficit of £28,578 for the financial year 2014/15, compared to a budgeted breakeven position. This deficit excludes accounting adjustments relating to pensions and short-term accumulating compensated absences. The difference between the employee costs figure below and the figure reported in the Comprehensive Income and Expenditure report is due to accounting adjustments for pension costs £19,000 and accrued employee benefits (£6).

A summary of the outturn position against the agreed budget is shown below:

	Budget	Actual	Variance
	£	£	£
Employee Costs	423,000	416,305	6,695
Property Costs	67,500	63,151	4,349
Payments to Other Bodies	10,200	69,601	(59,401)
Supplies and Services	51,300	34,253	17,047
Administrative Costs	56,600	44,735	11,865
Contractors & Others	7,000	65,274	(58,274)
Total Expenditure	615,600	693,319	(77,719)
Requisition Income	(579,500)	(579,500)	-
Other Income	(36,100)	(85,241)	49,141
Total Income	(615,600)	(664,741)	49,141
(Surplus)/Deficit for Year	-	28,578	(28,578)

The underspend in Employee Costs is due to a temporary member of staff leaving earlier than originally contracted.

The underspend in Supplies and Services is the result of reducing the cost of IT maintenance and slower replacement of IT equipment.

The underspend in Administration Costs is due to lower than expected costs relating to publishing the Main Issues Report.

The overspend in Contractors relates to consultancy fees for producing the background reports which supported the Main Issues Report. The costs incurred rebranding the Joint Committee's operating name to "Clydeplan" have also contributed to the overspend.

The Joint Committee is a partner in the Firth of Clyde Forum, a partnership of local authorities and other organisations working towards integrated, sustainable management of the Clyde's environmental, economic and community resources. The costs associated with this, £56,675, has led to the overspend in Payments to Other Bodies, these costs are fully recovered within Other Income.

Other Income is over recovered due to the funding received to contribute towards the Firth of Clyde Forum, partially offset by reduced funding for the temporary staff member mentioned above.

Capital and Reserves

The Joint Committee does not have the legal powers necessary to hold assets therefore there is no capital spend. Cash balances held by the Joint Committee are matched by creditor balances. The largest creditor balance relates to the revenue reserve balance of £358,414

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

The balance on other reserves is made up as follows:

IT Project Fund	£3,771
Finalised Alteration to Structure Plan	£188,715
Contingency Funds	£165,928
Balance at 31 March 2015	<u>£358,414</u>

Provisions, Contingencies and Write-offs

The Joint Committee is not aware of any eventualities which may have a material effect on the financial position of the Joint Committee, and has made no provisions for such eventualities.

In general, any contingent liabilities known to the Joint Committee are covered by insurance arrangements.

There were no debt write-offs during the year.

Net Pension Position

The disclosure requirements for pension benefits under IAS19 are detailed at Note 17. The appointed actuaries have confirmed a net liability position of £0.802 million, a deterioration of £0.406 million in their assessment of the position of the pension fund. This movement is the net outturn from both increased liabilities linked to a lower real discount rate (thereby leading to an increased value of future liabilities), and better than expected investment returns in the year. The net deficit position of the pension reserve impacts on the net asset position of the Joint Committee as a whole, however the funding of these future liabilities will be met from future requisitions from members and as such the going concern assumption is valid.

The appointed actuaries remain of the view that the asset holdings of the Strathclyde Pension Fund and the contributions from employees and employers together with planned increases in employers' contributions provide sufficient security and income to meet future pension liabilities.

Service changes and Future Developments

There were no changes to the statutory functions the Joint Committee undertakes, nor is the Joint Committee aware of any proposed changes.

Events after the Balance Sheet Date

Events from the Balance Sheet Date until the Date of Signing the Accounts have been taken into consideration.

Impact of Economic Climate

The Joint Committee recognises the difficult financial climate facing local authorities and has continued to seek efficiencies wherever possible. It is proposed that the indicative levels of requisition in 2015/16 remain at 2014/15 level.

Statements

The financial results for 2014-2015 are set out on pages 16 to 19. Note 1 to the financial statements sets out the accounting policies adopted by the Joint Committee to ensure that the financial statements give a true and fair view of the financial position and transactions.

Conclusion

We would wish to take this opportunity to acknowledge the team effort required to produce the accounts and to record my thanks to both the Strategic Development Plan Manager and his staff, and to my staff for their continued hard work and support.

Councillor Harry Curran
Convenor

Alan Russell
Treasurer

Stuart Tait
Strategic Development Plan Manager

Statement of Responsibilities for the Annual Accounts

The Joint Committee's Responsibilities

The Joint Committee is required:

- to make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Joint Committee has the responsibility for the administration of those affairs. (section 95 of the Local Government (Scotland) Act 1973). The Director of Finance and Resources at Renfrewshire Council is the designated Officer and operates as the Treasurer for the Glasgow & Clyde Valley Strategic Planning Authority;
- to 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);
- Approve the Annual Accounts for signature.

I confirm that these Annual Accounts were approved for signature by the Joint Committee at its meeting on the 14 September 2015.

Signed on behalf of the Joint Committee:

Councillor Harry Curran

Convenor

14 September 2015

The Treasurer's Responsibilities

The Treasurer is responsible for the preparation of the Joint Committee's Annual Accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

In preparing this statement of accounts, the Treasurer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates which were reasonable and prudent;
- Complied with legislation;
- Complied with the local authority Accounting Code (in so far as it is compatible with legislation);
- 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 financial statements give a true and fair view of the financial position of the Joint Committee at the reporting date and the transactions of the Joint Committee for the year ended 31 March 2015.

Alan Russell CPFA

Treasurer

14 September 2015

Governance Statement

Scope of Responsibility

Glasgow and Clyde Valley Strategic Development Planning Authority's Joint Committee is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Joint Committee also has a statutory duty to make arrangements to secure best value under the Local Government in Scotland Act 2003. In discharging this overall responsibility, the Joint Committee's elected members and senior officers are responsible for putting in place proper arrangements for its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Joint Committee's Governance Framework

The governance framework comprises the systems and processes, and culture and values, by which the joint Committee is directed and controlled. It also describes the way it engages with, and accounts to its stakeholders.

The Joint Committee has also put in place a system of internal control designed to manage risk to a reasonable level. Internal control cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The main features of our governance arrangements are summarised below:

- Minute of Agreement between the member councils of the Joint Committee, setting out the arrangement for the preparation, monitoring and review of the Strategic Development Plan,
- The Joint Committee is supported by a Steering Group comprising planning professionals from each of the member councils and the Strategic Development Plan Manager,
- Development Plan Scheme and Participation Statement detailing our approach to engagement with our stakeholders, this is reviewed annually. There is currently a consultation with stakeholders regarding the development of the next Strategic Development Plan,
- Clearly defined Standing Orders, Scheme of Delegation and Financial Regulations
- Comprehensive business planning arrangements, setting key targets and action plans designed to achieve the objectives of the Strategic Development Plan,
- Public performance reporting through the Annual Report,
- Policies to regulate employee related matters, including the employee code of conduct and disciplinary procedures,
- The Joint Committee approves, as part of the Glasgow and Clyde Valley Green Network Partnership's Terms of Reference, the allocation of local authority contributions to support the delivery of its Business Plan.

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 are detected and corrected. The system is based on a framework of management information, financial regulations, administrative procedures (including segregation of duties), management and supervision, and a system of delegation and accountability. The system includes:

- Financial management is supported by comprehensive financial regulations and codes,
- Comprehensive budgeting systems, and detailed guidance for budget holders,
- Regular reviews of periodic and annual financial reports which indicate financial performance against the forecasts,
- Setting targets to measure financial and other performance,
- The preparation of regular financial reports that indicate actual expenditure against the forecasts,

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

With Renfrewshire Council being the lead authority, all financial transactions of the Joint Committee are processed through the financial systems of the Council and are subject to the same controls and scrutiny as those of Renfrewshire Council. This includes regular reviews by the Chief Auditor of Renfrewshire Council.

Review of Effectiveness

Members and officers of the Joint Committee are committed to the concept of sound governance and the effective delivery of services and take into account comments made by internal and external auditors.

The effectiveness of the governance framework is reviewed annually by the Strategic Development Plan Manager, including the use of a self-assessment tool involving completion of a 30 point checklist covering four key areas of governance:

- Business Planning and Performance Management
- Internal Control Environment
- Budgeting, Accounting and Financial Control
- Risk Management and Business Continuity

This self-assessment indicated that the governance framework is being complied with in all material respects.

The Joint Committee's internal audit service operates in accordance with the Public Sector Internal Audit Standards. Internal Audit undertakes an annual programme following an assessment of risk completed during the strategic audit planning process. The Chief Auditor provides an annual report to the Joint Committee and an independent opinion on the adequacy and effectiveness of the system of internal control. The Chief Auditor's annual assurance statement concluded that a reasonable level of assurance can be placed upon the adequacy and effectiveness of the Joint Committee's internal control systems.

Statement on the Role of the Chief Financial Officer

CIPFA published this statement in 2010 and under the Code, the Joint Committee is required to state whether it complies with the statement, and if not, to explain how their governance arrangements deliver the same impact. The full statement is:

The Chief Financial Officer in a public service organisation:

- is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest;
- must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the authority's financial strategy; and
- must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the Chief Financial Officer:

- must lead and direct a finance function that is resourced to be fit for purpose; and must be professionally qualified and suitably experienced

Continuous Improvement

The annual review of corporate governance arrangements and their effectiveness has identified risk management as an area for improvement to be progressed during 2015/16. The Strategic Development Plan Manager will engage with Internal Audit to ensure adequate and proportionate arrangements are in place to identify, record, evaluate and monitor key business risks.

Assurance

In conclusion, it is our opinion that the annual review of governance together with the work of internal and external auditors and certification of assurance from the Strategic Development Plan Manager provide sufficient evidence that the principles of good governance operated effectively and the Joint Committee complies with its governance arrangements in all material respects. Systems are in place to continually review and improve the governance and internal control environment. Future actions will be taken as necessary to maintain and further enhance the Joint Committee's governance arrangements.

Councillor Harry Curran
Convenor

Stuart Tait
Strategic Development Plan Manager

Remuneration report

All information disclosed in sections two to four in this Remuneration Report will be audited by the council's appointed auditor, Audit Scotland. The other section of the Remuneration Report will be reviewed by Audit Scotland to ensure that they are consistent with the financial statements.

1. Remuneration policy for elected members

The Joint Committee makes no remuneration payment to any elected member, nor does it pay any expenses, fees or allowances to elected members. Further, no recharges have been made by member authorities in relation to elected member remuneration.

2. Remuneration policy for senior employees

The Remuneration Policy of the Joint Committee is set in reference to national arrangements. The Scottish Joint Negotiating Committee (SJNC) for Local Authority Services sets the salaries for the Chief Executives of Scottish local authorities. The salary of the Strategic Development Planning Manager is set at spinal point 29, equivalent to 51% of the salary of the Chief Executive of Renfrewshire Council. These arrangements were agreed through approval of the Chief Officers' Award – Structure Plan Manager report at a meeting of the Joint Committee on 2nd December, 2002. The Assistant Strategic Development Planning Manager and Programme Manager posts have been evaluated under the single status framework and are paid according to the salary scales of Renfrewshire Council.

2013/14	Senior Employees		2014/15			
Total	Name	Post Held	Salary, fees and allowances	Expenses allowance chargeable to UK income tax	Other (i)	Total
£			£	£	£	£
69,269	Stuart Tait	Strategic Development Plan Manager	69,962	-	-	69,962
46,137	Dorothy McDonald	Assistant Strategic Development Plan Manager	47,304	-	-	47,304
52,362	Max Hislop	Programme Manager	52,199	-	-	52,199
167,768	Total		169,465	-	-	169,465

The above tables show the relevant amounts, before tax and other deductions, due to, or receivable by, each of the persons named for the year to 31 March 2015, whether or not those amounts were actually paid to, or received by, those persons within that period.

(i) "Other" includes any payments made by the Joint Committee by way of remuneration to, or in respect of, the person that do not otherwise fall within the definition, other than payments relating to pensions.

3. Pension rights

Pension benefits for Joint Committee employees are provided through the Local Government Pension Scheme (LGPS).

For local government employees this is a final salary pension scheme. This means that pension benefits are based on the final year's pay and the number of years that person has been a member of the scheme. The scheme's normal retirement age is 65.

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

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 contributions rates were set at 6% for all non manual employees.

2013/14	Member contribution rates on earnings in the bands below	2014/15
Up to £19,800	5.5%	Up to £20,335
£19,801 to £24,200	7.25%	£20,336 to £24,853
£24,201 to £33,200	8.5%	£24,854 to £34,096
£33,201 to £44,200	9.5%	£34,097 to £45,393
Over £44,201	12%	Over £45,394

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. 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).

The value of the accrued benefits has been calculated on the basis of the age at which the person will first become entitled to receive a full pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation.

The pension figures shown relate to the benefits that the person has accrued as a consequence of their total local government employment, not just that relating to their current post.

Senior Employees						
Name	Post Held	Accrued Pension benefits as at 31 March 2015		Change in accrued pension benefits since 31 March 2014		Pension contributions made by Joint Committee during 2014-2015
		Pension	Lump Sum	Pension	Lump Sum	(i)
		£m	£m	£m	£m	£
Stuart Tait	Strategic Development Plan Manager	0.026	0.056	+0.002	+0.000	13,503
Dorothy McDonald	Assistant Strategic Development Plan Manager	0.017	0.038	+0.001	+0.001	9,130
Max Hislop	Programme Manager	0.018	0.049	+0.001	+0.000	10,090
		0.061	0.143	+0.004	+0.001	32,723

(i) includes any contributions that Glasgow and the Clyde Valley Strategic Development Planning Authority has agreed to pay in respect of the relevant person at a later date

No pension contributions are made for the Joint Committee Convener.

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

4. Remuneration of Employees

The following table gives a statement of the number of employees whose remuneration, excluding pension contributions, was in excess of £50,000 during 2014/15, in bands of £5,000

2013/14	Remuneration Band	2014/15
Number of employees		Number of employees
1	£50,000 - £54,999	1
-	£55,000 - 59,999	-
-	£60,000 - £64,999	-
1	£65,000 - 69,999	1
-	£70,000 - £74,999	-
-	£75,000 - £79,999	-
-	£80,000 - £84,999	-
-	£85,000 - £89,999	-
-	£90,000 - £94,999	-
-	£95,000 - £99,000	-
2		2

Councillor Harry Curran
Convenor

Stuart Tait
Strategic Development Plan Manager

Independent Auditor's Report

Independent auditor's report to the members of Glasgow and the Clyde Valley Strategic Development Planning Authority and the Accounts Commission for Scotland

I certify that I have audited the financial statements of Glasgow and the Clyde Valley Strategic Development Planning Authority for the year ended 31 March 2015 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet and Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15 (the 2014/15 Code).

This report is made solely to the parties to whom it is addressed in accordance with the Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Accounts Commission for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of Treasurer and auditor

As explained more fully in the Statement of Responsibilities the Director of Finance and Resources at Renfrewshire Council, as Treasurer, is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Accounts Commission for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Treasurer; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the Annual Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view in accordance with the applicable law and the 2014/15 Code of the state of the affairs of the body as at 31 March 2015 and of the income and expenditure of the body for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2014/15 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014 and the Local Government in Scotland Act 2003.

Opinion on other prescribed matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Local Authority Accounts (Scotland) Regulations 2014; and
- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I am required to report by exception

I am required to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- the Governance Statement has not been prepared in accordance with Delivering Good Governance in Local Government; or
- There has been a failure to achieve a prescribed financial objective.

I have nothing to report in respect of these matters.

Anne McGregor
Senior Audit Manager
Audit Scotland
4th Floor South Suite
The Athenaeum Building
8 Nelson Mandela Place
GLASGOW
G2 1BT
September 2015

Movement in Reserves Statement for the year ended 31 March 2015

This statement shows the movement in the year on the different reserves held by the Joint Committee, analysed into usable reserves (that is, those reserves 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 Joint Committee's services, more details of which are shown in the **comprehensive income and expenditure statement**.

	Note	Usable reserves		Unusable reserves	
		Revenue Reserve	Pension Reserve	Employee Statutory Adjustment Account	Total Reserves
		£	£	£	£
Balance at 31 March 2013 carried forward		-	(266,000)	(11,943)	(277,943)
<i>Movement in reserves during 2013-14 (restated)</i>					
Surplus or (deficit) on the provision of services		50,393			50,393
Other comprehensive income and expenditure	17a	-	(65,000)		(65,000)
Total comprehensive income and expenditure		50,393	(65,000)	-	(14,607)
Adjustments between accounting basis and funding basis under regulations	6b & 6c	25,211	(25,000)	(211)	-
Transfer from Creditors	6a	431,388			431,388
Net increase or (decrease) before transfers to other statutory reserves		506,992	(90,000)	(211)	416,781
Transfers to or (from) other statutory reserves		(120,000)	-	-	(120,000)
Transfer to creditors	13	(386,992)	-	-	(386,992)
Increase or (decrease) in 2013-14		-	(90,000)	(211)	(90,211)
Balance at 31 March 2014 carried forward		-	(356,000)	(12,154)	(368,154)
<i>Movement in reserves during 2014-15</i>					
Surplus or (deficit) on the provision of services		(62,572)			(62,572)
Other comprehensive income and expenditure	17a		(412,000)		(412,000)
Total comprehensive income and expenditure		(62,572)	(412,000)	-	(474,572)
Adjustments between accounting basis and funding basis under regulations	6b & 6c	33,994	(34,000)	6	0
Transfer from Creditors	6a	386,992			386,992
Net increase or (decrease) before transfers to other statutory reserves		358,414	(446,000)	6	(87,580)
Transfers (to) or from other statutory reserves		-			-
Transfer to creditors	13	(358,414)			(358,414)
Increase or (decrease) in 2014-15		-	(446,000)	6	(445,994)
Balance at 31 March 2015 carried forward		-	(802,000)	(12,148)	(814,149)

Comprehensive Income and Expenditure Statement for the year ended 31 March 2015

This statement shows the accounting cost of providing services and managing the Joint Committee during the year. It includes, on an accruals basis, all of the Joint Committee's day-to-day expenses and related income. It also includes transactions measuring the value of non-current assets actually consumed during the year and the real projected value of retirement benefits earned by employees during the year. The statement shows the accounting cost in accordance with generally accepted accounting practices, rather than the cost according to the statutory regulations that specify the net expenditure that local authorities need to take into account. The required adjustments between accounting basis and funding basis under regulations are shown in the **movement in reserves statement**.

2013/14 Restated			2014/15
£		Note	£
406,012	Employee Costs		435,299
60,464	Property Costs		63,151
26,369	Supplies & Services		34,253
69,093	Contractors		65,274
37,824	Administration Costs		44,735
85,094	Payments to Other Bodies		69,601
684,856	Cost of Services		712,313
(162,180)	Other Income		(81,908)
6,431	Financing & Investment Income & Expenditure	9	11,667
(579,500)	Requisitions from Members Authorities	14	(579,500)
(50,393)	(Surplus) or deficit on the provision of services		62,572
65,000	Actuarial (Gains) or losses on pension assets and liabilities	17a	412,000
65,000	Other Comprehensive Income & Expenditure		412,000
14,607	Total Comprehensive Income & Expenditure		474,572

Balance Sheet as at 31 March 2015

The **balance sheet** shows the value as at 31 March 2015 of the assets and liabilities recognised by the Joint Committee. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held. Reserves are reported in two categories. The first category comprises usable reserves, which are those reserves that the Joint Committee may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves comprises those that the Joint Committee is not able to use to provide services.

31st March 2014 Restated £		Note	31st March 2015 £
	Long Term Debtor		
	<u>Current Assets</u>		
535,476	Funds held by Renfrewshire Council		505,270
12,181	Debtors and Prepayments	11	12,144
-	Cash in Hand		-
547,657			517,414
	<u>less Current Liabilities</u>		
(559,811)	Creditors And Accruals	12	(529,562)
(12,154)	Net Assets Excluding Pension (Liability)/Asset		(12,148)
	<u>Long Term Liabilities</u>		
(356,000)	Pension (liability)/Asset	6b	(802,000)
(368,154)	Net (Liabilities)/Asset Including Pension		(814,148)
	<u>Represented by:</u>		
	Useable Reserves		
(386,992)	Balance due to Member Authorities		(358,414)
386,992	Transfer to Creditors	6a	358,414
	Unuseable Reserves		
(12,154)	Employee Statutory Adjustment Account	6c	(12,148)
(356,000)	Pension Reserve	6b	(802,000)
(368,154)			(814,148)

The audited accounts were issued on 14 September 2015. Balance Sheet signed by:

Alan Russell CPFA
Treasurer
14 September 2015

Cash flow Statement for the year ended 31 March 2015

This statement shows the changes in cash and cash equivalents during the year. It shows how the Joint Committee 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 Joint Committee are funded by way of requisition income or from the recipients of services provided. Investing activities represent the extent to which cash outflows have been made for resources that are intended to contribute to the Joint Committee's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (that is, borrowing) to the Joint Committee.

2013/14 Restated £		2014/15 £
	Operating Activities	
	Cash Inflows	
-	Sale of goods and rendering of services	-
(700,652)	Other receipts from operating activities	(773,197)
(5,569)	Interest received	(3,333)
(706,221)	Cash inflows generated from operating activities	(776,530)
	Cash Outflows	
336,566	Cash paid to and on behalf of employees	358,889
403,947	Cash paid to suppliers of goods and services	394,009
52,328	Other payments for operating activities	53,838
792,841	Cash outflows generated from operating activities	806,736
86,620	Net (increase)/decrease in cash and cash equivalents	30,206
622,096	Cash and cash equivalents at the beginning of the reporting period - short term deposits with Renfrewshire Council	535,476
535,476	Cash and cash equivalents at the end of the reporting period - short term deposits with Renfrewshire Council	505,270
86,620	Net cash outflow in cash and cash equivalents in year	30,206

Note 1 Summary of Significant Accounting Policies

The Financial Statements for the year ended 31 March 2015 have been prepared in accordance with proper accounting practice as per section 12 of the Local Government in Scotland Act 2003. Proper accounting practice comprises the Code of Practice on Local Authority Accounting in the United Kingdom (the Accounting Code) and the Best Value Accounting Code of Practice, supported by International Financial Reporting Standards and recommendations made by the Local Authority (Scotland) Accounts Advisory Committee (LASAAC). They are designed to give a true and fair view of the financial performance and position of the Joint Committee and comparative figures for the previous financial year are provided. There are no significant departures from these recommendations.

The following accounting concepts have been considered in the application of accounting policies:

Accruals basis - the accruals concept requires the non-cash effects of transactions to be included in the financial statement for the year in which they occur, not in the period in which payment is made or income received.

Going concern - the going concern concept assumes that the Joint Board will continue in existence for the foreseeable future.

Understandability – users of the financial statements are assumed to have a reasonable knowledge of accounting and local government.

Relevance – the information in the financial statements is useful for assessing Joint Committee's stewardship of public funds and for making economic decisions.

Materiality - information is included in the financial statements where the information is of such significance that it could influence the decisions or assessments of users of the information.

Reliability – information included in the financial statements faithfully represents the substance of transactions, is free from bias and material error, is complete within the bounds of materiality and cost, and has been prudently prepared.

Primacy of legislative requirements - legislative requirements have priority over accounting principles in the event of conflict between legislation and the Accounting Code.

The accounts have been prepared under the historic cost convention. The following accounting policies used in the preparation of the statements have been reviewed in line with changes made to the Accounting Code following the introduction of International Financial Reporting Standards.

Accruals of Expenditure and Income

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

- i. Revenue from the sale of goods is recognised when the Joint Committee transfers the significant risks and rewards of ownership to the purchaser, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Joint Committee.
- ii. Revenue from the provision of services is recognised when the Joint Committee can measure reliably the percentage of completion of the transaction and it is probable that the economic benefits or service potential associated with the transaction will flow to the Joint Committee.
- iii. Supplies are recorded as expenditure when they are consumed. Where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.

- iv. Where income 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.
- v. Suppliers invoices paid in the two weeks following the year-end are accrued together with specific accruals in respect of further material items provided the goods or services were received by the Balance Sheet date.

Cash and Cash Equivalents

Cash is defined as cash in hand and deposits repayable on demand less overdrafts repayable on demand.

Contingent Assets and Liabilities

Contingent assets and liabilities are not recognised in the financial statements, but are disclosed as a note to the accounts where they are deemed material.

Employee Benefits

Benefits payable during employment

All salaries and wages earned up to the Balance Sheet date are included in the accounts irrespective of when payment was made. An accrual is made for the cost of holiday and flexi-leave entitlements earned by employees but not taken before the year end; and which employees may carry forward into the next financial year.

Termination benefits

Termination benefits are amounts payable as a result of a decision by the Joint Committee to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy. They are charged on an accruals basis to the Employee Costs line in the Comprehensive Income and Expenditure Statement when the Joint Committee is demonstrably committed to either terminating the employment of an officer or making an offer to encourage voluntary redundancy. The Joint Committee is only demonstrably committed to a termination when it has a detailed formal plan for the termination and it is without realistic possibility of withdrawal; and agreement to the termination has been granted by the Joint Committee.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Revenue balances to be charged with the amount payable by the Joint Committee 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 pension enhancement termination benefits and to 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

The Joint Committee participates in the Local Government Pension Scheme which is administered by the Strathclyde Pension Fund. The Local Government Pension Scheme is accounted for as a defined benefit scheme, and in accordance with International Accounting Standard 19 (IAS19) the Joint Committee has disclosed certain information concerning the assets, liabilities, income and expenditure relating to the pension scheme. IAS 19 requires that an organisation must account for retirement benefits when it is committed to giving them, even if the giving will be many years into the future.

This involves the recognition in the Balance Sheet of the Joint Committee's share of the net pension asset or liability in the Strathclyde Pension Fund and a pension reserve. The Comprehensive Income and Expenditure Statement also recognises changes during the year in the pension asset or liability. Service expenditure includes pension costs based on employers' pension contributions payable and payments to pensioners in the year.

The liabilities of the Strathclyde Pension Fund attributable to the Joint Committee are included in the Balance Sheet on an actuarial basis using the projected unit method ie an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates and projections of earnings for current employees. Liabilities are discounted to their value at current prices using a discount rate based on the current rate of return available on a high quality corporate bond of equivalent currency and term to the scheme liabilities.

The assets of the Strathclyde Pension Fund attributable to the Joint Committee are included in the Balance Sheet at their fair value, principally the bid price for quoted securities, and estimated fair value for unquoted securities.

Note 17 to the Core Financial Statements provides further information.

Events after the Balance Sheet date

Events after the balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statements are authorised for issue. There are two types of events:

- Adjusting events – those that provide evidence of conditions that existed at the end of the reporting period, and the Statements are adjusted to reflect such events
- Non-adjusting events – those that are indicative of conditions that arose after the reporting period, and the Statements are not adjusted. Where a category of events would have a material effect, disclosure is made in the notes of the nature of the event and its estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statements. Note 5 provides further information.

Prior Period Adjustments

Where there has been a change in accounting policy, that change will be applied retrospectively, that is, prior period figures will be restated unless the Code specifies transitional provisions that shall be followed. Where there has been a change in accounting estimate, that change will be applied prospectively, that is, prior period figures will not be restated. Where a material misstatement or omission has been discovered relating to a prior period, that misstatement or omission will be restated unless it is impracticable to do so.

Government Grants and other Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Joint Committee when there is reasonable assurance that:

- the Joint Committee will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Joint Committee are not credited to the Comprehensive Income and Expenditure Account until conditions attaching to the grant or contribution have been satisfied. Monies advanced as grants and contributions are carried in the Balance Sheet as creditors.

Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property from the lessor to the lessee. All other leases are classified as operating leases. Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets. The Joint Committee is not party to any finance leases.

Operating Leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefiting from use of the leased property, plant or equipment. 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, there is a rent-free period at the commencement of the lease). The risks and rewards of ownership remain with the lessors along with the title of the property.

Property, Plant and Equipment

Glasgow & the Clyde Valley Strategic Development Planning Authority is a Joint Committee as constituted under s106(1) of the Local Government (Scotland) Act 1973. The Joint Committee has no legal power to hold assets. Any cash assets held are matched by an equivalent creditor balance.

Provisions

Provisions are made where an event has taken place that gives the Joint Committee 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. Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that Glasgow and the Clyde Valley Strategic Development Planning 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 relevant service. 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 relevant service if it is virtually certain that reimbursement will be received if the Joint Committee settles the obligation.

Reserves

The Joint Committee has three reserve funds. The Revenue Reserve contains any balance of requisition income from members of the Joint Committee.

The Pension Reserve arises from the IAS19 accounting disclosures for retirement benefits and recognises the Joint Committee share of actuarial gains and losses in the Strathclyde Pension Fund and the change in the Joint Committee's share of the Pension Fund net liability chargeable to the Income and Expenditure Account.

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on the Revenue Reserve from accruing for short term accumulating absences at the end of the financial year. Generally accepted accounting practices require that all short-term employee benefits, including accumulating compensated absences, should be recognised as a cost in the accounts for the year to which they relate. This means that where employees' full holiday entitlement, time in lieu or credit flexi-time balance has not been taken by the financial year-end, the cost of the untaken days or time is calculated and recorded as an accrued expense. However, statutory arrangements require that the

impact of such accrued expenditure on the Revenue Reserve is neutralised by transfers to or from the Employee Statutory Adjustment Account.

VAT

Income and Expenditure excludes any amount relating to Value Added Tax (VAT), as all VAT is payable to HM Revenue & Customs and all VAT is recoverable from them.

Note 2 Accounting Standards Issued not Adopted

There are no accounting standards relevant to the financial statements of the Joint Committee which have not been adopted.

Note 3 Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Joint Committee has had to make certain judgements about complex transactions or those involving uncertainty about future events. Where a critical judgement has been made this is referred to in the relevant note to the core financial statements; however a summary of those with the most significant effect is detailed below.

Leases	An analysis of the terms of the lease for the office accommodation at West Regent Street leased by the Joint Committee has concluded it is an operating lease. Note 10 provides further information.
--------	--

Note 4 Assumptions made about the future

The Statement of Accounts contains estimated figures that are based on assumptions made by the Joint Committee about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Balance Sheet at 31 March 2015 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Results differ from Assumption
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Joint Committee with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £0.438 million. However, the assumptions interact in complex ways. During 2014/15, the appointed actuaries advised that the net pension liability had increased by £0.412 million attributable to updating of the financial assumptions.

Note 5 Events after the balance sheet date

Events taking place after the authorised issue date per the balance sheet are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2015, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information. There are no non adjusting events.

Note 6 Details of Movement in Reserves

a. Revenue Reserve

2013/14 Restated		2014/15
£		£
(431,388)	Balance as at 1 April	(386,992)
(25,000)	Transfer to pension reserve	(34,000)
(211)	Transfer to employee statutory adjustment account	6
120,000	Transfers to or (from) other statutory reserves	-
(50,393)	(Surplus) or Deficit on provision of services (from the Comprehensive Income & Expenditure Account)	62,572
<u>(386,992)</u>	Balance as at 31 March	<u>(358,414)</u>

This represents the excess of member authority requisitions over expenditure in any one year and is shown as payable to the member authorities

b. Pension Reserve

2013/14 Restated		2014/15
£		£
(266,000)	Balance as at 1 April	(356,000)
(65,000)	Actuarial Gains and Losses (see note 17)	(412,000)
(25,000)	Net additional amount required by statute and non-statutory proper practices to be taken into account when determining the surplus or deficit on the revenue reserves for the year	(34,000)
<u>(356,000)</u>	Balance as at 31 March	<u>(802,000)</u>

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Joint Committee accounts for post-employment benefits in the **comprehensive income and expenditure statement** as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Joint Committee makes employer's contributions to pension funds. The credit balance on the Pension Reserve shows a moderate excess in the benefits earned by past and current employees and the Joint Committee's share of the Strathclyde Pension Fund resources available to meet them.

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

c. Employee Statutory Adjustment Account

2013/14 Restated		2014/15
£		£
(11,942)	Balance as at 1 April	(12,154)
11,942	Reversal of prior year accrual for short-term accumulating compensated absences	12,154
(12,154)	Recognition of the accrual for short-term accumulating compensating absences at 31 March	(12,148)
<u>(12,154)</u>	Balance as at 31 March	<u>(12,148)</u>

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on revenue balances from accruing for short-term accumulating compensated absences at the end of the financial year. Generally accepted accounting practices require that all short-term employee benefits, including accumulating compensated absences, should be recognised as a cost in the accounts for the year to which they relate. This means that where employees' full holiday entitlement, time in lieu or credit flexi-time balance has not been taken by the financial year-end, the cost of the untaken days or time is calculated and recorded as an accrued expense. However, statutory arrangements require that the impact of such accrued expenditure on revenue balances is neutralised by transfers to or from the Employee Statutory Adjustment Account.

Note 7 Reconciliation of the Balance on the Comprehensive Income and Expenditure Statement to the Movement in Reserves Statement

The deficit for the year on the Revenue Reserves was £33,994 greater than the Comprehensive Income and Expenditure Statement result. The table below gives a breakdown of the differences between the income and expenditure included in the Joint Committee's Comprehensive Income and Expenditure Statement in accordance with the Code and the amounts that statute and non-statutory proper practice require the Joint Committee to debit and credit the Revenue Reserve Balance.

2013/14 Restated		2014/15
£		£
Amounts to be included in the Comprehensive Income and Expenditure Statement but required by statute to be excluded when determining the Movement in Reserves Statement		
(77,000)	Net charges made for retirement benefits in accordance with IAS19	(89,000)
(211)	Net charges for employment short-term accumulating absences	6
<u>(77,211)</u>		<u>(88,994)</u>
Amounts not included in the Comprehensive Income and Expenditure Statement but required to be included by statute when determining the Movement in Reserves Statement		
52,000	Employers contributions payable to the Strathclyde Pension Fund	55,000
<u>(25,211)</u>	Net additional amount required to be debited or credited to the Revenue Reserves balance for the year	<u>(33,994)</u>

Note 8 Green Network Partnership

Overview

The Glasgow Clyde Valley Green Network Partnership (GCVGNP) was formed in 2006 to develop a co-ordinated approach that will deliver major improvement in the scale and quality of green network provision across Glasgow Clyde Valley.

There is a strong relationship between the GCVSDPA and the GCVGNP: The SDP manager and assistant manager are Chair and Vice Chair of the GNP Board; The GCVSDPA Joint Committee acts for its constituent local authorities to agree local authority funding to support the GNP Business Plan; The GCVSDPA Joint Committee approves the GNP business plan and revenue estimates, in respect of local authority contributions only; Progress against business plan targets are monitored annually by the Joint Committee; The executive team of the SDP and GNP share offices in West Regent Street, Glasgow.

As well as the SDP manager, the GCVGNP board is comprised of senior employees from the eight local authorities and four government agencies (Forestry Commission Scotland, Scottish National Heritage, Scottish Environmental Protection Agency and Glasgow Centre for Population Health). The relationship between the GCVSDPA and the GCVGNP is not a joint arrangement and so outside the scope of IFRS 11 (Joint Arrangements).

Financial Performance

Revenue

The GNP has returned a deficit of £42,872 (2013-14, £375 Deficit,) against a budgeted deficit of £9,440 leading to net overspend of £33,432 (2013-14, £19,625 underspend). The overspend is a result of the GNP using £32,000 to fund projects, as approved by the partnership board, in order to ensure that reserves are being efficiently utilised.

The GNP is a significant regional component of the Central Scotland Green Network (CSGN). As a result the GNP secures additional funding for various projects related to the CSGN. The total project expenditure by the GNP during 2014-15 was £342,462 (2013-14, £93,841). The GNP has been a key partner in the study and planning of the development of the Seven Lochs Wetland Park during 2014-15 resulting in the increased expenditure.

The Green Network partners have contributed funding in the following proportions to enable The Partnership to carry out its objectives.

2013/14		2014/15	
£	Council	Percentage	£
5,835	East Dunbartonshire	3.0%	5,589
4,967	East Renfrewshire	2.5%	4,758
32,385	Glasgow City	16.6%	31,019
4,512	Inverclyde	2.3%	4,322
18,069	North Lanarkshire	9.3%	17,306
9,438	Renfrewshire	4.8%	9,040
17,224	South Lanarkshire	8.8%	16,497
5,069	West Dunbartonshire	2.6%	4,855
97,499	Funding From Authorities Represented by GCVSDPA	50.0%	93,386
	Other Government Agencies		
42,343	Forestry Commission	20.0%	37,354
15,000	Glasgow Centre for Population Health	7.5%	14,008
4,875	Scottish Environmental Protection Agency	2.5%	4,669
33,983	Scottish National Heritage	20.0%	37,354
96,201	Total From Other Government Agencies	50.0%	93,385
193,700	TOTAL	100.0%	186,771

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

Capital and Reserves

The GCVGNP does not have legal powers necessary to hold assets therefore it has no capital spend. The Partnership retains financial reserves to offset any liabilities of the Partnership. The table below shows the value of the Partnerships reserves at the 31 March 2015. This is analysed into usable reserves, which has been derived from partnership funding and can be used to fund expenditure, and unusable reserves, which cannot be used to fund expenditure.

2013/14		2014/15
	<u>Reserves Represented by:</u>	
	Useable Reserves	
(182,356)	Balance due to Partnership Members	(139,484)
	Unuseable Reserves	
(3,703)	Employee Statutory Adjustment Account	1,004
(96,000)	Pension Reserve	(331,000)
<u>(282,060)</u>		<u>(469,480)</u>

Change in Accounting Policy :IFRS 11

With effect from 1 April 2014 the Joint Committee accounting policy with respect to the treatment of the GCVGNP has changed as it is no longer treated as a Joint Arrangement. The key changes have been to remove the Income, Expenditure, Assets and Liabilities of the GCVGNP from the financial statements.

	As Previously Stated	As Restated	Amendment
	£	£	£
Comprehensive Income and Expenditure Statement			
Employee Costs	409,385	406,012	(3,373)
Payments For Green Network Partnership	300,949	-	(300,949)
Cost of Services	989,178	684,856	(304,322)
Other Income	(363,279)	(162,180)	201,099
Financing & Investment Income & Expenditure	7,456	6,431	(1,025)
Requisitions from Members Authorities	(677,000)	(579,500)	97,500
(Surplus) or deficit on the provision of services	(43,645)	(50,393)	(6,748)
Actuarial (Gains) or losses on pension assets and liabilities	83,000	65,000	(18,000)
Total Comprehensive Income & Expenditure	39,355	14,607	(24,748)
Balance Sheet			
Funds held by Renfrewshire Council	800,847	535,476	(265,371)
Debtors and Prepayments	45,930	12,181	(33,749)
Cash in Hand	100	-	(100)
Creditors And Accruals	(862,733)	(559,811)	302,922
Net Assets Excluding Pension (Liability)/Asset	(15,856)	(12,154)	3,702
Pension (liability)/Asset	(452,000)	(356,000)	96,000
Net (Liabilities)/Asset Including Pension	(467,856)	(368,154)	99,702

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

	As Previously Stated	As Restated	Amendment
Movement In Reserves (Usable Reserves)			
Surplus or (deficit) on the provision of services	43,645	50,393	6,748
Adjustments between accounting basis and funding basis under	31,583	25,211	(6,372)
Net increase or (decrease) before transfers to other	506,616	506,992	376
Transfer to creditors	(386,616)	(386,992)	(376)
Movement In Reserves (Pension Reserve)			
Balance at 31 March 2013 carried forward	(333,000)	(333,000)	0
Other comprehensive income and expenditure	(83,000)	(65,000)	18,000
Adjustments between accounting basis and funding basis under	(36,000)	(25,000)	11,000
Net increase or (decrease) before transfers to other	(119,000)	(90,000)	29,000
Balance at 31 March 2014 carried forward	(452,000)	(423,000)	29,000
Movement in Reserves (Employee Statutory Adjustment)			
Balance at 31 March 2013 carried forward	(20,272)	(20,272)	0
Adjustments between accounting basis and funding basis under	4,417	(211)	(4,628)
Net increase or (decrease) before transfers to other	4,417	(211)	(4,628)
Balance at 31 March 2014 carried forward	(15,856)	(20,484)	(4,628)

Note 9 Financing & Investment Income

2013/14 Restated		2014/15
£		£
(5,569)	Interest on Balances	(3,333)
12,000	Pension Interest Cost	15,000
6,431	Total Financing & Investment Income	11,667

Note 10 Operating Leases

The Joint Committee has acquired office accommodation at West Regent Street in Glasgow by entering into an operating lease until October 2016. Twenty five percent of the accommodation costs are paid by The Green Network Partnership. The expenditure charged in year to the Comprehensive Income and Expenditure Statement was £29,250 (2013/14 £29,250). The cost of the total lease agreement, including the proportion paid by The Green Network Partnership is detailed below:

31st March 2014 Restated		31st March 2015
£		£
	Future Minimum Lease Payments	
39,000	- not later than one year	39,000
55,250	- later than one year and not later than five years	16,250
-	- later than five years	-
94,250		55,250

Note 11 Debtors

31st March 2014 Restated		31st March 2015
£		£
-	Central government bodies	-
-	Other local authorities	-
12,181	Other entities and individuals	12,144
<u>12,181</u>	Total short term debtors	<u>12,144</u>

Note 12 Creditors

31st March 2014 Restated		31st March 2015
£		£
-	Central government bodies	
386,992	Other local authorities	358,414
12,154	Short term accumulating absences	12,148
21,595	Accrued payrolls	21,071
120,312	Studies funding	129,637
15,883	Income in Advance	5,000
2,875	Other entities and individuals	3,292
<u>559,811</u>	Total short term creditors	<u>529,562</u>

Note 13 Transfer to Creditors

2013/14 Restated		2014/15
£		£
<u>(386,992)</u>	In terms of Section 58 of the Local Government (Scotland) Act 1973, Joint Committees have no specific powers to retain reserves to meet future funding requirements and the amount due to member authorities has been transferred to creditors.	<u>(358,414)</u>

Note 14 Related parties

The Joint Committee's related parties are those bodies or individuals that have the potential to control or significantly influence the Joint Committee, or to be controlled or significantly influenced by the Joint Committee. The Joint Committee is required to disclose material transactions that have occurred with related parties and the amount of any material sums due to or from related parties. Related party relationships require to be disclosed where control exists, irrespective of whether there have been transactions between the related parties. Disclosure of this information allows readers to assess the extent to which the Joint Committee might have been constrained in its ability to operate

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

independently or might have secured the ability to limit another party's ability to bargain freely with the Joint Committee.

The member authorities of the Joint Committee have contributed requisitions in the following proportions to enable the Joint Committee to carry out its objectives. The Joint Committee in turn pays Renfrewshire Council for support services.

The service level agreement for these services is £23,200 (2013/14 £23,200). A proportion of the cost is paid by the Green Network Partnership. The amount paid in respect of these services by the GCVSDPA for the year ended 31 March 2015 was £18,900 (2013/14 £19,017).

2013/14			2014/15
£	Council	Percentage	£
72,438	East Dunbartonshire	12.5%	72,438
72,438	East Renfrewshire	12.5%	72,438
72,438	Glasgow City	12.5%	72,438
72,438	Inverclyde	12.5%	72,438
72,438	North Lanarkshire	12.5%	72,438
72,438	Renfrewshire	12.5%	72,438
72,438	South Lanarkshire	12.5%	72,438
72,438	West Dunbartonshire	12.5%	72,438
579,500	GCVSDPA Funding	100.00%	579,500

Note 15 External audit costs

Fees payable to Audit Scotland in respect of external audit services undertaken in accordance with Audit Scotland's *Code of Audit Practice* in 2014-2015 were £2,820 (£2,790 in 2013/14). There were no fees paid to Audit Scotland in respect of any other services.

Note 16 Termination benefits

The Joint Board did not terminate the contract of any employee during 2014-2015.

Note 17 Retirement Benefits

As part of the terms and conditions of employment of its employees, the Joint Committee offers retirement benefits. Although these benefits will not actually be payable until employees retire, the Joint Committee has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement. The scheme for employees is the Strathclyde Pension Fund which is administered by Glasgow City Council. This is a "funded" defined benefit final salary scheme meaning that the Joint Committee and its employees pay contributions into a fund, calculated at a level intended to balance the pensions liability with investment assets.

17a. Transactions relating to retirement benefits

The cost of retirement benefits is recognised in Gross Expenditure when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge that is statutorily required to be made in the accounts is based upon pension contributions payable by the Joint Committee in the year, and an adjustment is made within the Movement in Reserves Statement to replace the cost of retirement benefits with employers' contributions.

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

The following transactions have been made in the accounting statements in 2014-2015:

2013/14 Restated		Note	2014/15
£			£
Comprehensive Income & Expenditure Statement			
Cost of Services			
65,000	Current service cost	(i)	74,000
-	Past service cost/(gain)	(ii)	-
-	Settlements & curtailments	(iii)	-
<u>65,000</u>			<u>74,000</u>
Financing & Investment Income & Expenditure			
12,000	Net interest	(iv)	15,000
<u>77,000</u>	Total post employment benefit charged to the Surplus or Deficit on the Provision of Services		<u>89,000</u>
Other post employment benefit charged to the Comprehensive Income and Expenditure Statement			
(48,000)	Return on assets excluding amounts included in net interest		(461,000)
113,000	Actuarial (gains) and losses arising on changes in financial assumptions		873,000
<u>65,000</u>	Total Actuarial (gain) or loss		<u>412,000</u>
<u>142,000</u>	Total post employment benefit charged to the Comprehensive Income and Expenditure Statement		<u>501,000</u>
Movement in Reserves Statement			
		(v)	
(90,000)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits according with the Code		(446,000)
<u>52,000</u>	Employers Contributions paid to Strathclyde Pension Fund		<u>55,000</u>

Notes

- i. Current service cost is the cost of future entitlements to pension payments to current employees
- ii. Past service cost is the cost of discretionary pension benefits to former employees who retired on the grounds of efficiency etc or savings made for commuting part of the pension for additional cash.
- iii. Curtailments are the pension costs to employees retired under redundancy terms.
- iv. The net Interest Cost is an actuarial adjustment to the inflation element in the cost of funding current and future pension obligations. This is the expected increase during the year in the present value of the Joint Committee's share of Strathclyde Pension Fund's liabilities because they are one year closer to settlement.
- v. The Movement on Pension Reserve represents the net change in the pension liability recognised in the Movement in Reserves Statement for pension payments made by the Joint Committee to the Strathclyde Pension Fund during the year (£34,000).

The Joint Committee is also responsible for all pension payments relating to added years benefits it has awarded, together with related increases. In 2014-2015 these amounted to £8,220 (2013/14 £8,044).

In addition to the recognised gains and losses included in the Comprehensive Income and Expenditure Statement, actuarial losses of £0.412 million are included in the Movement in Reserves Statement (2013/14 £0.065 million loss).

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

17b. Assets and liabilities in relation to retirement benefits

A reconciliation of the Joint Committee's share of the **present** value of the Strathclyde Pension Fund's **liabilities** is as follows:

2013/14 Restated £000		2014/15 £000
2,418	Opening present value	2,693
65	Current service cost	74
110	Interest Cost	116
20	Employee Contributions	21
	Remeasurement (gains)/losses:	
113	Actuarial (gains)/losses arising from changes in financial assumptions	873
(33)	Benefits Paid	(64)
<u>2,693</u>	Closing present value of scheme liabilities	<u>3,713</u>

A reconciliation of the Joint Committee's share of the **fair** value of the Strathclyde Pension Fund's **assets** is as follows:

2013/14 Restated £000		2014/15 £000
2,152	Opening Fair Value	2,337
98	Interest Income	101
	Remeasurement gain/(loss):	
48	Return on assets excluding amounts included in net interest	461
52	Contributions from employer	55
20	Contributions from employee	21
(33)	Benefits Paid	(64)
<u>2,337</u>	Closing fair value of scheme assets	<u>2,911</u>

17c. Fund history

	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000
Present Value of Liabilities	(1,901)	(2,116)	(2,418)	(2,693)	(3,713)
Fair value of assets	1,906	1,957	2,152	2,337	2,911
Surplus/(deficit) in the scheme	<u>5</u>	<u>(159)</u>	<u>(266)</u>	<u>(356)</u>	<u>(802)</u>

The main fund (Fund 1) of Strathclyde Pension Fund does not have an asset and liability matching (ALM) strategy.

The net liability of £0.802 million has a significant impact on the net worth of the Joint Committee as recorded in the balance sheet. Any deficit on the Strathclyde Pension Fund will be made good by

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

increased contributions over the remaining working life of employees, as assessed by the Fund actuary.

The total contributions expected to be made by the Joint Committee to Strathclyde Pension Fund in the year to 31 March 2016 is £0.051 million

17d. Basis for estimating assets and liabilities

The Joint Committee's share of the liabilities of the Strathclyde Pension Fund have been assessed on an actuarial basis using the projected unit method, that estimates the pensions that will be payable in future years dependent upon assumptions about mortality rates, salary levels and so on. The Scheme's liabilities have been assessed by Hymans Robertson, an independent firm of Actuaries, and the estimates are based on the latest full valuation of the Fund at 31 March 2011.

The principal assumptions used by the actuary have been:

31st March 2014	Year Ended:	31st March 2015
	Mortality assumptions	
	Longevity at 65 for current pensioners	
21.0 years	• Men	22.1 years
23.4 years	• Women	23.6 years
	Longevity at 65 for Future pensioners	
23.3 years	• Men	24.8 years
25.3 years	• Women	26.2 years
5.1%	Rate of increase in salaries*	4.3%
2.8%	Rate of increase in pensions	2.4%
4.3%	Rate for discounting scheme liabilities	3.2%
	Take-up of option to convert annual pension into retirement lump sum:	
50.0%	For Pre April 2009 Service	50.0%
75.0%	Post April 2009 Service	75.0%

*Salary increases are assumed at 1% p.a until 31 March 2015 and reverting to the long term assumption thereafter

**Glasgow & the Clyde Valley Strategic Development Planning Authority
Annual Accounts 2014/15**

The pension scheme's assets consist of the following categories, by proportion of the total assets held:

31st March 2014 Restated			31st March 2015
£000		Percentage	£000
	Equity Securities		
215	Consumer	9.4%	275
189	Manufacturing	7.6%	220
86	Energy and Utilities	3.0%	86
157	Financial Institutions	7.0%	203
80	Health and Care	4.1%	118
127	Information Technology	5.7%	167
854	Total Equity	36.7%	1,069
	Private Equity		
220	All	9.7%	283
220	Total Private Equity	9.7%	283
	Real Estate		
164	UK Property	9.1%	266
-	Overseas Property	0.0%	-
164	Total Real Estate	9.1%	266
	Investment Funds & Unit Trusts		
712	Equities	28.7%	835
271	Bonds	12.7%	369
1	Commodities	0.1%	1
3	Infrastructure	0.3%	10
-	Other	0.2%	5
987	Total Investment Funds & Unit Trusts	42.0%	1,220
	Derivatives		
-	Inflation	0.0%	-
-	Interest Rate	0.0%	-
-	Foreign Exchange	0.0%	-
-	Other	0.0%	1
-	Total Derivatives	0.0%	1
	Cash & Cash Equivalents		
112	All	2.5%	72
112	Total Cash & Cash Equivalents	2.5%	72
2,337	Total	100%	2,911

17e. Impact on cashflows

An objective of the fund is to keep employer's contributions at as constant a rate as possible. The fund has agreed a strategy to achieve a funding rate of 100% in the longer term. Employers' and employees' contributions have been determined so that rates are standard across all participating employers. The rate for employer contributions has been set at 19.3% for 2015-16 and 2016-17. This rate may vary thereafter following triennial valuation to be carried out as at 31 March 2014.

The fund will require to assess the impact for future accruals and contributions from impending changes to the LGPS such as the move from 1 April 2015 to a career average revalued earning (CARE) scheme.

Note 18 Contingent Liabilities and Assets

As at the Balance Sheet date the Joint Committee had no material contingent assets or liabilities.

