

GLASGOW AND THE CLYDE VALLEY STRATEGIC DEVELOPMENT PLANNING AUTHORITY JOINT COMMITTEE

To: Joint Committee

On: 27 June 2022

Report by: The Treasurer and the Strategic Development Plan Manager

Heading: Unaudited Annual Accounts 2021/22

1. Summary

- 1.1 The Annual Accounts for the year ended 31 March 2022 will be submitted to Audit Scotland in advance of the statutory deadline of 30 June 2022 and a copy is attached for consideration.
 - 1.2 The Joint Committee has returned a deficit of £69,764 for the financial year 2021/22. This results in an underspend of £85,436 against the planned deficit of £155,200
 - 1.3 The Management Commentary within the accounts provides an overview of the Committee's financial performance during 2021/22, along with its outlook for the future.
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2 Recommendations

- 2.1 The Joint Committee is asked to:
 - a) Consider the Unaudited Annual Accounts for 2021/22;
 - b) Approve the Annual Governance Statement (pages 6-8); and
 - c) Note the final budget monitoring position for 2021/22.
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3. Background

- 3.1. The Local Authority Accounts (Scotland) Regulations 2014 require the Joint Committee to prepare and publish a set of accounts, including an Annual Governance Statement, by 30 June each year.

- 3.2. The unaudited accounts are then required to be formally considered by the Committee no later than 31 August and the Annual Governance Statement should be formally approved at this time.
- 3.3. In accordance with the Local Authority Accounts (Scotland) Regulations 2014, the Unaudited Annual Accounts will then be signed only by the Treasurer as proper officer.
- 3.4. The accounts are then subject to external audit by the Committee's appointed auditor, Audit Scotland, by 30 November 2022. The 2021/22 Audited Annual Accounts are scheduled to be presented to the Joint Committee on 12 September 2022 for approval and signing by the Chair, the Lead Officer and the Treasurer, in accordance with the regulations.
- 3.5. The Comprehensive Income and Expenditure Statement on page 11 shows an accounting deficit on the Provision of Services of £180,537.
- 3.6. The Expenditure and Funding Analysis on page 14 shows how this differs from the budgetary deficit of £69,764 due to accounting adjustments for pension costs and the statutory employee leave accrual.
- 3.7. The Balance Sheet on page 13 of the Annual Accounts shows an increase in net worth of £469,463 compared to last year, which is largely driven by the movement in the pension liability. This is explained further in the Management Commentary within the accounts.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1st April 2021 to 31st March 2022

JOINT COMMITTEE : GLASGOW & CLYDE VALLEY STRATEGIC DEVELOPMENT PLANNING AUTHORITY

Description (1)	Agreed Annual Budget (2)	Actual (4)	Budget Variance		
			(5)		
			£000's	%	
	£000's	£000's			
Employee Costs	493	485	8	1.6%	underspend
Premises Related	24	2	22	91.7%	underspend
Supplies & Services	48	26	22	45.8%	underspend
Support Services	20	24	(4)	-19.0%	overspend
Transfer Payments	3	3	0	0.0%	breakeven
Transport Costs	5	0	5	100.0%	underspend
GROSS EXPENDITURE	593	540	53	8.9%	underspend
Contributions from Local Authorities	(420)	(420)	0	0.0%	breakeven
Other Income	(19)	(50)	32	0.0%	over-recovery
INCOME	(438)	(470)	32	7.2%	over-recovery
TRANSFER (TO)/FROM RESERVES	155	70	85		

	£000's
Bottom Line Position to 31st March 2022 is an underspend of	85
Opening Reserves	(384)
Budgeted drawdown from Reserves	155
21/22 Underspend	(85)
Closing Reserves	(314)



Glasgow and the Clyde Valley
Strategic Development Planning Authority

Unaudited Annual Accounts 2021/22

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Management Commentary

The purpose of the Management Commentary is to present an overview of Clydeplan's financial performance during the year 2021/22 and to help readers understand its financial position as at 31 March 2022. In addition, it outlines the main risks and uncertainties facing Clydeplan for the financial year 2021/22 and beyond.

History and Background

The Glasgow and Clyde Valley Strategic Development Planning Authority (GCVSDPA) was created in 2008, when the Scottish Government established Strategic Development Planning Authorities for each of the four Scottish city regions.

In 2014 the GCVSDPA rebranded as 'Clydeplan' to improve recognition and gain wider resonance within the region. The principal role of Clydeplan 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.

Clydeplan is a Joint Committee formed under Section 57 of the Local Government (Scotland) Act 1973. The Joint Committee is comprised of the following eight local authorities:

- East Dunbartonshire Council;
- East Renfrewshire Council;
- Glasgow City Council;
- Inverclyde Council;
- North Lanarkshire Council;
- Renfrewshire Council;
- South Lanarkshire Council; and,
- West Dunbartonshire Council.

The Joint Committee is comprised of two members from each constituent authority. During 2021/22, the Chair of the Joint Committee was Councillor Lawrence

O'Neill of West Dunbartonshire Council and Vice-Chair was Councillor David Wilson of Inverclyde Council.

A Joint Committee is not a separate legal entity, therefore, to ensure its actions have legal effect it must appoint a 'lead authority' with legal personality to act on its behalf to implement its decisions. The lead authority appointed to act for Clydeplan is currently Renfrewshire Council.

The Joint Committee is supported by a Steering Group comprising the Strategic Development Plan 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 and regional spatial planning related activity, consultations and reports presented to the Joint Committee on the work programme to be undertaken by the Clydeplan Core Team.

The Glasgow Clyde Valley Green Network Partnership (GCVGNP) has a strong relationship with Clydeplan and an overview of the Partnership is provided at Note 15: Green Network Partnership on page 25.

Strategic Development

The SDP covers a period of 20 years, with the current SDP being approved by Scottish Ministers on 24 July 2017. The SDP sets out a clear vision and spatial strategy for the Glasgow City Region with a focus on the key land use and development. It also sets out a policy framework to help deliver sustainable economic growth and enhance the quality of life in the Glasgow City Region.

Planning (Scotland) Act 2019

The Planning (Scotland) Act 2019 became law on 25 July 2019. The new act places a duty on Local Authorities to prepare '*Regional Spatial Strategies*', rather than SDPs.

The development of this strategy will be influenced and integrated into the Glasgow City Region processes and structures in terms of engagement and

governance through related Portfolio groupings, including:

- Land Use and Sustainability;
- Transport and Connectivity;
- Housing and Equalities;
- Infrastructure and Assets;
- Economic Delivery Group.

The principle focus for 2022/23 will involve working closely with the Clydeplan's Steering Group and the City Region's Land Use and Sustainability portfolio to support the implementation of the new Planning (Scotland) Act 2019 and related City Region activities including, following approval of the National Planning Framework 4 (NPF4) by the Scottish Parliament (anticipated Summer 2022) of the development of a Regional Spatial Strategy.

In support of the development of NPF4 the Joint Committee approved its response to the NPF4 consultation at its meeting held on 14 March 2022.

In fulfilment of its Minute of Agreement and the existing requirements of the 2006 Planning Act, the Joint Committee approved its Annual Report and its Development Plan Scheme and Participation Statement in March 2022. These documents can be accessed at the following web links:

- Annual Report - <https://www.clydeplan-sdpa.gov.uk>Strategic Development Plan>Annual Reports>
- Development Plan Scheme and Participation Statement - <https://www.clydeplan-sdpa.gov.uk>Strategic Development Plan>Development Plan Scheme and Participation Statement>

Primary Financial Statements

The Annual Accounts are prepared in accordance with the International Accounting Standards Board Framework for the Preparation and Presentation of Financial Statements as interpreted by the Code of

Practice on Local Authority Accounting in the United Kingdom (the Code). Under Section 106 of Local Government (Scotland) Act 1973, Joint Committees are classed as local authorities.

The Annual Accounts summarise the Joint Committee's transactions for the year and its year-end position at 31 March 2022. The Primary Financial Statements include the Comprehensive Income and Expenditure Statement (CIES), the Movement in Reserves Statement (MIRS) and the Balance Sheet.

These statements are accompanied by Notes to the Accounts, which provide more details on the figures shown in the statements and set out the Accounting Policies adopted by the Joint Committee.

Financial Performance

Revenue

The Comprehensive Income and Expenditure Statement (CIES) on page 11 summarises the total costs of providing services and the income available to fund those services.

The Joint Committee has returned a deficit of £69,764 for the financial year 2021/22. This results in an underspend of £85,436 against the planned deficit of £155,200. This 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 CIES is due to the accounting adjustments for pension costs of £105k and accrued employee benefits of (£3k).

A summary of the final outturn position against the approved budget for Clydeplan is shown below.

	Budget £	Actual £	Variance £
Employee Costs	493,700	484,257	9,443
Property Costs	24,200	2,295	21,905
Supplies and Services	47,600	25,773	21,827
Support Services	20,500	24,050	(3,550)
Transfer Payments	2,900	2,728	172
Transport Payments	4,500	442	4,058
Total Expenditure	593,400	539,545	53,855
Requisition Income	(419,500)	(419,500)	0
Other Income	(18,700)	(50,281)	31,581
Total Income	(438,200)	(469,781)	31,581
(Surplus)/Deficit for Year	155,200	69,764	85,436

Employee Costs underspent due to the secondment of a post to the City Region Team, which was budgeted until 31 March 2022, ending in December 2021.

Property Costs underspent against budget due to Clydeplan moving into 40 John Street Glasgow, where costs are substantially lower, upon expiry of the previous lease of West Regent Street.

Supplies and Services underspend is mostly attributable to home-working due to COVID-19. This has resulted in reduced spending on postage, printing and stationery. Further underspends arise in market research, consultancy and printing of maps and plans, due to the move from SDP to preparing Regional Spatial Strategies.

Other Income is over-recovered mainly due to secondment income from the City Region Team at Glasgow City Council.

Requisition income is break even. A one-off reduction of £20k per authority was agreed at Clydeplan's December 2020 meeting, in order to decrease reserves to an appropriate level.

The Balance Sheet at 31 March 2022

The Balance Sheet sets out the total net worth of the Joint Committee at a snapshot in time. When comparing the net worth of Clydeplan at 31 March 2022 to that of the prior year, an overall increase in net worth of the organisation of £469k can be seen. This is primarily due to the increase in pension asset explained below.

Net Pension Position

The disclosure requirements for pension benefits under IAS19 are detailed at Note 10: Retirement Benefits. The appointed actuaries have confirmed a net asset position of £189k, an increase of £536k in their assessment of Clydeplan's share of the pension fund asset. This can be attributed to higher than expected investment returns and an increase in the net discount rate (discount rate net of inflation) compared to the previous year's Accounting Date.

A potential change to pension rules is outlined in Note 11: Contingent Liabilities on page 20; however, this has not been reflected in the pension liability reported in the Balance Sheet.

Reserves

Reserves are classified under accounting regulations into two categories: Usable reserves, which are available to spend; and Unusable reserves, which are unrealised net gains or losses that have a deferred impact on the Joint Committee.

The balance on the Usable Revenue Reserve at 31 March 2022 is £314k.

Outlook and Future Plans

Governance

It is recognised that all eight Glasgow City Region local authorities who are currently involved with the Glasgow and Clyde Valley Strategic Development Planning Authority Joint Committee wish to continue to contribute towards the strategic planning of the City Region.

Clydeplan will continue to keep the Joint Committee apprised of any significant changes and will work closely with its constituent local authorities and partners to develop a work programme relevant to the delivery of the first Regional Spatial Strategy for the Glasgow City Region under the terms of the Planning (Scotland) Act.

The documents relating to the future of Clydeplan can be accessed at the following web link;

<https://renfrewshire.cmis.uk.com/renfrewshire/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/2059/Committee/70/Default.aspx>

Budget 2022/23

The 2022/23 budget for ClydePlan was approved by the Joint Committee on 13 December 2021.

Clydeplan expenditure budget has decreased for 2022/23, in line with reductions in Premises Costs and Supplies and Services. Furthermore, in recognition of the high level of reserves, a further reduction of requisition is made in 2022/23 to contributing authorities, totalling £32,500.

COVID-19 Lockdown: Remote Working

During the COVID-19 lockdown period, Clydeplan has continued to operate effectively, with all staff working from home. Normal governance procedures, such as the Joint Committee meetings, have continued, albeit on a virtual / remote basis.

Conclusion

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

Councillor

Stuart Tait

Alastair MacArthur

Convener

Strategic Development Plan Manager

Treasurer

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 designated officer is Renfrewshire Council's Director of Finance and Resources, who is also the Treasurer of Glasgow and Clyde Valley Strategic Development Planning Authority;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- ensure that the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014), and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003); and
- approve the Annual Accounts for signature.

I confirm that these Unaudited Annual Accounts were approved for signature by the Joint Committee at its meeting on the 27 June 2022.

Signed on behalf of Glasgow and Clyde Valley Strategic Development Planning Authority Joint Committee.

The Treasurer's Responsibilities

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

In preparing the Annual Accounts, the Treasurer has:

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

The Treasurer has also:

- kept adequate accounting records that were up to date; and
- 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 2022.

Councillor
Convener

Alastair MacArthur
Treasurer

Annual 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 Joint Committee'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:

- A Minute of Agreement between the member councils of the Joint Committee, <https://www.clydeplan-sdpa.gov.uk/planning-authority/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;
- The Development Plan Scheme and Participation Statement sets out the key timelines for the preparation of the Strategic Development Plan and the Joint Committee's approach to engagement with our stakeholders on its development, this is reviewed annually www.clydeplan-sdpa.gov.uk/strategic-development-plan/other/development-plan-scheme-and-participation-statement;
- 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;
- Risk management arrangements including regular monitoring and review of significant risk exposures;
- Business continuity arrangements are in place and are kept under review by the Management Team.

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;
- The Chief Finance Officer is the Treasurer who complies with the CIPFA Statement on the Role of The CFO in Public Services.

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 Internal 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 covering five key areas of governance:

- Business Planning and Performance Management;
- Internal Control Environment;
- Budgeting, Accounting and Financial Control;
- Risk Management and Business Continuity;
- Impact of Coronavirus (COVID-19).

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

The Joint Committee's internal audit service is provided by the lead authority's internal auditors and operates in accordance with the Public Sector Internal Audit Standards. The lead authority conforms to the requirements of the CIPFA Statement on the Role of the Head of Internal Audit (2019). Internal Audit undertakes an annual programme following an assessment of risk completed during the strategic audit planning process.

The Chief Internal 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 Internal 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.

The review has not identified any significant governance issues to be reported on for 2021/22 and no actions arising for the 2021/22 governance statement that require to be reported on.

This governance framework has been in place throughout the year. The outbreak of coronavirus (COVID-19) did not result in any changes to the governance arrangements for 2021/22. During the year officers have moved to a hybrid method of working home with negligible impact on service delivery and this arrangement will continue to be reviewed regularly. Meetings of the Joint Committee were also held virtually. The arrangements in place

are still considered to be effective. The risk of social distancing continuing and its potential impact on the governance arrangements continues to be reviewed and monitored through robust risk management arrangements.

Planning (Scotland) Act 2019

Following the Scottish Government's review of the Scottish planning system the Planning (Scotland) Act came into effect on 25 July 2019.

A key provision of the new Act was the removal of the statutory duty on local authorities to prepare a Strategic Development Plan, this being replaced with a duty to prepare a Regional Spatial Strategy.

The Regional Spatial Strategy will not form part of the Statutory Development Plan, which is currently made up of the Strategic Development Plan and Local Development Plan. Under the terms of the new Act this will instead comprise the National Planning Framework and the Local Development Plan.

The current Clydeplan Strategic Development Plan (July 2017) will remain in force until the National Planning Framework 4 is approved by the Scottish Parliament, likely in Summer 2022 with Regional Spatial Strategy Guidance expected to be published in late 2022.

The Clydeplan Joint Committee at its meeting held on 8 March agreed that all eight local authorities continue to work jointly to discharge their duty under the Planning (Scotland) Act 2019 to prepare a Regional Spatial Strategy.

Assurance

In conclusion, it is our opinion that the annual review of governance together with the work of internal audit, any comments received from external audit 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.

Remuneration Report

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

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.

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, which is currently the equivalent of 53% 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 2 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.

2020/21 Total Salary, fees and allowances £	Name	Post Held	2021/22 Total Salary, fees and allowances £
79,323	Stuart Tait	Strategic Development Plan Manager	80,678
56,111	Dorothy McDonald	Assistant Strategic Development Plan Manager	56,814
135,434	Total		137,492

The above tables show the relevant amounts, before tax and other deductions, due to each of the persons named for the year to 31 March 2022, whether or not those amounts were actually paid within that period.

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.

Pension rights

Pension benefits for Joint Committee employees are provided through the Local Government Pension Scheme (LGPS). From 1 April 2015 benefits are based on career average pay. Pension benefits are based on the pay received for each year in the scheme increased by the increase in the cost of living, as measured by the appropriate index (or indices). The scheme's normal retirement age is linked to the state pension age for each member.

Tiered contribution rates on whole time pay 2021/22		Equivalent bandings for 2020/21
Up to £22,300	5.5%	Up to £22,200
£22,301 to £27,300	7.25%	£22,201 to £27,100
£27,301 to £37,400	8.5%	£27,101 to £37,200
£37,401 to £49,900	9.5%	£37,201 to £49,600
Over £49,901	12%	Over £49,601

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 a lump sum up to the limit set by the Finance Act 2004. The accrual rate guarantees a pension based on 1/49th of the pensionable pay for each year of membership, adjusted in line with the cost of living.

(Prior to 2015 the accrual rate guaranteed a pension based on 1/60th of final pensionable salary).

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.

Name	Post Held	Accrued Pension benefits as at 31 March 2022				Pension Contributions made by the Joint Committee	
		As at 31 March 2022		Change from 31 March 2021		2021/22	2020/21
		Pension	Lump Sum	Pension	Lump Sum		
		£000	£000	£000	£000	£	£
Stuart Tait	Strategic Development Plan Manager	41	64	2	0	15,500	15,309
Dorothy McDonald	Assistant Strategic Development Plan Manager	29	46	2	1	10,965	10,829

No pension contributions are made for the Joint Committee Convener or Vice-Convenor.

Exit Packages

Clydeplan has not agreed any exit packages in either 2021/22 or 2020/21.

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 2021/22, in bands of £5,000.

2020/21 Number of employees	Remuneration Band	2021/22 Number of employees
0	£50,000 - £54,999	0
1	£55,000 - £59,999	1
1	£75,000 - £79,999	1
2	Total	2

Councillor
Convener

Stuart Tait
Strategic Development Plan Manager

Comprehensive Income and Expenditure Statement

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.

2020/21				2021/22		
Gross Expenditure £	Gross Income £	Net Expenditure £		Gross Expenditure £	Gross Income £	Net Expenditure £
566,332	0	566,332	Employee Costs	586,030	0	586,030
2,160	0	2,160	Premise Costs	2,295	0	2,295
55,108	0	55,108	Supplies & Services	25,773	0	25,773
19,970	0	19,970	Support Costs	24,050	0	24,050
1,917	0	1,917	Transfer Payments	2,728	0	2,728
371	0	371	Transport Costs	442	0	442
0	(109,759)	(109,759)	Other Income	0	(49,944)	(49,944)
645,858	(109,759)	536,099	Cost of Services	641,318	(49,944)	591,374
0	(1,514)	(1,514)	Financing and Investment Income and Expenditure	0	(337)	(337)
6,000	0	6,000	Interest receivable	9,000	0	9,000
			Pension interest cost			
			Taxation and Non-Specific Grant Income			
0	(579,500)	(579,500)	Requisitions from Member Authorities	0	(419,500)	(419,500)
651,858	(690,773)	(38,915)	(Surplus)/Deficit on the Provision of Services	650,318	(469,781)	180,537
			Other Comprehensive Income & Expenditure			
		81,000	Actuarial (Gain)/Loss on pension assets and liabilities			(650,000)
		42,085	Total Comprehensive Income and Expenditure			(469,463)

Note: Figures in brackets represent income or gains and figures without brackets represent expenditure or losses.

Movement in Reserves Statement

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.

Movement in reserves during the year	Note	Usable Reserves £	Unusable Reserves £	Total Reserves £
Balance at 1 April 2021		(383,872)	356,332	(27,540)
Total Comprehensive Income and Expenditure		180,537	(650,000)	(469,463)
Adjustment between accounting basis and funding basis under regulation	5	(110,773)	110,773	0
Increase or (decrease) in year		69,764	(539,227)	(469,463)
Balance at 31 March 2022 carried forward		(314,108)	(182,895)	(497,003)

Comparative movements in 2020/21	Note	Usable Reserves £	Unusable Reserves £	Total Reserves £
Balance at 1 April 2020		(279,942)	210,317	(69,625)
Total Comprehensive Income and Expenditure		(38,915)	81,000	42,085
Adjustments between accounting basis and funding basis under regulations	5	(65,015)	65,015	0
Increase or (decrease) in year		(103,930)	146,015	42,085
Balance at 31 March 2021 carried forward		(383,872)	356,332	(27,540)

Balance Sheet

The Balance Sheet shows the value as at 31 March 2022 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. This category includes reserves that hold unrealised gains and losses in the value of assets.

As at 31 March 2021 £		Note	As at 31 March 2022 £
493,396	Funds held by Renfrewshire Council		315,265
15,162	Debtors and Prepayments	6	1,215
508,558	Current Assets		316,480
(134,018)	Creditors And Accruals	7	(8,477)
(134,018)	Current Liabilities		(8,477)
(347,000)	Pension (Liability) / Asset	10	189,000
(347,000)	Long Term Liabilities		189,000
27,540	Net Assets / (Liabilities)		497,003
(383,872)	Usable Reserves		(314,108)
356,332	Unusable Reserves	3	(182,895)
(27,540)	Total Reserves		(497,003)

The unaudited accounts were issued on 27 June 2022.

Alastair MacArthur
Treasurer

Note 1: Expenditure Funding Analysis

This statement shows how annual expenditure is used and funded from resources and provides a reconciliation of the statutory adjustments between the Joint Committees financial performance on a funding basis and the Surplus or deficit on the Provision of Service in the Comprehensive Income and Expenditure statement.

2021/22	Net Expenditure chargeable to the Joint Committee £	Adjustments for pensions £	Other adjustments £	Net Expenditure in the CIES £
Employee Costs	484,257	105,000	(3,227)	586,030
Premises Costs	2,295	0	0	2,295
Supplies & Services	25,773	0	0	25,773
Support Costs	24,050	0	0	24,050
Transfer Payments	2,728	0	0	2,728
Transport Costs	442	0	0	442
Other Income	(50,281)	0	337	(49,944)
Cost of Services	489,264	105,000	(2,890)	591,374
Other income and expenditure	(419,500)	9,000	(337)	(410,837)
(Surplus)/Deficit on the Provision of Service	69,764	114,000	(3,227)	180,537

2020/21	Net Expenditure chargeable to the Joint Committee £	Adjustments for pensions £	Other adjustments £	Net Expenditure in the CIES £
Employee Costs	507,317	58,000	1,015	566,332
Premises Costs	2,160	0	0	2,160
Supplies & Services	55,108	0	0	55,108
Support Costs	19,970	0	0	19,970
Transfer Payments	1,917	0	0	1,917
Transport Costs	371	0	0	371
Other Income	(111,273)	0	1,514	(109,759)
Cost of Services	475,570	58,000	2,529	536,099
Other income and expenditure	(579,500)	6,000	(1,514)	(575,014)
(Surplus)/Deficit on the Provision of Service	(103,930)	64,000	1,015	(38,915)

Note 2: Accounting Standards Issued not Adopted

The Code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted.

There are no new standards that have a material impact on Clydeplan's accounts.

Note 3: Unusable Reserves

Pension Reserve

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 debit balance on the Pension Reserve shows a significant shortfall in the benefits earned by past and current employees and the Joint Committee's share of Strathclyde Pension Fund resources available to meet them. The statutory arrangements ensure that funding will have been set aside by the time the benefits come to be paid.

2020/21 £	Pension Reserve	2021/22 £
202,000	Balance as at 1 April	347,000
81,000	Actuarial (Gain)/Loss on pension assets and liabilities	(650,000)
64,000	Reversal of items relating to retirement benefits charged to the Surplus or Deficit on the Provision of Services in the CIES	114,000
347,000	Balance as at 31 March	(189,000)

Employee Statutory Adjustment Account

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 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.

2020/21 £	Employee Statutory Adjustment Account	2021/22 £
8,317	Balance as at 1 April	9,332
(8,317)	Reversal of prior year accrual for short-term accumulating compensated absences	(9,332)
9,332	Recognition of the accrual for short-term accumulating compensating absences at 31 March	6,105
9,332	Balance as at 31 March	6,105

Note 4: Events after the Balance Sheet date

Events taking place after the authorised for 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 2022, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

Note 5: Adjustments between Accounting Basis and Funding Basis under Regulations

The surplus for the year on the Revenue Reserves was £110,773 less 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.

2021/22	Usable Reserves £	Unusable Reserves £
Adjustments primarily involving the Pension Reserve:		
Net charges made for retirement benefits in accordance with IAS19	(180,000)	180,000
Employers contributions payable to the Strathclyde Pension Fund	66,000	(66,000)
Adjustments primarily involving the Employee Statutory Adjustment Account:		
Net charges for employment short-term accumulating absences	3,227	(3,227)
Net additional amount required to be debited or credited to the Revenue Reserves balance for the year	(110,773)	110,773

2020/21	Usable Reserves £	Unusable Reserves £
Adjustments primarily involving the Pension Reserve:		
Net charges made for retirement benefits in accordance with IAS19	(133,000)	133,000
Employers contributions payable to the Strathclyde Pension Fund	69,000	(69,000)
Adjustments primarily involving the Employee Statutory Adjustment Account:		
Net charges for employment short-term accumulating absences	(1,015)	1,015
Net additional amount required to be debited or credited to the Revenue Reserves balance for the year	(65,015)	65,015

Note 6: Debtors

As at 31 March 2021 £	Short-term Debtors	As at 31 March 2022 £
2,020	Prepayments	1,215
13,142	Other receivables	0
15,162	Total	1,215

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 (2020/21 £23,200). In previous years a proportion of the cost was paid by the Green Network Partnership, however in 2021/22 this was fully absorbed by Clydeplan.

Note 7: Creditors

As at 31 March 2021 £	Short-term Creditors	As at 31 March 2022 £
(9,332)	Trade Payables	(6,105)
(124,686)	Other Payables	(2,372)
(124,686)	Total	(8,477)

2020/21 £	Council	%	2021/22 £
72,437.50	East Dunbartonshire	12.5%	52,437.50
72,437.50	East Renfrewshire	12.5%	52,437.50
72,437.50	Glasgow City	12.5%	52,437.50
72,437.50	Inverclyde	12.5%	52,437.50
72,437.50	North Lanarkshire	12.5%	52,437.50
72,437.50	Renfrewshire	12.5%	52,437.50
72,437.50	South Lanarkshire	12.5%	52,437.50
72,437.50	West Dunbartonshire	12.5%	52,437.50
579,500.00	GCVSDPA Funding	100.0%	419,500.00

Note 8: 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 independently or might have secured the ability to limit another party's ability to bargain freely with the Joint Committee.

In addition to requisitions in the table there was income of £49K from Glasgow City for a staff secondment.

Note 9: External audit costs

2020/21 £		2021/22 £
3,040	Fees payable with regard to external audit services carried out by the appointed auditor	3,120
3,040	Total	3,120

Note 10: 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 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.

10a: 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. The following transactions have been made in the accounting statements in 2021/22:

2020/21 £		2021/22 £
	Comprehensive Income & Expenditure Statement (CIES)	
127,000	Current service cost	171,000
127,000		171,000
	Financing and Investment Income & Expenditure	
6,000	Net interest	9,000
133,000	Post-employment benefit charged to the Surplus/Deficit on the Provision of Services	180,000
	Other post employment benefit charged to the CIES	
(523,000)	Return on assets excluding amounts included in net interest	(274,000)
604,000	Actuarial (gains)/losses arising on changes in financial assumptions	(376,000)
81,000	Total Actuarial (Gain)/Loss	(650,000)
214,000	Total post employment benefit charged to the CIES	(470,000)
	Movement in Reserves Statement	
(145,000)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services for post employment benefits according with the Code	536,000
69,000	Employers Contributions paid to Strathclyde Pension Fund	66,000

Notes

- **Current service cost** is the cost of future entitlements to pension payments to current employees.
- **Past service cost** is the estimated increase in liabilities arising from current decisions that relates to years of service earned prior to this year.
- In addition to the recognised gains and losses included in the CIES, an actuarial gain of £650k is included in the **Movement in Reserves Statement** (2020/21 £81k loss).
- **Net interest** 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.
- The Joint Committee is also responsible for all pension payments relating to added years benefits it has awarded, together with related increases. In 2021/22 these amounted to £9,171 (2020/21 £9,125).

10b: 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:

2020/21 £000		2021/22 £000
4,327	Opening Present Value	5,109
127	Current service cost	171
101	Interest Cost	104
26	Employee Contributions	25
(76)	Benefits Paid	(78)
	Remeasurement (gains)/losses:	
604	Actuarial (gains)/losses arising from changes in financial assumptions	(376)
5,109	Closing Present Value	4,955

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

2020/21 £000		2021/22 £000
4,125	Opening Fair Value	4,762
95	Interest Income	95
69	Contributions from employer	66
26	Contributions from employee	25
(76)	Benefits Paid	(78)
	Remeasurement gain/(loss):	
523	Return on assets excluding amounts included in net interest	274
4,762	Closing Fair Value	5,144

10c: Fund history

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Present Value of Liabilities	(4,229)	(4,881)	(4,327)	(5,109)	(4,955)
Fair value of assets	4,036	4,295	4,125	4,762	5,144
Surplus/(deficit) in the scheme	(193)	(586)	(202)	(347)	189

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

The net asset of £189k 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 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 2022 is £66k.

10d: Basis for estimating assets and liabilities

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

2020/21 £000		%	2021/22 £000
1,086	Equity Securities	22.0%	1,133
877	Private Equity	19.6%	1,007
387	Real Estate	8.4%	434
2,323	Investment Funds and	47.4%	2,439
89	Cash & Cash Equivalents	2.5%	131
4,762		99.9%	5,144

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 2022.

The principal assumptions used by the actuary have been:

2020/21	Mortality assumptions	2021/22
Longevity at 65 for current pensioners (years)		
19.8	Men	19.6
22.6	Women	22.4
Longevity at 65 for future pensioners (years)		
21.2	Men	21
24.7	Women	24.5
2020/21	Other assumptions	2021/22
3.6%	Rate of increase in salaries	3.6%
2.9%	Rate of increase in pensions	2.9%
2.0%	Rate for discounting scheme liabilities	2.0%
Take-up of option to convert annual pension into retirement lump sum:		
50.0%	Pre-April 2009 service	50.0%
75.0%	Post-April 2009 service	75.0%

10e: 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 2021/22 and 2022/23.

Note 11: Contingent Liabilities

Guaranteed Minimum Pension (GMP) was accrued by members of the Local Government Pension Scheme between 6 April 1978 and 5 April 1997. The value of GMP is inherently unequal between males and females for a number of reasons, including a higher retirement age for men and GMP accruing at a faster rate for women; however overall equality of benefits was achieved for public service schemes through the interaction between scheme pensions and the Second State Pension.

The introduction of the new Single State Pension in April 2016 disrupted this arrangement and brought uncertainty over the ongoing indexation of GMPs, which could lead to inequalities between men's and women's benefits.

Strathclyde Pension Fund's actuary has carried out calculations and estimates that the potential impact of GMP indexation would be an increase in the pension liability of approximately £21k for Clydeplan. This estimate is not reflected in the Primary Financial Statements because the trigger event that would require recognition has not yet occurred.

Following two court cases, including *Mrs Goodwin v Department for Education*, it is expected that proposed changes to public service pension schemes will be required, to ensure that surviving same-sex spouses and civil partners receive benefits equivalent to those received by the surviving spouses of

opposite-sex marriages. Strathclyde Pension Fund's actuary estimates that the potential impact may be in the range of 0.1%-0.2% of gross obligations, which equates to between £5k and £10k for Clydeplan. This estimate is not reflected in the Primary Financial Statements because the trigger event that would require recognition has not yet occurred.

Note 12: Agency Services

Clydeplan acts on behalf of Clyde Marine as an agent. Funding is sent by Clyde Marine to Clydeplan's bank account and invoices are paid from this funding to Clyde Marine's suppliers. There is no operational input by Clydeplan and no gain or loss to Clydeplan. These funds are not, therefore, included in the financial results of Clydeplan. In 21/22 there was no cash received and it was agreed that Clydeplan would no longer facilitate this service, therefore, the cash was returned to Clyde Marine.

Note 13: Summary of Significant Accounting Policies

A General Principles

The Annual Accounts summarise the Joint Committee's transactions for the 2021/22 financial year and its financial position as at 31 March 2022. The Joint Committee is required to prepare Annual Accounts by the Local Authority (Scotland) Regulations 2014 and section 12 of the Local Government in Scotland Act 2003 requires these accounts to be prepared in accordance with proper accounting practices.

These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom (the Code), supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act.

The Code is issued jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Local Authority (Scotland) Accounts Advisory Committee

(LASAAC) and is designed to give a true and fair view of the financial performance of the Joint Committee.

The accounting convention adopted in the Annual Accounts is principally historical cost, modified by the valuation of pension assets and liabilities where appropriate. The Annual Accounts have been prepared on a going concern basis.

Materiality refers to a level of information or value of such significance that it could influence the decisions or assessments of users of the Annual Accounts by its presence or omission.

B 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:

- 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;
- Revenue from the provision of services is recognised when the authority satisfies the performance obligation of the transaction and it is probable that the economic benefits or service potential associated with the transaction will flow to the Joint Committee;
- 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;
- 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;

- Suppliers invoices paid in the one week 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.

C Contingent Liabilities

Contingent liabilities are disclosed in the accounts, but not recognised in the Balance Sheet, in circumstances where:

- an event has taken place that gives the Committee a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Joint Committee; or
- a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

D 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 entitlements earned by employees but not taken before the year end; and which employees may carry forward into the next financial year.

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 payment 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 i.e., 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.

E 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.

F Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e., in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are made only when required by proper accounting practices, or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Committee's financial position or financial performance. Where a change is made, it is applied retrospectively (unless otherwise stated) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material misstatement or omission discovered in prior period figures are corrected retrospectively (unless otherwise stated) by adjusting opening balances and comparative amounts for the prior period.

G 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 Statement 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. When conditions are satisfied, the grant or contribution is credited to the Specific Grant Income line in the CIES.

H Non-current Assets

Clydeplan carried out a review during 2020/21 on plant and equipment and intangible assets and deemed that no items currently qualify for recognition. Assets that are held for use in the supply of services or other administrative purposes and are expected to be used for more than one year are classed as property, plant and equipment and intangible assets. Assets costing less than £9,000 are not treated as capital expenditure.

I Provisions

Provisions are made where an event has taken place that gives the Joint Committee a legal or constructive obligation that probably requires a settlement by a transfer of economic benefit 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. 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.

J Reserves

Reserves are classified under accounting regulations into two categories: usable reserves, which are available to spend; and unusable reserves, which are unrealised net gains that have a deferred impact on the Joint Committee.

Usable Reserves

The Revenue Reserve represents surplus funds held by the Joint Committee, which are ultimately repayable to the constituent authorities in the same allocation proportions as the requisitions.

Unusable Reserves

The Pension Reserve arises from the IAS19 accounting disclosures for retirement benefits and recognises the Joint Committee's 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 CIES.

The Employee Statutory Adjustment Account absorbs the differences that would otherwise arise on the Revenue Reserve from accruing for compensated absences earned, but not taken in the year, e.g., annual leave entitlement carried forward at 31 March each year.

K Value Added Tax

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 14: Assumptions made about the future

The Annual Accounts contain 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 2022 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 0.1% decrease in the discount rate assumption would result in an increase in the pension asset of £0.095m, equating to a 2% increase. The carrying value of the pension asset was £0.189m as at 31 March 2022. For further details see Note 10: Retirement Benefits.

Note 15: 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 Clydeplan and the GCVGNP: The Strategic Development Plan Manager and Assistant Manager are Chair and Vice-Chair of the GCVGNP Committee respectively; the Clydeplan Joint Committee acts for its constituent local authorities to agree local authority funding to support the GCVGNP Business Plan; the Clydeplan Joint Committee approves the GCVGNP 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 Clydeplan and GCVGNP share offices in 40 John Street, Glasgow.

As well as the Strategic Development Plan Manager, the GCVGNP committee is comprised of senior employees from the eight local authorities. The relationship between the Clydeplan and the GCVGNP is not a joint arrangement and so outside the scope of IFRS 11 (Joint Arrangements).

In May 2021, the Green Network Manager retired, and the post will not be filled. This leaves GCVGNP with two staff members.

At its Partnership meeting on 12 May 2021, the GCVGNP approved a change to the contribution funding, whereby, the funding for 2021/22 and future years will only consist of the contributions from the eight local authorities. This is demonstrated in the funding table that follows.

Financial Performance

Revenue

GCVGNP has returned a deficit of £13k against a budgeted breakeven, giving a net position of £13k (2020/21 £10k). The deficit is a result of a reduction in income due to the eight local authorities being the only requisitioners and also the Green Network Manager leaving in May 2021 which was an unbudgeted post.

GCVGNP is a significant regional component of the Central Scotland Green Network (CSGN). As a result, the GCVGNP secures additional funding for various projects related to the CSGN. The GCVGNP has been a key partner in the study and planning of the development of the Seven Lochs Wetland Park; however, there was no project expenditure by the GCVGNP in either 2021/22 or 2020/21.

Reserves

The Partnership retains financial reserves to offset any liabilities of the Partnership. The following table shows the value of the Partnerships reserves at 31 March 2022. This is analysed into Usable reserves, which is derived from partnership funding and can be used to fund expenditure, and Unusable reserves, which cannot be used to fund expenditure.

2020/21 £	Reserves	2021/22 £
(113,306)	Usable Reserves	(99,630)
	Unusable Reserves:	
3,109	Employee Statutory Adjustment Account	173
312,000	Pension Reserve	114,000
201,803	Total	14,543

Budget 2022/23

The GNP's 2022/23 budget was approved by the ClydePlan Joint Committee on 13 December 2021.

The GCVGNP partners have contributed funding in the following proportions to enable it to carry out its objectives:

2020/21 £	Council	%	2021/22 £
5,756	East Dunbartonshire	6.0%	5,756
4,900	East Renfrewshire	5.1%	4,900
31,949	Glasgow City	33.2%	31,949
4,451	Inverclyde	4.6%	4,451
17,825	North Lanarkshire	18.5%	17,825
9,311	Renfrewshire	9.7%	9,311
16,992	South Lanarkshire	17.7%	16,992
5,001	West Dunbartonshire	5.2%	5,001
Third Party			
33,619	Scottish National Heritage	0.0%	0
32,276	Scottish Forestry	0.0%	0
7,210	Glasgow Centre for Population Health	0.0%	0
4,809	Scottish Environmental Protection Agency	0.0%	0
18,737	Central Scotland Green Network	0.0%	0
7,000	NHS Health Scotland	0.0%	0
199,836	Total Green Network Partnership Funding	100.0%	96,185