

**ABERDEEN CITY & SHIRE
STRATEGIC DEVELOPMENT PLANNING AUTHORITY**

Date: 26 March 2010

**Title: Corporate Governance – Minute of Agreement and
Performance Indicators**

1 Purpose of Report

1.1 The purpose of this report is to propose amendments to the Minute of Agreement between Aberdeen City Council and Aberdeenshire Council which governs the operation of the Aberdeen City and Shire Strategic Development Planning Authority (SDPA). In addition, a series of performance indicators are proposed to monitor the performance of the SDPA.

2 Background

- 2.1 The first meeting of the Aberdeen City and Shire SDPA took place in September 2008 following the coming into force of a Scottish Government designation order on 25 June 2008.
- 2.2 The SDPA was set up and operates under the terms of a Minute of Agreement between Aberdeen City Council and Aberdeenshire Council.
- 2.3 Over the past 18 months experience has been gained through putting the agreement into practice. This had highlighted a range of issues which mean that it is appropriate to review the agreement and propose amendment to it for the approval of the SDPA and subsequently both councils.
- 2.4 In December 2008 an amendment was agreed by the SDPA to the standing orders to alter the timescales for the circulation of reports to Members, bringing it into line with the timescale used by both councils.

3 Review of the Minute of Agreement

- 3.1 Since the inception of the SDPA and its first meeting, a considerable amount of work has been done, as well as operational requirements being clarified.
- 3.2 This period has included the submission and approval by Scottish Ministers of a new structure plan, a change of chair and vice-chair, new Members and substitute Members being appointed by the two councils and eight meetings of the SDPA to date.
- 3.3 The Minute of Agreement between the two councils has proved to be robust over this period. However, progress with the work of the SDPA and decisions made by Audit Scotland, among others, mean that the agreement no longer reflects the current work and requirements of the SDPA.

- 3.4 In light of this, and to keep the agreement up-to-date and meaningful, a small number of amendments are now required.

Proposed Amendments

- 3.5 A total of six amendments are proposed to the agreement. These are each explained below and set out in Appendix 1.
- a) Aims and Objectives – the Minute of Agreement includes 16 specified aims and objectives for the SDPA. Due to the establishment of the SDPA during the preparation of the structure plan, aim 3 was to complete the structure plan which was being prepared pending the preparation of the strategic development plan. The preparation of the structure plan is now complete and this aim can therefore be deleted.
 - b) ACSEF – the regional economic development partnership changed its name in 2008. It is proposed to update references to its new name, “Aberdeen City and Shire Economic Future”.
 - c) Preparation of accounts – the original Minute of Agreement had been prepared on the basis that the SDPA’s accounts would not be audited independently of the two councils. However, in early 2009 the SDPA received notification that Audit Scotland had decided to treat all four SDPAs as independent public bodies for audit purposes. Rather than the timetable set out in the Minute of Agreement, draft accounts now need to be prepared, agreed by the SDPA and submitted to Audit Scotland by the end of June each year.
 - d) Freedom of Information – the Minute of Agreement currently requires the SDPA to publish a ‘publication scheme’ under the Freedom of Information (Scotland) Act 2002. However, discussions have taken place with the Scottish Information Commissioner and have concluded that such a requirement is unnecessary. It is therefore proposed to remove this obligation from the Minute of Agreement.
 - e) Financial regulations – the Minute of Agreement specified the Use of Aberdeenshire Council’s financial regulations by the SDPA. However, the audit position of the SDPA and the opinion of Audit Scotland as expressed in its ‘Report to Members 2008/09’ means that the SDPA’s own regulations are required. The SDPA agreed its own set of financial regulations at its meeting of June 2009 and this now needs to be reflected in the Minute of Agreement.
 - f) Data protection – matters relating to data protection were not covered in the original agreement but it is important that the position of the SDPA is clarified. Given the joint nature of the SDPA, it is necessary that Aberdeen City Council and Aberdeenshire Council both act as data controller and data processor for the purposes of the legislation.
- 3.6 These amendments will bring the Minute of Agreement up-to-date and resolve a number of issues which emerged during the SDPA’s first 18 months.

Implementation of Proposed Amendments

- 3.7 The Minute of Agreement which established and guides the operation of the SDPA is between Aberdeen City Council and Aberdeenshire Council. Section 8.2 of the agreement allows for modifications to be proposed and agreed should the need arise.
- 3.8 It is therefore proposed to refer this report for ratification by both Aberdeen City Council and Aberdeenshire Council at the following meetings:
- a) Aberdeen City Council: Enterprise, Planning and Infrastructure Committee (20 April 2010); and
 - b) Aberdeenshire Council: Infrastructure Service Committee (13 May 2010).
- 3.9 The outcome of these meetings will then be reported back to the next meeting of the SDPA on 18 June 2010.

4 Proposed Performance Indicators

- 4.1 At its meeting of 17 June 2009 the SDPA considered a draft Annual Report for 2008/09. The report proposed the development of a set of performance indicators to be reported in the second and subsequent Annual Reports.
- 4.2 Performance indicators are important because they enable performance to be measured over time and compared with other organisations, providing a platform for service improvement.
- 4.3 Monitoring information is presented to the SDPA at three distinct levels:
- a) Corporate Governance – the monitoring of performance indicators set out in this report;
 - b) Actions – the monitoring of tasks and timescales against the development plan scheme and action programme; and
 - c) Outcomes – the monitoring of the structure plan and the targets it contains.
- 4.4 A set of 16 indicators has been developed for the SDPA and are attached at Appendix 2. The indicators cover statutory performance indicators (3), staffing and personnel (1), transparency and accountability (6), Plain English / equalities and human rights (3) and environmental responsibility (3). These reflect the development plan scheme's commitments relating to how we will work.
- 4.5 The other three SDPAs do not yet have performance indicators, although TAYplan are proposing to develop some in the near future. The SDPA will continue to work with the other SDPAs to enable the benchmarking of performance and facilitate strategies for improvement. In the meantime, these indicators were developed taking the experience of Nestrans into account.
- 4.6 With one exception, data will be able to be reported for all 16 indicators in the 2009/10 Annual Report. The indicator that will not be able to be reported until 2010/11 relates to office paper consumption. One additional indicator (website usage) can only be reported for the second half of the year due to the

implementation of new monitoring software following the review of the website carried out during 2009.

- 4.7 In line with previous commitments, performance against these indicators will be reported to the next meeting of the SDPA and on an annual basis thereafter, as well as being published in the Annual Report.

5 Financial Implications

- 5.1 There are no financial implications arising from this report.

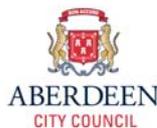
6 Recommendations

- 6.1 It is recommended that the SDPA:
- a) Agree to propose the seven changes to the Minute of Agreement outlined in Appendix 1 to the two councils and refer this report and the associated draft minute extract for the agreement of Aberdeen City Council's Enterprise, Planning and Infrastructure Committee on 20 April 2010 and Aberdeenshire Council's Infrastructure Service Committee on 13 May 2010; and
 - b) Agree the performance indicators attached at Appendix 2.

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