

Financial procedures

The current consultation is **not** seeking views in respect of the financial matters set out in Schedule 1 of the Planning (Wales) Act 2015, details of which are set out below.

Qualifying expenditure is the expenditure required to fund a Panel, which is to be met by the constituent LPAs. This is to enable all aspects of the production of an SDP and to ensure that the Panel can run efficiently and effectively.

The qualifying expenditure of Strategic Planning Panels (Panels) is to be funded and determined by the constituent LPAs on a proportional basis between the constituent LPAs. It will be based on an annual work programme which must set out the activities for the Panel for that year; produced by 31 December before the start of each financial year and must be consulted upon with the constituent LPAs and the Welsh Ministers.

Following the consultation, the agreed figure for qualifying expenditure and the final work programme are to be published and sent to the constituent LPAs and the Welsh Ministers no later than 15 February before the relevant financial year.

It may be that unforeseen work is required to be undertaken by the Panel, therefore it is proposed that at any point within a financial year a Panel may need to revise their work programme and the amount of qualifying expenditure and must notify the constituent LPAs and the Welsh Ministers if revision is required. Once the final figure is set the LPAs must meet these costs and the work programme must be published.

The Welsh Government will provide start-up funding for the establishment of a Panel and have the power to make grants, loans or other payments to the Panel within set conditions. The Panel cannot borrow money unless it is from the Welsh Ministers.

The Panel is required to keep proper accounts and a statement of these accounts for each financial year and these must be submitted to the Auditor General for Wales, the constituent LPAs and the Welsh Ministers no later than 30 November after the end of each financial year. The Auditor General will then consider the statement of accounts and report on it no later than four months after submission of the documents.

The Panel will be within the remit of the Independent Remuneration Panel for Wales; this means that they will determine the range and level of allowances payable by the Panel and constituent local planning authorities to their members.

The majority of the financial matters for a Panel are set out on the face of the Act and it is only the definition of qualifying expenditure and adjustment of payments that are to be set in regulations that will apply to all Panels. This approach enables flexibility and gives the Welsh Ministers the ability to respond to changes in functions and procedures within local government.

Although the Welsh Ministers have powers to set adjustments to the payments that are to be made by the constituent LPAs through regulations, it is not intended at this stage to use this power but this will be kept under review. Regulations may include a provision that could be used in the future, if it is deemed necessary.