

South West Wales Corporate Joint Committee

(Via Microsoft Teams)

Members Present:

24 January 2023

Chairperson: Councillor D.Price

Councillors: D.Simpson, S.K.Hunt and D.Hopkins

**National Park
Representatives:** A.Edwards and T.Jones

**Officers In
Attendance:** M.Nicholls, W.Walters, W.Bramble, K.Jones,
C.Griffiths, C.Moore, O.Enoch, C.O'Brien,
C.Plowman, D.Griffiths, S.Jones, M.Holder and
M.Wade

1. **Welcome and Chairs Announcements**

The Chairperson welcomed everyone to the meeting.

2. **Declarations of Interests**

There were no Declarations of Interests received.

3. **Forward Work Programme**

The Forward Work Programme was noted.

4. **Internal Audit Charter**

The Committee were provided with a report relating to the governance arrangements that the Internal Audit Service will conform to for the South West Wales Corporate Joint Committee.

A discussion took place in regards to the importance of the Internal Audit Charter, as it strengthened the existing governance arrangements of the South West Wales Corporate Joint Committee; the Charter was compliant with the Public Sector Internal Audit Standards which were established in 2013.

It was highlighted that the mission of Internal Audit was to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight, which was designed to add value and improve the organisations operations.

Furthermore, it was explained that the Internal Audit Charter outlined the specific responsibilities of the nominated Councils Internal Audit Service; which included specific responsibilities and rights of access to people and documents when they were required. It was mentioned that the expectations of how Internal Auditors will approach their work in terms of due professional care, integrity, independence and impartiality was also written into the Charter; as well as the expectations and responsibilities of the nominated Head of Internal Audit, from Pembrokeshire County Borough Council.

It was noted that the Charter will be periodically reviewed by the Head of Internal Audit (Pembrokeshire County Borough Council). In addition, it was confirmed that the Internal Audit Charter had been reported to the South West Wales Corporate Joint Committee - Governance and Audit Sub Committee; and should any revisions be required, it will be taken back to this Sub Committee.

RESOLVED:

That the Joint Committee consider and approve the draft Internal Audit Charter for the South West Wales Corporate Joint Committee.

5. **Updated Terms of Reference to Governance and Audit Sub Committee**

Members were provided with the updated Terms of Reference for the South West Wales Corporate Joint Committee - Governance and Audit Sub Committee.

It was explained that during the first meeting of the South West Wales Corporate Joint Committee - Governance and Audit Sub Committee, Members of the Committee asked whether their Terms of Reference could be structured in line with recent Chartered Institute of Public Finance and Accountancy (CIPFA) guidance on Audit Committees.

Officers stated that the circulated report contained details of the structural amendments to the Sub Committees Terms of Reference.

RESOLVED:

That Members agree the revised terms of reference to the Governance and Audit Sub Committee as set out in Appendix 1, of the circulated report.

6. **Local Government Pension Scheme (LGPS) Administrating Authority**

Officers provided a report detailing the chosen Local Government Pension Scheme (LGPS) administrating authority for the South West Wales Corporate Joint Committee; this was confirmed to be Carmarthenshire County Council.

It was explained that Officers were approached in December 2022 by Welsh Government, who were working with UK Government regarding UK legislation in relation to Corporate Joint Committees; each region had a short deadline to provide Welsh Government with their chosen Local Government Pension Scheme (LGPS) administrating authority. Members were informed that the reason for this request was in regards to Welsh Government wanting to build this into legislation, as part of the development of the Section 150 Order.

In determining the administrating authority for the South West Wales Corporate Joint Committee, Officers stated that they had focused on two options; Dyfed Pension Fund operated by Carmarthenshire County Council and City and County of Swansea Pension Fund operated by Swansea Council.

In regards to pension benefits for prospective Corporate Joint Committee employees, it was explained that both potential pension schemes were identical; as the benefits of the schemes were dictated by UK legislation.

It was noted that Carmarthenshire County Council provided the financial support to the Corporate Joint Committee, and was the administering authority for the Dyfed Pension Fund; the Section 151 Officer for Carmarthenshire County Council was also the Section 151 Officer for the Corporate Joint Committee and the Dyfed Pension Fund. In addition, the only employee of the Corporate Joint Committee currently, was employed through Carmarthenshire County Council; hence the conclusion to use the Dyfed Pension Fund.

The Committee was informed that the Section 151 Officer consulted with colleagues in Swansea Council, who were in support of using the Dyfed Pension Fund for the Corporate Joint Committee. It was added

that the circulated report, brought the Members of the Corporate Joint Committee up to date with the position of this matter.

7. **Freeport Update and Implications for the Regional Energy Plan**

Members received an update on the Freeport submission and how a successful Freeport bid aligns with the vision and priorities in both the Regional Energy Strategy and the Regional Economic Delivery Plan.

It was confirmed that since the last meeting of the South West Wales Corporate Joint Committee, a bid had been formally submitted to the two governments for a Freeport that would cover the port of Milford Haven and the port of Port Talbot.

Thanks were expressed to colleagues at Swansea Council and Carmarthenshire Council for the letters of support that they submitted to the two decision makers in the process.

Since the bid was submitted, Officers highlighted that they had been focusing their collective efforts on making sure that people were aware of the basis of the bid, and were pleased to announce that there were over 100 organisations that were now positively supporting the bid. It was mentioned that the decision on the bid was expected around early March 2023.

In the intervening period, Officers explained that they had been taking the opportunity around floating offshore wind and the renewable agenda in particular, in order to reach out to Trade Union colleagues to discuss the fair work commitments that had been written into the Freeport bid; meetings will also be taking place with universities and colleges across the region in the next couple weeks, to start to explore the opportunities around skills and training, and the whole innovation sector.

The Chief Executive suggested that the Corporate Joint Committee Members take part in a workshop to consider the following in relation to the Freeport bid:

- To discuss and understand what benefits the bid could provide
- To respond to points that colleagues had raised in terms of how to ensure that the whole region benefits from this bid
- To identify how the bid connects into the Corporate Joint Committees economic development and energy aspirations
- To highlight the potential opportunities of the bid across the rest of Wales and beyond

All Leaders in attendance were in supportive of a Freeport bid workshop taking place for the Members of the South West Wales Corporate Joint Committee.

It was suggested that a letter be written on behalf of the South West Wales Corporate Joint Committee, to indicate its support for the bid; colleagues in Communication Team would be able to collectively capture each Leaders voice when drafting the letter.

All Leaders in attendance were in support of a letter being produced to capture the South West Wales Corporate Joint Committees support of the Freeport bid.

8. **Budget for Financial Year 2023/24**

The circulated report sought Members to agree and set the South West Wales Corporate Joint Committee budget for the financial year 2023/24.

It was explained that the South West Wales Corporate Joint Committee was responsible for setting its budget and agreeing the levy charge to constituent authorities; this had to be set and agreed prior to 31 January 2023.

In the last meeting of the South West Wales Corporate Joint Committee, which took place on 7 December 2022, Members were presented with a draft report on the budget for 2023/24; as well as giving early indication to the Corporate Joint Committee itself, it also allowed Officers to give indications to the constituent authorities, for their own budgeting purposes, particularly in terms of the levy charge. During the meeting, the Committee considered three options; taking into account the pressures and significant financial challenges that each Local Authority was facing.

- The first option was to agree to prioritise the work of the South West Wales Corporate Joint Committee and levy accordingly; which was budgeted at around £1.5million;
- Another option considered was to suspend all activities of the South West Wales Corporate Joint Committee; this would have brought legal challenge without approval from Welsh Government;
- The option that the Committee agreed on in draft, was to do minimum in 2023/24 and downsize the budget, with limited work being carried out in each of the work streams; this would

allow progress to be made on each of the four work streams, however at a much steady state.

It was explained that the circulated report built on the chosen option to do minimum, and realigned some of the budgets accordingly. Officers added that the proposed budget was in line with the budget that was set for the current year; this was set at around £575k, and the proposed budget for 2023/24 was set at around £617k. Members were informed that there were four clear work streams of the Corporate Joint Committee, and each had been allocated £20k; the report set out that £140k had also been set aside for planning and programme management, which would include work on the Corporate Plan, and identifying the various actions and measures that need to be developed through that.

Reference was made to the key actions, detailed in the circulated report, for the Sub Committees; the actions clearly set out some of the initial thoughts on the work that will need to be carried out.

It was concluded that the National Park Authorities would not receive a levy charge for the financial year 2023/24, as the value of £20k was not considered to be significant enough to implement a levy. In addition, it was noted that there was a requirement in the legislation, in respect of National Park Authorities, that a levy was only to be raised for their applicable area, which was strategic planning. Officers confirmed that this arrangement would be consistent with last year's budget, due to the limited activity in terms of the strategic planning development.

Members were made aware of a sum error on section 2.4 of the circulated report; the figure should read £140,000.

The Committee was informed that the budget was broken down into three key elements, the Section 151 Officer provided a brief overview of these elements:

- Joint Committee and Accountable Body committee – costs estimated of around £263k
- Sub Committees – costs estimated of around £220k
- Regional Management Office – costs estimated of around £134k

Following on from the above, it was highlighted that the total budget of 617k would be shared between the four Local Authorities; the

allocation was based on population size, which was the same process of allocation from last year's budget setting. It was mentioned that the Local Authority levy could be found in the circulated report.

Appendix B of the circulated report contained a summary of the key activities of the South West Wales Corporate Joint Committee, that Officers expected to progress based on the budget that was proposed for 2023/24; more detail of these activities would be included in the Corporate Plan, including timescales and outcomes.

A discussion took place in regards to the Regional Transport Plan (RTP), which Leaders had previously indicated they wanted to prioritise over the next 12 months. It was explained that before the Christmas period, Officers reminded Welsh Government that they were yet to issue any formal guidance on the RTP or the Strategic Development Plan (SDP); following this, it was confirmed that draft guidance on the RTP had been received. Members were informed that concerns were being raised, across Wales, in regards to the costs of the RTP and SDP; it would be important to continue dialogue with Welsh Government in order to identify who will be resourcing this substantial work.

In regards to the SDP, it was noted that the draft manual was currently with professionals for commentary; this work wasn't likely to progress significantly over the next year due to the pressures on human and financial resources. It was highlighted that the focus would be receiving the comments on the draft manual, and having discussions with Welsh Government in regards to the future funding of this work.

Members were provided with further information on the work that was underway in the region in regards to economic development. It was explained that Officers will be mapping out this activity, and will provide the detail in a future meeting of the South West Wales Corporate Joint Committee. It was added that some elements of this work will be captured in the Corporate Plan, including the economic development infrastructure across the region that could be developed and progressed over the next year.

It was mentioned that alongside the work around the economic development opportunities, Officers in Pembrokeshire Council were leading work on the Regional Energy Plan to identify how this could be mobilised and put into practice; this included supporting individual Local Authorities with their own Local Energy Plans.

Officers highlighted that the governance arrangements will need to be refined over the next 12 months, but the work around this would be significantly less than the previous year; there would be a focus on embedding governance and mobilising the structures that were in place.

Thanks were provided to all those involved in progressing the work, in regards to the budget setting process.

RESOLVED:

That the South West Wales Corporate Joint Committee:

- Consider and approve the budget requirement for the Joint Committee as £617,753 – as set out in Appendix A of the circulated report;
- Approve the Levy Charge based on population to the constituent authorities as follows:

<i>Local Authority Levy</i>	
City and County of Swansea Council (Levy)	215,203
Carmarthenshire County Council (Levy)	165,898
Neath Port Talbot CBC (Levy)	126,022
Pembrokeshire County Council (Levy)	110,630
	617,753

- Approve the Sub Committee key actions summary set out in Appendix B of the circulated report; and provide delegated authority to the Chief Executive to elaborate upon these as part of the identification of the well-being objectives, actions/steps/measures to be included within the Draft Corporate Plan

9. **Urgent Items**

There were no Urgent Items received.

CHAIRPERSON