

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

8 May 2019

REPORT OF THE CHIEF EXECUTIVE

(Appendices 2, 2A and 2B are not for publication pursuant to Regulation 5(2) & (5) of SI 2001 No. 2290 and Paragraph 14, Part 4 of Schedule 12A to the Local Government Act 1972. Pursuant also to Paragraph 21 of the Schedule, and in all the circumstances of the case, the public interest in maintaining the exemption, is considered to outweigh the public interest in disclosing the information and also pursuant to Paragraph 16 of the aforementioned Schedule)

MATTER FOR DECISION

WARDS AFFECTED – ONLLWYN/SEVEN SISTERS

CENTRE OF RAIL EXCELLENCE IN WALES

Purpose of Report

1. To seek authority from Members to enter into a formal Joint Venture Agreement (JVA) with the Welsh Government and Powys County Council at Appendix 1, subject to all three parties doing so.

Background

2. A status report on the project is at Appendix 2, with other supporting information at Appendices 2A and 2B.
3. These appendices contain commercially confidential information, provided as background for Members; but not for publication.

Legal Implications

4. Under the terms of the agreement, Neath Port Talbot, Powys and the Welsh Government will agree to enter into a Joint Venture Agreement (for this Council pursuant to section 2 of the Local Government Act 2000, which provides a power for a Council to do anything to achieve the promotion or improvement of the social, economic, and environmental wellbeing of the area) that seeks to provide structure,

direction and guidance to bring forward the development of the Global Centre of Rail Excellence in Wales.

5. Under the terms of the Joint Venture Agreement, the parties commit to the use of reasonable endeavours to:
 - Support delivery of the project in accordance with the terms of the Agreement;
 - Provide full and timely consultation on investment and planning decisions pertaining to elements of the delivery of the Project; and
 - Commit to the use of resources to ensure the timely and cost-effective delivery of the Project.

6. Each of the parties are allocated specific activities that need to be undertaken to ensure that the project is delivered. The activities currently allocated to Neath Port Talbot are:
 - Assess commoners affected by proposed redline and develop strategy for surrender/release of the affected interest in respect of land in our administrative area;
 - Agree a set of negotiating parameters to guide negotiations with land owners (together with the Welsh Government and Powys); and
 - Negotiation of Heads of Terms with land owners based on the agreed negotiating parameters. The Chief Executive will be embarking on this process in due course.

7. The governance arrangements provide for the establishment of a Steering Group to include one representative from each party to the Joint Venture Agreement. The representative proposed for Neath Port Talbot will be the Chief Executive (or his nominated deputy). The steering group shall meet on a monthly basis to, amongst other issues; make recommendations, agree outputs and timings and monitor funding.

8. It should be noted that parties can terminate this Joint Venture Agreement at any time if another party commits a breach of the Joint

Venture Agreement. However, in the event that Neath Port Talbot and Powys materially frustrates the delivery of the project to the extent that it cannot be fulfilled then Neath Port Talbot and Powys are liable to contribute towards the costs incurred by Welsh Government (up to a maximum of £100,000). Welsh Government are under a similar indemnity and given that the Council is actively pursuing the implementation of this proposal it is contended that the possibility of such material frustration is very limited.

Financial Implications

9. None save for the indemnity detailed above if the JVA is terminated by Welsh Government due to the actions of this Council.

Consultation

10. There is no requirement for external consultation on this item.

Integrated Impact Assessment

11. A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The first stage assessment has indicated that a more in depth assessment is not required. A summary is included at Appendix 3.

Workforce Impact

12. None.

Recommendations

Members agree that:

1. The Council enter into the Joint Venture Agreement with Powys County Council and the Welsh Government annexed at Appendix 1 (subject to those authorities entering into it).
2. Delegated authority be granted to the Chief Executive and Head of Legal Services to make any minor drafting amendments that are required necessary to the JVA in consultation with the Leader.

3. The Chief Executive be nominated as the Neath Port Talbot Representative to the Steering Group detailed in the Joint Venture Agreement and that the Chief Executive be granted delegated authority to appoint a nominee to act in his place in the event that he is unable to attend a Steering Group meeting.
4. The Chief Executive be granted delegated authority in consultation with the Leader of Council and the Cabinet Member for Regeneration and Sustainable Development, the terms and conditions of any subsequent ancillary matters including arrangements for the site that might be necessary.

Reason for Proposed Decision

To enable the Council to formalise arrangements for working in partnership with the Welsh Government and Powys County Council.

Implementation of Decision

Implementation is proposed after the three day call in period.

Appendices

Appendix 1: Draft Joint Venture Agreement

Appendix 2: Project Status Report (**NOT FOR PUBLICATION**)

Appendix 2A: Supporting Information (**NOT FOR PUBLICATION**)

Appendix 2B: Supporting Information (**NOT FOR PUBLICATION**)

Appendix 3: IIA First Stage Assessment

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