

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **CABINET**

**22nd September 2021**

### **Report of the Chief Executive – Mrs Karen Jones**

#### **Matter for Information**

#### **Wards Affected:**

All wards

#### **South West Wales Corporate Joint Committee**

#### **Purpose of the Report:**

1. To provide an update on the current status and progress in relation to the creation of the South West Wales Corporate Joint Committee

#### **Background:**

2. The Local Government and Elections (Wales) Act 2021 (“the LGE Act”) created the framework for a consistent mechanism for regional collaboration between local government, namely Corporate Joint Committees (CJCs). The LGE Act provides for the establishment of CJCs through Regulations.
3. The CJC will exercise functions relating to strategic development planning and regional transport planning. They will also be able to do things to promote the economic well-being of their areas. In contrast to other joint committee arrangements, CJCs are separate corporate bodies which can employ staff, hold assets and budgets, and undertake functions
4. On the 12<sup>th</sup> May 2021, a report was presented to Cabinet providing an update to members on the implementation of CJCs, where it was agreed that:

- (a) delegated authority be granted to the Chief Executive (in consultation with the Leader) to agree an application for grant funding to be made to Welsh Government for funding to establish the South West Wales CJC and to accept any grant offer that maybe made by Welsh Government (whether made to this Council or to a participating authority in the Swansea Wales CJC);
  - (b) delegated authority be granted to the Chief Executive to enter into dialogue with authorities who will comprise the South West Wales CJC to develop proposals for establishing the South West Wales CJC; and
  - (c) a report be brought back to members for approval, once dialogue has been completed for members to approve the arrangements for the South West Wales CJC so far as they relate to Neath Port Talbot County Borough Council
5. At that meeting, it was also requested by Cabinet and Cabinet Scrutiny that a letter be forwarded to the Minister of Local Government and Finance setting out concerns on the CJC process. A response was received from the Minister for Finance and Local Government which is included at Appendix 1.
6. Accordingly, since this meeting officers have been liaising with our neighbouring authorities and have convened a group comprising Chief Executives, Directors of Environment, Finance Directors (S151 Officers) and Monitoring Officers that meets on a fortnightly basis to progress these discussions. Each of these groups has also established working groups in order to progress various matters.
7. The following resources have been put in place to deliver this programme of work. These resources only relate to the transitional period and in no way predetermine the formal arrangements once the CJC is constituted:
- (a) Project management and general administration duties will be undertaken by Swansea Council on behalf of the region
  - (b) The legal activities will be “shared” equally across the four SWW authorities. Any additional external advice will be procured by one of these parties as required
  - (c) Strategic S151 Financial resources will be “shared” equally across the four SWW authorities.

(d) Strategic support from the Chief Executives will be shared equally with NPT chairing the Chief Executive Monitoring Group

8. Since this meeting, funding has been made available by Welsh Government to assist in the establishment of the CJC, with the sum of £250,000 being made available, with the City and County of Swansea holding this sum on the part of the CJC constituent authorities.
9. The Cabinet report approved on the 12<sup>th</sup> May 2021 outlines the requirements for composition, membership, and meetings so that detail is not repeated here. However, in determining governance two additional aspects are outlined further:
  - (a) Co-opted members - The CJC will be able to co-opt such members to the CJC and determine/agree the terms of membership of any co-opted participant (e.g. voting rights, role, funding contribution etc.).
  - (b) Sub committees – CJCs will be able to establish sub committees if they wish to do so and decide who sits on them. These could consist of members of the constituent principal councils other than those members on the CJC itself (e.g. relevant Cabinet Members). Other partner organisations may also be invited/co-opted to be sub-committee co-opted participants should a CJC wish to do so and this is likely to include representatives from the universities and Health Boards.
10. Initial discussion amongst constituent authorities has suggested that the starting point for the CJC is to commence with the statutory functions as set out in the regulations namely:
  - strategic development planning;
  - regional transport planning; and
  - the power to do things to promote or improve the economic well-being of the areas covered by the principal councils within the region.

There are current and effective regional arrangements already in place for these activities and it is proposed that these be utilised as the transitional arrangements into the new CJC governance structure. However, alongside the work to establish suitable governance arrangements for the CJC, Directors of Regeneration

have been tasked to develop and bring forward priorities and work programmes in each area of the new CJC's work. This includes refreshing the regional economic development strategy and a regional energy strategy.

11. A project timetable has now been considered as part of the implementation of the CJC:

<b>Date</b>	<b>Action</b>
By 31 <sup>st</sup> October 2021	<p>Finalise constitutional matters including position on co-opted members, joint committees, recruitment and employment matters and private sector representatives</p> <p>Finalise proposed governance arrangement and structure for CJC delivery including recruitment strategy private sector engagement and proposed financial implications of new arrangements</p>
By 31 <sup>st</sup> December 2021	<p>Finalise all CJC legal and governance agreements</p> <p>Confirm new proposed arrangements for scrutiny, audit and standards functions</p> <p>Setting or a draft budget (based on governance structure and costs)</p>
By 31 <sup>st</sup> January 2022	<p>Appoint or arrange secondment of staff to new arrangements</p> <p>Final budget to be approved.</p> <p>First formal CJC meeting to take place</p>
Early 2022	<p>Set out the year one priorities for the CJC and the scope of its remit in line with the core</p>

	activities of strategic land use planning, strategic transport planning and economic development
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12. Future reports will be brought before members when any decisions are required by members throughout 2021 and early 2022.

**Financial Impacts:**

13. The Establishment Regulations do not prescribe any formula basis for funding of CJsCs. It will be for each CJC to decide how the budget requirement will be met by the constituent principal councils (and the National Park Authority in the case of the strategic planning functions). In the absence of unanimous agreement on the amount payable, the regulations provide for the amounts payable by the constituent councils and National Park member(s) to be directed by Welsh Ministers.
14. CJsCs will be the accountable body for the funding provided by constituent councils and/or directly received from any other funding streams. CJsCs will also be able to pay towards expenditure incurred or to be incurred in relation to carrying out its functions as it may determine, and to charge fees relating their specified functions. The Establish Regulations also enable CJsCs to provide assistance by way of grant or contributions to support functions exercisable by them. The funding from constituent principal councils will be held and managed by CJsCs and it is expected that they will be required to manage the funds under the same financial management arrangements as local government bodies in Wales.
15. The CJC has an unlimited levy power meaning the financial contributions from respective Council's must be set by 14<sup>th</sup> February 2022. However, practically this contribution should be set no later than 31<sup>st</sup> January 2022, with an indicative figure split being considered by the end of December 2021. Future costs including the formal levy from the CJC will be built into the budget setting round for 2022-2023

**Integrated Impact Assessment:**

16. There is no requirement for an Integrated Impact Assessment for this report as this relates to governance arrangements. This will be kept under review with any future reports considering whether impacts require consideration.

### **Valleys Communities Impacts:**

17. There are no valley community impacts with this report but the impact on valley communities will be considered as part of any proposals for the development of CJs

### **Workforce Impacts:**

18. The Establishment Regulations provide flexibility for each CJC to determine the approach it takes to staffing, including the ability to employ and recruit staff; make agreements to place staff at the disposal of other devolved Welsh Authorities and have staff placed at the CJC's disposal; and undertake secondments (in and out) to enable CJs to discharge their functions.
19. CJs will also be required to appoint a number of statutory "executive officers" similar to the roles within principal councils (e.g. Chief Executive, Chief Finance Officer, Monitoring Officer and Chief Governance Officer/Head of Democratic Services). The intention is for CJs to be able to directly employ, commission services or have relevant staff loaned from a constituent council to fulfil these roles as the CJC may determine. It is also intended that all executive roles within a CJC will be afforded the same statutory protection and indemnity as statutory officers within principal councils.
20. The provisions in law relating to staffing which apply to principal councils will also apply to CJs. These include TUPE and staff transfers; Trade Union relations and standing orders relating to employment (e.g. procedures relating to the appointment/dismissal of officers and disciplinary action). Staff employed by the CJC are to be appointed on the same or similar terms and conditions (including remuneration) as officers appointed to one of the constituent councils undertaking substantially similar or the same responsibilities.

21. The impact on the workforce and staffing of CJsCs will be considered as part of any programmes of work dealing with their establishment.

### **Legal Impacts:**

22. Part 5 of the Local Government and Elections (Wales) Act 2021 provides for the establishment, through regulations, of CJsCs and compliance will be had with this and the Establishment Regulations in the establishment of CJsCs.

### **Risk Management Impacts:**

23. There are no risk management issues associated with this report.

### **Consultation:**

24. There will be no requirement for any consultation.

### **Recommendations for Noting:**

25. It is recommended (noting there is no Integrated Impact Screening Assessment) that members NOTE the work undertaken in respect of the establishment of the South West Wales Corporate Joint Committee and note that a report will be brought back to members once dialogue has been completed for members to approve the arrangements for the South West Wales CJC so far as they relate to Neath Port Talbot County Borough Council

### **Appendices:**

26. Appendix 1- Letter from Minister for Finance and Local Government

### **List of Background Papers:**

27. Cabinet Report 12<sup>th</sup> May 2021

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