

SOUTH WEST WALES CORPORATE JOINT COMMITTEE

13TH JANUARY 2022

REPORT OF THE CHIEF EXECUTIVE

Report Title: **South West Wales Corporate Joint Committee – Forward Work Programme of the Chief Executive**

Purpose of Report	To update members of the CJC on the current forward work programme of the CJC and to highlight the role of the Chief Executive of the CJC and arrangements that are to be in place for the discharge of services
Recommendation	<p>It is recommended that:</p> <p>Members note the current work programmes of the South West Wales Corporate Joint Committee to implement the requirements of the Local Government and Elections (Wales) Act 2021</p> <p>Members note the statutory responsibility of the Chief Executive of the South West Wales Corporate Joint Committee</p> <p>Members grant delegated authority to the Chief Executive to negotiate and enter into Service Level Agreements with the local authorities mentioned in paragraph 33 of this report for the services necessary for the Corporate Joint Committee to execute its statutory functions</p>
Report Author	Karen Jones
Finance Officer	N/A
Legal Officer	Craig Griffiths

Background:

1. 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 (CJC Establishment Regulations).

2. The South West Wales CJC will comprise Carmarthenshire County Council, the City and County of Swansea Council, Pembrokeshire County Council and Neath Port Talbot County Borough Council (“the Constituent Councils”). In respect of some functions, both Pembrokeshire National Park and Brecon Beacons National Park will also be members (as set out below).

Remit of the CJC

4. The CJC has prescribed functions related to the preparation of the Regional Transport Plan, Strategic Development Plan and the exercise of Economic Wellbeing powers. These are set out specifically as follows:
 - (a) Economic well-being (section 76 of the Local Government and Elections (Wales) Act 2021)
 - (b) Transport policies (section 108(1)(a) and (2A)(a) of Part 2 of the Transport Act 2000)
 - (c) Strategic development plan (Part 6 of the Planning and Compulsory Purchase Act 2004)
5. It should be noted that the underlying policy intent in the development of the legislation which underpins the CJC is that a CJC should be treated as a member of the ‘local government family’ and, where appropriate, should largely be subject to the same powers and duties as local authorities in the way that they operate. Work continues to co-develop the legislative framework including through the recent consultation on the draft Corporate Joint Committees (General) (No. 2) (Wales) Regulations 2021. CJCAs, as public bodies undertaking public functions, are subject to the necessary public body duties that already exist in legislation. This includes the Sustainable Development and Well-being Duty under the Well-being of Future Generations (Wales) Act 2015 (“the WFG Act”), the requirement to produce a Strategic Equality Plan and the duty to prepare and publish a strategy for contributing to the eradication of child poverty in Wales under the Children and Families (Wales) Measure 2010 (“the 2010 Measure”).
6. It is proposed, at this stage, that only the statutory duties in respect of CJC and the legislative obligations will be implemented, save that the CJC will consider a regional energy strategy as part of its Economic Wellbeing function.

Current Work Streams

Economic Delivery

7. Consideration will be given to how the relationship between the CJC and the Swansea Bay City Deal arrangements will evolve over time. In the first instance steps will be taken to align the arrangements to ensure programmes of work are complementary. A paper setting out the issues that would need to be addressed to achieve full integration of the arrangements will be developed during 2022/23.
8. In the interim, constituent councils will be taking to their respective decision makers a draft Regional Economic Delivery Plan in early 2022 which will require adoption by the CJC in Spring 2022.

9. Following this, it would be proposed that steps be undertaken to programme the Regional Economic Delivery Plan, scoping potential funding bids for future capital investment.

Strategic Planning

10. The CJC will have a statutory duty to prepare a Strategic Development Plan (SDP). The production of an SDP is a mandatory function and will require substantive resources to be committed over a period to be defined in accordance with clearly deliverables and itemised in a 'Delivery Agreement'. The CJC is required to agree and submit the Delivery Agreement to Welsh Government as soon as possible after the Committee is formed. National Park Authorities are members of the CJC but are entitled to vote in relation to strategic development planning purposes only.
11. The SDP will be the first ever regional scale Development Plan for the South West Wales area (note that SDPs will also need to be produced for the three other planning regions of Wales), under which Local Development Plans (LDPs) and/or 'LDP lites' will still need to be produced at Local Planning Authority level. Planning decisions in future will be made having regard to the SDP, as well as adopted LDPs/LDP Lites and Future Wales: the National Plan 2040. The SDP will focus on those issues, topics or places that are considered key to delivering wider than local issues and responding to the key drivers of change for the region. It will cover issues such as major centres for economic growth, major housing allocations (including new settlements) and strategic areas for protection including Green Belts.
12. Regulations setting out the specific procedures for preparing an SDP are being produced by the Welsh Government, which are scheduled to come into force in February/March 2022. Advisory Notes have already been published by Government in the interim, which alongside Future Wales, Planning Policy Wales and the Development Plans Manual, highlight various statutory key stages and requirements for producing the SDP. This includes production of the Delivery Agreement, a 'Preferred Strategy' and 'Deposit Plan', which will need to be underpinned by a substantive evidence base to be amassed. The SDP will need to be tested through an Examination in Public.
13. WG has indicated that it expects technical work on aspects of the SDP, including the evidence base, to be undertaken within the period leading up to the CJC Regulations coming into force in June/July 2022. Having regard to the latest Guidance and Advisory Notes, and accounting for the dates associated with Local Elections and formalisation of the CJC, it is estimated that the SDP could be achieved in 2029.
14. It is proposed that from February 2022 (after SDP Regulations come into force), all opportunities for collaborative working on cross boundary issues (such as financial viability, housing markets, strategic green infrastructure, etc.) be explored by Local Planning Authorities, having regard to priority issues for replacement LDPs and other policy matters. From April 2022 work will begin on scoping SDP Delivery Agreement.

Transport

15. There is some urgency with Wales Government for the CJC to develop and approve a regional transport plan by December 2022. There is also an ambition within Wales Government for the region to consult with the public on a plan by June 2022. The regional transport plan is a statutory document and the process will follow Wales Government guidance. The guidance has not been issued to date, but it is expected shortly. The previous regional plan took eighteen months to develop. It was developed within an environment where there were formally constituted governance arrangements in place through the South West Wales Integrated Transport Consortia (SWWITCH). The Governance arrangement included a support structure and staffing resource funded by the Wales Government along with specialist consultancy support. This was additional to the local authorities' own transport planning staffing resource.
16. The RTP is a major body of work that will require specialist studies, impact assessments and a strategic environmental assessment. There is no regional resource in place to support the work currently and whilst the local authorities collaborate, officers do not have the capacity to keep up with the pace and scale of work demanded by the Wales Government. The work to date and ongoing includes:
 - Bus reform
 - 20 mph default speed limit
 - Active Travel
 - Roads Review
 - Metro development
17. It is therefore important that the CJC and region is sufficiently resourced to undertake the work required for the RTP in year one and in subsequent years be able to cope with wider strategic change driven by the Wales Government.
18. Given the wider agenda of reform and ongoing reviews commissioned by the Wales Government, there will be a need to review of the structure during year one. Cabinet Members with responsibility for Transport across Wales have already advised the Minister that they wish to see a hybrid arrangement for the planning, management and administration of bus services which depending on the ongoing work will require some form of regional support to deliver change at the pace determined by the Wales Government. Further developments will depend on the outcome of the Wales Government reviews. There will also be a requirement to move from RTP development and adoption to delivery which will necessitate a shift to programme management delivery and risk.

Energy

19. The policy landscape around energy & decarbonisation is constantly evolving, but relevant recent Welsh policy includes:
 - a target for a carbon-neutral public sector by 2030.
 - a target for 'at least' 100% reduction in all-Wales net emissions by 2050 against a 1990 baseline. 63% reduction by 2030, 89% reduction by 2040. A

- target for 70% of electricity used in Wales to be from renewable sources by 2030.
- a target for 1 gigawatt (GW) of renewable electricity capacity in Wales to be locally owned by 2030 and for all new projects to have an element of local ownership from 2020.
20. In May 2019, following the lead set by both Welsh and Scottish governments, the House of Commons declared a climate emergency.
21. The SW Wales Local Authorities are currently developing the South West Wales Regional Energy Strategy. This regional energy strategy for the South West Wales Region was commissioned by the Welsh Government and supported by the Welsh Government Energy Service. It has been developed by the South West Wales Energy Core Group, a sub-group of the Regional Directors' forum from the four local authorities in South West Wales.
22. To that extent, our proposed vision is that the authorities comprising the CJC *Harnessing the region's low carbon energy potential across its on and offshore locations, to deliver a prosperous and equitable net zero carbon economy which enhances the well-being of future generations and the region's ecosystems, at a pace which delivers against regional and national emissions reduction targets by 2035 and 2050.*
23. As part of this core principles include:
- Optimise the wide range of regional natural resources.
 - The transition to a low carbon economy needs to improve lives for all and for benefits to be shared in an equitable way.
 - Led by a proactive and effective regional delivery vehicle to ensure the vision translates into effective action.
24. Our strategic priorities are proposed to be:
- Energy efficiency: a key priority for the region is to drive down energy demand.
 - Electricity generation: encourage a mix of low carbon energy technologies to increase the reliability and stability of electricity generation.
 - Smart and flexible systems.
 - Decarbonise Heat: a 'whole system' and 'one heating problem to one heating solution' approach.
 - Decarbonise Transport: lead the decarbonisation of transport and promote active travel behaviour.
 - Regional coordination: Build a regional coordinated approach to infrastructure planning and delivery.
25. Sitting one layer beneath the Regional Energy Strategy at a greater level of granular detail is the Local Area Energy Planning ("LAEP") process. This is a process

considering the whole energy system in a local area, which has the potential to inform, shape and enable key aspects of the transition to a net zero carbon energy system. There is a two year programme for the development of LAEPs in the region (April 22- March 24) recognising that authorities have differing levels of capacity to support this work.

26. In 2017, the WG set the ambition of achieving a carbon neutral public sector by 2030. In doing so, WG recognised the public sector is uniquely placed to influence emissions far more widely than its own, relatively small direct emissions in areas such as transport, energy and land use. As well as tackling the issues of air pollution, WG deem that this approach can have a positive impact on the local economy by reducing energy costs and by creating investment opportunities for the low carbon economy. All the LA's in the SW Wales region are working towards the net zero carbon by 2030 goal.
27. Harnessing the region's low carbon energy potential across its on and offshore locations, to deliver a prosperous and equitable net zero carbon economy which enhances the well-being of future generations and the region's ecosystems, at a pace which delivers against regional and national emissions reduction targets by 2035 and 2050 is a transformative body of work that will require significant resource.

Role of the Chief Executive

28. CJC's are required to appoint a number of statutory "executive officers" similar to the roles within principal councils (i.e. Chief Executive, Chief Finance Officer and Monitoring Officer).
29. It is proposed that the role specifically of the Chief Executive will be rotated annually amongst the Chief Executives of the Constituent Councils, changing on an annual basis (Neath Port Talbot being first, followed by Pembrokeshire, Carmarthenshire and Swansea)
30. Members of the CJC will (by the time this report is considered) have designated Karen Jones (Neath Port Talbot County Borough Council) as the first Chief Executive of the CJC and accordingly that officer is required to perform the following role:
 - (a) Oversee the manner in which the exercise by the CHC of its different functions are co-ordinated;
 - (b) Oversee the CJC's arrangements in relation to—(i) financial planning, (ii)asset management, and (iii)risk management;
 - (c) the number and grades of staff required by the CJC for the exercise of its functions
 - (d) the organisation of the CJC's staff;
 - (e) the appointment of the CJC's staff;
 - (f) the arrangements for the management of the CJC's staff (including arrangements for training and development).
31. The CJC must provide its chief executive with such staff, accommodation and other resources as are, in the chief executive's opinion, sufficient to allow the chief executive's duties under this section to be carried out.

32. Over the coming months, the Chief Executive will ensure suitable arrangements are in place to discharge the obligations that the CJC have agreed in respect of executive officers and support services, with suitable service level agreements to be entered into and delegated authority is sought from the CJC to negotiate and agree these documents. It is not proposed, in the first instance, that the CJC will employ staff directly but will as an alternative have such support provided by way of secondment arrangements and services provided via service level agreements with the relevant authorities.
33. To discharge the responsibility on the Chief Executive that suitable arrangements are in place to support the work of the CJC, it is proposed that support services be agreed with the following local authorities:

Function of the CJC	Constituent Authority
Chief Executive	Rotating Annually between Neath Port Talbot, Pembrokeshire, Carmarthenshire and Swansea The first being Neath Port Talbot
S151 (Chief Finance Officer)	Carmarthenshire
Monitoring Officer	Neath Port Talbot
Democratic Services function	Neath Port Talbot
Scrutiny Services function	Neath Port Talbot
Governance and Audit function	Pembrokeshire
Human Resources function	Neath Port Talbot
ICT and Data Protection function	Neath Port Talbot
Communications function	Swansea

34. An agreement will be entered into between the CJC and the authorities for the constituent council staff to be made available to the CJC and will be acting as if CJC staff when carrying out functions for the CJC. The support services provided will be on an ad-hoc basis as and when support is required, and will be carried out by staff within their normal contracted hours with their Constituent Councils. Chief Executives of respective authorities will make a charge for the services provided on the terms of the agreed Service Level Agreements and provision has been made within the proposed budget for the CJC in 2022/23 to meet these costs. Delegated authority is accordingly sought for the Chief Executive to put suitable service level agreements in place for the provision of services that are identified in this report.

Financial Impacts:

35. To be considered in reports of the Chief Finance Officer and as part of budget setting for the CJC.

Integrated Impact Assessment:

36. The CJC is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh

Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

37. The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the ‘well-being goals’.
38. There is no requirement for an Integrated Impact Assessment for this report as the setting up of the CJC is underpinned by legislation and this report is to establish governance arrangements in accordance with legislation.

Workforce Impacts:

39. At this stage, it is not intended that the CJC will employ staff directly. Work will be undertaken in 2022/23 to establish a suitable employment policy framework for the CJC that could support the employment of staff if required at a future date.

Legal Impacts:

40. Part 5 of the LGE Act provides for the establishment, through regulations, of CJs and compliance will be had with this and other legislative obligations in the establishment of CJs. In particular the South West Wales Corporate Joint Committee Regulations came into force on 1st April 2021 and set out an initial framework for example, that the CJC should be established and the timeframes for the discharging of specific functions. However, a series of further Regulations are being drafted and consulted on by Welsh Government. The Welsh Government has concluded its consultation on the Corporate Joint Committees (General) (No.2) (Wales) Regulations 2021. The Welsh Government is also currently consulting on draft statutory guidance. A third stage of Regulations will put in place further legislation for the operation of the CJs and its functions, which Welsh Government are currently being consulted on. A fourth stage will put in place any remaining provisions that a CJC might need.

Risk Management Impacts:

41. Failure to constitute the CJC at this meeting would mean that the CJC would not be able to make any decisions, including setting a budget for the 2022/2023 financial year. In addition, suitable arrangements must be put in place to ensure that the constituent councils and national park authorities are able to fulfil their legal obligations in establishing the CJC.

Consultation:

42. There is no requirement for consultation in respect of this report.

Reasons for Proposed Decision:

43 To ensure appropriate governance arrangements are in place for the CJC to be established in line with the policy intent and related legislative provisions enacted by the Welsh Government.

Implementation of Decision:

44. This decision is proposed for implementation following a three day call in period.

Appendices:

45. None

List of Background Papers:

46. None