

SOUTH WEST WALES CORPORATE JOINT COMMITTEE

Report of the Chief Executive and Chief Finance Officer (Section 151 officer)

Report Title: Budget for financial year 2023/24

Purpose of Report	To agree and set the South West Wales Corporate Joint Committee budget for financial year 2023/24, including agreeing the levy charge to constituent authorities.												
Recommendation(s)	<p>That the South West Wales Corporate Joint Committee:</p> <p>(a) Consider and approve the budget requirement for the Joint Committee as £617,753 - as set out in Appendix A;</p> <p>(b) Approve the Levy Charge based on population to the constituent authorities as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th><u>Local Authority Levy</u></th><th></th></tr> </thead> <tbody> <tr> <td>City and County of Swansea Council (Levy)</td><td style="text-align: right;">215,203</td></tr> <tr> <td>Carmarthenshire County Council (Levy)</td><td style="text-align: right;">165,898</td></tr> <tr> <td>Neath Port Talbot CBC (Levy)</td><td style="text-align: right;">126,022</td></tr> <tr> <td>Pembrokeshire County Council (Levy)</td><td style="text-align: right;">110,630</td></tr> <tr> <td></td><td style="text-align: right;">617,753</td></tr> </tbody> </table> <p>(c) Approve the Sub Committee key actions summary set out in Appendix B; 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.</p>	<u>Local Authority Levy</u>		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
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Report Author(s)	Karen Jones and Chris Moore												
Finance Officer	Chris Moore												
Legal Officer	Craig Griffiths												

1 Introduction

- 1.1 This report details the South West Wales Corporate Joint Committee (SWWCJC) annual budget for the financial year 2023/24 with funding options. Detailed information is set out in Appendix A.

2 Background

- 2.1 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 (CJs).
- 2.2 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.
- 2.3 The CJC approved a Regional Energy Strategy and a Regional Economic Development Plan in March 2022 and ongoing implementation and monitoring of the same is now taking place by officers in respective authorities.
- 2.4 Officers have worked collaboratively to identify steps that can be taken in the next financial year to move the plans into delivery. Reference is made to the emerging Corporate Plan for the CJC, and the identification of actions/steps/measures aligned to the emerging well-being objectives. To this end, a summary of the key actions per sub-committee is set out in Appendix B of this report. Reference should be made to the allocation of £140,000 to a planning and programme management budget heading.
- 2.5 As part of a proactive approach, and in recognition of the challenging financial climate, an initial series of budget options were presented to the CJC in December 2022. It was resolved that Option 2 – ‘Do Minimum’ – be endorsed as the preferred option for 2023/2024. This report builds upon the policy steer provided by Members in December 2022 in this regard.
- 2.6 Carmarthenshire County Council as the Accountable Body for the CJC is required to provide an annual costs budget for approval for the financial year 2023/24. The CJC had previously agreed and set a one-year operational budget for financial year 2022/23 (budget profile £575,411). The 2023/2024 CJC operational budget - including the strategic planning functions - must be compiled and agreed no later than 31st January 2023.

3 2023/2024 – A Continuity Budget for the CJC (previously identified as Option 2 ‘do minimum’ budget).

- 3.1 As stated above, options in respect of the 2023/2024 budget have been previously provided to Members in December 2022. It is considered that a ‘Continuity Budget’ of £617,753 (a) fully reflects the policy direction set by the Members as a result of the budget options previously provided (b) provides for a lawful/balanced budget to be set and (c) allows for incremental progress to be made in respect of the core

functions of the CJC from a policy/legal perspective – notably in terms of the delivery of the emerging Corporate Plan.

- 3.2 Under the current legislation the National Park Authorities (NPAs) are only financially obligated to support the strategic planning aspects of the CJC. Given that there is likely to be limited activity in terms of the Strategic Development Plan in 2023/2024 (with a budget of £20,000 allocated to the strategic planning sub-committee), it is not considered appropriate to raise a levy upon the NPAs in 2023/2024.

Joint Committee and Accountable Body cost profile

- 3.3 Details of budget requirements are highlighted below:

- The current budget for the Joint Committee and Accountable Body is estimated at £263,602. Assumptions used are demonstrated below:
- Local authority services – increased by 10% as agreed at the S151 meeting on the 26th September 2022;
- Audit Wales – increased by 10% as aligned to the increase applied to the Local authority services, and
- Financial Services – aligned to CCC salary inflation rates.

Sub Committees cost profile

- 3.4 Reference should be made to Appendix B of this report. The identified sum of £220,000 will allow for incremental progress to be made by the CJC in 2023/2024 whilst also reflecting the challenging financial climate. A sum of £140,000 to a planning and programme management budget heading is seen as a suitable means of ensuring that the CJC is in a position to respond to any requirements emerging during the year – e.g publication of RTP and/or SDP guidance.

SWWCJC - Sub Committees		
Economic Development SC	20,000	Chief Executive Lead CCC
Planning SC	20,000	Chief Executive Lead PCC
Transport SC	20,000	Chief Executive Lead Swansea
Energy SC	20,000	Chief Executive Lead NPT
Planning & Programme Management	140,000	
SWWCJC - Sub Committees Total	220,000	

Regional Management Office cost profile

- 3.5 A breakdown of the main facets of the cost profile is provided below:

- The budget for the Regional Management Office has been reduced by £80,000 (Consultancy and Specialist Support Fees) to £134,151. Assumptions used are demonstrated below:
- Salary Costs - aligned to CCC salary inflation rates, and

- Consultancy and Specialist Support Fees – to support requirements expected of Management Office.
- Reference may be made to the ongoing work being undertaken in respect of seeking to develop an understanding of the respective roles of the City Deal PMO function and that of the CJC.

Income profile

- 3.6 It is intended that this is split between 4 authorities based on population size (mid-year 2020 – Statswales.gov.uk). The split is shown below. Reference should be made to paragraph 3.2 above in respect of the NPAs.

<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

4 Financial Impacts

- 4.1 This report recommends the ratification of an operational budget of £617,753 for 2023/24. It is recommended to ensure fairness and equality across the region that funding will be provided by local authority contributions through the form of a levy, based on population size.
- 4.2 Surpluses that accrue in any year will be contained and ring-fenced within the CJC reserve account and will be utilised for future expenditure.
- 4.3 The budget will be reviewed later in the financial year and revised as appropriate for the subsequent financial year and future years.

5 Integrated Impact Assessment

- 5.1 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.

5.2 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'.

5.3 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 financial arrangements in accordance with legislation. With reference to Appendix B of this report, and the impending consultation on the Draft Corporate Plan, it is considered that the ratification of this budget can facilitate the delivery of the CJC's emerging identified well-being objectives.

6 Workforce Impacts

6.1 Currently any employment within the CJC will be undertaken by constituent authorities and the financial arrangements relating to such are considered in this report.

7 Legal Impacts:

7.1 There is a legal requirement for the CJC to agree its 2023/2024 budget, together with the levy charge apportionment by 31 January 2023. Furthermore, reference is made to the statutory duties placed upon the CJC in respect of regional transport and strategic development planning and as such reference is made to Appendix B of this report and the emerging CJC Corporate Plan.

8 Risk Management Impacts

8.1 Failure to set a balanced budget would render the CJC in breach of its obligations exposing itself to legal challenge. In addition, suitable arrangements must be put in place to ensure that the constituent authorities and national park authorities are able to fulfil their legal obligations in establishing the CJC.

8.2 It is considered that the Continuity Budget as presented will meet the requirement to set a balanced budget and also reflects the policy steer provided by the Members in December 2022 - having been provided with a number of options in this regard. Furthermore, and in endorsing the content of Appendix B, the CJC will be providing a

platform upon which to start delivering upon some of the aspirations and objectives it has identified within the emerging Corporate Plan.

9 Consultation

- 9.1 There is no requirement for formal consultation however, constituent authorities have been consulted. Reference is made to the fact that a budget options report was taken to Members in December 2022 to attain an initial policy steer.

10. Reasons for Proposed Decision

10. To ratify the CJC 'Continuity Budget' as placed before Members for their approval so as to allow the CJC to meet its obligations to set its 2023/2024 budget no later than 31 January 2023.

11. Implementation of Decision

- 11.1 This decision is proposed for immediate implementation.

Appendices

Appendix A – CJC 'Continuity Budget' 2023/24.

Appendix B –Key actions 2023/24 – CJC Sub Committees.

List of Background Papers

[Link to CJC meeting 7 December 2022 – refer to agenda item 6 \(budget options\)](#)

[Link to CJC meeting 7 December 2022 – refer to agenda item 8 \(Draft Corporate Plan\)](#)

Appendix A

2023/24 'Continuity Budget' of £617,753 for Members ratification

South West Wales Corporate Joint Committee Draft Annual Budget Financial Year 2023/24			
Budget 2022/23 (£)	Description	Budget 2023/24 (£)	Notes
	Expenditure		
	Joint Committee		
	Democratic Services		
67,000	Democratic, Scrutiny and Legal Support Costs	73,700	Provided by NPT (increased by 10% on prior year)
67,000	Democratic Services Total	73,700	
	Legal and Governance		
17,000	Monitoring Officer and Service Support	18,700	Provided by NPT (increased by 10% on prior year)
17,000	Legal and Governance Total	18,700	
	Accountable Body		
20,000	Wales Audit Office Financial Audit	22,000	Based on audit costs of SBCD (independent audit of financial statements)
18,812	Section 151 Officer Recharge	20,693	Provided by NPT (increased by 10% on prior year)
38,812	Accountable Body Total	42,693	
	Governance & Internal Audit		
20,000	Internal Audit	22,000	Provided by Pembs (increased by 10% on prior year)
15,000	Sub-Committee Support Costs & Expenses	16,500	Provided by Pembs (increased by 10% on prior year)
35,000	Governance & Internal Audit Total	38,500	
	Support Services		
20,000	ICT & Data Protection Services	22,000	Provided by NPT (increased by 10% on prior year)
54,374	Financial Services	57,009	Included a Senior Accountant (CCC Grade J) (included inflationary adjustment)
-	Standards Services	-	Included within Democratic Service costs.
10,000	HR Services	11,000	Provided by NPT (increased by 10% on prior year)
84,374	Support Services Total	90,009	
242,185	Joint Committee Total	263,602	
	Joint Scrutiny Committee		
-	Room Hire	-	Included within Democratic Service costs.
-	Subsistence & Meeting Expenses	-	Included within Democratic Service costs.
-	Travel	-	Included within Democratic Service costs.
-	Democratic, Scrutiny and Legal Support Costs	-	Included within Democratic Service costs.
-	Joint Scrutiny Committee Total	-	
	SWWCJC - Sub Committees		
20,000	Economic Development SC	20,000	Chief Executive Lead CCC
20,000	Planning SC	20,000	Chief Executive Lead PCC
20,000	Transport SC	20,000	Chief Executive Lead Swansea
20,000	Energy SC	20,000	Chief Executive Lead NPT
	Planning & Programme Management	140,000	
80,000	SWWCJC - Sub Committees Total	220,000	
	SWWCJC - Regional Management Office		
59,915	Salary (Inc. On-costs)	60,135	Business Manager (CCC Grade K) (included inflationary adjustment).
-	Recharges - Employee Costs (direct)	-	
1,000	Training of Staff	1,000	Estimated budget
250	Public Transport - Staff	250	Estimated budget
810	Staff Travelling Expenses	810	Estimated budget
1,000	Admin, Office & Operational Consumables	1,000	Estimated budget
100,000	Consultancy and Specialist Support Fees	51,206	Estimated budget
1,250	ICTs & Computer Hardware	1,250	Estimated budget
500	Subsistence & Meetings Expenses	1,000	Estimated budget
-	Conferences, Marketing & Advertising	-	
-	Projects & Activities Expenditure	-	
10,000	Translation/Interpret Services	15,000	Estimated budget
2,500	Printing & Copying	2,500	Estimated budget
177,225	Regional Management Office Total	134,151	
	Contingency/Reserves		
76,000	Provision for Contingency/Reserves	-	RA removed as reserve b/f from previous year
76,000	Contingency/Reserves Total	-	
575,411	Total SWWCJC Expenditure	617,753	
	Funding Contributions		
	Partner & Other Contribution		
-	Brecon Beacons NPA	-	
-	Pembrokeshire Coast NPA	-	
-	Co-Opt Partners	-	
-	Welsh Government Revenue Grant	-	
-	ERF Grant	-	
-		-	
	Local Authority Levy		
200,453	City and County of Swansea Council (Levy)	215,203	Based on Population Size
154,527	Cardiff and Vale of Glamorgan Council (Levy)	165,898	Based on Population Size
117,384	Neath Port Talbot CBC (Levy)	126,022	Based on Population Size
103,047	Pembrokeshire County Council (Levy)	110,630	Based on Population Size
575,411		617,753	
575,411	Total SWWCJC Income	617,753	
0	Provision of Service - Surplus / (Deficit)	0	
	Movement to Reserves (Contingency)		
	Description		
0	Balance Brought Forward from previous year	283,439	Estimated - Q2
0	Net Provision of Service - Surplus / (Deficit)	0	
-	Balance Carry Forward	283,439	

Appendix B

CJC Priority Actions 2023-24

Economic Development	Map the funding available to support regional working to ensure alignment with CJC priorities and visibility to CJC members eg Levelling Up; Shared Prosperity Fund etc
	Scope the capacity and capability needed to maximise South West Wales renewable energy and net zero potential
	Further develop the region's economic development infrastructure. In particular explore: virtual innovation agency; business support; commercial property development funding; defining our regional inward investment offer
Energy	Define the resource and capability needed to deliver the Regional Energy Plan
	Further develop the implementation programme to convert the key principles and strategic priorities into operations
	Explore and make recommendations for regional engagement in the Floating Offshore Wind opportunity and related Freeport bid
Transport	Comment on the draft Regional Transport Guidance
	Create the Regional Transport Plan delivery programme and identify the resources required to implement the delivery programme
	Achieve agreement with Welsh Government on the resourcing of the delivery programme and associated timeline
	Continue to work with Welsh Government, Transport for Wales and other stakeholders to progress the region's key transport priorities
Strategic Development Plan	Comment on the draft manual
	Identify the resources and timetable for developing a delivery agreement
Corporate Activities	Mobilise the sub-committees
	Complete the work to engage the private sector and other key stakeholders
	Further develop the work to satisfy the public sector duties and good corporate governance
	Communicate and promote the work of the CJC
	Formally report the CJC achievements through an Annual Report and revise the Corporate Plan accordingly

Note: fuller detail is set out in the Corporate Plan. The above is a high level summary of the key areas of activity supported by the proposed budget

