

South West Wales Corporate Joint Committee

(Via Microsoft Teams)

Members Present:

24 October 2023

Chairperson: Councillor R.Stewart

Vice Chairperson: Councillor D.Price

Councillors: D.Simpson and S.K.Hunt

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

Co-Opted Members: D.Jones, E.Woollett and P.Boyle

**Officers In
Attendance:** M.Nicholls, G.Jones, D.Clements, W.Bramble,
K.Jones, C.Griffiths, G.Jones, S.Aldred-Jones,
S.Rees, S.Davies, B.George, R.Gill, D.Griffiths,
J.Jones, L.McAndrew, D.Thomas, M.Wade,
Hemingway, S.Byrne, A.Williams and
C.Plowman

1. **Welcome and Chairs Announcements**

The Chairperson welcomed everyone to the meeting.

2. **Declarations of Interests**

There were no Declarations of Interests received.

3. **Minutes of Previous Meeting**

The minutes of the previous meeting, held on 6 June 2023, were approved as an accurate record.

4. **Forward Work Programme**

Members received the South West Wales Corporate Joint Committee Forward Work Programme.

It was confirmed that Officers would be arranging a workshop, for the Leaders and National Park representatives, in order to start discussions around the budget options for 2024/25; this would be a similar arrangement to that of the previous year. It was noted that the workshop would be arranged prior to the next meeting of the South West Wales Corporate Joint Committee scheduled for 5 December 2023.

The Forward Work Programme was noted.

5. **Update on Investment Zones**

The Committee were provided with a presentation from SQW in regards to investment zones.

It was explained that colleagues in Swansea and Carmarthenshire Councils commissioned SQW to develop a prospectus for a new green industries investment zone, covering the two local authority areas; the draft prospectus was included within the circulated agenda for the meeting.

Members were informed that investment zones was launched by UK Government in 2023 to develop 'high potential clusters in areas with unmet productivity potential' where local strengths and assets can be leveraged to create sustainable growth.

It was noted that a limited number of investment zones would be allocated across the UK; eight had been pre-announced in England, and there was likely to be one in Wales and one in Scotland.

SQW highlighted that the intention of investment zones was to build on areas where there were sectoral strengths in relation to a limited number of sectors, which government predefined in its policy offer; including green industries, advanced manufacturing, creative industries, life sciences digital and tech.

It was stated that UK Government had announced that each investment zone in England would receive a £80million package, which would equate to £20million per annum over four years; with a balance on how that might be used flexibly between fiscal incentives, business rates and other forms of spending.

The Committee was informed that the process for Wales had not yet been made clear; however, colleagues in Swansea and Carmarthenshire Councils were very interested in providing an early

expression of interest to Welsh Government. It was highlighted that the proposal was focused on green industries, which was one of the governments stated priorities; and set out the prospectus as being complementary with the Celtic Freeport, with a large part of the narrative around adding value to the Celtic Freeport and South Wales industrial cluster.

In addition to the above, it was mentioned that there was emphasis within the guidance on the contributions that universities and business could make; SQW had built this into the prospectus, and had consulted with organisations such as Swansea University, the University of Wales Trinity Saint David and Local Authorities, when developing the document.

The core narrative was presented to Members, which highlighted that the investment zone will connect the energy generation potential, research and innovation capabilities, major sites and industrial strengths to support a higher-value, decarbonised economic future and greater wellbeing.

It was noted that SQW had completed an initial view of the potential benefits of the investment zone; it could unlock 5,300 jobs and £3.9billion in additional annual GVA. It was mentioned that this statement was broadly in line with the figures that had been quoted by other places that had been allocated an investment zone in England.

The presentation detailed the high level logic model, which was set out in the prospectus. When putting this together, it was mentioned that SQW were mindful in obtaining a balance between being high level enough in order to be flexible in light of the currently unknown content of the guidance; whilst also giving enough specificity to be clear about some defined areas and building on key strengths.

SQW provided an overview of this model:

- Green industry strengths – there was no real definition of green industry in the governments documentation, therefore SQW had identified the following five areas in which South West Wales had a number of strengths:
 - Energy production and distribution
 - Advanced manufacturing
 - Agriculture, agritech, food and bioscience
 - High value low carbon services

-Decarbonisation technologies in the built environment

- Key locations – SQW had identified the following key locations where a package of incentives might be of value:
 - Swansea Energy and Transport Hub, and Port Development
 - Llanelli Low Carbon Cluster
 - Swansea City Centre and Waterfront
 - Nantycaws Circular Economy Park
 - Parc Felindre
 - Cross Hands Growth Zone

- Opportunities unlocked – SQW had identified the following opportunities that could be unlocked through the progression of this proposal:
 - Green, renewable energy supply
 - New investment in advanced technologies
 - Expanded local supply chain
 - Stronger market for adaption and adoption
 - Strengthened skill base

- Regional impact – the following were acknowledged to be the positive impacts on the region:
 - 5,300 jobs
 - £3.9billion additional GVA
 - Increased business and industrial resilience
 - Accelerated progress to net zero
 - Enhanced health and wellbeing

A discussion took place in relation to the next steps, which included engagement with Welsh Government in regards to the prospectus, further work in understanding how an investment package might work, and determining what could realistically be delivered within the time frame of this designation. It was added that although the future application process was unknown, it was likely that it would require a business case, similar to that which accompanied the Freeport competition.

Members queried the timescales and finances that would be needed to develop and deliver this programme. It was explained that a lot of this was still unclear due to the current lack of clarity in how Welsh Government wishes to proceed with the process. Officers stated that they were aware that discussions were ongoing between UK and Welsh Governments, with UK Government clearly indicating that they

will only fund one investment zone in Wales; it will be up to Welsh Government to decide if they wish to allocate the one location, or open it up to competition.

The Committee was reminded that the Chief Executive presented a report to the previous meeting of the South West Wales Corporate Joint Committee, 6 June 2023, when the policy offer was first launched. It was confirmed that the Committee granted authority to the Chief Executive to commence initial discussions with Welsh and UK Governments in order to explore the benefits that could accrue if an investment zone policy offer were to be allocated to South West Wales; as well as resolving that a letter, registering an expression of interest in the potential for an investment zone policy offer in South West Wales, be sent from the Chair of the Committee to the relevant ministers. Officers confirmed that these actions had been completed, and that it would be beneficial to send another letter to request a meeting with the relevant ministers.

It was noted that in the interim, the four Leaders had met with the relevant minister and relayed the work that was being carried out across the region, including the intention to bid for an investment zone. The Chairperson welcomed the suggestion of arranging a meeting with the relevant ministers, and to enable the Leaders to take any actions necessary to ensure UK and Welsh Government were aware of the regions intentions to secure an investment zone.

The four Leaders reiterated the benefits of the proposal for the region, and expressed that they were content for Welsh Government to have sight of the draft prospectus.

RESOLVED: That the report be noted.

6. Quarter 1 Financial Monitoring 2023/24

The Quarter 1 Financial Monitoring for the year ended 2023/24 was provided to the Committee.

It was highlighted that the South West Wales Corporate Joint Committee had previously approved the budget of £617,753 for the financial year 2023/24, at their meeting on 24 January 2023; the budget was funded with a levy from each of the constituent authorities.

Officers explained that the current forecast outturn presented a total underspend of £328,878 against the budget. It was noted that there was an underspend in respect of the Sub Committees, due to the

limited activity; as well as a £90,000 underspend on Planning and Programme management expenditure. Officers stated that there was also an underspend in respect of the Regional Management Office; mainly due to the Business Manager post currently being vacant, and a reduced forecast spend on external consultancy costs. It was also added there was a predicted underspend in respect of support services, which was due to the budgeted Senior Accountant post remaining vacant as it was not yet required due to the level of activity.

Reference was made to the earlier mentioned workshop for the budget setting for financial year 2024/25. It was stated that discussions around the treatment of this years projected underspend would be important.

RESOLVED: That the report be noted.

7. Welsh Language Standards

Officers provided a report to inform Members of contact with the Welsh Language Commissioner's Office, with regards to the application of Welsh Language Standards and the issuing of a compliance notice.

It was explained that the South West Wales Corporate Joint Committee had previously agreed to voluntarily adopt Carmarthenshire Council's Welsh Language Standards, as a basis for the Committees work; it was encouraged by the Welsh Language Commissioner, not to wait for the statutory process to embrace the policy objectives around Welsh language.

The circulated report detailed that the Welsh Language Commissioner had now started that formal process of determining which standards will apply to the Corporate Joint Committee. Officers confirmed that they had been in discussions with the Welsh Language Commissioners Office to inform them that the Committee had adopted Carmarthenshire Councils standards on a voluntary basis, with the hopes that this will enable the statutory process to conclude much more quickly.

Members were informed that the timeframe to respond to the Welsh Language Commissioner would be up until 5 January 2024, as this was the set date for the consultation to end. It was mentioned that Officers were currently looking at what the Commissioner was proposing, against the standards that the Committee had already voluntarily adopted.

It was stated that it was intended to provide a further report at the next meeting of the South West Wales Corporate Joint Committee, to formalise the response from the Committee into the Welsh Language Commissioner's process.

RESOLVED: That the report be noted.

8. **RTP Implementation Plan for Submission to Welsh Government**

The Committee was informed that the South West Wales Corporate Joint Committee had a duty to prepare a Regional Transport Plan (RTP); the first stage of this work was to produce an Implementation Plan, for submission to Welsh Government by the end of October 2023.

The draft Implementation Plan was attached as Appendix 1 of the circulated report, and Officers were seeking Members approval to submit this Implementation Plan to Welsh Government.

Officers presented the draft Implementation Plan to the Committee, and highlighted key points in regards to the project goal, the work packages required to completing the development of the RTP, the identified risks and the timeline for delivery.

Members were sighted on the policy context of the RTP, and were informed of the importance to ensure that the RTP was reflective of the Wales Transport Strategy (Llwybr Newydd); and aligned to other National, Regional, Local strategies and priorities.

It was explained that there were two main elements to the preparation of the RTP; Developing the Case for Change, and Developing the Regional Transport Plan. Officers provided the Committee with an overview of some of the work required to be undertaken, in order to progress with these work streams.

The high level risks associated with delivering a Regional Transport Plan for South West Wales were presented to the Committee:

- Political agreement on policies and high level outcomes – although the RTP was a Regional Plan, it also needed to suit the individual Local Authorities (not just the agreement of the plan, but the timescales for the approvals through the individual Local Authorities);
- Regional agreement on prioritised Regional Transport Delivery Plan (RTDP) schemes list – producing this list would require Officers to have an indication of the level of funding that will be

made available to deliver the schemes, however this was still unknown;

- Challenging timescales for submission and adoption of the RTP – the fixed deadline for final RTP submission (29 March 2025) was first set some time ago, and since then there had been delays associated with this work stream, such as the delay in Welsh Government providing their guidance. However, the fixed deadline had not been amended and was noted to be very ambitious in terms of delivering a meaningful piece of work;
- Available resource within Local Authorities to deliver the RTP, and the number of specialist studies to be undertaken in the development of the RTP and lack of funding to deliver – there were limited resources in each of the Local Authorities, and therefore certain pieces of work will need to be commissioned. However, currently there were no clear streams of funding to be able to do this.

Reference was made to the draft letter for the Minister, attached at appendix two of the circulated report, which addressed the risks highlighted in the plan; it was proposed that this letter be submitted, along with the Implementation Plan, to Welsh Government. The Chair of the Regional Transport Sub Committee provided an overview of the concerns raised in the Sub Committee meeting, and the importance of submitting the letter to the Minister to raise these concerns formally.

A discussion took place in regards to how the RTP would align with the needs of the communities and aspirations across the region; with particular concerns raised in regards to the bus industry. Officers provided assurances that all modes of public transport, that were integral to the region, would be incorporated into the plans; the RTP will help establish the policy context, to bring the various different strands, and programmes of work, together.

RESOLVED: That the Implementation Plan, contained within the circulated report, be approved to allow for submission to Welsh Government to meet the requirements of the Regional Transport Plan mandate.

9. Audit Wales Letter - Commentary of Corporate Joint Committee Progress

Members were provided with Audit Wales' Commentary on the Corporate Joint Committee's progress letter with regards to the South West Wales Corporate Joint Committee, and the proposed action plan.

It was explained that there were a range of statutory duties placed on Corporate Joint Committees, and Audit Wales were responsible for auditing compliance with a range of those duties; specifically around the duties set out in the Wellbeing of Future Generations (Wales) Act 2015 and the Local Government and Elections (Wales) Act 2021.

The Chief Executive for the South West Wales Corporate Joint Committee was pleased with the conclusion contained within the letter, as it demonstrated making good process in discharging a range of those duties. It was noted that the Child Poverty Action Plan and the Participation Strategy were two particular pieces of work that needed to develop further over the next six months.

In addition to the above, it was mentioned that the auditors had drawn some conclusions in regards to the progress of the Regional Transport Plan (RTP) and the Strategic Development Plan (SDP); the Chief Executive for the South West Wales Corporate Joint Committee, had been clear with auditors in respect of the ongoing discussions between the Committee and Ministers around the funding of these processes and the amount of investment available to deliver the change.

The Committee was informed that Audit Wales had also produced their overview report which summaries the position across the whole of Wales. It was confirmed that this report would be brought to the next meeting of the South West Wales Corporate Joint Committee.

Audit Wales confirmed that they had carried out some initial work last autumn, and fed that back to representatives of the South West Wales Corporate Joint Committee in the spring of this year; before then carrying out some further work in the summer to update their findings. It was recognised by Audit Wales that the letter, included within the circulated report, set out a position at a particular point in time, and work had clearly moved forward since then. It was added that Audit Wales would be monitoring progress over the course of the year.

It was explained that Audit Wales had issued letters to each of the four Corporate Joint Committees. The following points were

highlighted in respect of the South West Wales Corporate Joint Committee:

- Welsh Government Aims – it was evident that there was a clear understanding of Welsh Government’s aims for the Corporate Joint Committees; although it was apparent that it wasn’t entirely supportive of the need for the Corporate Joint Committees. Audit Wales appreciated that this was in part linked to the concerns about lack of resources to support the implementation of the Corporate Joint Committees and its functions. Nevertheless, it was recognised that the Corporate Joint Committee was generally positive about the opportunities that could be brought forward for the region.
- Governance Arrangements – Audit Wales were assured that the majority of core governance arrangements had been established, and were up and running. At the time of the audit, the Sub Committees hadn’t been stood up, however it was recognised that this had since changed. It was noted to be positive that the South West Wales Corporate Joint Committee had involved the National Parks fully in its arrangements, beyond the statutory role.
- Progress and Clarity of Plans – it was identified that the South West Wales Corporate Joint committee has a clear vision set out in its Corporate Plan; and had been building on the work of the Swansea Bay City Deal, as well as exploring options of how the two arrangements could work together in order to minimise the administrative burden and associated costs of operating the two arrangements. However, it was detailed that at the time of the audit work, it was felt that progress with delivering the RTP and SDP has been limited; Audit Wales were aware that some of this was due to the late issuing of guidance, and in the auditor summary report reference had been made to the concerns in regards to Welsh Government preparedness and the financial status issues.
- Partnerships – Audit Wales concluded a positive finding in regards to partnership working with other organisations, particularly around the arrangements in place involving Health Boards and Universities; as well as its co-option agreement. Auditors looked forward to see how this progresses in terms of maximising the collaborative power across the region.
- Well-Being of Future Generations Act – it was acknowledged that the well-being objectives had been published, and incorporated within its corporate plan. Audit Wales will be

expecting the South West Wales Corporate Joint Committee to apply this principle in a meaningful way, across its functions. It was added that the auditor will be undertaking examinations of the extent, to which it had applied the sustainable development principle in future years, as required by the Act.

It was explained that the previously mentioned summary report, which will be published by Audit Wales, contained the cumulative findings from the four Corporate Joint Committees; it will be important to read this report in conjunction with the individual letters, because although some of the findings were general, there were findings that would be pertinent to some Corporate Joint Committees more than others.

Members highlighted that Welsh Government had previously committed to ensuring that the establishment of the Corporate Joint Committees wouldn't have an adverse impact on frontline services; and it was important that they fully recognise the financial pressures of Local Authorities. It was noted that the Leaders of Councils were faced with the difficulty of setting their own budgets in the current financial climate.

Audit Wales were asked if any of the other Corporate Joint Committees across Wales had raised the issues surrounding resource; and if so, would Audit Wales provide any recommendations to Welsh Government as a result of those discussions. It was noted that the resource concerns had come through most strongly from the South West; the matter hadn't been raised consistently with Audit Wales, however that does not mean that it was not an issue. Members were informed that Audit Wales were aware of the different challenges that the Corporate Joint Committee and Local Authorities weren't currently faced with; however, they wouldn't be making recommendations specifically around resourcing. It was concluded that Audit Wales would continue to monitor over the next 12 months, in order to obtain a more informed understanding of the next steps and if further work needed to be carried out.

RESOLVED: That the action plan be approved.

10. Urgent Items

There were no urgent items received.

CHAIRPERSON