South East Wales Corporate Joint Committee
Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

South East Wales Corporate Joint Committee

11.30am-12.30pm on Monday 4 December 2023
Microsoft Teams

Agenda

Part A

Items which are open to the public and press

1. Apologies

2. Minutes of the meeting held on 9 October 2023

3. Declarations of Interest

4. 2023/24 Month 07 Budget Monitoring Update
   Report of the Interim Section 151 Officer

5. Audit Wales CJC Report 22-23
   Report of the Chief Executive

6. 2023-24 Annual Business Plan Quarter 2 Performance Report
   Report of the Chief Executive

7. South East Wales Corporate Joint Committee Transition Report
   Report of the Chief Executive

Part B

Items during which it is considered the meeting will not be open to the public (consideration of exempt or confidential information

8. Exclusion of Press and Public

   To resolve that the public and press be asked to leave the meeting during discussion of the remaining items of business because exempt information as defined in paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972 is likely to be made known. Please note that members of the public and press must leave the meeting at this point.

9. Statutory Officer Appointments
   Report of the Chief Executive

DECLARING INTERESTS

Committee members are reminded that if they have a personal interest in any matter being discussed at the meeting they must declare the interest and not take part in any discussion or vote on the matter

Kellie Beirne
Chief Executive
South East Wales Corporate Joint Committee
4 December 2023

TO: The Members of the South East Wales Corporate Joint Committee

Cllr Anthony Hunt (Chair)
Cllr Mary Ann Brocklesby
Cllr Lis Burnett
Cllr Huw David
Cllr Andrew Morgan
Cllr Sean Morgan
Cllr Jane Mudd
Mr Julian Steadman
Cllr Geraint Thomas
Cllr Huw Thomas
Cllr Stephen Thomas

South East Wales Corporate Joint Committee

Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

Cydbwyllgor Corfforaethol De-ddwyrain Cymru

11.30yb-12.30yp ddydd Llun, y 4ydd o Ragfyr, 2023
Microsoft Teams

Agenda

Rhan A

Eitemau sy'n agored i'r cyhoedd a'r wasg

1. Ymddiheuriadau

2. Cofnodion y cyfarfod a gynhaliwyd ar y 9fed o Hydref, 2023

3. Datganiadau Buddiant

4. Diweddariad ar Fonitro Cyllideb 2023/24 Mis 07
Adroddiad y Swyddog Adran 151 Interim

5. Archwilio Cymru – Adroddiad Cyd-bwyllgor Corfforaethol 22-23
Adroddiad y Prif Weithredwr

6. Cynllun Busnes Blynyddol 2023-24 Adroddiad Perfformiad Chwarter 2
Adroddiad y Prif Weithredwr

7. Adroddiad Pontio Cydbwyllgor Corfforaethol De-ddwyrain Cymru
Adroddiad y Prif Weithredwr

Rhan B

Eitemau pryd yr ystyrir na fydd y cyfarfod yn agored i'r cyhoedd (ystyriaeth o wybodaeth eithriedig neu gyfrinachol)

8. Allgáu'r Wasg a'r Cyhoedd

I benderfynu y gofynnir i'r cyhoedd a'r wasg adael y cyfarfod yn ystod trafodaeth o'r eitemau sy'n weddill o fusnes oherwydd ei bod hi'n debygol y caiff gwybodaeth eithriedig fel y'i diffinnir ym mharagraff 14 Rhan 4 Atodlen 12A Deddf Llywodraeth Leol 1972 ei gwneud yn hysbys. Nodwch, os gwelwch yn dda, fod yn rhaid i aelodau'r cyhoedd a'r wasg adael y cyfarfod ar yr adeg hon.

9. Penodiadau Swyddogion Statudol
Adroddiad y Prif Weithredwr

DATGAN BUDDIANNAU

Atgoffir aelodau'r Pwyllgor fod yn rhaid iddynt, os oes ganddynt fuddiant personol mewn unrhyw fater a drafodir yn y cyfarfod, ddatgan y buddiant a pheidio â chymryd rhan mewn unrhyw drafodaeth neu bleidlais ar y mater.

Kellie Beirne
Prif Weithredwr Dros Dro
Cyd-bwyllgor Corfforaethol De-ddwyrain Cymru
4 Rhagfyr 2023

AT: Aelodau Cyd-bwyllgor Corfforaethol De-ddwyrain Cymru
Y Cynghorydd Anthony Hunt (Cadeiydd)
Y Cynghorydd Mary Ann Brocklesby
Y Cynghorydd Lis Burnett
Y Cynghorydd Huw David
Y Cynghorydd Andrew Morgan
Y Cynghorydd Sean Morgan
Y Cynghorydd Jane Mudd
Mr Julian Steadman
Y Cynghorydd Geraint Thomas
Y Cynghorydd Huw Thomas
Y Cynghorydd Stephen Thomas

South East Wales Corporate Joint Committee
Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

South East Wales Corporate Joint Committee

11.30am-12.30pm on Monday 9 October 2023 via Microsoft Teams

Minutes

Committee Members

Cllr Anthony Hunt, Chair	Leader	Torfaen CBC
Cllr Jane Mudd, Vice Chair	Leader	Newport CC
Julian Stedman (from 11:36)	Chair of Planning Committee	Bannau Brycheiniog NPA
Cllr Helen Cunningham	Deputy Leader	Blaenau Gwent CBC
Cllr Sean Morgan	Leader	Caerphilly CBC
Cllr Geraint Thomas (from 11:34)	Leader	Merthyr Tydfil CBC
Cllr Mary Ann Brocklesby (until 11:53)	Leader	Monmouthshire CC
Cllr Maureen Webber	Deputy Leader	Rhondda Cynon Taf CBC
Cllr Lis Burnett	Leader	Vale of Glamorgan Council

Officers in Attendance

Please note attendance of Chief Executives, core CCR Officers, Accountable Body and Observers only will be recorded

Damien McCann		Interim Chief Executive	Blaenau Gwent CBC
Christina Harrhy		Chief Executive	Caerphilly CBC
Paul Matthews		Chief Executive	Monmouthshire CC
Beverly Owen		Chief Executive	Newport CC
Paul Mee		Chief Executive	Rhondda Cynon Taf CBC
Rob Thomas		Chief Executive	Vale of Glamorgan Council
Christopher Lee	(CL)	Acting Chief Executive / Section 151 Officer	Cardiff Council / Accountable Body
Ellis Cooper			
Gareth Gates		Accountant	Accountable Body
Siân Humphries		Monitoring Officer	Accountable Body
Kellie Beirne	(KB)	Director	Office of the CCR
Hrjinder Singh		Head of Finance, Risk & Assurance	Office of the CCR
Colan Mehaffey	(CM)	Head of Digital & Data Innovation	Office of the CCR
Liz Fitzgerald (minutes)		Business Development & Partnership Officer	Office of the CCR

Observers

Gareth Ashman	Head Of Infrastructure	UK Government

Apologies

Cllr Stephen Thomas	Leader	Blaenau Gwent CBC
Cllr Huw David OBE	Leader	Bridgend CBC
Cllr Huw Thomas	Leader	Cardiff Council
Cllr Andrew Morgan OBE	Leader	Rhondda Cynon Taf CBC

Catherine Mealing-Jones	Chief Executive	Bannau Brycheiniog NPA
Mark Shephard	Chief Executive	Bridgend CBC
Paul Orders	Chief Executive	Cardiff Council
Ellis Cooper	Chief Executive	Merthyr Tydfil CBC
Stephen Vickers	Chief Executive	Torfaen CBC
James Williams	Monitoring Officer	Accountable Body
Ian Allwood	Acting s151 Officer / Head of Finance	Accountable Body / Cardiff Council
Gill Brown	Group Accountant	Accountable Body
Rhys Thomas	Chief Operating Officer	Office of the CCR
Rob O'Dwyer	Head of Infrastructure	Office of the CCR

Recording of the meeting was started at 11:33

1. Welcome and Apologies

Cllr Hunt opened the meeting and apologies were noted.

2. Declarations of Interest
The Declarations of Interest process is provided in the procedural note

No declarations of interest were received.

Cllr Geraint Thomas joined the meeting at 11:34

3. Minutes of the Previous Meeting held on 11 September 2023

The minutes of the previous meeting held on 11 September were agreed as a true and accurate record.

4. 2023/24 Month 04 Budget Monitoring Update and Proposed 2024/25 Budget Strategy

(1) CL introduced the item and went through the key points of the report.

Julian Stedman joined the meeting at 11:36

(2) Committee Members agreed to accept the recommendations of the report as moved by Cllr Burnett and seconded by Cllr Sean Morgan.

(3) Cllr Hunt obtained individual votes of acceptance from Committee Members in the following order:

Bannau Brycheiniog, Vale of Glamorgan, Caerphilly, Rhondda Cynon Taf, Merthyr Tydfil, Newport, Blaenau Gwent, Monmouthshire and Torfaen.

Cllr Huw Thomas and Cllr David were not present to vote for Cardiff and Bridgend respectively.

(4) It was resolved that the South East Wales Corporate Joint Committee:

(1) noted the 2023/24 Month 04 Budget Monitoring position and projected out-turn position as set out in this report;

(2) approved the proposed 2024/25 Budget Strategy set-out in this report, which will allow detailed budget work to be undertaken over the autumn period along with appropriate consultation with Constituent Councils and the Bannau Brycheiniog National Park Authority over this period;

(3) noted that in-line with the CJC Regulations, the proposed 2024/25 Budget will need to be considered and approved no later than the 31 January 2024.

5. 2023-24 Annual Business Plan - Quarter 1 Performance Report

(1) KB introduced the item and went through the key points of the report. Cllr Hunt thanked officers for their work and acknowledged the pressures of preparing for the transition to CJC.

(2) Committee Members agreed to accept the recommendations of the report as moved by Cllr Sean Morgan and seconded by Cllr Burnett.

(3) Cllr Hunt obtained individual votes of acceptance from Committee Members in the following order:

Bannau Brycheiniog, Vale of Glamorgan, Caerphilly, Rhondda Cynon Taf, Merthyr Tydfil, Newport, Blaenau Gwent, Monmouthshire and Torfaen

Cllr Huw Thomas and Cllr David were not present to vote for Cardiff and Bridgend respectively.

It was resolved that the South East Wales Corporate Joint Committee:

(1) noted the updates in line with the integrated Annual Business Plan for 2023/24.

6. South East Wales Corporate Joint Committee Transition Plan

(2) KB introduced the report and acknowledged the complexity of the matter. KB drew Leaders' attention to paragraph 11 of the report which sets out the next steps for agreeing the novation of the City Deal funding to the CJC. KB confirmed CCR had met with Welsh Government and confirmation of the novation was agreed. Cllr Hunt thanked officers for their work.

(3) Committee Members agreed to accept the recommendations of

the report as moved by Cllr Burnett and seconded by Cllr Sean Morgan.

Cllr Hunt obtained individual votes of acceptance from Committee Members in the following order:

Bannau Brycheiniog, Vale of Glamorgan, Caerphilly, Rhondda Cynon Taf, Merthyr Tydfil, Newport, Blaenau Gwent, Monmouthshire and Torfaen

Cllr Huw Thomas and Cllr David were not present to vote for Cardiff and Bridgend respectively.

(4) It was resolved that the South East Wales Corporate Joint Committee:

(1) noted the transition activities laid out in the report;

(2) noted the proposed approach to the novation of the City Deal Funding Award Letter, as laid out in paragraph 13 and Appendix 2.

7. The South East Wales Corporate Joint Committee Interim Constitution

(1) KB introduced the item.

Cllr Brocklesby left the meeting at 11:57

(2) KB drew Leaders' attention to paragraph 5 and emphasised that the constitution was interim at this stage, with a final version to be brought to Committee in advance of the CJC becoming fully operational on 1 April 2024

(3) Committee Members agreed to accept the recommendations of the report as moved by Cllr Burnett and seconded by Cllr Sean Morgan.

(4) Cllr Hunt obtained individual votes of acceptance from Committee Members in the following order:

Bannau Brycheiniog, Vale of Glamorgan, Caerphilly, Blaenau Gwent, Newport, Merthyr Tydfil, Rhondda Cynon Taf and Torfaen.

Cllr Huw Thomas, Cllr David and Cllr Brocklesby were not present to vote for Cardiff, Bridgend and Monmouthshire respectively.

(5) It was resolved that the South East Wales Corporate Joint Committee:

(1) approved the Interim Constitution and its Appendices at Appendix A to this report, to replace the Standing Orders approved on 31 January 2022;

(2) noted that Section 6 and Appendix 7 of the Interim Constitution are subject to the 10 constituent councils of the CJC approving the terms of reference of the Joint Overview and Scrutiny Committee that will scrutinise the CJC;

(3) noted that the standards sub-committee arrangements set out within Section 4 and Appendix 4 of the Interim Constitution are subject to the conclusion of a Service Level Agreement between the CJC and Cardiff Council (to be concluded under officer delegated authority); and

(4) noted that it will receive further updates and revisions to the Interim Constitution during 2023-24 in order to allow for implementation of the preferred governance and delivery model.

8. Pay Policy 2023/24

(1) KB introduced the report in her capacity as Interim Chief Executive in accordance with the requirements of the Localism Act 2011.

(2) Committee Members agreed to accept the recommendations of the report as moved by Cllr Burnett and seconded by Cllr Sean Morgan.

(3) Cllr Hunt obtained individual votes of acceptance from Committee Members in the following order:

Bannau Brycheiniog, Vale of Glamorgan, Caerphilly, Blaenau Gwent, Newport, Merthyr Tydfil, RCT and Torfaen.

Cllr Huw Thomas, Cllr David and Cllr Brocklesby were not present to vote for Cardiff, Bridgend and Monmouthshire respectively.

(4) It was resolved that the South East Wales Corporate Joint Committee:

(1) approved the attached Pay Policy Statement (2023/24) Appendix 1.

9. South East Wales Corporate Joint Committee: Regional Transport Plan & Strategic Development Plan

(1) CM introduced the report and provided some background to the matter. Welsh Government had identified 6 key milestones to be met by March 2025. Some milestones were challenging and CCR were working with Welsh Government as to how they could be managed, with support from TfW, the RTA and other local officers.

(2) Leaders discussed the item:

- there was concern around the level of detailed required by

Welsh Government;

- in terms of ensuring local authorities align their Local Plans with the guidance, this should be discussed at CJC/Member-level and not at sub-committee level to ensure transparency;
- if the CJC wished to change voting structures this would require unanimous approval;
- a separate discussion on governance would be held as soon as possible.

ACTION: KB would arrange a separate meeting. **KB**

(3) Committee Members agreed to accept the recommendations of the report as moved by Cllr Burnett and seconded by Cllr Sean Morgan.

(4) Cllr Hunt obtained individual votes of acceptance from Committee Members in the following order:

Bannau Brycheiniog, Vale of Glamorgan, Caerphilly, Rhondda Cynon Taf, Merthyr Tydfil, Newport, Blaenau Gwent and Torfaen

Cllr Huw Thomas, Cllr David and Cllr Brocklesby were not present to vote for Cardiff, Bridgend and Monmouthshire respectively.

(5) It was resolved that the South East Wales Corporate Joint Committee:

(1) noted the statutory powers, associated duties and obligations in relation to spatial planning and regional transport as detailed in LG and Elections (Wales) Act 2021; and,

(2) approved the resourcing approach detailed in this report to enable CCR to achieve the first milestones of the RTP and SDP, noting the position set out in relation to the CJC's proposed 2024/25 Budget Strategy and Medium Term Financial Plan as set out in Paragraph 61.

10. Appointment of Interim Monitoring Officer

(1) KB introduced the item and provided background to the report. KB thanked James Williams, the outgoing Monitoring Officer for his work and support.

(2) Committee Members agreed to accept the recommendations of the report as moved by Cllr Burnett and seconded by Cllr Sean Morgan.

(3) Cllr Hunt obtained individual votes of acceptance from Committee Members in the following order:

Bannau Brycheiniog, Vale of Glamorgan, Caerphilly, Rhondda Cynon Taf, Merthyr Tydfil, Newport, Blaenau Gwent and Torfaen.

Cllr Huw Thomas, Cllr David and Cllr Brocklesby were not present to vote for Cardiff, Bridgend and Monmouthshire respectively.

(4) It was resolved that the South East Wales Corporate Joint Committee:

(1) subject to recommendations 2 and 3 below and the conclusion of the relevant legal agreements, approved the designation of Jayne La Grua as Interim Deputy Monitoring Officer of the CJC from 11 October 2023 and as Interim Monitoring Officer of the CJC from 1 November 2023;

(2) noted that Cardiff Council will make the necessary arrangements to engage Ms La Grua on behalf of the CJC; and

(3) authorised the Interim Chief Executive, on behalf of the CJC, to conclude or amend the service level agreement with Cardiff Council in relation to this matter.

Recording of the meeting ended at 12:26

Date of Next Meeting: 9.30am on Monday 4 December 2023

Declarations of Interest

Procedural Note for Elected Members

All members are required by law to complete a declaration of interests form to register their financial and other interests that could potentially conflict with their role as local councillor, including their membership of the Joint Committee. In addition, each Council has its own process for recording such interests, as well as its own adopted members' code of conduct. If in doubt, members should seek advice from their Council's Monitoring Officer in the first instance.

In addition to completing a declaration of interests form, members are also required to declare any interests at the start of a meeting of the Joint Committee, where that particular interest conflicts with some or all of the business to be discussed at that meeting. When making a declaration of interest, members should state whether the interest is personal or prejudicial. It is a matter for the member whether or not they choose to declare an interest, and whether or not that interest is personal or prejudicial. Members should refer to their Council's Code of Conduct and seek advice from their Council's Monitoring Officer prior to the start of meeting. If members become aware of a potential interest during the course of the meeting, they should make a declaration at the earliest opportunity and seek advice from the legal representative of the Accountable Body if required.

In respect of personal interests, member may remain in the meeting and take part in any debate and vote on the item of business. In respect of prejudicial interests, then they must leave the meeting immediately, not take part in the discussion of or vote on those items in which they have declared a prejudicial interest.

The interest will be recorded in the minutes of the meeting.

Datgan Buddiannau

Nodyn Gweithdrefnol ar gyfer Aelodau Etholedig

Mae'n ofynnol yn ôl y gyfraith i bob aelod lenwi ffurflen datganiad buddiannau i gofrestru eu diddordebau ariannol a diddordebau eraill a allai o bosibl wrthdaro â'u rôl fel cynghorydd lleol, gan gynnwys eu haelodaeth o'r Cyd-bwyllgor. Yn ogystal, mae gan bob Cyngor ei broses ei hun ar gyfer cofnodi diddordebau o'r fath, yn ogystal â'i god ymddygiad aelodau mabwysiedig ei hun. Os oes amheuaeth, dylai'r aelodau ofyn am gyngor gan Swyddog Monitro eu Cyngor yn y lle cyntaf.

Yn ogystal â chwblhau ffurflen datgan buddiannau, mae'n ofynnol hefyd i aelodau ddatgan unrhyw ddiddordebau ar ddechrau cyfarfod o'r Cyd-bwyllgor, lle mae'r diddordeb penodol hwnnw'n gwrthdaro gyda rhywfaint neu'r holl fusnes i'w drafod yn y cyfarfod hwnnw. Wrth wneud datganiad o fudddiannau, dylai'r aelodau ddatgan a yw'r diddordeb hwnnw yn un personol neu'n rhagfarnol. Mae'n fater i'r aelod p'un a ydynt yn dewis datgan buddiant ai peidio, ac a yw'r diddordeb hwnnw'n bersonol neu'n ragfarnol ai peidio. Dylai aelodau gyfeirio at God Ymddygiad eu Cyngor a gofyn am gyngor gan Swyddog Monitro eu Cyngor cyn dechrau'r cyfarfod. Os daw aelodau'n ymwybodol o ddiddordeb posibl yn ystod y cyfarfod, dylent wneud datganiad ar y cyfle cyntaf a gofyn am gyngor gan gynrychiolydd cyfreithiol y Corff Atebol os oes angen.

O ran diddordebau personol, gall aelod aros yn y cyfarfod a chymryd rhan mewn unrhyw ddadl a phleidleisio ar eitem busnes. O ran diddordebau rhagfarnol, yna mae'n rhaid iddynt adael y cyfarfod ar unwaith, peidio â chymryd rhan wrth drafod na phleidleisio ar yr eitemau hynny y maent wedi datgan diddordeb rhagfarnol ynddynt.

Bydd y diddordeb yn cael ei gofnodi yng nghofnodion y cyfarfod.

REPORT SUMMARY SHEET

TITLE:

2023/24 MONTH 07 BUDGET MONITORING UPDATE

Purpose

To update the South East Wales Corporate Joint Committee (the CJC) on the 2023/24 Month 07 Revenue Budget Monitoring position and projected out-turn, as at 31 October 2023.

Summary

At Month 07 the 2023/24 Budget is projected to be fully spent by the end of the year, noting a number of positive and adverse variations against the approved budget heads. The budget position will continue to be monitored through the remaining part of the financial year and further updates will be reported to the CJC as appropriate.

Recommendations

It is recommended that the South East Wales Corporate Joint Committee notes the 2023/24 Month 07 Budget Monitoring position and projected out-turn position as set out in this report.

Contact Officer

Kellie.Beirne@cardiff.gov.uk

South East Wales Corporate Joint Committee
Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

4 DECEMBER 2023

2023/24 MONTH 07 BUDGET MONITORING UPDATE

TO RECEIVE THE REPORT OF THE SEW CJC INTERIM SECTION 151 OFFICER

AGENDA ITEM: 4

Reason for this Report

1. To update the South East Wales Corporate Joint Committee (the CJC) on the 2023/24 Month 07 Revenue Budget Monitoring position and projected out-turn, as at 31 October 2023.

Background

2. The South East Wales CJC Regulations 2021 came into force on 1 April 2021 which established the corporate legal entity of the CJC, consisting of the 10 constituent Cardiff Capital Region (CCR) local authorities and, for the purposes of the Strategic Development Plan (SDP), the Bannau Brycheiniog National Park Authority (BBNPA).

3. The CJC is responsible for carrying out the Strategic Development Planning (SDP) function and preparing a Regional Transport Plan (RTP) (the "New Functions") as well as having a wider Economic Wellbeing role across the South East Wales region. These Economic Wellbeing powers have provided the opportunity to 'Lift & Shift' the Cardiff Capital Region City Deal (CCRCD) from the existing arrangements to the new corporate entity through which multiple programmes, investments and functions could be developed and delivered on a regional basis.

4. At its meeting of the 30 January 2023, the CJC adopted a 'Building Foundations' approach to setting its 2023/24 budget and in doing so, approved a revenue budget of £255,662. This approach was designed to minimise the impact of any detriment incurred by the CJC whilst the technical issues remained outstanding. Therefore, for the 2023/24 budget a nominal sum of £25,000 was approved for each of the CJC operational areas i.e. for the commencement of the Strategic Development Plan (SDP) and the Regional Transport Plan (RTP).

5. In addition, the 2023/24 budget included additional sums to build on the CJC's Standing Orders, for example to review the arrangements for sub-committees, which are required under the regulations. However, the report noted that whilst the CJC operates on a Building Foundations basis, the work programme for its various sub-committees is likely to be limited and decisions around the formal commencement date for each of the sub-committees would be considered later in the year.

6. Therefore, as in prior years, the key aspect of the 2023/24 budget revolved around the resources needed for CJC management and overheads required to support the CJC's

overall governance and decision-making processes. Furthermore, the budget approved included sums to allow the CJC to be compliant with wider legislation such as the preparation (and audit) of its accounts under the Accounts & Audit Regulations 2014.

Issues

7. At its meeting of the 9 October 2023, the CJC received an update on the actual income received, expenditure incurred at Month 04 (31 July 2023) and the projected out-tun for the year, based on the information known at that time. At Month 04 it was projected that whilst some categories of expenditure would be incurred in the second half of the year, overall the CJC's Budget was on target to be fully spent by the 31 March 2024.

8. Table 1.0 below provides an updated position against the 2023/24 approved CJC revenue budget as at Month 07 (31 October 2023) and the projected out-turn to the end of the financial year.

Table 1.0 - Revenue Budget Monitoring Position as at Month 07

South East Wales Corporate Joint Committee Operational Budget - Building Foundations							
Description	2023/24 Budget		Month 07 Actual	Month 07 Commit'	Month 07 Revised	23/24 Forecast	23/24 Variance
	£		£	£	£	£	£
1. New Functions							
Strategic Development Plan - CJC	25,000		-	-	-	25,000	-
Regional Transport Plan - CJC	25,000		-	-	-	25,000	-
New Functions Sub-Total	**50,000**		**-**	**-**	**-**	**50,000**	**-**
2. Governance & Sub-Committees							
Governance & Audit Committee	6,500		-	-	-	12,470	5,970
Standards Committee	500		-	-	-	5,000	4,500
Scrutiny Committee	500		-	-	-	5,000	4,500
Translation Services	500		-	500	500	1,000	500
Other - Travelling Expenses	-		-	400	400	2,250	2,250
Governance & Sub-Committee Sub-total	**8,000**		**-**	**900**	**900**	**25,720**	**17,720**
3. Corporate Duties							
Maintaining CJC Corporate Duties	5,000		-	6,363	6,363	14,317	9,317
Corporate Duties Sub-total	**5,000**		**-**	**6,363**	**6,363**	**14,317**	**9,317**
4. Management & Overheads							
CCR SLA: CJC Officer & Cabinet Support	58,531		-	51,716	51,716	88,656	30,125
CC SLA: Statutory Officers & HR Advisory	36,100		-	3,208	3,208	5,500	- 30,600
RCT SLA: Transactional Support & Systems	46,031		-	18,788	18,788	32,208	- 13,823
RCT: TBC Additional Support Activities	-		-	-	-	-	-
CJC Insurances & Broker Fees	20,000		4,251	4,736	8,987	15,407	- 4,593
External Audit	2,000		- 100	-	- 100	2,100	100
Contingency	30,000		- 1,496	1,522	26	21,754	- 8,246
Management & Overheads Sub-total	**192,662**		**2,655**	**79,970**	**82,625**	**165,625**	**- 27,037**
Total Annual Budgets	**255,662**		**2,655**	**87,234**	**89,889**	**255,662**	**-**
6. Funded By							
SEW CJC Constituent LAs	- 255,123		- 255,123	- 87,050	- 89,700	- 255,123	-
Bannau Brycheiniog National Park Authority	- 539		- 539	- 184	- 190	- 539	-
Total	**- 255,662**		**- 255,662**	**- 87,234**	**- 89,889**	**- 255,662**	**-**
NET SURPLUS/DEFICIT	**-**		**- 253,007**	**-**	**-**	**-**	**-**

9. Table 1.0 summarises that at Month 07 the revised expenditure amounted to £89,889, which represents 35.2% of the approved budget. In summary, the Month 07 position confirms that the overall budget remains on target to be fully spent during

2023/24. The position outlined above includes a number of favourable and adverse variances against individual budget heads, which can be summarised as follows:

New Functions (On Target)

10. Whilst the CJC has undertaken a range of preparatory work (assessment of the emerging Welsh Government (WG) guidance, meetings with WG and Constituent Councils etc.) on both the Strategic Development Plan (SDP) and the Regional Transport Plan, it has yet to incur any costs in relation to the £25,000 budget approved for each function.

11. However, the RTP Implementation Plan was submitted to Welsh Government in-line with the 31 October 2023 deadline and the SDP Delivery Agreement is being progressed with a view to being submitted in early 2024. Therefore, it is anticipated that costs against these budget heads will be largely incurred in the second half of the year. At Month 07 both budgets are projected to be fully spent in 2023/24, but the position remains fluid and these projections will continue to be closely monitored over the coming months. In addition, submission of these documents will allow WG to confirm its position in relation to any grant funding support that it may choose to make available in 2023/24 and beyond.

Governance & Sub-committees (+£17,720)

12. During the first part of the year, the CJC has approved a number of recommendations in respect of the arrangements for the CJC's Audit & Governance Sub-Committee and its Standards Sub-Committee. These are being progressed and at Month 07 it is projected that full year costs may be in the region of £25,720 in 2023/24, which exceeds the approved budget of £8,000. The projection includes costs in relation to recruiting a lay Chair and Vice-Chair and the costs associated with holding a minimum of one meeting. In addition, the projection includes an estimate of the cost which may be payable to Cardiff Council for the provision of the CJC's Standards Committee.

Corporate Duties (+9,317)

13. The Governance Manager has progressed discussions with a range of government agencies to assess the proportionate requirements which the CJC will need to put in place in respect of a wide range of corporate duties. The exact requirements are still being worked through but will reflect the CJC's maturity and current operating parameters i.e. that it is at the 'Building the Foundations' phase of evolution. At Month 07 the cost of the Governance Manager's time (based on an average of 1 day per week from July 2023) has been recorded against this budget. The full year projection (£14,317) has been prepared on this basis and will need to be reviewed and updated as the arrangements with the various agencies are finalised and costed.

Management, Support & Overheads (-£27,037)

14. The 3 key Service Level Agreements agreed with Cardiff Capital Region City Deal (CCRCD), Cardiff Council (CC) and Rhondda Cynon Taf (RCT), amount to £140,662 and represent over 73% of the total Management, Support & Overhead budget for 2023/24. As at Month 07 the combined spend against these budgets amounted to £73,712 or 52.4% of the approved budget. However, as activity ramps up through the course of the year, spend of £126,364 is projected across these 3 areas in 2023/24.

15. The remaining budgets consist of CJC Insurances (including broker fees), the External Audit fee and Contingency budget, which amount to £52,000. The full year projected spend against these budget heads amount to £39,261 at Month 07. The Insurance premium and broker fees have been paid for the year (£15,407) and it has been confirmed that this sum is inclusive of employee related insurances expected in 2023/24 i.e. the appointment of the Chief Executive and wider Executive Team.

16. The position for next year is being discussed with the broker and any increase will need to be built into the 2024/25 budget. On this basis a net underspend of -£27,037 is projected against the Management, Support & Overheads budget.

Funding (On Target)

17. To assist with the CJC's cashflow requirements, funding due from the Constituent Councils (£255,123) and the BBNPA (£539) was invoiced in the early part of the financial year. These sums have been received in full and the appropriate amounts have been released to the CJC's revenue account to meet the expenditure incurred to-date.

18. The figures outlined above are all shown net of VAT (where applicable) and reflect the CJC's s33 VAT status. The CJC is yet to formally register itself for VAT with HMRC and in the meantime continues to reclaim its VAT via the s126 Notice process.

Reasons for Recommendations

19. To update the CJC on the 2023/24 Budget Monitoring position at Month 07 and likely projected out-turn position for the year.

Financial Implications

20. The report provides an update on the CJC's 2023/24 Budget Monitoring position and projected out-turn as at Month 07. Given the subject of the report, the financial implications are clearly set out in the body of the report. The budget position will continue to be monitored through the remaining part of the financial year and further updates will be reported to the CJC as appropriate.

Legal Implications

21. This is a revenue budget monitoring report for noting and based on the information contained in this report, does not raise any direct legal issues.

Well-being of Future Generations (Wales) Act 2015

22. The Well-being of Future Generations (Wales) Act 2015 places a duty on public bodies to carry out 'sustainable development', meaning the process of improving the social, economic, environmental and cultural well-being of Wales by taking action aimed at achieving the 'well-being goals' of:

- A prosperous Wales
- A resilient Wales
- A healthier Wales

- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

and by acting in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

23. In order to act in accordance with the sustainable development principle, when exercising its functions Regional Cabinet must take account of the following things:

- the importance of balancing short term needs with the need to safeguard the ability to meet long term needs;
- the need to take an integrated approach to achieving the well-being goals;
- the importance of involving others with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of the region;
- how acting in collaboration with others could assist to meet the region's well-being objectives;
- how deploying resources to prevent problems occurring or getting worse may contribute to meeting the region's well-being objectives.

24. To assist Regional Cabinet to consider its duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 1.

Equality Act 2010

25. Regional Cabinet must, in the exercise of its functions, have due regard to the 'public sector equality duty' and the need to: (1) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited under the Equality Act; (2) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not; and (3) foster good relations between persons who share a relevant protected characteristic and persons who do not.

26. The characteristics protected under the Act are:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;
- sexual orientation.

27. There are no specific equalities implications arising from this report.

RECOMMENDATIONS

28. It is recommended that the South East Wales Corporate Joint Committee:

(1) notes the 2023/24 Month 07 Budget Monitoring position and projected out-turn position as set out in this report.

Chris Lee
Interim Section 151 Officer
South East Wales Corporate Joint Committee
17 November 2023

Future Generations Assessment Evaluation
(includes Equalities and Sustainability Impact Assessments)

Appendix 1

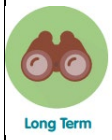
Name of the Officer completing the evaluation:	**Please give a brief description of the aims of the proposal**
Hrjinder Singh **Phone no:** 07890 027492 **E-mail:** h.singh@cardiff.gov.uk	To update the South East Wales Corporate Joint Committee (the CJC) on the 2023/24 Month 07 Revenue Budget Monitoring position and projected out-turn, as at 31 July 2023.
Proposal: It is recommended that the SEW CJC: 1. notes the 2023/24 Month 07 Budget Monitoring position and projected out-turn position as set out in this report;	**Date Future Generations Evaluation form completed:** 24 November 2023

1. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	**Does the proposal contribute to this goal? Describe the positive and negative impacts.**	**What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?**
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The report details the Financial Position at the end of Period 7 being the 31 October 2023. The report sets out the next steps in the development of the principles of the South East Wales Corporate Joint Committee (SEW CJC). Budget 2024/25.	The SEW CJC will bring together the CCR City Deal and the CJC into one coherent model of regional economic governance that will exist to maximise the opportunities for collaboration, ensure the best use of resources, increasing opportunity and generating jobs and GVA in the South East Wales economy.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and	As above.	As above

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
can adapt to change (e.g. climate change)		
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	As above.	As above
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	As above.	As above.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	As above.	As above.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	As above.	As above.
A more equal Wales People can fulfil their potential no matter what their background or circumstances	As above.	As above.

2. How has your proposal embedded and prioritise the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Balancing short term need with long term and planning for the future	The current arrangements provide for an interim set of Standing Orders which will be in place as the region completes the transition process to the SEW CJC. By its nature, the report provides assurance of the balancing of short-term and long-term planning and goals. The three main tenets of the SEW CJC of strategic development planning, the Regional Transport Plan and the empowerment of the SEW CJC to take direct action around economic well-being will ensure that the activity in the region is balanced and far-reaching.	
Working together with other partners to deliver objectives	Partnership working has been at the heart of the Cardiff Capital Region's work, working with UK and Welsh Governments, local authorities and private and public sector organisations and communities. In addition, the SEW CJC approach will formalise the connection with the Brecon Beacons National Park Authority (BBNPA), who have voting rights, alongside the CCR Regional Cabinet, on matters pertaining to the SEW CJC's Strategic Development Plan.	
Involving those with an interest and seeking their views	The current commitment to transparent partnership working will be strengthened by the SEW CJC. The CJC will also inherit statutory obligations to consult and seek the views of the public which can only add to and strengthen the position going forward.	
Putting resources into preventing problems occurring or getting worse	The report details the budget monitoring position for the 2023/24 approved CJC budget and sets out that the CJC Transition Plan is being progressed with an effective date for implementing the Lift & Shift Model now in place.	

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
Considering impact on all wellbeing goals together and on other bodies	The SEW CJC will provide formal powers for the region to act on matters relating to economic well-being and to have a direct impact on well-being goals long-term. The commencement date for these duties was the 30th June 2022.	

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Not relevant in this context since the principles, approach and ways of working apply to all prospective interests and stakeholders.		Diversity and inclusion into all partnerships and relationships will help ensure the protected characteristics agenda is embedded in ways of working and the culture that is created.
Disability	As above.	As above	As above.
Gender reassignment	As above.	As above	As above.
Marriage or civil partnership	As above.	As above	As above.
Pregnancy or maternity	As above.	As above.	As above.
Race	As above.	As above.	As above.
Religion or Belief	As above.	As above.	As above.
Sex	As above.	As above.	As above.
Sexual Orientation	As above.	As above	As above.
Welsh Language	As above.	As above	As above.

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant; however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents.		

Corporate Parenting	Not directly relevant; however, building strength in the economy should create opportunities for all of the young people entrusted in our care and make a direct contribution to well-being.		

5. What evidence and data has informed the development of your proposal?

As above.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

In the main, the proposal is building a stronger, more collaborative and supportive future for the region that will widen opportunities across the spectrum.

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	At least annually in light of the 'Building the Foundations' approach being taken at this time.

REPORT SUMMARY SHEET

TITLE:

Audit Wales Report

Purpose

To inform the Committee of the summary report and letter received from Audit Wales. The summary report is on the Corporate Joint Committees' progress in developing their arrangements and has been issues to all four CJCs. As the findings in this report are more general, some may be more pertinent to some CJCs than others. The letter sets out the findings pertinent to the South East Wales Corporate Joint Committee in developing their arrangements.

Summary

As the findings in the report are more general, some may be more pertinent to some CJCs than others. Hence, the report should be read in conjunction with the individual letters issued to the four CJCs.

The findings provided are structured around the following areas:

- *understanding of the Welsh Government's aims for the CJCs*
- *evolving governance arrangements.*
- *CJC's plans to deliver the Welsh Government aims and meet their statutory obligations.*
- *How the CJC relates to existing partnership arrangements.*
- *CJC's plans to meet their requirements under the WFG Act, including setting their well-being objectives.*

Recommendations

Note the findings in the report and letter

Contact Officer

Kellie.Beirne@cardiff.gov.uk
Lynda.Bird@cardiff.gov.uk

***** *If the hyperlink in this document does not work, the Audit Wales report can be accessed by following this link:*
https://www.wao.gov.uk/sites/default/files/publications/Corporate_Joint_Committees_report.pdf

REPORT SUMMARY SHEET

TITLE:

Annual Business Plan Q2 Report

Purpose

To inform CJC Board of the Quarter 2 reporting position against the 2023/24 Cardiff Capital Region Business Plan.

Summary

CJC Board approved its 2023/24 Annual Business Plan at its meeting in January 2023. The 2023/24 Annual Business Plan sets out the combined set of activities, tasks, and objectives to be delivered in the period, alongside an assessment of the resources required to deliver. This report seeks to update solely on the CJC-specific components of the Annual Business Plan for Q2.

Recommendations

Recommend that CJC Board approve the Quarter 2 report.

Contact Officer

Kellie.Beirne@cardiff.gov.uk

South East Wales Corporate Joint Committee

Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

4 December 2023

2023-24 ANNUAL BUSINESS PLAN - QUARTER 2 PERFORMANCE REPORT

REPORT OF CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM: 6

Reason for this Report

1. To inform CJC Board of the Quarter 2 reporting position against the 2023/24 Cardiff Capital Region Business Plan.

2. To recommend that CJC Board approve the Quarter 2 report.

Background

3. CJC Board approved its 2023/24 Annual Business Plan at its meeting in January 2023. The 2023/24 Annual Business Plan for the first time, is an integrated Business Plan for the Cardiff Capital Region, detailing all its different facets – CJC transition, CCRCD programme, Shared Prosperity Fund and so much more. Therefore, it adheres to both the provisions of the Joint Working Agreement for the Cardiff Capital Region City Deal – and the activity required to allow the policy position of 'lift and shift' into the new Corporate Joint Committee (CJC) to be enacted. This thus represents a single point of integrated reporting – as per the reports to Regional Cabinet and CJC Board of 30 January 2023. The 2023/24 Annual Business Plan sets out the combined set of activities, tasks and objectives to be delivered in the period, alongside an assessment of the resources required to deliver. This report seeks to update solely on the CJC-specific components of the Annual Business Plan for Q2.

4. The combined CCR Annual Business Plan 2023/2024 and the priority actions contained within it, form the basis of the Quarterly Performance Monitoring Reports. The 23/24 Business Plan outlines key priorities that must be met in order to operationalise the CJC and enable lift and shift into a fully functioning CJC in April 24. The key priorities for 23/24 allied to CJC transition were as follows:

    - Commencement of early preparation work via the CJC on a Strategic Development Plan and Regional Transport Plan

- Create a phased single entity Transition Plan including a Target Operating Model to facilitate bringing in all current staff and all corporate activity, projects, and investments
- Create an updated organizational governance model that simplifies the current model
- Conduct Corporate IT Tools and Technology review and make recommendations

Summary of Progress – Quarter 2

5. A summary of progress is outlined below:

Objective 1: Commencement of early preparation work via the CJC on a Strategic Development Plan and Regional Transport Plan **Q1 Milestone(s):** • Convene RTA officer group (Jan 23) • Brief RTA Members Group (Feb 23) • Agree ToR and initial scope of work **Q2 Milestone(s):** • Draft RTP Policy approach • Gain RTA Approval for Policy Approach • Identify key stakeholders and expertise to support CCR CJC with the creation of plans [SDP]	
Narrative: In the period, engagement with Welsh Government on the preparation of the RTP Implementation Plan progressed and the plan itself was developed in line with the submission date of the 31st October. Internal budget discussions and engagement with Welsh Government on potential budget allocations to build into the Implementation Plan were progressed. RTA engagement continued throughout the period and approval will be sought prior to submission of the Implementation Plan at the end of October. Development of an agreed approach to the SDP continued throughout Q2, officer level engagement through SEWPOS has been growing, this will continue. The budget position for the SDP is less clear at present and ongoing engagement with WG and other stakeholders will continue to try and resolve.	
Objective 2: Create a phased single entity Transition Plan including a Target Operating Model to facilitate bringing in all current staff and all corporate activity, projects, and investments. **Q1 Milestone(s):**	

- Identify all Transition activities
- Begin phased implementation of Transition Plan
- Begin preparation of the existing portfolio for transition into the new corporate structure

Q2 Milestone(s):

- Issue transition detailed project plan
- Transition Plan implementation
- Continue with preparation of the existing portfolio for transition into the new corporate structure
- Continue setting up the CJC for success, including proportional delivery of Public Sector Duties

Narrative:

The Transition Plan has continued to evolve and continues to be driven by 6 key workstreams of activity as outlined in the Q1 Report. During this quarter, an additional cross-cutting 'Policy' workstream has emerged to support the ongoing effective operationalising of the CJC and in preparation of the full lift and shift for the 1st of April 2024. During this quarter, a more in-depth critical path and milestone plan has been produced to take the transition through to April 2024 and 'lift and shift'. This work is ensuring that there is surety around the key decisions that are required and when to enable Lift and Shift.

CJC Workstreams are:

1. People
2. Corporate and Governance
3. Finance
4. Investments and Project Delivery
5. Subsidiary Corporate Structures
6. Stakeholder Engagement & Communications
7. Policy

Objective 3:

Create an updated organisational governance model that simplifies the current model and ensures advantage is taken of the freedoms, flexibilities, and additional powers available through the CJC legislation

Q2 Milestone(s):

- Full review of organizational governance model, identify gaps, improvement opportunities

Narrative:

During Q1 an initial internal workshop was held to identify the core requirements of any future governance model and how it would align with the future constitution of the organisation. During Q2 these core requirements were used to inform and support a full review of the organizational governance model, identifying gaps and highlighting opportunities for improvement. Progress in this quarter means there is now much greater clarity on what the future governance model will look like, how it will work with the current CCRCD arrangements as well as giving the appropriate level of assurance to all parties.
Work on how CCR will move toward the future governance model will be undertaken in Q3, including any transition arrangements.

Objective 4:

Conduct Corporate IT Tools and Technology review and make recommendations

Q1 Milestone(s):

- Identify & Document Corporate IT requirements relating to tools and technology (Data Storage, File Sharing, CRM etc.)

Q2 Milestone(s):

- Sign off High Level Requirements

Narrative:

The quarter saw the completion of the Corporate IT Tools & Technology Review with recommendations and sign-off for Corporate IT requirements in the CJC expected imminently.

During this quarter, significant progress has been made with RCTCBC on the provision of the base IT service to the CJC and the internal Task and Finish Group continues to meet regularly to give a clear steer to the CJC Programme Manager on organisational / departmental considerations for the IT transition.

Financial Implications

6. There are no direct financial implications arising from this report, which seek to provide an update against the CJC component of the 2023/24 Cardiff Capital Region Annual Business Plan.

7. Regular budget monitoring reports are prepared and presented to both the CJC and the Cardiff Capital Region City Deal (CCRCD) in respect of their 2023/24 approved revenue budgets. The CJC budget amounts to £255,662 and includes resources to deliver the business plan activities outlined above. In addition, the CCRCD has approved a separate Transition Budget amounting to £234,481 in respect of 2023/24. These budgets provide a total resource envelope of £490,143 to cover both operational activities and transition arrangements.

Legal Implications

8. The report sets out the Quarter 2 performance and is submitted to CJC for consideration. There are no direct legal implications for this report.

Well-being of Future Generations (Wales) Act 2015

9. In developing the Plan and in considering its endorsement regard should be had, amongst other matters, to:

   (a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;

   (b) Public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are : a. Age; b. Gender reassignment; c. Sex; d. Race – including ethnic or national origin, colour or nationality; e. Disability; f. Pregnancy and maternity; g. Marriage and civil partnership; h. Sexual orientation; I. Religion or belief – including lack of belief, and;

   (c) the Well Being of Future Generations (Wales) Act 2015. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CJC) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the CJC Board should consider how the proposed decision will contribute towards meeting the wellbeing objectives set by each Council and in so

doing achieve the national wellbeing goals. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Regional Cabinet must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, Regional Cabinet must:

- look to the long term;
- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 national well-being goals;
- work in collaboration with others to find shared sustainable solutions;
- involve people from all sections of the community in the decisions which affect them.

10. CJC Board must be satisfied that the proposed decision accords with the principles above. To assist CJC Board to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at appendix 1.

Equality Act 2010

11. In considering this matter, regard should be had, amongst other matters, to the Councils' duties under the Equality Act 2010. Pursuant to these legal duties the CJC Board must in making decisions have due regard to the need to (1) eliminate unlawful discrimination (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are:

- age;
- gender reassignment;
- sex;
- race – including ethnic or national origin, colour or nationality;
- disability;
- pregnancy and maternity;
- marriage and civil partnership;
- sexual orientation;
- religion or belief – including lack of belief.

RECOMMENDATIONS

12. It is recommended that the South East Wales Corporate Joint Committee Board:

    Note the updates

Kellie Beirne
Director
Cardiff Capital Region
4 December 2023

Appendices

Appendix 1. Wellbeing of Future Generations Assessment

Future Generations Assessment Evaluation
(includes Equalities and Sustainability Impact Assessments)

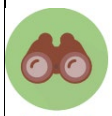
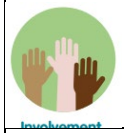
Name of the Officer completing the evaluation:	**Please give a brief description of the aims of the proposal:**
Kellie Beirne **E-mail:** kellie.beirne@cardiff.gov.uk	1. To inform CJC Board of the Quarter 2 reporting position against the 2023/24 Cardiff Capital Region Business Plan.
Proposal: CJC – Q2 Update	**Date Future Generations Evaluation form completed:** 17 Nov 2023

1. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The report and appendices set out a progressive approach for driving prosperity within the region as it evolves its functions to embed CJC provisions and regulations.	In order to maintain business continuity and a seamless transition the report is focused on concurrence and the principles of transition and adaptation.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	The central contention of the report is that covid-19, climate and low growth all poses a conundrum about the forward and how some of the behaviours around working together, innovating quickly and rapidly adapting can be maintained as a positive legacy in the new working arrangements.	A CJC will allow more freedom and flexibility and it is envisaged that climate and renewable energy for clean growth will be a key lever in this context. The report highlights the responsibilities of the CJC going forward and how the organisation is setting itself up to be able to manage those duties appropriately and proportionally.
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Inclusion is a core theme of the approach and balancing a focus on levelling up the region with other regions in the UK to ensure CCR accesses all of the opportunities available to it – thus supporting not just sectors and industries but communities and people.	ESG and equality and diversity focus to ensure emphasis on societal and community needs. CJC will develop its own corporate policies in response to key duties in respect of WFG Act Wales, Equality and Human Rights and Nature and Biodiversity

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Putting in place a framework for regional cohesion whilst enhancing localism will support delivery of scale projects that make a difference across the geography, in tandem with local policies and levers that ensure citizens can benefit.	Work on the Northern Valleys will continue to be a key theme of CJC work – as will the emphasis on distributed, inclusive and resilient growth. CJC will also pick up the mantle on approval of key mechanisms such as the Regional Investment Plans for the Shared Prosperity Fund.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The principles look outward and focus on the FDI and international opportunities, which are particularly important post-EU exit.	Proposal for eventual radical decentralization of business functions and units currently operating at national level.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	The document represents a distinctive regional strategic approach to developing the economy.	CJC will develop its own corporate policies in response to key duties in respect of WFG Act Wales, Equality and Human Rights and Nature and Biodiversity
A more equal Wales People can fulfil their potential no matter what their background or circumstances	The approach focuses on economic inclusion, levelling-up and a mission-driven approach capable of not just tackling economic problems – but societal ones too.	The CJC will begin to produce its own policies for equality and diversity and ensuring these are not just factors in assessing impact – but become central to the task of increasing productive capacity and inclusive growth in the first place.

2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Balancing short term need with long term and planning for the future	The CJC is a long-term construct and requires thinking ahead, however in the short-term a 'bare minimum' model is being put in place.	This will be subject to the first phases of work and the transition plan as well as the proposed interim first phase of operation.
Working together with other partners to deliver objectives	The principles of the structure recommended situate partnerships and the building of new institutional capacity at the heart of the new framework.	As the regs develop this will be further progressed. As work commences on immediate duties around the Strategic Development and Regional Transport Plans – consultation and engagement processes will be developed accordingly.
 Involving those with an interest and seeking their views	The plan will be backed by a wider comms plan which has already included meeting with the various CCR Partnership groups.	Challenge funds will be another perspective to bring to bear in this context.
Putting resources into preventing problems occurring or getting worse	The mission-driven/ challenge-led approach embedded will be a key means of experimenting in the prevention space	At project and programme level – there are a number of options the CJC will be looking at in quick time, regarding regional bus services and transport demand management. There is also work moving forward on Local Area Energy Planning to ensure prevention is prioritized.
Considering impact on all wellbeing goals together and on other bodies	The proposed impact assessments will give a comprehensive and ongoing overview of benefits, costs and results. Outcome focused reporting and accountability will be key to this.	This can be further reinforced in the CJC budget setting and when Cabinet and partners have access to greater freedoms and flexibilities and the full 'lift and shift' CJC model.

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Not relevant in this context since the principles, approach and ways of working apply to all prospective interests and stakeholders	As projects and programmes develop under the CJC, each will be subject to comprehensive assessments against the plans and procedures put in place to protect certain characteristics.	A full ESG agenda and diversity and inclusion reviews into partnerships and groups will help ensure this agenda is embedding in ways of working and the culture that is created. A full training and development programme will also be devised in order to embed and 'bring to life' such considerations – not just as part of project assessments, but in seeking to address such concerns and issues as part and parcel of project business cases that are developed.
Disability	As above	As above	As above.
Gender reassignment	As above	As above	As above.
Marriage or civil partnership	As above	As above	As above.
Pregnancy or maternity	As above	As above	As above.
Race	As above	As above	As above.
Religion or Belief	As above	As above	As above.
Sex	As above	As above	As above.
Sexual Orientation	As above	As above	As above.
Welsh Language	As above	As above	As above.

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		This is dependent upon the brief for regional education consortia and whether or not, it is intended to be grouped within CJCs.
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care and makes a direct contribution to wellbeing.		

5. What evidence and data has informed the development of your proposal?

As above.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

As above, the main implications will be in the delivery of this work.

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Scrutiny by the CJC and quarterly performance – Lift and Shift anticipated to take place in 2023/24

South East Wales Corporate Joint Committee
Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

REPORT SUMMARY SHEET

SOUTH EAST WALES CORPORATE JOINT COMMITTEE TRANSITION REPORT

Purpose

To update Members on progress towards the South East Wales Corporate Joint Committee achieving fully functioning status and the transition of the Cardiff Capital Region City Deal to the Corporate Joint Committee; and to make recommendations for decisions to be taken to further those objectives.

Summary

In order to transition the Cardiff Capital Region City Deal to the South East Wales Corporate Joint Committee, there are a number of key actions which require approval. In summary, these include: the transfer of the City Deal Funding Letter, and other funding agreements currently held by the Accountable Body on behalf of CCR, to the South East Wales CJC; the transfer of the portfolio of CCR City Deal active projects and companies to the South East Wales CJC; and agreement of the CJC's constitutional and other governance arrangements.

Recommendations

1. Consent to novate the Cardiff Capital Region City Deal Funding Agreement and rights and obligations in all other incoming funding agreements held by Cardiff Council as Accountable Body on behalf of the Cardiff Capital Region to the South East Wales Corporate Joint Committee;

2. Consent to transfer all interests in the portfolio of projects funded by Cardiff Capital Region, together with any ancillary agreements, from Cardiff Council as Accountable Body on behalf of Cardiff Capital Region to the South East Wales Corporate Joint Committee, subject to novation of the incoming funding agreements referred to at paragraph (1) above;

3. Delegate authority to the Chief Executive, in consultation with the Monitoring Officer, to agree and execute the final form of the deeds of novation and all

other legal documents necessary to implement the transfers referred to at paragraphs (1) and (2) above;

4. Agree to accept responsibility for decision making and implementation of the Cardiff Capital Region City Deal, subject to novation of the City Deal Funding Agreement and approval of additional standing orders incorporating the key terms of the Joint Working Agreement between the 10 Constituent Councils;

5. Note the proposed governance and partnership structure for the South East Wales Corporate Joint Committee, and transition arrangements, and agree to form a Working Group to consider any necessary amendments to the Interim Constitution, governance and partnership arrangements;

6. Delegate general authority to the Chief Executive, in consultation with the S151 Officer and Monitoring Officer as appropriate, to take and implement any decision required for operational effectiveness, provided that: (a) the cost of implementing the decision does not exceed agreed budgets; (b) the decision does not conflict with any agreed plan or strategy; and (c) there are no unusual features or significant political or other issues, otherwise the matter should be referred to Members to determine. The Chief Executive may sub-delegate functions to other appropriate officers, provided that any such delegation is recorded in writing.

Contact Officer

Kellie Beirne, Interim Chief Executive
Jayne La Grua, Interim Monitoring Officer

South East Wales Corporate Joint Committee
Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

4 DECEMBER 2023

SOUTH EAST WALES CORPORATE JOINT COMMITTEE TRANSITION REPORT

JOINT REPORT OF THE INTERIM CHIEF EXECUTIVE & INTERIM MONITORING OFFCER

AGENDA ITEM: 7

Summary

1. To provide an update on progress towards the South East Wales Corporate Joint Committee achieving fully functioning status and the Cardiff Capital Region City Deal transferring to the Corporate Joint Committee; and to make recommendations for decisions to be taken to further those objectives.

Background

2. In February 2017, the 10 Councils in the Cardiff Capital Region – Caerphilly, Cardiff, Blaenau Gwent, Bridgend, Monmouthshire, Merthyr Tydfil, Newport, Rhondda Cynon Taf, Torfaen, and Vale of Glamorgan - entered into a Joint Working Agreement which established a Joint Committee responsible for overseeing and coordinating the discharge of the Councils' obligations in relation to the Cardiff Capital Region City Deal and managing the CCRCD Wider Investment Fund. As part of those arrangements, Cardiff Council was appointed to act as the Accountable Body for CCR.

3. Regulations made under the Local Government and Elections (Wales) Act 2021 established four Corporate Joint Committees - South East Wales CJC, South West Wales CJC, North Wales CJC and Mid Wales CJC - with the aim of strengthening regional collaboration between authorities. The CJCs are public bodies - with broadly similar powers and duties to local authorities - and were given the statutory functions of developing regional transport policies, preparing a strategic development plan, and doing anything the CJC considers likely to promote or improve the economic wellbeing of its area. Membership of the

CJCs consist of the Executive Leaders of the Councils within the specific region, together with the National Park Authorities that sit within that region.

4. Membership of the South East Wales CJC is comprised of the leaders of the 10 Councils in the South East Wales region (the Constituent Councils) and a member appointed by the Brecon Beacons National Park Authority. The Constituent Councils are the same 10 councils who are party to the 2017 JWA relating to delivery of the Cardiff Capital Region City Deal.

5. The South East Wales CJC is a corporate body in its own right, able to directly employ staff, hold assets and manage funding, without the requirement to act via an Accountable Body. Given, amongst matters, the overlay in membership between the contractual JWA and the constituent council membership of the CJC, the strong correlation between the purposes of the CCR City Deal Award of Funding and the CJC's economic wellbeing function, and the various legal and operational advantages and efficiencies of the CJC being its own corporate entity, it has been the intention for some time now to transition the arrangements for delivering the CCRCD from the contractual JWA to the statutory South East Wales CJC.

6. A 'lift and shift' transition plan was originally approved by Regional Cabinet in September 2021, when it was anticipated that the CCRCD would transition to the South East Wales CJC in February 2022. The transition plan was, however, paused in December 2021, when it was identified that further legislation was required to resolve certain barriers to CJCs becoming fully operational (principally related to their status for taxation purposes). Those issues were subsequently resolved, and an updated transition plan was approved by the South East Wales CJC in July 2023. The updated plan identified two key milestones to achieve the full lift and shift:

    'Day 1' – achieving operating status at 1 October 2023; and

    'Year 1' – having a fully functioning status at 31 March 2024.

7. Operating status has now been achieved, meaning that the South East Wales CJC can function as a corporate entity, has the ability to employ people, and has in place interim governance arrangements; and the CJC is now working towards achieving fully functioning status by the end of the financial year.

Reasons for Report

8. In order to achieve fully functioning status and transition the CCR City Deal to the South East Wales CJC in accordance with the previously agreed transition

plan, there are a number of key actions which require approval by both Regional Cabinet and the South East Wales CJC. These may be summarised as:

(1) Consent to transfer the CCR City Deal Funding Letter, and other funding agreements currently in the name of Cardiff Council (acting in its capacity of Accountable Body) on behalf of CCR, to the South East Wales CJC;

(2) Consent to transfer all accounting arrangements from Cardiff Council (acting in its capacity of Accountable Body) to the South East Wales CJC. This will include the CCRCD's Balance Sheet (all assets and liabilities) as well as the portfolio of CCRCD projects and companies;

(3) Noting the proposed new governance structure of the South East Wales CJC, and agreeing to form a Constitutional Working Group;

(4) Agreement of transitional arrangements to support the proposed transfer;

(5) Appropriate officer delegations to carry the above into effect; and

(6) Forward-planning the next steps.

Transfer of Funding

9. A high-level overview of the CCR funding structure appears at Figure 1 below.

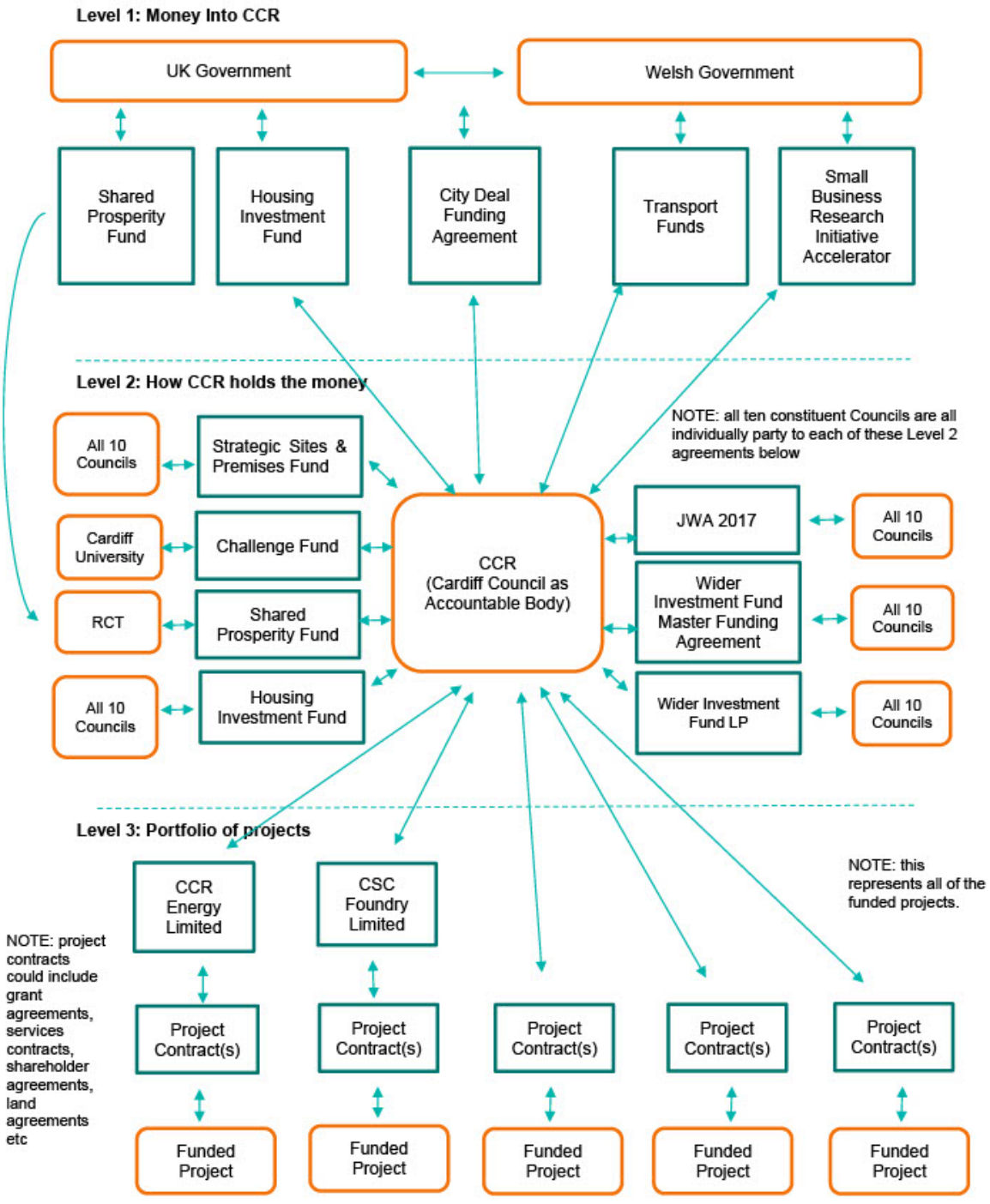
Level 1 represents money coming into Cardiff Capital Region;

Level 2 represents how CCR money is held; and

Level 3 represents the portfolio of projects funded by CCR, including its wholly-owned companies.

Figure 1

CCR / CJC TRANSITION – OUTLINE OF FUNDING STRUCTURE



Level 1 Funding Agreements – Money In

10. In order to transfer the Cardiff Capital Region City Deal Funding Agreement from Cardiff Council (acting as Accountable Body for CCR) to the South East Wales CJC, it will be necessary for Welsh Government, Cardiff Council and the South East Wales CJC to enter into a novation agreement. The novation agreement itself is a simple document, which has the effect of substituting Cardiff Council (the outgoing party) with the South East Wales CJC (the incoming party) in the agreement with Welsh Government (the remaining party), as shown in Figure 2 below.

Figure. 2

11. The Welsh Minister for Economy has confirmed Welsh Government's consent in principle to the novation, and the Secretary of State for Wales has confirmed that UK Government fully supports the transition.

12. A draft novation agreement has been prepared with an effective date of 1 April 2024. If agreed, the effect of the novation will be that, as of 00:01 hours on 1 April 2024, all of the Accountable Body's rights and obligations under the CCR City Deal Funding Agreement (whether arising before, on or after the novation date) will transfer to the South East Wales CJC, who will deliver the City Deal as part of its functions, and the Accountable Body will be released from its liabilities under the City Deal Funding Agreement. Welsh Government and South East Wales CJC will agree to be bound by the terms of the original City Deal Funding Agreement as if the CJC were an original party to the agreement in place of the Accountable Body.

13. Similar novation agreements will need to be entered into in order to transfer each of the other, smaller pots of 'Level 1' funding from Cardiff Council (as Accountable Body for Cardiff Capital Region) to the South East Wales CJC.

Level 2 Agreements - Funds held by the Accountable Body on behalf of CCR

14. How money is currently held by Cardiff Council in its capacity as Accountable Body for the CCR is depicted in 'Level 2' of the diagram shown at Figure 1 above.

15. The foundation stones are the JWA and WIF Master Funding Agreement between the 10 Councils, which also incorporate the Assurance Framework and the Investment Framework. Key provisions of both documents will need to be incorporated into the South East Wales CJC's Constitution; and decisions around precisely what is 'lifted and shifted' will need to be carefully considered by members of both Regional Cabinet and the South East Wales CJC, both in order to give HM Treasury and Welsh Government the assurances they need, and to preserve the core integrity of the agreement between the 10 Councils to deliver the CCR City Deal and contribute to the Wider Investment Fund.

16. Recommendations are made in subsequent paragraphs of this report as to the future governance structure of the South East Wales CJC and for members to form a Working Group during December – March 2024 to consider the details of those arrangements.

17. Cardiff Council (as Accountable Body for the CCR) has also entered into a collaboration agreement with Cardiff University in relation to the Challenge Fund, and an agreement with Rhondda Cynon Taf County Borough Council regarding the regional allocation element of the Shared Prosperity Fund. Consent is sought to also novate those agreements, and any ancillary agreements, to the South East Wales CJC.

Level 3 Agreements - Portfolio Transfer

17. Consent is sought to transfer the entire portfolio of funded projects to the South East Wales CJC, including any shares held by Cardiff Council on behalf of CCR in CCR Energy Ltd and CSC Foundry Ltd, to the South East Wales CJC.

18. The legal documents have been subject to external review and no barriers have been identified, with each of the proposed transfers falling into a difficulty category of either 'Easy' or 'Medium' and none falling into the category of 'Difficult' or 'Impossible'. Most are simple novation agreements and/or share transfers.

19. Specialist external advice has also been sought on the potential tax implications of each of the proposed transfers, and again no areas for concern have been identified.

Level 4 Agreements – Operational

20. Although not pictorially represented in the diagram at Figure 1 above, a notional 'Level 4' would be the various operational and service level agreements that will also (subject to member approval to novate the 'Level 1' funding agreements) need to be either terminated, assigned or novated to the South East Wales CJC. These include, for example, the lease of office premises, equipment hire, and agreements with Constituent Councils to provide support services such as IT, HR and transactional services. It is proposed that decisions on operational matters that fall within existing approved budgets be delegated to the CCR Director / South East Wales CJC Chief Executive in consultation, where appropriate, with the S151 Officer and/or Monitoring Officer.

South East Wales CJC Constitution, Policies and Procedures

21. Integral to the decision to transfer responsibility for the delivery of the Cardiff Capital Region City Deal to the South East Wales CJC is the requirement that the CJC has in place robust governance and operational arrangements.

22. At present, the South East Wales CJC has in place an Interim Constitution which allowed it to achieve operational status as at 1 October 2024. However, to reach a position of 'fully functioning' as at 1 April 2024, the Constitution will need to be amended and other key policies and procedures put in place. These include, but are not limited to, Committee and Sub-Committee Terms of Reference, the Scheme of Delegation to Officers, Financial Procedure Rules and Contract Procedure Rules.

23. Whilst any decision to amend the South East Wales CJC Constitution, or to adopt new policies and procedures, needs to be taken at a properly convened meeting sitting in public, there are a large number of key documents in development which Members will wish to have time to give proper consideration to and be involved in their evolution. In order for that task to be made more manageable, it is proposed that Members of the South East Wales CJC form a Working Group to meet regularly with officers from the Senior Leadership Team during the period from December 2023 to March 2024.

24. Following its meeting on 4 December 2023, the next ordinary meeting of the South East Wales CJC is due to take place on 29 January 2024, when it is anticipated that the CJC will be asked to approve:

    (1) the Constitution;
    (2) the Annual and 5-year Business Plans;
    (3) the City Deal Assurance Framework;

(4) the Annual Budget; and
(5) Treasury Management Strategy.

25. One further ordinary meeting of the South East Wales CJC is then due to take place in March 2024, when decisions will be sought on any remaining matters which need to be resolved prior to the intended final 'lift and shift' date of 1 April 2024.

Constituent Councils Update

26. It is suggested that, during the period between January 2024 and March 2024, an updating report on the activities of the South East Wales CJC be provided to the wider membership of each of the 10 Constituent Councils.

Proposed Governance and Partnership Structure

27. To date, Cardiff Capital Region City Deal has operated as a contractual Joint Committee and been bound by the terms of the Joint Working Agreement with Cardiff Council acting as the Accountable Body and, therefore, legal entity for all employment, contractual undertakings and other statutory and regulatory responsibilities.

28. As a result, the CCRCD governance and partnership structure has largely been borne out of four key features:

1) Requirements imposed by UKG via the City Deal Funding Agreement and reinforced in the Assurance Framework, for key advisory bodies to be established such as the Regional Economic Growth Partnership, the Regional Business Council, the Programme Board and Regional Transport Authority.

2) Additions to the governance structure have been made over time and in accordance with Regional Cabinet's evergreen ambitions for the Wider Investment Fund and the establishment of the Investment and Intervention Framework, namely, Investment Panel.

3) Based on specific project delegations (i.e., impact funds) conferred on the CCR Director (in conjunction with relevant statutory officers and Cabinet Members); partnerships and advisory boards have been established to support the discharge of such designations. Examples of this include the Strategic Premises Board and the Challenge Fund Strategy Board.

4) As the CCR investment programme has developed, Special Purpose Vehicles have been established. Both CSC Foundry Ltd and CCR Energy

Ltd, are companies limited by shares and fall under the provisions of the Companies Act 2006. Innovation Investment Capital is further established as a Limited Partnership.

29. The outcome of all this, is that whilst CCRCD has operated a robust system of governance, characterised by a strong focus on building a networked and distributed leadership culture – it is has grown constantly and become fairly complex. If left further unattended, the risk is this could become unwieldy and unsustainable to manage and support.

30. Added to this, the CJC Regulations (General) (Wales) 2022, require that a range of new statutory and non-statutory sub-committees are established under the CJCs. These requirements include a statutory Audit and Governance Committee, a statutory Overview and Scrutiny Committee and a statutory Standards Committee. In addition, there is a requirement for the new statutory duties in relation to economic wellbeing, spatial and transport planning, to be supported by sub-committees.

31. In taking forward the agenda for the South East Wales CJC, Regional Cabinet has agreed a policy position of 'lift and shift' – which would mean the CCRCD becomes integrated within the new structure. As this provides CCR with the status of being its own legal entity, care must now be taken to ensure that the CJC's new governance and partnership structure adheres to the key requirements of CCR City Deal contracts and assurance provisions – as well as those required by the CJC Regulations – but do so in a more efficient, consolidated and streamlined manner. Simply integrating the two structures, without further consideration as to what a fit for future governance and partnerships framework should look like, would simply add to an already challenging and likely, overly onerous and ineffectual future picture.

32. Working with the existing complement of key partnerships and advisory boards, a proposed revised governance and partnership structure has been established (Figure 4a below) which would replace the existing structure (set out in Figure 3 below). This places a clear emphasis on observing the policy position of lift and shift, but ensuring this is taken as an opportunity to develop a system which discharges key legal and contractual duties – but does so in a way which achieves two important objectives:

    1) To create a strengthened and rationalised framework, which places an emphasis on simplification; and also distinguishes the need for external engagement with internal programme management systems and processes (set out below at Figure 4b).

2) Reinforces and makes clear, the role of CCR and its key government partners and stakeholders in the new multi-level governance agenda established through CJCs.

Figure 3 – Current CCR City Deal Governance and Partnerships Structure

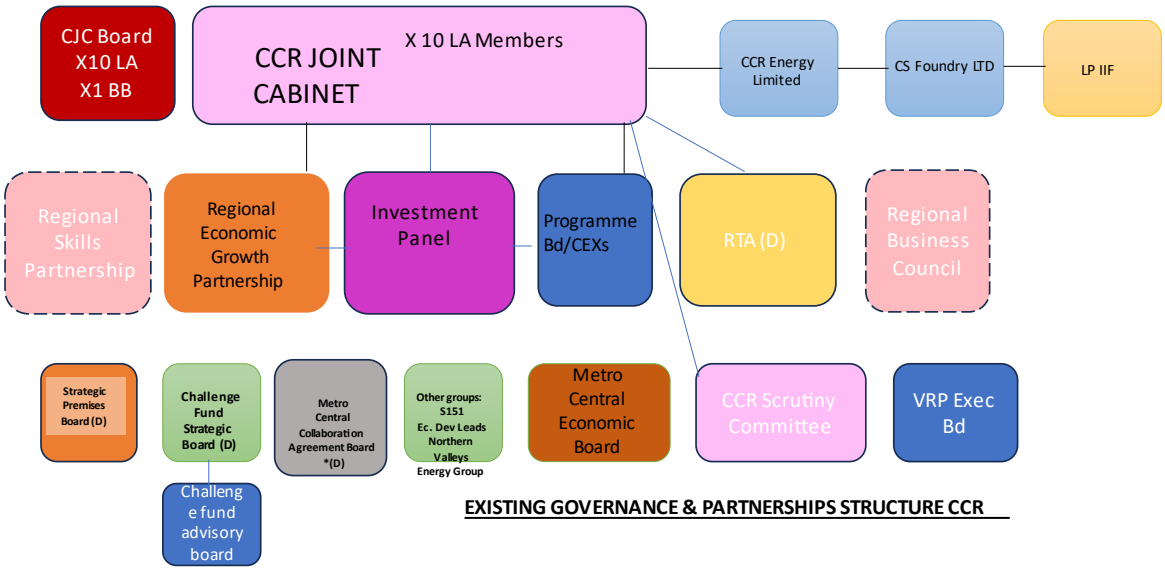


Fig 4a – Proposed CCR/SEW CJC Governance and Partnership Structure

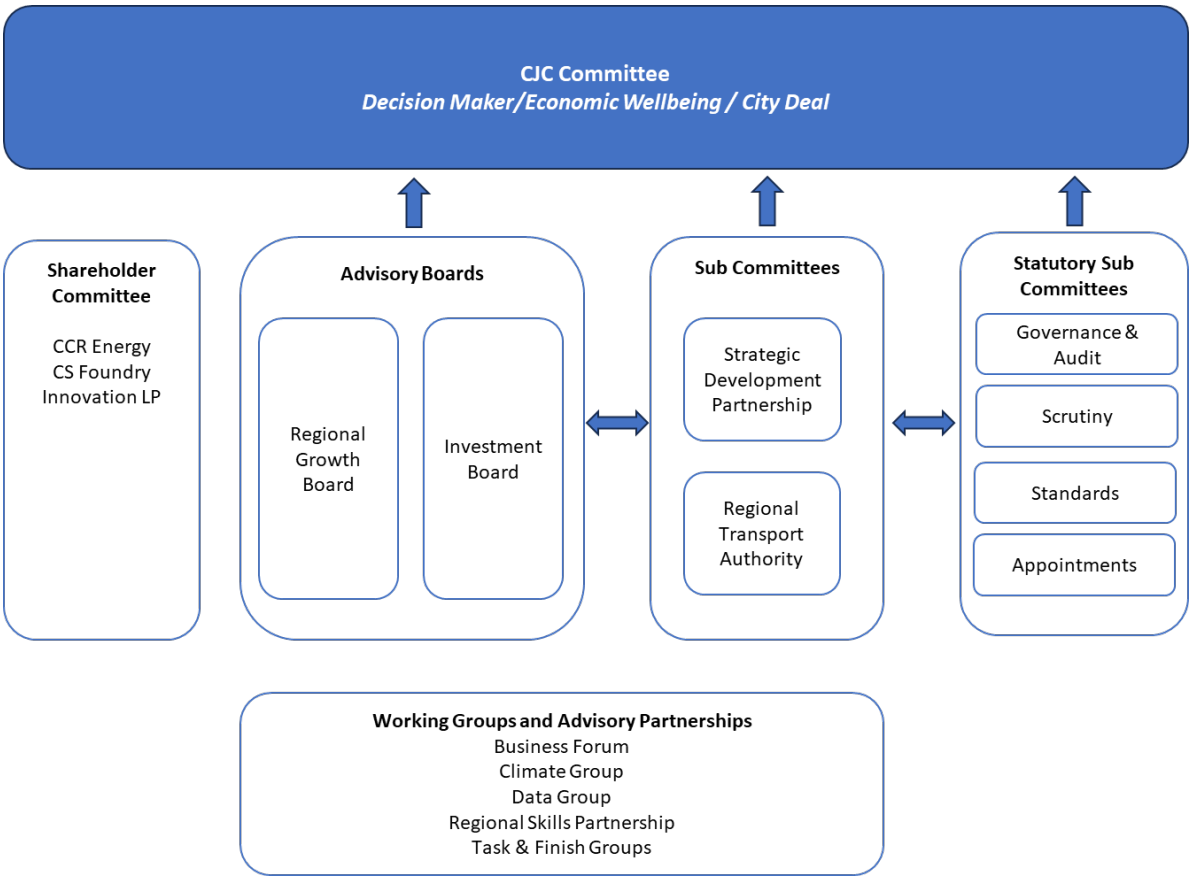
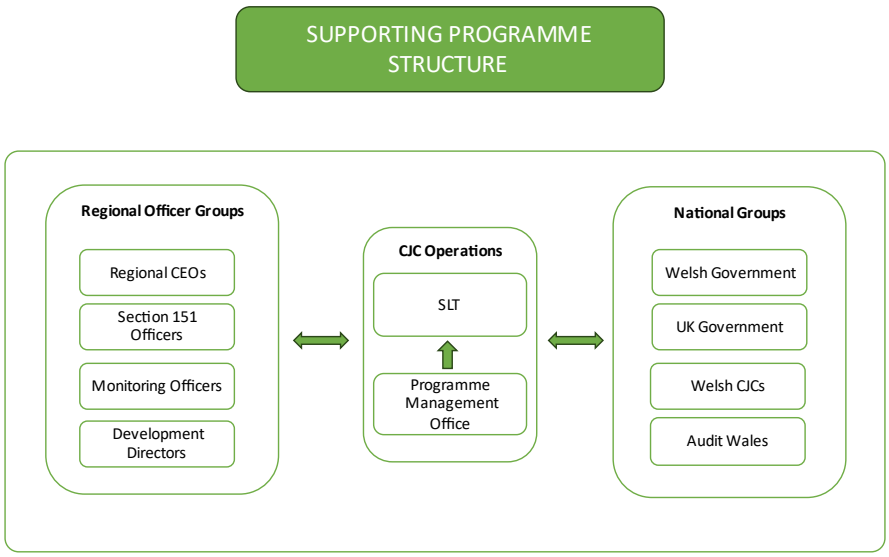


Fig 4b – Proposed Programme Structure



33. As is demonstrated on Figures 4a and 4b above, the proposed structure - whilst maintaining the core focus on the requirements related to both City Deal and South East Wales CJC – offers a more joined-up and seamless integration of the frameworks needed for effective regional public investment and governance. This proposal has been consulted upon widely and has been subject to legal review.

34. There are thus a number of assumptions inherent within the proposed structure which are set out below as core design principles:

- Programme Board/CEOs Group to be repurposed. Separate internal programme structures will be established to satisfy City Deal requirements, with CEOs to be part of these as required, but also proposed new core bodies such as Investment Board, Regional Growth Board, sub-committees for SDP and RTP and the Shareholder Committee.

- Regional Business Council repurposed as a Regional Business Forum – able to engage freely with a wider range of issues and topics and to convene around the Unleash brand – with a closer relationship with Regional Growth Board.

- Removal of separate impact or sub-fund boards such as Strategic Premises Board, Challenge Strategy Board and Northern Valleys Initiative into one integrated Investment Board.

- The new Investment Board would deal with the investment capability (Fund 2) and funding strategy matters. Agendas would be categorised in line with co-opting of subject matter experts and lead CJC portfolio members to deal, not just with new Investment Requests, but the core business of impact and sub-funds in line with delegations. Investment Board will make recommendations to CJC, synched with Regional Growth Board – in line with current practice.

- The new Investment Board is proposed to also deal with WIF monitoring and all related performance and data matters. This will be further enhanced by the statutory roles attached to the new Audit and Governance Committee and the Overview and Scrutiny Committee.

- The establishment of a new Shareholder Committee to oversee the portfolio of small equity investments which sit outside of Innovation Investment Capital and the responsibilities of CCR Energy Ltd, CSC Foundry Ltd and Innovation Investment Capital itself.

- Repurposing of Regional Economic Growth Partnership as new Regional Growth Board. This is proposed to have an overarching and co-ordinating policy and delivery function, synching, as is the case now, with Investment Board. Whilst they will make policy recommendations to CJC, they will not be responsible for making recommendations on SDP or RTP since these need to come from the specific thematic sub-committees but will play a role in ensuring alignment of economic, transport and land use policy.

- The economic wellbeing duty will be observed as a function consistent with the current City Deal – for which members make all decisions. The duty will therefore sit directly with the CJC, but a separate forum will be established for ongoing engagement with Economic Development members.

- The duties on the SDP and RTP will be overseen by sub-committees which means a continuation of the Regional Transport Authority and a new Regional Planning Group. Both these will comprise local authority members and officers as appropriate.

- Tasks and finish groups will be established as required to complement the above. The Regional Skills Partnership remains in existence as a Welsh Government-required mechanism. As well as internal structure capability for programme oversight and performance monitoring. As this develops, further consideration will be given to programmes which may become part of CCR competency, funding-reliant, such as the Valleys Regional Park.

35. Switching from one set of arrangements to the other, will require a re-setting of structures in core frameworks such as the Assurance Framework and the Investment and Intervention Framework. In addition, all of the above will need to be set out in the next and final iteration (before 'go live') of the Constitution. All of the above proposals will also need to be supplemented and supported by a new Scheme of Delegation, which again, will form a core part of the CJC's Constitution. All of the above included new Terms of Reference for structures contained within Figures 3 and 4 will be brought forward during the January-March period of 2024, for CJC approval.

36. Finally, there will inevitably need to be an interval between the standing down of one set of arrangements (Figure 3) and the setting up of another (Figures 4a and 4b). As such the last meetings of the advisory boards and partnerships will take place in November and December of 2023. The next section of the report outlines in further detail, the Transition Arrangements.

Transition Arrangements: December 2023 - April 2024

37. The process of transitioning the current arrangements for the Cardiff Capital Region City Deal into the new operating framework for the South East Wales Corporate Joint Committee, is multi-faceted and requires careful sequencing to ensure a seamless handover and discharge of all legal responsibilities and contractual duties. To date, the CCR Joint Cabinet has operated in a business-as-usual manner alongside a minimalistic version of the CJC. This has ensured compliance with both the Joint Working Agreement and the schedule of new regulatory requirements set out in the CJC Regulations (Wales) 2022. This has all underpinned the intention to enact 'lift and shift' and develop a single integrated model of regional public investment. Over time, the two parallel tracks representing CCRCD and CJC have started to come closer together. With plans now in place, supported by both Welsh and UK Governments to enable the imminent novation of core contracts, projects and portfolios, and the transfer of City Deal funds, the moment has arrived to begin enacting a comprehensive set of transition arrangements in order to 'lift and shift' for 1 April 2024.

38. As a result, the following proposals are made:

Governance and partnerships

39. It is intended that 4 December 2023 will be the last separate meeting of the Cardiff Capital Region Joint Cabinet. In the period following, through to end of March 2024, the CJC will meet as per the current arrangement and up until 'lift and shift' is enacted ahead of 1 April 2024. Provision will be made to convene Regional Cabinet should an issue requiring its approval arise, however, this will be done on an exceptional basis only, relating to prospective urgent investment requests and statutory requirements which cannot be accommodated within the time window described.

40. In line with the above, it is intended that following this, all current partnerships, advisory boards and committees are suspended for the period from 4 December 2023 through to post 1 April 2024, this being necessary in order to stand down one set of arrangements that relate to Cardiff Capital Region City Deal and set up the proposed new partnership and governance arrangements for CCR, under the SEW CJC. This would extend to the following:
    - Programme Board
    - Investment Panel *
    - REGP
    - Business Council
    - Challenge Fund Strategy and Advisory Board
    - RTA

- Strategic Premises Board
- Other ad-hoc boards and partnerships that carry delegated decisions of the Director of CCR

41. It should be noted that this does not extend to the Regional Skills Partnership, since this is a Welsh Government convened body, the secretariat for which is Newport City Council. This also does not extend to CCR's Special Purpose Vehicle Companies - CS Foundry Ltd, CCR Energy Ltd and the Limited Partnership for Innovation Investment Capital - since these must fulfil separate requirements under Companies Law. The role of the Overview and Scrutiny Committee also remains unaffected.

42. In the event that an urgent investment request arises, it is proposed that a special meeting of the current Investment Panel can be convened. However, this would diverge from the processes set out in the Investment and Intervention Framework approved by Regional Cabinet in June 2019, since recommendations could not be further endorsed and considered by REGP and Programme Board.

43. In the intervening period, and in order to ensure the appropriate levels of external specialist input in the establishment of new policies, revisions to existing ones to reflect new arrangements and the scope and remit of the proposed partnership structure, it is proposed that an External Stakeholders Working Group is established. This will provide a vehicle for the individuals that formerly comprised bodies such as the REGP and Investment Panel to continue to share expertise and know-how.

44. Interim arrangements will also be made to retain the expertise of two members of the REGP in order to direct and facilitate the Economic Review process. This will be important in ensuring independence in the review process and ensuring high quality evidence and inputs provide a focussed view of CCR's future potential.

45. Alongside this, a process will be enacted by CCR's Governance Function to stand up arrangements, to be led by CJC, to recruit to membership of the proposed new Governance and Partnership Structure.

46. It is further proposed that informal meetings of the Chief Executives will also be held in order to ensure a collegiate approach and the alignment of briefings and reports across CJC and the ten Constituent Councils.

47. Finally, it is proposed that a Governance Working Group is established comprising Leaders, Chief Executives and the CCR Office in order to ensure that regular briefings are scheduled, and lines of reporting and communication

remain open, and in full alignment with UK and Welsh Government processes and those of the ten Constituent Councils.

Statutory Officers

48. A report entitled 'Appointment of CJC Executive Team' is to be considered by the CJC on 4 December 2023. If approved, this will enable the Chief Executive, in conjunction with the Appointments Committee, to move to the advertisement and recruitment process. However, since it is highly unlikely that appointments will be made in time for 'go live' on 1 April 2024, interim arrangements will be necessary.

49. It is proposed that, in the event this is needed, and due to CCR having recruited an interim Monitoring Officer, an interim S151 Officer is also secured. It would not be appropriate for this role to be undertaken by the Accountable Body's S151 Officer given the need to keep statutory arrangements separate once the transfer is enacted. Nor is it considered appropriate for the S151 Officer of Rhondda Cynon Taf County Borough Council to perform this role, since the role to be taken by RCT is in relation to Transactional Services only.

Financial Implications

50. This report provides an update on the transition of the Cardiff Capital Region City Deal (CCRCD) to the South-East Wales Corporate Joint Committee (SEWCJC) and seeks approval for a number of proposed transition arrangements, activities and actions to begin to enact the 'lift and shift' and progress related tasks for the planned deadline of 1st April 2024.

51. Regular budget monitoring reports are prepared and presented to both the CJC and the Cardiff Capital Region City Deal (CCRCD) in respect of their 2023/24 approved revenue budgets. The CJC budget amounts to £255,662 and includes resources to deliver the activities outlined above. In addition, the CCRCD has approved a separate Transition Budget amounting to £234,481 in respect of 2023/24. These budgets provide a total resource envelope of £490,143 to cover both operational activities and transition arrangements and the respective budget monitoring reports, set out the actual and projected spend against these approved budgets.

52. An updated transition plan was approved by the CJC in July 2023 which identified 2 key milestones of this plan - the achievement of operating status at 1st October 2023 and the achievement of a fully functioning status at 31 March 2024.

53. The key task essential to the achievement of a fully functioning status for the SEWCJC is to ensure that the CCRCD funding agreement is novated across. This requires the approval of the UK and Welsh Governments. The report notes that Welsh Government's consent in principle has been received and the Secretary of State for Wales has confirmed that the UK Government fully supports the transition.

54. Under existing arrangements Cardiff Council as the Accountable Body is the legal entity with responsibility for all employment, contractual, statutory and regulatory requirements of CCRCD. In order to enact the proposed lift and shift to the CJC, it will be necessary for Welsh Government, Cardiff Council and the CJC to enter into a novation agreement which will make provisions for the substitution of Cardiff Council with the CJC. The report notes that this novation agreement has been drafted and has an effective date of the 1 April 2024, at which point the CJC will be responsible for all assets and liabilities associated with the CCRCD Funding Agreement and Joint Working Agreement at that date.

55. In addition, any other funding and/or ancillary agreements held by the Accountable Body on behalf of CCR, will also be novated across to the SEWCJC ensuring that there are no other residual assets or liabilities left in the name of Cardiff Council, in respect of its Accountable Body role.

56. In preparation for these transfers becoming effective and the subsequent transfer of cash balances from the Accountable Body to the SEWCJC, the necessary treasury management arrangements (practical and regulatory), systems and processes are being developed, to ensure the CJC is in a position to receive and accurately account for the funds that it will become responsible for. For example, the CJC is preparing it own Treasury Management Strategy for 2024/25 and will be adopting CIPFA's Treasury Management Code of Practice. These documents will be brought to the January 2024 meeting for the CJC's consideration and approval.

57. Approval is sought for the novation of the entire portfolio of CCRCD funded projects and wholly owned companies to the SEWCJC. As part of this process, it is proposed to transfer any shares held by Cardiff Council on behalf of CCR in CCR Energy Ltd and CSC Foundry Ltd to the SEWCJC.

58. Further consideration will also need to be given to the need to novate any operational and/or service level agreements of CCRCD to the SEWCJC and the report seeks approval for decisions in this regard to be delegated to the Chief Executive in consultation with the S151 Officer and Monitoring Officer.

59. Members are also directed to paragraphs 49 to 50 which identify the position with regard to the proposed recruitment to and interim arrangements for

statutory officers, the costs of which will be met from the approved CJC Budget referred to above.

Legal Implications

60. The Corporate Joint Committees (General) (Wales) Regulations 2021 ensure that CJCs are subject to an accounting, audit and financial management regime, and provide for the CJC to hold and dispose of assets.

61. The Corporate Joint Committee (General) (No.2) (Wales) Regulations 2021 provide for the roles of certain 'executive officers' to support the work of the CJC as well as some general provisions in relation to CJC staff, for the functions of the CJC to be discharged by other people, for example its staff or sub-committees, and for meetings and proceedings.

Well-Being of Future Generations (Wales) Act 2015

62. The Well-being of Future Generations (Wales) Act 2015 places a duty on public bodies to carry out 'sustainable development', meaning the process of improving the social, economic, environmental and cultural well-being of Wales by taking action aimed at achieving the 'well-being goals' of:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

and by acting in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.

63. In order to act in accordance with the sustainable development principle, when exercising its functions South East Wales CJC must take account of the following things:

- the importance of balancing short term needs with the need to safeguard the ability to meet long term needs;
- the need to take an integrated approach to achieving the well-being goals;
- the importance of involving others with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of the region;

- how acting in collaboration with others could assist to meet the region's well-being objectives;
- how deploying resources to prevent problems occurring or getting worse may contribute to meeting the region's well-being objectives.

64. To assist the Committee to consider its duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 2.

Equality Act 2010

65. The Committee must, in the exercise of its functions, have due regard to the 'public sector equality duty' and the need to: (1) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited under the Equality Act; (2) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not; and (3) foster good relations between persons who share a relevant protected characteristic and persons who do not.

66. The characteristics protected under the Act are:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;
- sexual orientation.

67. There are no specific equalities implications arising from this report.

RECOMMENDATIONS

68. It is recommended that the South East Wales Corporate Joint Committee:

(1) Consent to the novation of the Cardiff Capital Region City Deal Funding Agreement and rights and obligations in all other incoming funding agreements held by Cardiff Council as Accountable Body on behalf of the Cardiff Capital Region to the South East Wales Corporate Joint Committee;

(2) Consent to the transfer of all interests in the portfolio of projects funded by Cardiff Capital Region, together with any ancillary agreements, from Cardiff Council as Accountable Body on behalf of Cardiff Capital Region to the South East Wales Corporate Joint Committee, subject to novation of the incoming funding agreements referred to at paragraph (1) above.

(3) Delegate authority to the Chief Executive, in consultation with the Monitoring Officer, to agree and execute the final form of the deeds of novation and all other legal documents necessary to implement the transfers referred to at paragraphs (1) and (2) above;

(4) Agree to accept responsibility for decision making and implementation of the Cardiff Capital Region City Deal to the South East Wales Corporate Joint Committee, subject to novation of the City Deal Funding Agreement and approval of additional standing orders incorporating the key terms of the Joint Working Agreement between the 10 Constituent Councils;

(5) Note the proposed governance and partnership structure for the South East Wales Corporate Joint Committee, and transition arrangements, and agree to form a Working Group to consider any necessary amendments to the Interim Constitution, governance and partnership arrangements;

(6) Delegate general authority to the Chief Executive, in consultation with the S151 Officer and Monitoring Officer as appropriate, to take and implement any decision required for operational effectiveness, provided that: (a) the cost of implementing the decision does not exceed agreed budgets; (b) the decision does not conflict with any agreed plan or strategy; and (c) there are no unusual features or significant political or other issues, otherwise the matter should be referred to Members to determine. The Chief Executive may sub-delegate functions to other appropriate officers, provided that any such delegation is recorded in writing.

Kellie Beirne
Interim Chief Executive
Cardiff Capital Region

Jayne La Grua
Interim Monitoring Officer

4 December 2023

Appendices
Appendix 1 Well-being of Future Generations Assessment

Future Generations Assessment Evaluation
(includes Equalities and Sustainability Impact Assessments)

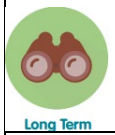
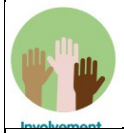
Name of the Officer completing the evaluation:	**Please give a brief description of the aims of the proposal:**
Jayne La Grua, Interim Monitoring Officer **E-mail:** Jayne.LaGrua@cardiff.gov.uk	For the South East Wales Corporate Joint Committee to achieve fully functioning status and to transition the Cardiff Capital Region City Deal to the CJC.
Proposal: Transition CCR City Deal to SEW CJC Transition	**Date Future Generations Evaluation form completed:** 21.11.2023

1. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The report set out a progressive approach for driving prosperity within the region as it evolves its functions to embed CJC provisions and regulations.	In order to maintain business continuity and a seamless transition the report is focused on concurrence and the principles of transition and adaptation.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	A CJC will allow more freedom and flexibility and it is envisaged that climate and renewable energy for clean growth will be a key lever in this context. The report highlights the responsibilities of the CJC going forward and how the organisation is setting itself up to be able to manage those duties appropriately and proportionally.	CJC will develop its own corporate polices in respect of biodiversity and resilience of ecosystems.
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Inclusion is a core theme of the approach and balancing a focus on levelling up the region with other regions in the UK to ensure CCR accesses all of the opportunities available to it – thus supporting not just sectors and industries but communities and people.	CJC will develop its own corporate policies in response to key duties in respect of WFG Act Wales, Equality and Human Rights and Nature and Biodiversity

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Putting in place a framework for regional cohesion whilst enhancing localism will support delivery of scale projects that make a difference across the geography, in tandem with local policies and levers that ensure citizens can benefit.	Work on the Northern Valleys will continue to be a key theme of CJC work – as will the emphasis on distributed, inclusive and resilient growth. CJC will also pick up the mantle on approval of key mechanisms such as the Regional Investment Plans for the Shared Prosperity Fund.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The principles look outward and focus on the FDI and international opportunities, which are particularly important post-EU exit.	Proposal for eventual radical decentralization of business functions and units currently operating at national level.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	The document represents a distinctive regional strategic approach to developing the economy.	CJC will develop its own corporate policies in response to key duties in respect of WFG Act Wales, Equality and Human Rights and Nature and Biodiversity
A more equal Wales People can fulfil their potential no matter what their background or circumstances	The approach focuses on economic inclusion, levelling-up and a mission-driven approach capable of not just tackling economic problems – but societal ones too.	The CJC will begin to produce its own policies for equality and diversity and ensuring these are not just factors in assessing impact – but become central to the task of increasing productive capacity and inclusive growth in the first place.

2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Balancing short term need with long term and planning for the future	The CJC is a long-term construct.	This will be subject to the first phases of work and the transition plan.
Working together with other partners to deliver objectives	The principles of the structure recommended situate partnerships and the building of new institutional capacity at the heart of the new framework.	As work commences on immediate duties around the Strategic Development and Regional Transport Plans – consultation and engagement processes will be developed accordingly.
 Involving those with an interest and seeking their views	The plan will be backed by a wider comms plan which has already included meeting with the various CCR Partnership groups.	Challenge funds will be another perspective to bring to bear in this context.
Putting resources into preventing problems occurring or getting worse	The mission-driven/ challenge-led approach embedded will be a key means of experimenting in the prevention space	At project and programme level – there are a number of options the CJC will be looking at in quick time, regarding regional bus services and transport demand management. There is also work moving forward on Local Area Energy Planning to ensure prevention is prioritized.
Considering impact on all wellbeing goals together and on other bodies	The proposed impact assessments will give a comprehensive and ongoing overview of benefits, costs and results. Outcome focused reporting and accountability will be key to this.	This can be further reinforced in the CJC budget setting and when Cabinet and partners have access to greater freedoms and flexibilities and the full ‘lift and shift’ CJC model.

3. **Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Not relevant in this context since the principles, approach and ways of working apply to all prospective interests and stakeholders.	As projects and programmes develop under the CJC, each will be subject to comprehensive assessments against the plans and procedures put in place to protect certain characteristics.	A full ESG agenda and diversity and inclusion reviews into partnerships and groups will help ensure this agenda is embedding in ways of working and the culture that is created. A full training and development programme will also be devised in order to embed and 'bring to life' such considerations – not just as part of project assessments, but in seeking to address such concerns and issues as part and parcel of project business cases that are developed.
Disability	As above	As above	As above.
Gender reassignment	As above	As above	As above.
Marriage or civil partnership	As above	As above	As above.
Pregnancy or maternity	As above	As above	As above.
Race	As above	As above	As above.
Religion or Belief	As above	As above	As above.
Sex	As above	As above	As above.
Sexual Orientation	As above	As above	As above.
Welsh Language	As above	As above	As above.

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	**Describe any negative impacts your proposal has on safeguarding and corporate parenting**	**What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?**
Safeguarding	Not directly relevant – however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		This is dependent upon the brief for regional education consortia and whether or not, it is intended to be grouped within CJCs.
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care and makes a direct contribution to wellbeing.		

5. What evidence and data has informed the development of your proposal?

As above.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

As above, the main implications will be in the delivery of this work.

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Scrutiny by the CJC and quarterly performance – Lift and Shift anticipated to take place in April 2024.