



CABINET MEETING

11.00 am WEDNESDAY, 23RD DECEMBER, 2020

REMOTE MEETING - MICROSOFT TEAMS

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All attendees will be in view of the camera and, by attending you are consenting to being filmed and to the possible use of those images and sound recordings as outlined above.

This Agenda has been prepared by the Democratic Services Department. Any member of the public requiring information should contact the department on (01685) 725284 or email democratic@merthyr.gov.uk.

Any reference documents referred to but not published as part of this agenda can be found on the Council's website or intranet under Background Papers.

AGENDA

1. Apologies for absence
2. Declarations of Interest

Members are reminded of their personal responsibility to declare any personal and prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the Local Government and Finance Act 1992 relating to Council Tax, the Local Government Act 2000, the Council's Constitution and the Members Code of Conduct

Note:

(a) Members are reminded that they must identify the item number and subject matter that their interest relates to and signify the nature of the personal interest and

(b) Where Members withdraw from a Meeting as a consequence of the disclosure of a prejudicial interest they must notify the Chair when they leave

3. Corporate Joint Committee Consultation

To consider report of the Interim Chief Executive **3 - 14**

4. Any Other Business Deemed Urgent by the Chair

COMPOSITION:

Councillor K O'Neill (Chair)
Councillor L Mytton (Vice-Chair)

Councillors: A Barry, C Davies, D Hughes and
G Thomas

together with appropriate officers

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CABINET REPORT

Date Written	11 th December 2020
Report Author	Ellis Cooper
Service Area	Corporate
Committee Division	Strategic
Exempt/Non Exempt	Non Exempt
Committee Date	23 rd December 2020

To: Chair, Ladies and Gentlemen

CORPORATE JOINT COMMITTEE CONSULTATION

1.0 SUMMARY OF THE REPORT

- 1.1 The establishment of Corporate Joint Committees (CJCs) is an integral feature of the Local Government and Elections (Wales) Bill, currently going through the Senedd Committee process. There are proposed to be four regional CJCs across Wales with the ten Local Authorities in South East Wales constituting one of these. The other CJCs cover South West Wales, Mid Wales, and North Wales.
- 1.2 The four CJCs will be established to exercise three related functions that are:
- Strategic Development Planning;
 - Regional Transport Planning;
 - Promotion and improvement of Economic Development and Well being.
- 1.3 Welsh Government consider that these are areas where there is consensus that working at this scale makes sense – aligning economic development, transport and land use planning approaches to develop successful regional economies and encourage local growth.

2.0 RECOMMENDATIONS that

- 2.1 The inclusion of Councillor views in the draft response to the consultation on Corporate Joint Committees (appendix 1) and submission on behalf of Council be approved.

3.0 INTRODUCTION AND BACKGROUND

- 3.1 The concept of Corporate Joint Committees was introduced within the Local Government and Elections (Wales) Bill. These will be new corporate bodies, which will be a vehicle for regional collaboration and which can employ staff, hold assets and budgets and undertake functions. Discussions on the concept began in 2019, however there has been only limited engagement on the matter throughout 2020 as local government has been occupied with the response to the Coronavirus pandemic.
- 3.2 The specific functions of a CJC and how it will be governed are set out in Corporate Joint Committee Regulations which are currently being consulted on by Welsh Government with a closing date of 4th January 2021. The full consultation document can be found via a link in the background papers section of this report.
- 3.3 The Minister intends to bring forward the final regulations by April 2021. This includes draft regulations for each of four proposed CJs: North Wales; Mid Wales; South East Wales and South West Wales. The South East Wales Committee covers the same footprint as the Cardiff Capital Region. It is expected that the Cardiff Capital Region Cabinet and staffing structure will transform into the South East Wales CJC.
- 3.4 The regulations propose that the new CJC will exercise the following functions:
- Preparing, monitoring, reviewing and revising of a Strategic Development Plan;
 - Developing a Regional Transport Plan;
 - The economic well-being function encompassing the current regional approaches to the City and Growth deals into the CJC structures.

Education was initially considered as a function for inclusion within this CJC but is not within the regulations establishing the committees. Authorities may choose to use Corporate Joint Committees as a vehicle for future collaborations, these would not need to be on the same footprint as the South East Wales CJC.

- 3.5 Two key principles underpin the development of the Regulations:
- CJs should be treated as a member of the local government family and subject to the same powers and duties as principal councils.
 - How they operate in practice should be left to the members of the CJC itself to determine, which should enable the CJs to differ between geographical areas to meet the needs and ambitions of region.
- 3.6 The draft regulations provide that CJs:
- will be made up of leaders, though they could co-opt other members;
 - will be established on a 'one member one vote' basis, however, once established, a CJC could adopt alternative voting procedures;
 - will have powers delegated to it and will make timely decisions without the need for ratification by its constituent principal councils;
 - will be accountable to its constituent principal councils and members will report back to those principal councils and must respond to questions and scrutiny;

- can set-up sub-committees to lead on specific functions and can agree other members such as cabinet members or co-optees;
- must 'appoint' a Chief Executive, Chief Finance Officer, Monitoring Officer and Chief Governance Officer. However, these could be provided by a constituent authority, or via secondment;
- must set up an overview and scrutiny committee;
- are likely to be bound by legislation such as the Equality Act, Welsh Language and Well-being of Future Generations Act.

3.7 It will be for each CJC to decide if it wishes to have sub-committees, and who sits on them. A CJC could choose to have sub-committees for each of its main functions and that these subcommittees might engage broadly and involve a range of relevant stakeholders. For example, sub-committees could be introduced for planning and regional transport. It will be possible for CJC's sub-committees to consist of members of the constituent local authorities other than those members on the CJC itself – e.g. a relevant member or portfolio holder.

3.8 The CJC is expected to play a major role in ensuring the region can access and make effective use of successor EU funds, known as the Shared Prosperity Fund. It will do this within the context of the Regional Investment Wales Framework created by Welsh Government to invest replacement funding from the UK Government.

3.9 There are concerns about the proposals. These include:

- The imposition of CJC's by Welsh Ministers rather than these being a vehicle for councils to deploy where locally elected councillors assess they will add the greatest value;
- Concerns about scrutiny and accountability, with the CJC able to establish its own arrangements and the concentration of power in a single individual from each organisation;
- The cost of the CJC, with these bodies being able to set their own budgets which then must be met by local authorities.

3.10 There have been some concerns within the local government family that opportunities to engage with and shape these proposals have been overshadowed by the Coronavirus pandemic. In some areas the concept of CJC's would be welcomed as an additional and optional collaborative model for authorities to choose where they themselves deem them appropriate. However, the WLGA Council has expressed concern over the principle of mandating the committees which it has argued, undermines local democracy. The WLGA has nonetheless signalled a commitment to continue to engage in shaping the proposals.

4.0 FINANCIAL IMPLICATION(S)

4.1 Further work will be required to fully understand the resourcing of Corporate Joint Committees. This will include the production of a regulatory impact assessment by Welsh Government. Since the South East Wales CJC will occupy the City Region footprint many of the structures are already in place. If implemented effectively CJC's should be able to pull capacity from within Welsh Government rather than absorbing capacity from local government. There are no financial implications at this time.

5.0 INTEGRATED IMPACT ASSESSMENT

A full evaluation has not been carried out at this stage. The committee’s attention is drawn to the integrated impact assessment produced by Welsh Government which is available at

<https://gov.wales/sites/default/files/consultations/2020-10/integrated-impactassessment.pdf>

APPENDIX 1 – MTCBC - Consultation on Corporate Joint Committees

ELLIS COOPER
CHIEF EXECUTIVE

COUNCILLOR KEVIN O’NEILL
COUNCIL LEADER

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Welsh Government Consultation Document: Consultation on Regulations to Establish CJs	12/10/2020	https://gov.wales/sites/default/files/consultations/2020-10/consultation.pdf
Does the report contain any issue that may impact the Council’s Constitution?		No

Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.

Appendix 1

Summary of Consultation Questions

Consultation Question One:

a) What are your views on CJsCs being subject to broadly the same powers and duties as principal councils?

b) Do you agree that CJsCs should have broadly the same governance and administrative framework as a principal council provided that this is proportionate? Please give your reasons.

c) Do you agree that members of CJsCs should have appropriate discretion on the detail of constitutional and operational arrangements? Please give your reasons.

We agree that CJsCs should be subject to the same powers and duties as local authorities. However, we have some concerns about the costs of duplicating governance and administrative frameworks, for example the requirement for a CJC to have its own Monitoring Officer and Chief Governance Officer.

We agree that the CJC should have discretion on the on-going detail of constitutional and operational arrangements following their creation; however, oversight from principal councils

should occur at the inception of the new bodies to ensure that the governance arrangements afford sufficient oversight to locally elected councillors.

Consultation Question Two:

These CJC areas have been agreed by local government Leaders as the most appropriate to reflect the functions being given to CJsCs by these Establishment Regulations. Do you have any comments or observations on these CJC areas in relation to these functions or the future development of CJsCs?

It is recognised that, if the concept for CJsCs is accepted, then these functions are the most appropriate ones to sit at a regional level since there are clear and unequivocal benefits of operating at scale providing these can retain clear alignment with local democratic accountability.

Consultation Question Three:

a) Do you agree with the approach to the development of the regulations for CJsCs as outlined in this consultation? Please give your reasons.

b) We have indicated throughout this document what may be included in the Regulations of General Application, subject to the outcome of this consultation. Whilst the Regulations of General Application are not the subject of this consultation, in order to inform their development we would welcome your views on anything else which should be covered?

It is recognised that the Establishment Regulations require CJsCs to put in place appropriate scrutiny arrangements but the precise nature of these will be at the discretion of the CJC itself. It will be important that the Regulations of General Application, to be drafted at a future date, should include provision so that any scrutiny committee does not include a member of the CJC, is politically balanced and has access to appropriate independent advice to be able to scrutinise the new body.

Consultation Question Four:

a) Do you agree with the proposed approach to membership of CJsCs including co-opting of additional members? Please give your reasons.

b) What are your views on the role proposed for National Park Authorities on CJsCs, as described above?

We agree that the CJC should be comprised of representatives of the constituent councils. This has proved an effective structure to govern the Cardiff Capital Region City Deal enabling decision making at the necessary pace. However, there are concerns that the nature of any vehicle which vests power in a single representative from each authority will lessen democratic accountability.

It is right that the regulations make provision for the National Park Authorities to become members of the CJC providing this is limited to, and does not go beyond, the exercise of the Strategic Development Plan functions of the CJC.

Question Five:

a) What are your views on the proposed approach of 'one member one vote' and the flexibility for CJsCs to adopt alternative voting procedures?

b) What are your views on the proposed quorum for CJsCs?

c) What are your views on the proposed approach to voting rights for co-opted members to a CJC?

We agree with the position of 'one member one vote', any decision to move away from this in future should require an explicit decision from each of the constituent councils rather than being left to the CJC itself or require a unanimous rather than majority vote. We agree that quorum for the CJC should be higher than the 25% that applies in principal councils and that a level of 70% is appropriate, providing that members may nominate a substitute who may attend and vote in their absence.

It is appropriate that the CJC regulations should be limited in the number of co-opted members with votes to prevent this exceeding the number of council members to preserve the democratic accountability and legitimacy of the committee. The CJC will be able to deploy sub-committees and advisory boards to broaden its expertise and it is not necessary for the vote to be extended to the point where un-elected co-optees would be able to out-vote councillors.

Consultation Question Six:

What are your views on CJsCs being able to co-opt other members and/or appoint people to sit on sub-committees?

Elected members have a broad range of expertise, as do many other stakeholders and we feel it is appropriate that CJsCs are able to co-opt people to sit on select committees to provide a diversity of views and increase scope for experts in different fields to become involved in shaping delivery.

Consultation Question Seven:

- a) Do you agree that the approach to co-option of members would enable wider engagement of stakeholders in the work of a CJC?**
- b) What might be needed to support CJC members in the involvement and engagement of appropriate stakeholders in their work?**

Involvement can be broadened in many ways. People do not always need to be co-opted to make a valid contribution, for example the use of advisory boards and project teams. The Cardiff Capital Region currently has a range of advisory boards and sub-committees with membership drawn from all sectors who advise and make recommendations to the regional Cabinet and it would be expected that the same could apply to the CJC.

Consultation Question Eight:

- a) Do you agree that members and staff of a CJC should be subject to a Code of Conduct and that the code should be similar to that of Principal Councils? Please give your reasons.**
- b) What are your views on the adoption of a Code of Conduct for co-opted members?**
- c) Should all co-opted members be covered by a code i.e. those with and without voting rights?**

We believe that members of the CJC, whether elected or co-opted, should be subject to a code of conduct enshrined in the Nolan Principles since this codifies the values and behaviours expected of those who are leading the CJC and gives assurances to the public about the standards that can be expected. This is particularly important for the CJC as it will be seen as one-step removed from the governance and decision-making arrangements of local authorities.

One option would be for members of the CJC to abide by the code of conduct within their own organisation. However as the CJC is a corporate body in its own right, the code should reflect its values and the particular circumstances of its operations.

Consultation Question Nine

- a) What are your views on the proposed approach for determining the budget requirements of a CJC?**
- b) What are your views on the timescales proposed (including for the first year) for determining budget requirements payable by the constituent principal councils?**

This council is already making a significant financial contribution to the Cardiff Capital Region and the CCR will transition into the CJC for south east Wales. However, there are some concerns that the CJC is able to set its own budget without the need for this to be ratified by the constituent councils.

Consultation Question Ten

a) Do you agree that CJsCs should be subject to the same requirements as principal councils in terms of accounting practices? Please give your reasons.

b) Do you agree that the detail of how a CJC is to manage its accounting practices should be included in the Regulations of General Application? If not what more would be needed in the Establishment Regulations?

It is accepted that the CJC should be subject to the same accounting practices as constituent councils. More broadly, there are some concerns that as current accounting practices discount the value of future benefits and costs, they are not necessarily conducive to incentivising the long-term thinking required which we would expect for a body which is tasked with delivering sustainable long term growth for the region and which is a duty under the Well-being of Future Generations Act.

Consultation Question Eleven:

What are your views on the proposed approach to staffing and workforce matters?

We think it is necessary for CJsCs to be able to employ and recruit staff in their own right to be able to undertake secondments to discharge duties. We agree that it is correct that CJsCs do not adopt significantly different staffing arrangements in terms of conditions of service, political restrictions, accountability etc. from principal councils. However, some flexibility may be needed with regards to remuneration if these bodies are to be able to attract the necessary calibre of staff to operate within a UK and global marketplace.

While the principle is that CJsCs should not be a vehicle to erode or inflate salary levels it needs to be recognised that the reference point for a CJC when recruiting may not be a local authority in Wales but a city in Europe or North America.

Consultation Question Twelve:

What are your views in relation to CJsCs being required to have or have access to statutory “executive officers”?

We have concerns about the financial costs of requiring CJsCs to have these four executive officers. The dedicated post of chief executive is clearly necessary. The roles of Chief Financial Officer and Monitoring Officer must be undertaken but we remain to be convinced that these need to be dedicated full-time posts within the CJC since those roles traditionally cover the whole remit of a local authority which is more complex and carries significantly larger budgets. We do not believe that a dedicated Chief Governance Officer is necessary. It is the belief of this authority that CCR currently has a staffing structure in place that could accommodate these key positions without the need for additional appointees.

Consultation Question Thirteen:

Do you have any other views on provision for staffing or workforce matters within the establishment regulations?

No further comments are made in relation to staffing / workforce matters

Consultation Question Fourteen:

a) Is it clear what functions the CJsCs will exercise as a result of these establishment regulations? If not, why?

b) Do the establishment regulations need to say more on concurrence, if so what else is needed, or should that be left to local determination?

c) In your view are there any functions which might be appropriate to add to these CJsCs in the future? If yes, what?

We agree that the establishment regulations give sufficient clarity on the functions that will sit within a CJC. We are satisfied that any issues concerning the concurrent discharge of functions can be determined by the CJC itself with the principal council as and when matters arise.

We feel it is appropriate to establish and evaluate the effectiveness of the CJC before taking a view on any additional functions that could come within its remit. It is possible that CJsCs could be established on different footprints in future if local authorities decide these to be the most appropriate vehicle. It should be remembered that this CJC has a defined remit and would not be expected to go beyond that unless this were deemed necessary by the constituent councils.

Consultation Question Fifteen:

Do you think the regulations should provide for anything to be a decision reserved to the CJC rather than delegated to a sub-committee? If so what?

We agreed that certain decisions should be reserved to the CJC itself. These should cover any reports required by statute and the approval of the annual budget.

Consultation Question Sixteen:

What are your views on the approach to transfer of the exercise of functions to these CJsCs?

It is correct that CJsCs will hold the economic well-being function from the point at which they are established, however there may be some specific teams or activities sitting with the local authority that cannot transfer immediately and where concurrent operations may be preferable. This should be a matter for local resolution between the principal councils and CJC.

There may be a case for further powers to be transferred to the CJC from other tiers of government, for example the CCR City Deal does not have oversight of the South Wales Metro Project, this is something that could come within the remit of the new CJC.

Consultation Question Seventeen:

What are your views on CJsCs being subject to wider public body duties as described above?

bodies

Consultation Question Eighteen:

- a) The Welsh Government is keen to continue working closely with local government and others on the establishment and implementation of CJsCs. Do you have any views on how best we can achieve this?**
- b) In your view, what core requirements / components need to be in place to ensure a CJC is operational, and exercising its functions effectively?**
- c) In particular, what do you think needs to be in place prior to a CJC meeting for the first time, on the day of its first meeting and thereafter?**

We welcome ongoing dialogue and collaboration between Welsh Ministers and local government. These should take place at a regional level to reflect local context and the scale and maturity of existing regional relationships. It will be necessary to have a constitution in place from the outset along with terms of reference for any sub-committees that will operate under delegated powers.

Consultation Question Nineteen:

- a) Do you think it would be helpful for the Welsh Government to provide guidance on the establishment and operation of CJsCs?**
- b) Are there any particular areas which should be covered by the guidance?**

We welcome additional guidance providing this is co-produced with the local government family and subject to agreement with the WLGA Council.

Consultation Question Twenty:

- a) How can the Welsh Government best support principal councils to establish CJsCs?**
- b) Are there areas the Welsh Government should prioritise for support?**
- c) Is there anything that CJsCs should/should not be doing that these Establishment Regulations do not currently provide for?**

No specific response is being made to this question.

Consultation Question Twenty One:

- a) Do you agree with our approach to, and assessment of, the likely impacts of the regulations? Please explain your response.**
- b) Do you have any additional/alternative data to help inform the final assessment of costs and benefits contained within the Regulatory Impact Assessment? If yes, please provide details.**

We do not have any additional data which would enhance the Regulatory Impact Assessment.

Welsh Language Questions

Consultation Question Twenty Two:

- a) We would like to know your views on the effects that establishment of CJsCs would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.
- b) What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Consultation Question Twenty Three:

Please also explain how you believe the proposed policy for the establishment of CJsCs could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

We do not believe that the establishment of CJsCs will have either a positive, or negative, impact on the language providing they remain bound by the Welsh Language Standards that would apply to principal councils in their region.

Consultation Question Twenty Four:

We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them: Responses to consultations are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here:

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