

REPORT TO THE NORTH WALES CORPORATE JOINT COMMITTEE

13/01/2023

Title: North Wales Corporate Joint Committee's 2023/24 Budget and Levy on Constituent Authorities

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1. PURPOSE OF THE REPORT

- 1.1 It is a statutory requirement for the North Wales Corporate Joint Committee (CJC) to approve its budget at a meeting of the CJC by 31 January annually.
 - 1.2 The budget which is included in the appendices, has been divided to reflect the structure of the CJC, namely the Strategic Planning, Transport and corporate functions, and has been analysed per expenditure heading. This allows the constituent authorities' contributions to be levied separately for 'Planning' and 'Other' functions.
 - 1.3 Two options are presented for the 2023/24 budget:-
 - Option A – an optimal position that reflects the transport and planning professionals' estimate of their requirement to deliver the two strategic plans (Regional Transport Plan (RTP) and Strategic Development Plan (SDP)).
 - Option B - realistic minimum budget, including full year effect of current year estimates, reduced by an estimate of 2022/23 surplus (one-off use of reserves).
 - 1.4 Both budget options enable the CJC to respond to the statutory responsibilities, with Option A representing the optimal budget required to deliver the Regional Transport Plan and Strategic Development Plan. Welsh Government are expected to announce
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delivery timescales for the Regional Transport Plan imminently, but the deadline is anticipated to be March 2024.

- 1.5 Timescales for delivery of the Strategic Development Plan are not yet known, but this piece of work will require close consultation and co-development with local authorities over the years ahead. Setting a realistic budget for delivery of these key strategies will support and facilitate the region to lead and determine the strategic priorities. Setting an optimal or realistic minimum budget also avoids potential increased cost uncertainty associated with further delaying the work required.

2. DECISIONS SOUGHT

- 2.1 **Decide on Option A or B for the 2023/24 Budget for the North Wales Corporate Joint Committee (CJC) as presented in the appendices. To approve the budget as noted below:-**

- **Strategic Planning (6 Leaders and Chair of the Park - simple majority, quorum = 5)**
- **Other Functions of the CJC including Transport (6 Leaders - simple majority, quorum = 5).**

	Strategic Planning	Transport	Corporate Joint Committee	Budget Total
	£	£	£	£
Option A	503,750	280,570	238,410	1,022,730
Option B	371,250	250,570	143,000	764,820

2.2 To approve the levy on the constituent authorities, as noted below:

- **Strategic Planning (Unanimity, quorum = 7)**
- **Other Functions (Unanimity, quorum = 6)**

Option A	Strategic Planning	Other Functions	Total Levy
	£	£	£
Conwy County Borough Council	(81,860)	(87,550)	(169,410)
Denbighshire County Council	(68,910)	(71,000)	(139,910)
Flintshire County Council	(112,940)	(116,350)	(229,290)
Cyngor Gwynedd	(75,170)	(92,700)	(167,870)
Isle of Anglesey County Council	(50,020)	(51,530)	(101,550)
Wrexham County Borough Council	(96,920)	(99,850)	(196,770)
Snowdonia National Park	(17,930)		(17,930)
Total Levy	(503,750)	(518,980)	(1,022,730)

Option B	Strategic Planning	Other Functions	Total Levy
	£	£	£
Conwy County Borough Council	(60,330)	(66,400)	(126,730)
Denbighshire County Council	(50,790)	(53,840)	(104,630)
Flintshire County Council	(83,220)	(88,240)	(171,460)
Cyngor Gwynedd	(55,390)	(70,290)	(125,680)
Isle of Anglesey County Council	(36,870)	(39,080)	(75,950)
Wrexham County Borough Council	(71,430)	(75,720)	(147,150)
Snowdonia National Park	(13,220)		(13,220)
Total Levy	(371,250)	(393,570)	(764,820)

3. REASONS FOR THE DECISION

- 3.1 Regulations 16 and 17 of The North Wales Corporate Joint Committee Regulations 2021 set out the details of the process to be used to agree and fund the costs.
- 3.2 These options have been set for different levels of operations by the CJC, to fulfil its statutory functions in the fields of Planning and Transport and to ensure that the CJC is administered appropriately.
- 3.3 For 2023/24, it is recommended that the budget set in Appendix A or B is funded by means of a levy apportioned between the constituent authorities on the basis of the population relevant to the field of work.

4. BACKGROUND

- 4.1 The budget is based on the CJC's 'initial functions', namely preparing, monitoring, reviewing and amending the Strategic Development Plan and developing a Regional Transport Plan.
- 4.2 Although the North Wales Economic Ambition Board (NWEAB) could be within the economic well-being power of the CJC, a separate budget will be established for it at present as several regulatory matters are yet to be resolved and further clarification needed regarding the CJC's rights to borrow, invest and operate commercially, tax and VAT status.
- 4.3 When the planning and transport duties are operational, regular budget monitoring reports will be presented to the CJC and any issues will be highlighted and appropriate steps taken.

5. BUDGET HEADINGS

Employees

- 5.1 To date, there has been no decision on the employment/secondment of employees or the commissioning of work in the Transport or the Strategic Planning fields. For the purpose of setting a budget for 2023/24, both options assume that human resources will be required, equivalent to two employees in the Transport field and three employees in the Strategic Planning field. In addition, it includes the Chief Executive's time for two days a week together with the support of the Executive Assistant and Project Leaders. They are set based on the actual 2022/23 inflation increase and an estimate of 6% for 2023/24.
- 5.2 The cost of allowance for lay members of the CJC's Audit and Governance Sub-Committee is based on the corresponding payments to lay members in constituent authorities.

Travel

- 5.3 The staff travel budget is based on an estimate of essential travel allowance and subsistence allowances.

Supplies and services

- 5.4 This heading includes budgets for tools and equipment, various supplies, engagement and meetings, audit fees, external consultants and insurance.
- 5.5 The insurance budget is an initial estimate that we have received from the insurance company based on the CJC's risk level in its initial years.

Support Services

- 5.6 Support services are needed to facilitate the work of the Joint Committee, and the budget for 2023/24 includes the support of Finance, Legal (including the Monitoring Officer and legal input to Planning and Transport), Corporate Support (Committees, Translation and Human Resources) and Information Technology (one-off costs as well as support and licences) services.

5.7 The range of services and the cost estimates will be discussed again as the Service Level Agreements are formed.

6. PARTNER CONTRIBUTIONS

6.1 Partners' contributions have been divided based on 2023 population estimates which have been published officially by StatsCymru. In accordance with the legislation, the CJC's general budget and the Transport budget will be funded by the six North Wales authorities, while the Snowdonia National Park Authority will also contribute towards the Strategic Planning budget (where they will have a vote).

7. IMPACT ASSESSMENT

7.1 The Corporate Joint Committee is subject to duties under the Equality Act 2010 and the Well-being of Future Generations (Wales) Act 2015.

7.2 In accordance with the legal duties under the Equality Act 2010, when making decision, the Corporate Joint Committee must give due attention to the need (1) to eliminate unlawful discrimination (2) advance equality of opportunity and (3) encourage good relations based on the protected characteristics. As setting a budget falls within the decisions which can be considered strategically, there is a duty to give due attention to operating in a way which is designed to minimise inequalities which stem from socio-economic disadvantage. As the Corporate Joint Committee is still in its early years, it is not considered that any specific impacts stem from the decisions submitted.

7.3 The Well-being of Future Generations (Wales) Act 2015 involves improving the social, economic, environmental and cultural well-being of Wales. The act places a well-being duty on public bodies which is aimed at delivering the seven well-being goals, namely a prosperous, resilient, healthier, more equal Wales with cohesive communities and a vibrant culture with a thriving Welsh language and which is globally responsible. Given the context, the recommendations are in accordance with these duties.

8. LEGAL IMPLICATIONS

- 8.1 Regulations 16 and 17 of The North Wales Corporate Joint Committee Regulations 2021 set out the details of the process to be used to agree and fund the costs. These regulations place specific requirements regarding the calculation and approval of the budget requirement (Regulation 16) and then, as a second step, agreeing the levy contributions of the constituent authorities (Regulation 17). According to statute, the Corporate Joint Committee must adopt the Budget by 31 January 2023. **If the Corporate Joint Committee fails to agree on the contributions, Welsh Ministers have statutory powers to instruct the distribution of contributions.**
- 8.2 It is noted in the decisions sought that there are specific requirements regarding quorum and voting in relation to these decisions. Therefore, it must be ensured that voting is arranged in a way which reflects on the one hand the specific voting rights involved with setting the budget and on the other hand the need for unanimity on the decisions on the levy, again while separating both elements.

APPENDICES

Appendix A – North Wales Corporate Joint Committee’s 2023/24 Revenue Budget (Option A)

Appendix B – North Wales Corporate Joint Committee’s 2023/24 Revenue Budget (Option B)

RESPONSE OF THE STATUTORY OFFICERS:

i. Monitoring Officer:

The recommendation acknowledges that the Corporate Joint Committee (“CJC”) is moving from an establishing period to an operative period which requires a start on implementing its functions. The report notes that the Welsh Government is moving in this direction. It is important therefore that the necessary resources are in place to support achievement of the requirements which will be placed on the CJC.

ii. Statutory Finance Officer:

Author of this report.
