

**28 NOVEMBER 2022**

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## **UPDATE ON THE SOUTH EAST WALES CORPORATE JOINT COMMITTEE AND PROPOSED WAY FORWARD**

### **REPORT OF THE INTERIM CHIEF EXECUTIVE**

#### **AGENDA ITEM 4**

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##### **Reasons for Report**

1. To provide the South East Wales Corporate Joint Committee (the CJC) with an update on the outstanding CJC technical matters, the proposed way forward for the resolution of these and the potential timescales for transitioning to its preferred Lift & Shift model of service delivery.
2. For the CJC to agree the proposed way forward, resurrecting and updating the Transition Plan previously approved in September 2021 and setting out the timeframe (in as far as they can be known) for future developments, including the process for budget and business planning setting which must be done by 31 January 2023.

##### **Background**

3. The reports to Cardiff Capital Region City Deal (CCRCD) Regional Cabinet in September and December 2021, broadly outlined the key features and issues associated with the development of the SE Wales Corporate Joint Committee, following their introduction by Welsh Government in 2021.
4. Regional Cabinet agreed in 2021 to transition the CCR City Deal to a CJC through a model of lift and shift, meaning a functioning CJC was imperative to support the full spectrum of operations and activities of the City Deal. This underpinned the policy ambition to have one single system of Regional Public Investment for CCR utilising both the experience to date and forward momentum of the City Deal to fulfil the economic wellbeing power vested in the CJC.
5. Throughout the proposed transition phase several hurdles have presented themselves, primarily around how the CJC's would be set up and operate in the real world. These taxation issues and consequential amendments have been a real barrier to lift and shift, which has meant ultimately that moving beyond phase 1 of the original transition plan – initial set up of the CJC – has been difficult. As

such, to date, the SE Wales CJC has operated only in a 'bare minimum' basis in order to avoid any prospect of financial or policy detriment.

6. The proposed routes for dealing with the taxation issues and consequential amendments from the Welsh Government are:
  - VAT – a section 33 order to be laid before parliament in order to give CJC's parity in VAT terms with other public sector bodies;
  - consequential amendments (see para 10 for detail) – a Section 150 Order to the Government of Wales Act to be laid before parliament in order to effect primary legislation to address the outstanding issues.
7. A lot of work has been undertaken over the last 18 months both internally and with external parties such as Welsh Government, Welsh Local Government Association, UK Government and other CJCs across Wales in order to progress this agenda. Most recently, in the last month there have been the following:
  - In-person meetings with Senior Officials from Welsh Government;
  - correspondence from Rebecca Evans, Welsh Government Minister for Finance and Local Government (MFLG) (at appendix 1);
  - liaison with the Office of the Secretary of State for Wales
  - email exchanges with lead officials from the Welsh Government;
  - a meeting of the 4 CJC development leads from across Wales.

#### Current Position

8. At the time of writing, the Section 33 VAT order updated timetable provided in the Minister's letter was that the change to VAT legislation that will give CJCs parity on VAT is now scheduled to come into effect on the **10 February 2023**.
9. Once implemented, this change removes one of the significant barriers to lift and shift and is a positive outcome for the development of the CJC model, leaving the consequential amendments still to be dealt with.
10. The consequential amendments are:
  - the Local Government Pensions Scheme Regulations 2013;
  - the National Loans Act 1968 and the Public Works Loans Board;
  - the Redundancy Payments (Continuity of Employment in Local Government etc.) (Modifications) Order 1999;
  - Section 119 of the Local Government Act 1972;
  - Income Tax Act 2007;
  - Corporation Tax Act 2010;
  - Taxation of Chargeable Gains Act 1992.
11. In addition to this, there remains the fundamental question, which underlines many of the above, is confirmation of the CJC's formal Financial Status?
12. In February 2022 the path to resolve these key questions was stated as being a Section 150 order to the Government of Wales Act. Under this approach, the First

Minister proposes constitutional amendments to the Secretary of State for Wales to the Government of Wales Act. These amendments are, once agreed, taken through parliament to place them on the statute books and to become law.

13. We are told that Section 150 orders are relatively rare, and when undertaken, Welsh Government (WG) will group changes together from across departments to maximise the impact of each order.
14. We understand that there are a significant number of amendments alongside the 7 CJC related consequential amendments (para 9) and therefore, there is potential for this to be a lengthy process.
15. The correspondence from MFLG states that the process has been started, via the First Minister's office requesting the Section 150 order to the Secretary of State for Wales. Further support has been given to this process by CCR in order to outline the reasons and rationale for urgent action on these issues. This emphasises the opportunity to accelerate delivery of the City Deal through some of new freedoms and flexibilities bestowed by the CJC legislation.
16. There is therefore the possibility of fast-tracking the CJC amendments. This is unconfirmed at this time. However, it raises the potential that the majority of the required amendments for lift and shift could be in place as early as April 2023.
17. This leaves the final outstanding question on what the CJC's Financial Status is if not a 'Levying Body'? This is important as it drives many of the engagements that the CJC will have with financial institutions, including the Public Works Loans Board (PWLB), the Local Government Pension Scheme and no doubt a much wider range of organisations.
18. Being able to succinctly describe the financial status of CJs as a public body is particularly challenging at present. Being a levying body also has a particular set of considerations around such things as Treasury Management, Prudential Framework, Pension Liabilities.
19. Some of these will be dealt with through the Section 150 process, for example this will add CJs to the PWLB list of organisations that can borrow, which in turn puts stipulations on how the organisation will operate (Prudential Framework, Treasury Management). However, clarity on how this is best described / articulated is still being sought. This is an area where there remains some ambiguity as per the references in appendix 1:

*"As I set out in my letter to Cllr Hunt in October 2021 during the early discussions on the new arrangements at the Local Government Reform Sub-Group of Partnership Council the important principle was agreed that, to preserve the essential accountability of the constituent councils, the funding and governance model for CJs would not be one of levying on constituent councils (as is the position with Fire and Rescue Authorities). The regulations therefore provide for a process whereby a CJC must agree its budget requirement and the amounts payable by each constituent local authority (and by the National Parks Authority*

*in relation to preparing a Strategic Development Plan). While this may in practice operate in the same way as a levy, it does not legally constitute one.”*

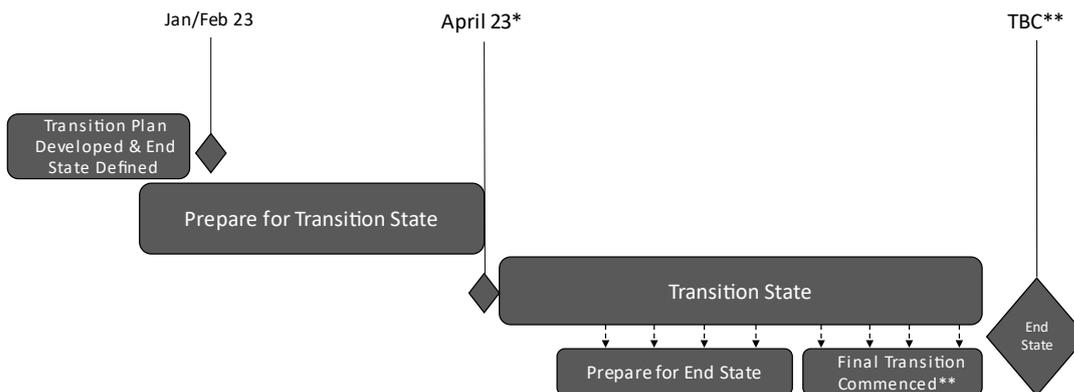
20. As progress is made in the way described above, CJC will continue to push for clarity on this position and for the relevant descriptor or signifier to be agreed, in order to convey the financial status and standing of the corporate legal entity to prospective funders, partners and key public administrative bodies. This will be particularly important in understanding important issues around liabilities and constraints.
21. It is worth noting that as the CJC progresses through the detailed work of transition, there will likely be other areas where clarity is sought from Welsh Government on specific areas, as has been the case to-date, work continues to resolve issues on a case-by-case basis, and work to bring solutions to the table wherever practicable.
22. Some recent examples of this include:
  - application of the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 (“the 1999 Order”) to CJsCs – now added to the Section 150 order for resolution as laid out above;
  - Social Partnership & Procurement Bill – Code of Practice – resolution agreed for the Code and its accompanying circular to be amended accordingly.

### The way forward

23. CJC development work has continued, although in relatively slow order over the 18 months since they Regulations were formally introduced in April 2021. This approach has been appropriate considering the current and relatively slow-moving regulatory landscape.
24. As highlighted in the previous section, there is potential for acceleration in this area and as a minimum the VAT section 33 order is scheduled to be resolved prior to the next financial year. This therefore means revisiting CCR’s plans to transition to the CJC in good time, to make sure that the organisation is fit for purpose, with the appropriate policies, procedures and governance building blocks in place to begin in earnest, the transition journey.
25. Revisiting the Transition Plan will also give the opportunity to reconfirm with stakeholders in Cardiff Council (CCR’s Accountable Body) and Rhondda Cynon Taff CBC (as the CJC’s transactional support services provider) the likely levels of support that may be required over the transition period and beyond.
26. The transition plan going forward will focus on three key areas (including indicative timescales):
  - defining CCR’s Desired State (Target Operating Model) – being clear on what does CCR, in its widest sense, need to be able to deliver and how?

- in order to move from the bare minimum CJC currently in operation, to a transition state, what must be in place by April 2023? This will be the building blocks for the future organisation;
- how do we build on the Transition State to get to a fully functioning entity, bringing in all staff and activity under one organisational umbrella?

## Overview:



\* - will be defined by Section 150 order

\*\* - will be defined by complexity of Workstreams 4&5

27. The Transition Plan will be coordinated through a series of workstreams, these are:

- Workstream 1: People Plan - what does the transition of the team look like?
- Workstream 2: Corporate and Governance Plan - how is the organisation set up to discharge its responsibilities under clear governance that stands up to scrutiny?
- Workstream 3: Financial Plan - how does the organisation ensure it has adequate resources in place to discharge its obligations and ensures that it manages its affairs in-line the requirements of its funding agreements and/or Regulations?
- Workstream 4: Investment and Project Delivery Plan – transition of the current and pipeline of projects and investments to the CJC
- Workstream 5: Subsidiary Corporate Structures Plan – transition of the corporate entities / SPV's and equity holdings in to the CJC
- Workstream 6: Stakeholder Engagement and Communications Plan

28. Workstream Leads are in the process of being identified at the time of writing.

### How will this be governed?

29. In order to appropriately govern this approach, whilst providing an agile environment, it is proposed to do the following:

- individual workstreams - each workstream will develop detailed plans to move into the transition phase;
- CJC working group – made up of the workstream leads to coordinate across all elements of the transition plan, manage the schedule, update progress and manage risk;
- CJC Transition Board – the Terms of Reference will be re-worked to provide for a smaller focussed internal transition task and finish group to manage all of the above workstreams and their interfaces and ensure an efficient and effective process;
- CJC board – ultimate responsibility for the transition, CJC Board will be kept fully abreast of transition plan, key decisions and activities / decisions to be made between meetings.

### **Budget and Annual Business Plan for 2023/24**

30. Finally, and as stated in Para 1 above, in the meantime, a budget and annual business plan will need to be set for the SEW CJC in 2023/24 by the end of January 2023 – as required in the legislation. This process also needs to be replicated for the Cardiff Capital Region City Deal – as required by the Joint Working Agreement.
31. Owing to not yet having a confirmed timeframe for all the required legislative amendments it makes it difficult to plan for a wholly integrated ‘CCR Business Plan and Budget’ in 23/24. Therefore, the transition plan work referred to above, which will be undertaken from now to the middle of January 2023, will be paramount to informing (and costing) the operational approach to the 23/24 financial year.
32. The approach will mean that CCR will produce one, overarching and integrated business plan that sets out the ambition, proposed activities and budgets for Cardiff Capital Region as a whole. This overarching business plan will have two associated budgets underpinning it.
  - a. one for SEW CJC and;
  - b. one for CCRCD.
33. Whilst this helps create the appearance to the outside world of ‘the plan for CCR in 23/24’, it provides for a process whereby the vision and activities are integrated, even though some of the budgets and operating lines at first, will initially (until point of lift and shift) need to be attributed back to each of the separate mechanisms.
34. This can be likened to parallel tracks that get closer together over time, until eventual convergence. It is for these more strategic reasons it is considered that this option presents the optimal way forward.
35. The CCR overarching business plan and associated budgets will be presented to both Regional Cabinet and CJC Board for their consideration prior to the end of January 2023, along with a notionally revised and updated Transition Plan. Each constituent body will be approving only their associated budget in relation to the business plan as described above.

## Staffing and Resourcing

36. One of the first orders of business for the CJC, will be to establish appropriate staffing structures and people resources as required by the Regulations. This relates in the first instance to the appointment of an Executive Team and the 'lift and shift' of the current CCRCD staffing establishment into the CJC. Alignment of Terms and Conditions will need to be addressed with the vast majority of the team currently coming under Cardiff Council's Terms and Conditions. As an initial step, it is proposed that local authority Chief Executives, who make up the CCR's Programme Board, should be requested to advise the Cabinet on the process for appointing the senior team. This will also be important in ensuring the appropriate separation of interests.
37. There is a significant amount of complex work that needs to be undertaken to achieve this – spanning Terms & Conditions alignments, recruitment and appointments processes, establishing new policies and procedures and managing any TUPE implications. The costs associated with this will be met from the CJC Transition Reserve. This will also be for the engagement of services / appointment of a suitably qualified officer to manage and implement the process with the dedicated focus needed. Given the timeframe in which full lift and shift is likely to occur, much of this work fall into the 2023/24 financial year and as such, will be further set out in the relevant Business Plans and Budgets for that year.

## **Reason for Recommendations**

38. To provide an update on progress of moving towards properly operating and enacting the SEW CJC, in the light of recent developments. This helps set out a plan and process to make progress and ensure alignment with the approved policy position of Regional Cabinet around lift and shift.

## **Financial Implications**

39. This report provides an update on progress with regard to the outstanding technical matters relating to the CJC regulations and as previously reported to the CJC. It sets out the background with regard to recent developments and the legislative amendments still required to be resolved. The report provides further detail around outstanding matters and the future approach including plans for resurrecting and updating the CJC Transition Plan.
40. The Transition Plan will need to give consideration to a wide range of work necessary to enable the Cardiff Capital Region City Deal (CCRCD) to 'lift and shift' from its current operating structure to the CJC. This will involve an assessment of its existing governance arrangements, recruitment and appointments, new policies and procedures, budget and business plan setting, treasury management arrangements, banking and contracts novation.
41. CJCs have the same financial reporting and disclosure requirements as local authorities, including compliance with relevant codes of practice, where deemed to be relevant and proportionate. Together with Welsh Government and as part of the consultation on regulations, it is essential that areas that continue to cause a concern to the effective operation or potential future development of CJC's are

identified and considered. This continues to include the entity's status in terms of the scope of levying status and associated pensions arrangements (e.g., a 'Scheduled Body' or an 'Admitted Body'). This also needs to consider financial responsibility for any borrowing, lease, financial guarantee and similar future liabilities and risks.

42. The current Joint Working Arrangement and the principles of the financial model in respect to delivery of CCRCD activities set out the Local Authority contributions towards the Wider Investment Fund. The move to a CJC does not change the quantum of the financial obligations of each authority in respect to the Wider Investment Fund but may result in additional options in determining how such contributions can be managed, subject to confirmation of the sources of finance and terms upon which the CJC may be able to borrow.
43. It is proposed that the 2023/24 CJC Budget and Business Plan will be reported to the CJC in January 2023, along with details of the Transition Plan and proposals for meeting the costs identified.

### **Legal Implications**

44. This report provides an update on progress with the SEW CJC. The amendments required to the legislation as set out within this report are within the legislative competence of the Welsh Government and the UK Government. With the potential for those amendments to be resolved by April 2023 (although this has not been confirmed), it is appropriate for the Transition Plan to be revisited at this stage in order to ensure that the necessary arrangements are in place to begin transition at the appropriate time.

### **HR Implications**

45. There are a number of HR implications which will need to be worked through as part of the transition plan. As stated in the body of the report one of these is the admission into the Local Government Pension Scheme as well as some legal matters around the Modification Order and Code of Practice on Workforce Matters. The HR matters will be worked through as part of the transition plan and will include consultation with relevant trade unions and staff affected. All processes will be in line with Employment legislation and relevant policies.

### **Well-being of Future Generations (Wales) Act 2015**

46. See appendix 2 for the Future Generations Assessment Evaluation which includes Equalities and Sustainability Impact Assessments
47. 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 SEW CJC) must set and publish 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 CJC Board must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, they 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.

48. 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 2.

## **Equality Act 2010**

49. 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**

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

- (1) notes the progress update and the detail of the outstanding work required to fully enact the South East Wales Corporate Joint Committee as set out in this report;
- (2) notes the approach set out in respect of resurrecting the Transition Plan and accompanying processes;
- (3) notes that it will receive the CJC 2023/24 Annual Business Plan and Budget along with a revised and updated Transition Plan as set out in this report no later than the 31 January 2023 as required by the CJC regulations.

**Kellie Beirne, Interim Chief Executive**  
**South East Wales Corporate Joint Committee**  
**28 November 2022**

### **Appendices**

Appendix 1 Letter from Minister for Finance and Local Government

Appendix 2 Well-being of Future Generations Assessment

Rebecca Evans AS/MS  
Y Gweinidog Cyllid a Llywodraeth Leol  
Minister for Finance and Local Government



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref RE/00822/22

Cllr A Hunt  
Leader of Torfaen Council  
Chair CCR

Cllr J Mudd  
Leader of Newport  
Council Vice Chair CCR

Cllr H Thomas  
Leader of Cardiff Council  
Vice Chair CCR

Cllr MA Brocklesby  
Leader of Monmouthshire Council  
Vice Chair CCR

27 October 2022

Dear Cllr A Hunt,  
Cllr J Mudd,  
Cllr H Thomas and Cllr MA Brocklesby,

Thank you for your letter in relation to the implementation of the South-East Wales Corporate Joint Committee (CJC).

The Minister for Economy and I have been pleased to have the opportunities to meet with colleagues from South-East Wales recently to hear about your excellent progress in utilising the framework provided by the CJC to work collaboratively to deliver regional ambitions.

I am very grateful to colleagues for their engagement in the substantial process of putting in place the necessary legislative framework to support the operation of new CJCs. This has included developing four phases of regulations over nearly 18 months which have been approved in the Senedd.

Despite our approach to co-developing the legislation, consulting extensively with partners in local government including Treasurers, it is of course reasonable there would be a small number of technical issues, including in relation to taxation, which only emerge when detailed operational planning started last summer. Most consequential amendments to the regulatory framework have been within the competence of the Senedd, however a small number require the UK Government to make changes.

You will have seen I wrote to all CJC Chairs and Vice Chairs on 27 September. In that letter I set out the UK Government has confirmed it will legislate to admit the four CJCs into

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

the VAT refund scheme. CJsCs will be eligible to receive a refund of the eligible VAT they incur from the date an Order is made.

My previous letter said we understood this change would come into force by 1 March. I am pleased to be able to share with you the good news that this change to VAT rules is now scheduled to come into force slightly earlier on 10 February. This will resolve this key operational issue for CJsCs and allow Corporate Joint Committees to plan with confidence for the next financial year.

Your letter describes eight remaining issues you consider need to be resolved to support the implementation of the CJC.

The first of those relate to CJsCs levying body status. As I set out in my letter to Cllr Hunt in October 2021 during the early discussions on the new arrangements at the Local Government Reform Sub-Group of Partnership Council the important principle was agreed that, to preserve the essential accountability of the constituent councils, the funding and governance model for CJsCs would not be one of levying on constituent councils (as is the position with Fire and Rescue Authorities). The regulations therefore provide for a process whereby a CJC must agree its budget requirement and the amounts payable by each constituent local authority (and by the National Parks Authority in relation to preparing a Strategic Development Plan). While this may in practice operate in the same way as a levy, it does not legally constitute one.

When issues arise from Senedd legislation requiring amendments to UK wide legislation beyond the Senedd's competence, an Order under section 150 'Power to make consequential provision' of the Government of Wales Act 2006 can be developed in partnership with the Westminster Government.

Section 150 Orders must however be brought before the UK Parliament by the Secretary of State for Wales. For that reason, they are comparatively rare, with the preferred approach to combine a range of amendments needed to UK legislation within a single Order. This requires complicated and time-consuming coordination across a range of Welsh Government Ministerial policy areas.

I am pleased to be able to confirm the First Minister has written to the Secretary of State for Wales to formally seek his agreement to take forward a section 150 Order, including to provide for the seven technical changes needed to support CJsCs. Whilst UK Ministers must still agree all the proposals, Welsh Government officials will now begin to discuss these provisions with colleagues in Whitehall.

I am grateful for the detail provided in your letter setting out the practical implications of the non-devolved taxation issues. This information will likely prove helpful to support the conversations with HM Treasury about these elements of the S150 Order.

As I set out in my letter in September, unfortunately I do not yet have a definitive timetable for these changes to be made. I fully understand the frustration felt by partners by this ongoing delay. The only alternative way for these changes to be made however would be for UK Government Departments to bring forward changes themselves via their own legislative vehicles.

I appreciate this continued uncertainty in relation to timescales, will present challenges for setting the CJC budget for the next financial year. However, as always, my officials stand ready to support regional colleagues with implementation issues.

Similarly, my officials have been working closely with colleagues in the Welsh Local Government Association to consider how to support CJs to apply their corporate duties in a proportionate way, such as in relation to the Wellbeing of Future Generations Act, the Equalities Act and the Welsh language.

I am grateful for your positive approach to engaging with Welsh Government in relation to these concerns. I will ensure you are kept up to date with progress in resolving these legislative issues.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans." The signature is written in a cursive, flowing style.

**Rebecca Evans AS/MS**

Y Gweinidog Cyllid a Llywodraeth Leol  
Minister for Finance and Local Government

# Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

<p><b>Name of the Officer completing the evaluation:</b></p> <p>Kellie Beirne</p> <p><b>Phone no:</b> 07826 919286 <b>E-mail:</b> kellie.beirne@cardiff.gov.uk</p>	<p><b>Please give a brief description of the aims of the proposal:</b> to set out the proposed strategic principles and approach for transition to CJC now that some of the key hurdles are lifting</p>
<p><b>Proposal:</b> CCR – Way forward CJC</p>	<p><b>Date Future Generations Evaluation form completed:</b> 28 November 2022</p>

**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?
<p><b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>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.</p>	<p>In order to maintain business continuity and a seamless transition the report is focused on concurrence and the principles of transition and adaptation.</p>
<p><b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>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.</p>	<p>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.</p>

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?
<p><b>A healthier Wales</b> People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>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.</p>	<p>ESG and equality and diversity focus to ensure emphasis on societal and community needs.</p> <p>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</p>
<p><b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected</p>	<p>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.</p>	<p>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.</p> <p>CJC will also pick up the mantle on approval of key mechanisms such as the Regional Investment Plans for the Shared Prosperity Fund.</p>
<p><b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>The principles look outward and focus on the FDI and international opportunities, which are particularly important post-EU exit.</p>	<p>Proposal for eventual radical decentralization of business functions and units currently operating at national level.</p>
<p><b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>The document represents a distinctive regional strategic approach to developing the economy – foundational and tradeable and projects a distinctively Welsh approach to doing so.</p>	

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?
<b>A more equal Wales</b> 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?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>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.</p>	<p>This will be subject to the first phases of work and the transition plan as well as the proposed interim first phase of operation.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>The principles of the structure recommended situate partnerships and the building of new institutional capacity at the heart of the new framework.</p>	<p>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.</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The plan will be backed by a wider comms plan which has already included meeting with the various CCR Partnership groups.</p>	<p>Challenge funds will be another perspective to bring to bear in this context.</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The mission-driven/ challenge-led approach embedded will be a key means of experimenting in the prevention space</p>	<p>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.</p>

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?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>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.</p>	<p>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.</p>

**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	<p>Not relevant in this context since the principles, approach and ways of working apply to all prospective interests and stakeholders</p>	<p>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.</p>	<p>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.</p> <p>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.</p>
Disability	As above	As above	As above.

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
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?**

	<b>Describe any positive impacts your proposal has on safeguarding and corporate parenting</b>	<b>Describe any negative impacts your proposal has on safeguarding and corporate parenting</b>	<b>What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?</b>
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 CJsCs.

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.		
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**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:**

Cabinet and quarterly performance – Lift and Shift anticipated to take place in 2023/24