



SOUTH EAST WALES CORPORATE JOINT COMMITTEE

22 MAY 2023

2022/23 FINANCIAL OUT-TURN AND ANNUAL RETURN

TO RECEIVE THE REPORT OF SEW CJC INTERIM SECTION 151 OFFICER

AGENDA ITEM: 5

Reason for this Report

1. To present the South East Wales Corporate Joint Committee (the CJC) with the final budget out-turn position for the financial year 2022/23.
2. To present to the CJC the indicative, unaudited Annual Return for the year ended 31 March 2023 for approval subject to it being signed by the Interim s151 Officer and by Internal Audit to enable the Annual Return to be approved by the statutory deadline of the 30 June 2023.

Background

3. The South East Wales CJC Regulations 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).
4. In summary, the CJC is responsible for carrying out the Strategic Development Planning (SDP) function, preparing a Regional Transport Plan (RTP) as well as having a wider Economic Wellbeing role across the South East Wales region. Significantly though, the CJC provides an opportunity for the CCR City Deal (CCRCD) to evolve from a single funding programme to a new corporate entity through which multiple programmes, investments and functions could be developed and delivered on a regional basis.
5. A full year budget of £103,747 was approved in 2022/23 to support the interim operation of the CJC, referred to as 'Building the Foundations' phase.
6. Local Authorities and other relevant bodies (including Corporate Joint Committees) are required to prepare and publish their annual accounts in-line with the requirements of the Accounts & Audit (Wales) Regulations 2014 (as

amended). Regulation 14 states that smaller relevant bodies (those with annual income and expenditure below £2.5 million) must prepare accounting statements in accordance with the Accounts & Audit (Wales) Regulations 2014 and proper practices which provides for accounts to be prepared in the form of an indicative Annual Return replacing the obligation to produce a full Statement of Accounts.

Issues

VAT Update

7. The initial CJC budgets set for Financial Years 2021/22 and 2022/23 were prepared on a 'VAT inclusive' basis, as at that time there was no clear timetable in place to resolve the section 33 status issue for CJs. For this reason, it was deemed that budgets are set on the basis that VAT would not be recoverable during those periods.
8. Following discussions with both the UK and Welsh Governments, the Value Added Tax (Refund of Tax) Order 2023 was made on 11 January 2023 and came into force on the 9 February 2023, which allows CJs to fully reclaim VAT on their non-business activities. Therefore, the figures set out in this report include the appropriate adjustments in respect of VAT which the CJC can recover from the effective date.
9. Table 1 below sets out the CJC's final out-turn position against the approved 2022/23 budget. It should be noted that the table represents the aggregated budgets in respect of both the CJC General Budget (2/3rds) and the CJC Strategic Development Planning (SDP) Budget (1/3rd).

Table 1: SEW CJC 22/23 Final Out-turn

SEW CJC Final Out-turn Position - 2022/23				
Out-turn		Budget	Out-turn	Variance
2021/22		2022/23	2022/23	2022/23
£s		£s	£s	£s
6,895	CCRCD SLA: CJC Officer & Cabinet Support	35,847	35,029	(818)
2,538	Cardiff Council SLA: Statutory Officers & HR Advisory	13,200	12,899	(301)
389	RCT SLA: Transactional support & systems	16,835	16,943	108
2,456	CJC Insurances & Broker Fees	18,300	14,837	(3,463)
500	Internal Audit Fees	1,565	1,565	0
2,400	External Audit Fees	2,400	2,000	(400)
0	Contingency	15,600	4	(15,596)
15,178	CJC Gross Expenditure	103,747	83,277	(20,470)
	Funded By :-			
(18,335)	CCR 10 Constituent Local Authorities	(103,540)	(103,540)	0
(37)	BBNPA Contribution	(207)	(207)	0
(18,372)	CJC Gross Income	(103,747)	(103,747)	0
(3,194)	CJC Surplus	0	(20,470)	(20,470)

** Note: Where applicable, figures are inclusive of VAT at the prevailing rate*

10. In terms of its wider management and support arrangements, the CJC procures these services through three key Service Level Agreements (SLAs) with CCRCD, Cardiff Council and Rhondda Cynon Taf County Borough Council (RCT). Table 1 confirms that the aggregated spend against these three budget heads was slightly less than the approved budget. This underspend largely reflects the impact of VAT recovery from the 9 February 2023.
11. In terms of the remaining expenditure heads, there was an underspend against the budget approved for CJC Insurances and Broker fees, whilst the Contingency budget was not utilised in 2022/23. This resulted in a combined underspend of £20,470 against the approved CJC (aggregated) budget.
12. Finally, Table 1 details that the full value of approved CJC Contributions that were due in 2022/23 were received in full, resulting in a net surplus position of £20,470 for the year. In-line with the practice adopted in the previous year, this surplus will be transferred to the CJC General Reserve. Table 2 sets out the overall position against the Reserve as at the 31 March 2023.

Table 2: SEW CJC General Reserves held as at 31 March 2023

SEW CJC Balance Sheet - General Reserves as at 31.03 2023			
	Opening Balance	Change	Closing Balance
	£s	£s	£s
CJC General Budget Reserve	(2,130)	(13,682)	(15,812)
CJC SDP Budget Reserve	(1,064)	(6,787)	(7,851)
	(3,194)	(20,470)	(23,664)

Annual Return

13. The indicative, unaudited Annual Return for 2022/23 is attached at Appendix 1 and follows a standardised format, which includes the following sections:
 - (1) Section 1: Accounting Statements details the CJC's financial information in respect of 2022/23, as well as the details of the previous year's figures.
 - (2) Section 2: Annual Governance Statement sets out eight questions aimed at ensuring there is a sound system of internal control for the CJC's operations, including the preparation of its accounting statements.
 - (3) Section 3: Additional Disclosure Notes which includes information to assist the reader to understand the Accounting Statements and/or the Annual Governance Statement. Three key notes have been added in this regard.
 - (4) Section 4: Committee Approval and Certification, requires certification by

both the Responsible Financial Officer (RFO), which in this case is the CJC's Interim s151 Officer and approval by the CJC Chair.

- (5) Section 5: Annual Internal Audit Report, which is currently in the process of being reviewed and signed-off by the Regional Internal Audit Service. They are acting independently and providing a risk based assessment of procedures and internal controls, through the consideration of a further eight questions.

Next Steps

14. Members should note that Reg 15 requires the Responsible Financial Officer to sign and date the statement of accounts/ record of receipts and payments/income and expenditure account and statement of balances and certify they present a true and fair view **before** they are approved by the CJC.
15. However, as set out above, the Regional Internal Audit Service are yet to conclude their work on the 2022/23 Return and therefore, the Return attached at Appendix 1 at this time is indicative and the steps outlined below represent a pragmatic way forward. The proposed way forward has been discussed with the CJC's external auditors, who were supportive. Once the Internal Audit is complete this will allow:
 - (1) certification by the Responsible Financial Officer (RFO), which in this case is the CJC's Interim s151 Officer;
 - (2) the Chair of the meeting on 22 May 2023 to complete the 'Committee Approval and Certification' section. This report seeks the necessary approval and delegation in order to facilitate this requirement.
16. It is anticipated that steps 1 & 2 above will be completed by the statutory deadline of the 30 June 2023. Once completed, this will allow the remaining steps to be progressed, which are summarised below:
 - (1) for the signed unaudited Annual Return to be submitted to the external auditor (Audit Wales) in accordance with the Accounts and Audit (Wales) Regulations 2014 for smaller relevant bodies, to commence its audit;
 - (2) to advertise and facilitate the opportunity for an online public inspection of the Annual Return for a period of four weeks in line with statutory requirements;
 - (3) to support the work of Audit Wales during their external audit of the Annual Return;
 - (4) for the findings of the external audit to be reported back to the CJC and for them to approve and sign the audited Annual Return at a future meeting and no later than 30 September 2023; and
 - (5) to publish the audited Annual Return on the CJC's website following its approval no later than 30 September 2023.

Reasons for Recommendations

17. To report the final budgeted out-turn position for 2022/23 to the CJC.
18. To present to the CJC the indicative, unaudited Annual Return for the year ended 31 March 2023 for approval subject to its being signed by the Interim s151 officer and by Internal Audit and to secure the necessary delegations to allow the Annual Return to be submitted to external audit by the statutory deadline of 30 June.

Financial Implications

19. This report provides the CJC with details of the final budget out-turn position in respect of the 2022/23 budget. The details are set out in Table 1, which represents the aggregated position of the two separate CJC budgets (CJC General Budget and SDP Budget), that were approved in 2022/23, as required by the South East Wales CJC Regulations.
20. Table 1 details that full value of approved CJC Contributions that were due in 2022/23 were received in full, resulting in a net surplus position of £20,470. This surplus will be transferred to a General Reserve and is available to support future CJC budgetary requirements.
21. The net surplus has been split between the General Budget and the SDP Budget elements based on the 2/3rd (£13,682) and 1/3rd (£6,787) basis agreed by the CJC as part of the budget setting process. In addition to the 2022/23 surplus, there is a surplus of £3,194 brought forward from 2021/22. Further details are set out in Table 2.
22. Should be it be determined at some point in the future that any CJC General Reserve balances are no longer required, then any sums held will be returned to contributing partners, based on their respective contributions.

Legal Implications

23. The Accounts and Audit (Wales) (Amendment) Regulations 2021 amended the Accounts and Audit (Wales) Regulations 2014 (the 2014 Regulations) to provide that corporate joint committees, such as the SEW CJC, are subject to the provisions of the 2014 Regulations where relevant. Consequently, the CJC is required to prepare and publish its annual accounts in line with the requirements of the 2014 Regulations.
24. The Annual Return must be considered and approved by the CJC before 30 June 2023.

Well-being of Future Generations (Wales) Act 2015

25. 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.
- (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 CCRCD) 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 Cabinet 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 SEW CJC must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, CJC 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.

26. CJC Cabinet must be satisfied that the proposed decision accords with the principles above. To assist CJC Cabinet 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

27. 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 Cabinet 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

28. It is recommended that the South East Wales CJC:

- (1) notes the Final Budget Out-turn position for the financial year ended 31 March 2023 as set-out in this report;
- (2) approves the indicative Annual Return attached at Appendix 1 subject to it being signed by Internal Audit and by the Interim s151 Officer;
- (3) authorises the Interim s151 Officer to make minor amendments to the attached indicative Annual Return;
- (4) authorises the person presiding at the meeting to sign the Annual Return once it has been signed by Internal Audit and by the Interim s151 Officer, for its onward submission to Audit Wales, to commence the 2022/23 audit as set out in this report;
- (5) notes the deadline for the conclusion of the 2022/23 external audit is 30 September 2023 and that in the event there are any material changes identified by the external audit, then an updated Annual Return will be brought back to the CJC for review and approval prior to this date.

Christopher Lee
Interim s151 Officer, SEW CJC
22 May 2023

Appendices

Appendix 1 Indicative Unaudited Annual Return for 2022/23
Appendix 2 Well-being of Future Generations Assessment

Minor Joint Committees in Wales

Annual Return for the Year Ended 31 March 2023

Accounting statements 2022-23 for:

Name of body: **SOUTH EAST WALES CORPORATE JOINT COMMITTEE**

	Year ending		Notes and guidance for compilers
	31 March 2022 (£)	31 March 2023 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	0	3,194	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	18,372	103,747	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	0	0	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	0	0	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses, eg, termination costs.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	15,178	83,278	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	3,194	23,663	Total balances and reserves at the end of the year. Must equal $(1+2+3) - (4+5+6)$.
Statement of balances			
8. (+) Debtors	18,372	16,292	Income and expenditure accounts only: Enter the value of debts owed to the body.
9. (+) Total cash and investments	0	15,464	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	15,178	8,093	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	3,194	23,663	Total balances should equal line 7 above: Enter the total of $(8+9-10)$.
12. Total fixed assets and long-term assets	0	0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2023, that:

	Agreed?		'YES' means that the Council/Board/Committee:	PG Ref
	Yes	No*		
<p>1. We have put in place arrangements for:</p> <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. 	<input checked="" type="radio"/>	<input type="radio"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
<p>2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
<p>3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
<p>4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
<p>5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9
<p>6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body.	6, 8
<p>7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
<p>8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.</p>	<input checked="" type="radio"/>	<input type="radio"/>	Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statements and/or the Annual Governance Statement

1. The South East Wales Corporate Joint Committee (CJC) came into effect on the 31st January 2022, and therefore the 2021/22 return was the first return completed and reflected transactions incurred for a part-year.
2. The CJC does not directly employ any staff. Instead support during these early phases of the CJC's introduction is commissioned from three separate organisations (1) Cardiff Capital Region (CCR), (2) Cardiff Council (CC) and (3) Rhondda Cynon Taf (RCT) Council. The proposed support arrangements were the subject of a report to the CJC Cabinet at its 31st January 2022 meeting and have been replicated for 2022/23 (CJC meeting of the 30th January 2023 (Item 5)). Therefore, the AGS section of the return collectively relies on all three organisations working together to ensure that there is a sound system of internal control, including the preparation of the accounting statements. The respective Roles & Responsibilities of the three organisations is clearly set out in the 'Interim CJC Management & Support Arrangements' report (Meeting of the 31st January 2022, Agenda Item 8) and in particular, Appendices 1 and 2 of that report.
3. CJs were granted section 33 VAT status on the 9th February 2023 and therefore, expenditure fully incurred by CJs prior to that date has been included within the accounts Gross of VAT. Transactions incurred fully after that date have been included Net of VAT. The services provided under the three SLAs span the entire year and therefore the VAT has been apportioned to reflect the CJC VAT status pre and post 9th February.

* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statements and/or the annual governance statement.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2023.</p>	<p>Approval by the Council/Board/Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
<p>RFO signature:</p>	<p>Minute ref:</p>
<p>Name:</p>	<p>Chair of meeting signature:</p>
<p>Date:</p>	<p>Name:</p> <p>Date:</p>

Annual internal audit report to:

Name of body:

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2023.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text

For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:					
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
11. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
12. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
13. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Committee are included in my detailed report to the Committee dated _____.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2021-22 and 2022-23. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit:
Signature of person who carried out the internal audit:
Date:

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)






<p>Name of the Officer completing the evaluation:</p> <p>Hrijinder Singh on behalf of Christopher Lee</p> <p>Phone no: 0300 004 0414</p> <p>E-mail: h.singh@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>To present the South East Wales Corporate Joint Committee final budget out-turn position for the financial year 2022/23 accompanying draft, unaudited Annual Return for the year ended 31st March 2023.</p>
<p>Proposal: To note the final budget out-turn position and approve the draft, unaudited Annual Return (2022/23), so this may be put on public display and external audit can commence.</p>	<p>Date Future Generations Evaluation form completed: 22 May 2023</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>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>As previously reported the SEW CJC has adopted a Bare Minimum approach to its arrangements until such time as the outstanding technical issues are resolved.</p> <p>The CJC Regulations set out requirements in respect of Commencement Duties for Strategic Development Planning (SDP), Regional Transport Plan RTP) and wider Economic well-being functions. Once the CJC is fully functioning the core functions of the SEW CJC and as such will significantly impact the prosperity of the region.</p>	<p>Will be addressed as part of the work undertaken on the Commencement Duties (which came into effect on the 30th June 2022) and in-line with the prescribed timescales for full implementation (from April 2024 onwards).</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>Activity around the strategic development planning, regional transport planning and economic well-being will all contribute to enhancing and strengthening the resilience of the region. The SEW CJC provides new powers for the region to directly impact upon and implement activity in these areas.</p>	<p>As above</p>
<p>A healthier Wales</p>	<p>The SEW CJC will contribute towards meeting the well-being objectives set by each of the ten constituent local</p>	<p>As above</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?
People's physical and mental wellbeing is maximized and health impacts are understood	authorities in order to achieve the national wellbeing goals for the region.	
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The conferment of powers to the SEW CJC to develop and implement a Regional Transport Plan will significantly improve and enhance community travel and connectedness for the Cardiff Capital Region.	As above
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Not directly applicable although the conferred powers of the SEW CJC will impact the region and in tandem with the other three CJs, will have a positive impact across the Welsh nation and will therefore present Wales as a destination for local, social, economic and environmental well-being.	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	Not directly applicable but see above.	As above
A more equal Wales People can fulfil their potential no matter what their background or circumstances	The key functions of the SEW CJC around regional transport planning and economic well-being will impact on our communities by creating better connectivity and better quality of life for them. The strategic development planning aspect will help bring business and community together as the well-being of the region is scaled up. Partnering with the Brecon Beacons National Park Authority (BBNPA) on the rail and Strategic Development Plan will allow the region to achieve additional support in reaching these goals.	As above

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 Building the Foundations phase of the CJC is a twin track model moving towards the 'Lift & Shift' model means that activity around and implementation of the core functions of the SEW CJC will be staggered. Commencement Duties began on the 30 June 2022 and CJC reports since this date have included evidence of the necessary balance between short-term need and long-term planning.</p>	
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>A cornerstone of the region's process is the strength of partnership working. The BBNPA will be aligning with the Cardiff Capital Region around the Strategic Development Plan.</p>	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Communications and engagement remain a feature of our work and the region will continue with its regular communication updates disseminating the information to the wider public sector, private sector and local communities to ensure transparency of process.</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The Building the Foundations phased is a twin track model moving towards the 'Lift & Shift' model will allow the region to maintain equilibrium until the region can move into one integrated model of regional public investment and economic governance under the SEW CJC.</p>	
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>Regional partnership working and close liaison with UK and Welsh Governments and the private sector, within and outside Wales, will help ensure we meet this goal.</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	The report is seeking approval of the budget out-turn position and the Annual Return for 2022/23. The protected characteristic assessments related to specific activity in the SEW CJC will need to be drawn out in the relevant documentation at the appropriate time.	None arising at this time.	
Disability	As above	As above	
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above	As above	
Race	As above	As above	
Religion or Belief	As above	As above	
Sex	As above	As above	
Sexual Orientation	As above	As above	
Welsh Language	As above	Not at this time but the situation will be kept under review.	

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 and effecting the well-being elements of the SEW CJC should have a profoundly positive impact on the region’s ability to safeguard the future of its residents.		
Corporate Parenting	Not directly relevant; however, building the future economy and effecting the well-being elements of the SEW CJC should create opportunities for all of the young people entrusted in our care.		

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

- Legislation as set out by UK Government.
- Legislation as set out by Welsh Government (CJC Regs and the Accounts & Audit Regulations 2014)
- Discussion and advice from Audit Wales.
- Discussion and approval on activity in line with the legislation from the Cardiff Capital Region Joint Cabinet.
- Extensive legal advice and other legal due diligence.
- Legislation around financial matters relating to tax, financial status, borrowing powers, etc.

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?

The areas requiring attention and focus are set out and follow-up actions will be assessed and monitored ongoing through a reporting mechanism to be agreed in light of the evolution to the Building the Foundations phase.

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:	Annually, in light of the evolution to the Building the Foundations phase.
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