Cyd-bwyllgor Corfforedig De-Ddwyrain Cymru | South East Wales Corporate Joint Committee

South East Wales Corporate Joint Committee

10.00am on Monday 31 March 2025
via Microsoft Teams

Minutes

Members	Constituent Authority
Councillor Mary Ann Brocklesby (Chair)	Leader, Monmouthshire County Council
Councillor Dimitri Batrouni	Leader, Newport City Council
Councillor Lis Burnett	Leader, Vale of Glamorgan Council
Councillor Brent Carter	Leader, Merthyr Tydfil County Borough Council
Councillor Anthony Hunt (Deputy Chair)	Leader, Torfaen County Borough Council
Councillor Sean Morgan	Leader, Caerphilly County Borough Council
Councillor John Spanswick	Leader, Bridgend County Borough Council
Mr Julian Stedman	Chair of Planning Committee, Bannau Brycheiniog National Park Authority (for items 1 – ?)
Councillor Huw Thomas (Deputy Chair)	Leader, Cardiff Council
Councillor Stephen Thomas	Leader, Blaenau Gwent County Borough Council
Cardiff Capital Region (CCR) Officers	
Kellie Beirne	Chief Executive
Jayne La Grua	Strategic Director of Legal and Governance and Monitoring Officer
Colan Mehaffey	Strategic Director of Policy, Impact and Partnerships
Liam Hull	Strategic Director of Resources and S151 Officer
Hrjinder Singh	Head of Finance, Risk and Assurance and Deputy S151 Officer
Mike Brough	Head of Infrastructure
Clare Cameron	Regional Transport Manager

1. Apologies for Absence

1.1 An apology for Absence was received from Cllr Andrew Morgan, Leader, Rhondda Cynon Taf (RCT) County Borough Council.

2. Declarations of Interests

2.1 Cllr Spanswick declared a personal interest that he had met Health and Safety Executive and Marubeni representatives in relation to the Hybont project.

3. Minutes

3.1 It was **RESOLVED** that the South East Wales Corporate Joint Committee (SEW CJC) **APPROVED** the minutes of the meeting of the CJC held on 10 March 2025 as a true and accurate record.

4. Annual Business Plan 2024-25 Quarter 3 Performance Report

4.1 The Committee received a report providing the Quarter 3 reporting position against the 2024/25 CCR Business Plan, including the CCR City Deal and the transition to the CJC. Approval was sought to formally submit the report, including supporting information, to both UK and Welsh Governments.

4.2 Kellie Beirne, presenting the report, referred to the Q3 portfolio highlights, including the financial performance. The spend had been £13.6m against a forecast of £16.5m. This variance was due to the Innovation Investment Capital fund which experienced a £2.5m underspend regarding a potential investment which was unable to complete owing to due diligence. Ms Beirne confirmed CCR was due to catch up and meet the planned spend of circa £55m over the entirety of 2024-25 once the due diligence was complete.

4.3 Ms Beirne took CJC Members through the investments that had contributed the spend, as set out in the report. She drew Members' attention to the success of the Cluster Development Programme, the communications highlights and the CCR Energy Ltd Business Plan. Members were advised that they had previously approved the CCR Energy Ltd Business Plan in October 2023 which had been in operation until the end of March 2025. Due to work being undertaken with the CCR Energy Board, approval was sought from the CJC for a 3 month extension to the existing business plan. It was proposed to bring the revised business plan to the next meeting of the CJC which was provisionally scheduled for 2 June.

4.4 Ms Beirne also mentioned the red risks set out in the Risk Register relating to Aberthaw Power Station procurement and resourcing/capacity gaps at CCR and the proposed mitigations. There continued to be positive news regarding recycled funds from investments which were set to near £20m by the end of the financial year.

4.5 Ms Beirne, in response to a question from Cllr Hunt, stated that it was hoped that there could be a conversation regarding how the recycled funds could best be used or invested at a CJC Members' Away Day which was currently being scheduled. Mr Hull, in response to a question from Cllr Hunt on resources and capacity at

CCR, advised that when the budget had been set circa £1.3m of interest had been utilised on balances as an underwrite. The current capacity issues were an ongoing challenge due to a number of vacancies and there was the intention of filling as many of these in the coming months as possible.

4.6 In response to a question from Cllr Batrouni regarding whether there was a need to prioritise due to capacity challenges or whether CCR should seek to expand to take on additional opportunities, Ms Beirne replied that there was a process of prioritising, including contractual obligations, company law requirements and statutory requirements such as the 14 committees. It was proposed that a plan with potential options, including in relation to capacity and recycled funds, would be brought to the CJC Members' Away Day.

4.7 It was **RESOLVED** that the SEW CJC:

1) Approved the Quarter 3 2024-25 performance report (Appendix 1) and authorised the CJC Chief Executive to formally submit the report, including supporting information, to both UK and Welsh Governments, and other stakeholders as required; and,
2) Approved a 3-month extension of the CCR Energy Ltd Business Plan 2023/25.

5. Month 9 Budget Update

5.1 The Committee received a report setting out the CJC Revenue Budget position and the projected Out-turn as at the 31 December 2024 (Month 09). Liam Hull, presenting the report, explained that the financial year 2024/25 represented the first year where the budgets for CJC Statutory Duties and the CCR City Deal (CCRCD) were brought together as part of the same budget report. The Statutory Duties budget was projected to underspend by £27k which was mainly as a result of an underspend on the Regional Transport Plan (RTP) due to a reprofiling exercise of the RTP Employee and Non-Employee budgets.

5.2 Mr Hull stated that the CCRCD budget was projected to overspend by approximately £143k. He referred to there being a greater spend than expected in areas such as Legal & Governance due to the additional resource requirements needed to ensure the CJC was able to meet all of the duties that come with being a public body. This was partially offset by underspend in other staffing areas. He also mentioned a number of smaller variances across supplies and services, including consultancy costs and policy work commissioned to assist with the transition. Due to it being the first year of arrangements, there had been an underestimation of the requirements and costs of the Service Level Agreements (SLAs) with RCT. There was also an increased spend on the external audit fee.

5.3 Mr Hull advised that the overall position on the Month 9 CCRCD budget was an improvement on the Month 8 position. Work was being undertaken to reduce the deficit further by ensuring that the capitalisation of staffing costs was maximised. This was due to be finalised shortly. The year end position would be reported at the next CJC meeting.

5.4 In response to Cllr Spanswick expressing some concerns regarding the overspend in the CCRCD budget, notably in terms of Supplies and Services, Mr Hull stated

that it was linked to some underestimation of the requirements of the first year of transition. This had been addressed in the 2025/26 budget.

5.5 It was **RESOLVED** that the SEW CJC:

1) Noted the Revenue Budget position and the projected Out-turn as at the 31 December 2024 (Month 09) as set out in the report; and,
2) Noted that regular budget updates will be provided to the Sub-Committee throughout the year.

6. Quarter 3 Treasury Management Report

6.1 Liam Hull introduced the report, advising that it set out the CJC's performance against its Treasury Management Strategy at the end of December 2024 across a range of indicators outlined in the 2021 Treasury Management Code and the CIPFA Prudential Code 2021. He emphasised that the key difference between the CJC and that of the Members' local authorities was that the CJC had not undertaken any borrowing and many of the indicators were therefore not applicable.

6.2 Mr Hull advised that the key performance indicator for the CJC was interest yield. There was a low risk appetite in this area. Investments yielded £850k in interest during the quarter with cumulative interest for the year of circa £2.3m. That was at an average yield of 4.69%.

6.3 Mr Hull added that there were no instances of non-compliance either with the principles set out in the Treasury Management Strategy or in the Treasury Management Code during Q3.

6.4 It was **RESOLVED** that the SEW CJC:

1) Noted the 2024/25 Quarter 3 Treasury Management Report (Appendix 1) and Prudential Indicators (Appendix 2); and,
2) Noted that regular updates will be provided throughout the year.

7. 2025/26 Treasury Management Strategy

7.1 The Committee received a report seeking approval of the CJC's Treasury Management Strategy Statement (TMSS), along with a range of supplementary statements which required approval, necessary for effective control of the CJC's borrowings and investments for 2025/26 and compliance with applicable regulations and relevant accounting codes. Liam Hull, presenting the report, explained that the TMSS had been developed in line with CIPFA's Treasury Management and Public Services Code of Practice. Guidance had been received from the CJC's Treasury Management Advisers, Arlingclose.

7.2 Mr Hull reiterated that no borrowing had been undertaken and there was no intention to do so in the next 12 months. Having a low risk appetite, surplus funds were invested with the UK Debt Management Office. He brought to Members' attention the key changes that responsibility for Treasury Management activities was now an in-house managed service and no longer involved a SLA with RCT and also that the CJC's Counter Party Investment Limits were increased from £5M

to £10M, providing that the bank's credit rating is no lower than -A. The Counter Party Investment Limits were in line with advice from the CJC's Treasury Management Advisors, the range within the 10 Constituent Councils and provided the CJC with more operational flexibility where required.

7.3 Councillor Hunt thanked the Finance Team for their hard work in meeting the requirements of the transition and commented that he believed it would set the CJC in good stead for the future.

7.4 It was **RESOLVED** that the SEW CJC:

1) Approved the CJC's 2025/26 Treasury Management Strategy Statement, which incorporates its Capital Strategy, attached at Appendix 1 of the report;
2) Approved the CJC's 2025/26 Treasury Management Policy Statement, attached at Appendix 2 of the report; and,
3) Approved the CJC's 2025/26 Minimum Revenue Provision Policy Statement, as attached at Appendix 3 of the report.

8. Economic Well-being Statement and Objectives

8.1 Colan Mehaffey presented the report which sought comments and approval in respect of the proposed Economic Well-being Statement and Objectives. He provided the background that CCR has a statutory duty to provide the Statement and Objectives. The intention, however, was to do more than meet the statutory duty. CCR's strategic ambitions outlined in the Regional Economic and Industrial Plan, the work of Local Authority Partners, and the wider policy and legislative agenda at Welsh Government and UK Government, all fed into this work. The Statement and Objectives defined and built on the type of inclusive, sustainable economic growth CCR was committed to pursuing.

8.2 Mr Mehaffey referred to the work which had been undertaken to date in this area, including a Working Group, led by Kevin Gardiner (Regional Growth Board Chair) and also involving Professor Gill Bristow (Head of the School of Geography and Planning, Cardiff University), which had been formed in early 2024. Professor Rob Huggins (Cardiff University) and Professor Piers Thompson (Nottingham Trent University) had been commissioned by the Working Group to develop a report analysing the Well-being of the Region across a range of indicators and this had been previously shared with the CJC.

8.3 Mr Mehaffey stated that the Statement focused on the three key areas of Stronger, Fairer and Greener and these were reflected in a proposed high level Action Plan. In terms of implementation, Mr Mehaffey highlighted that CCR was in the process of developing an Economic Well-being Data Dashboard. The Regional Growth Board was assisting in developing the requirements for it. This tool would be openly accessible and utilised by decision makers across CCR and the local authority network.

8.4 It was confirmed that public engagement on the proposed Economic Well-being Statement, Objectives, and Action Plan would commence in April 2025.

8.5 Members made a number of points in relation to the report, including the following:

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- The Chair thanked the officer team and the wider stakeholder team who had given their time to help CCR develop the Statement, Objectives and Action Plan. She welcomed the collaborative approach which would assist the whole region, taking into account that there were economic disparities which needed addressing. She also welcomed that diversity and inclusion goals had been embedded in the Statement, Objectives and the Action Plan as well as environmental goals.
- Cllr Batrouni queried whether GVA was an appropriate sole measure to assess improving equitable prosperity. He expressed the view that GVA could grow and a large percentage of the population could be left behind. Were there better measures such as disposable income of the poorest 10%? He also asked how regional impact could be assessed against national trends. Mr Mehaffey replied that one of the reasons Professor Huggins and Thompson had been commissioned was to help develop the economic indicators. This work had helped to bring forward the Responsible Investment Policy and the ESG Scorecard. Kellie Beirne added that the Professors were looking at a new index of economic wellbeing which would incorporate a range of purposeful measures.
  In relation to regional impact, Mr Mehaffey informed Members that work was being taken forward with local authority partners to look at the scalable analysis of impact in national trends. Data would be sought against comparable areas with similar socio-demographic profiles.
- Cllr Hunt welcomed the expertise utilised to date, including the Working Group and the Regional Growth Board. He recommended that 'critical friends' continued to remain on board and assessed the strategy going forwards. It was important that CCR 'did not hit targets and miss the point'. Sustainable growth was needed which touched all parts of the region and also other areas such as rewarding Fair Work. Mr Mehaffey in response referred to reaching this point as a collaborative endeavour across public, private and third sector. It was the intention to continue utilising this wider knowledge.
- Cllr Spanswick quoted paragraph 32 of the report which set out that the socio-economic duty requires public bodies to have due regard to the desirability of exercising decisions in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage. He asked how it could be demonstrated this would happen and suggested that a deeper discussion on this matter could take place at the Members' Away Day. Ms Beirne stated that CCR had sought to embed this in areas such as the Responsible Investment Policy and ESG Scorecard which showed how the wider objectives were being applied and how they applied to CCR's investments. Mr Mehaffey also mentioned the Strategic Equality Plan as another example of CCR policies which were interlinked to address inequality. There would be a reporting mechanism which would enable Members to assess this.
- Cllr Sean Morgan commented that financially it was difficult to assess economic wellbeing due to the impact of inflation, he asked whether there was an opportunity to measure wellbeing in a different way. He asked that this was discussed at the Members' Away Day.

8.6 The Committee approved the proposed Economic Well-being Statement and Objectives and agreed that this was a topic which should be added to the agenda for the Members' Away Day, including growth and how it should be measured. Kellie Beirne stated that this was potentially an opportunity for experts to attend,

including Professors Huggins and Thompson to discuss their research on the economic indicators/measures.

8.7 It was **RESOLVED** that the SEW CJC:

1) Approved the proposed Economic Well-being Statement and Objectives; and,
2) Acknowledged the attached Action Plan as a key forward looking document outlining CCR's strategic priorities.

9. Strategic Development Plan Delivery Agreement

9.1 The Committee received a report providing an update on the outcomes of the draft Delivery Agreement (DA) consultation for the Strategic Development Plan (SDP) and sought approval from the CJC in principle of the DA, pending confirmation on financial support from the Welsh Government. Colan Mehaffey, presenting the report, mentioned the statutory duty to prepare a SDP and the complex work involving a number of moving pieces including that the CJC's SDP would be adopted later than the Regional Transport Plan whilst the local development plans needed to be kept up to date.

9.2 Mr Mehaffey spoke about progress to date, including that the Strategic Development Working Group had endorsed the DA (the plan for the SDP) post consultation, although it was noted that there was an outstanding need to understand how the delivery of the SDP would be supported by Welsh Government. In relation to the SDP itself, Mr Mehaffey highlighted that it would link to the National Plan: Future Wales and Local Development Plans (LDPs) and would create a strategic framework to guide the preparation of future LDP Lites which would be the new proposed form of LDPs.

9.3 Mr Mehaffey emphasised that the SDP was not just about undertaking a statutory duty. It also needed to be aligned with economic goals and the vision for a more strategic integration of land use and transport planning. It was intended to address the key challenges in the region, including uneven economic growth, unlocking multiplier benefits and supporting polycentric city-region development. The SDP would also seek to tackle regional disparities, addressing economic and social inequalities.

9.4 In respect of the role of the DA, Mr Mehaffey stated that a critical aspect was the Community Involvement Scheme which set out how and when stakeholders in the community were able to become involved in the plan-making process. This also ensured transparency and inclusivity from the outset. It also included a comprehensive timetable for preparing the SDP, setting out clear timelines and milestones for various stages of the process.

9.5 Mr Mehaffey took Members through the formal consultation process with Specific Consultation Bodies, as set out in the report. This had been commenced on 26 July 2024. A detailed Consultation Report had been provided at Appendix A, outlining the key issues raised during the consultation and how they were addressed. There was broad Support for Regional Planning and the Draft Delivery Agreement. A couple of concerns highlighted related to the feasibility of the proposed timescales (the SDP Manual had set a five-year target; however, the DA had proposed a 6 year timeframe and Welsh Government had confirmed its agreement with the revised timescale) and calls for enhanced community

engagement at key stages of SDP preparation (in response to feedback, the DA had been revised to extend the consultation periods to 10 weeks at both the Preferred Strategy and Deposit stages). Mr Mehaffey also mentioned stakeholders requested clarity on funding for the SDP and he referred to funding being identified within the Medium-Term Financial Plan.

9.6 Mr Mehaffey also highlighted the engagement with Town and Community Councils and more than 750 General Consultation Bodies. The Strategic Development Sub-Committee had overseen the governance process. He also advised CJC Members that he had held positive discussions with the Welsh Government on 27 March about taking the planning process forward, requiring approximately £4.5m over a 6 year period to develop the SDP.

9.7 In relation to a question from Cllr Batrouni regarding how polycentric growth was achieved so that it was not restricted to one area of the region, Mr Mehaffey and Richard Matthams, Strategic Planning and Transportation Planning at Bridgend CBC, clarified that the way in which the Plan would be prepared would be assisted by the Development Plan Manual. Polycentric growth would be considered as aspects such as the vision and the objectives were developed. This work was scheduled into the timetable.

9.8 Cllr Burnett spoke of seeking at the outset to enable engagement between the Strategic Development Sub-Committee and the Regional Transport Sub-Committee in order that they were aware of each other's work and that this work was co-ordinated. This included joint workshops having taken place. She recommended that the SDP / plan process was added to the agenda of the Members' Away Day. A successful SDP was crucial for the region.

9.9 Mr Stedman commented that officers at the Bannau Brycheiniog National Park Authority had responded with a number of points on the draft DA, the Authority was now fully integrated as a local planning authority in its own right and was looking forward to contributing to the process moving forward.

9.10 It was **RESOLVED** that the CJC:

1) Noted the outcomes of the draft Delivery Agreement consultation;
2) Approved the Delivery Agreement in principle, pending confirmation on financial support from the Welsh Government; and,
3) Delegated authority to the Strategic Director of Policy, Impact and Partnerships to make minor editorial changes and amend the timetable as required.

10. Annual Review of the South-East Wales Corporate Joint Committee's Constitution

10.1 In presenting the report, Jayne La Grua confirmed that this was the first annual review since the CJC's new Constitution was adopted on 18 March 2024. She took Members through the significant additions and amendments which were proposed, as set out under Paragraph 3 of the report. The updates would include the articles of the Constitution which would have an impact on a number of the committees, including the CJC, Governance and Audit Sub-Committee, Standards Committee and the Shareholders Board. Some changes were also proposed to the responsibilities and delegations of Chief Officers. Updates also included

access to information procedure rules, contract procedure rules and employment procedure rules.

10.2 Ms La Grua explained in relation to the contract procedure rules that the key changes should have ideally been considered by the Governance and Audit Sub-Committee prior to the CJC. However, due to the sequencing of the meeting with the Sub-Committee not meeting until 11 April, the requirement for the CJC to adopt RCT's contract procedure rules and RCT needing to seek internal approval for these rules, it was requested that the CJC adopt them in order that it was up to date with the legislation. Officers would bring the matter back to the CJC in the event the Sub-Committee highlighted any issue that Members would like the CJC to review.

10.3 Ms La Grua referred to the Independent Remuneration Panel for Wales (IRPW) having published its annual report in February 2025 which included its determinations on remuneration allowances for the 2025-26 municipal year. There were no changes to allowances from the 2024/25 municipal year. The allowances only applied to lay or independent members as members of the constituent councils were not separately remunerated for the time they devoted to CJC committees. Ms La Grua also brought to the attention of the CJC Members that responsibility for Members' Remuneration had transferred from the IRPW to the Democracy and Boundary Commission Cymru on 1 April 2025. Recommendation 5 in paragraph 10.5 below was updated to take this into account.

10.4 The CJC approved the recommendations as set out in the report. The Chair thanked Ms La Grua and legal officers for all their hard work in updating the Constitution and producing the report. She acknowledged the importance of the report following the shift of the organisation to becoming a CJC. It would remain absolutely crucial to the way in which the CJC operated as a statutory body.

10.5 It was **RESOLVED** that the CJC:

1) Approved the proposed changes to the CJC's Constitution to take immediate effect;
2) Requested that the Strategic Director of Legal and Governance published the amended Constitution on the CJC's website;
3) Noted the determinations of the Independent Remuneration Panel for Wales (IRPW) in its Annual Report for 2025-2026;
4) Approved the draft Members' Scheme of Remuneration for 2025-26; and,
5) Delegated authority to the Strategic Director of Legal and Governance to make any necessary amendments to the 2025-2026 Members' Scheme of Remuneration from time to time during the municipal year in order to reflect any in-year determinations issued by the Democracy and Boundary Commission Cymru.

11. Annual Report of Complaints and Requests for Information

11.1 Jayne La Grua, presenting the report, confirmed the information set out in the Annual Report of Complaints and Requests for Information report. The information was noted by Members as set out in 11.2 below.

11.2 It was **RESOLVED** that the CJC noted:

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1) No Corporate Complaints or Ombudsman Complaints had been received by the CJC during 2024/25;
2) No Complaints under the Members' Code of Conduct had been received by / reported to the CJC during 2024/25;
3) No confidential 'Whistleblowing' Reports had been received by the CJC during 2024/25;
4) No Welsh Language Complaints had been received by the CJC during 2024/25;
5) No data protection breaches had been reported by / to the CJC during 2024/25;
6) the CJC had received two data subject access requests during 2024/25; and,
7) the CJC had received 14 requests for information under the Freedom of Information Act and/or Environmental Information Regulations during 2024/25.

12. Annual Report of Joint Overview and Scrutiny Committee

12.1 The CJC was provided with a letter from the Chair of the CJC's Joint Overview and Scrutiny Committee (JOSC), Councillor Andrew Whitcombe, relating to the scrutiny work and activities that the Committee had undertaken. Members also received a report of the Regional Transport Scrutiny Working Group in the JOSC's Annual Report. Jayne La Grua, presenting the report, advised that JOSC had met formally on four occasions in the first year since being established and had considered a spectrum of the work of the CJC covering each of the three statutory core functions, the RTP, the SDP and Economic Development.

12.2 Ms La Grua stated that the Regional Transport Scrutiny Working Group had met 5 times in scrutinising Regional Transport Planning and had produced a very comprehensive report at Appendix 1 with 11 recommendations.

12.3 The Chair thanked JOSC and the Regional Transport Scrutiny Working Group and observed that the Regional Transport Sub-Committee had taken on board the recommendations of the Working Group which was a good example of how scrutiny should work.

12.4 It was **RESOLVED** that the CJC received the letter from the Chair of the CJC's Joint Overview and Scrutiny Committee and the report of the Regional Transport Scrutiny Working Group attached at Appendix 1.

13. Extension of Venture Graduates Initiative

13.1 Members of the CJC were provided with a report proposing a three-month extension of the Venture Graduates initiative from April to June 2025 using £30,000 of unallocated WIF match funding assigned to the Cluster Development & Growth Programme. Kellie Beirne, presenting the report, advised that the 3 month period would enable CCR to examine the options for the initiative. This took into account that there would not be any further Shared Prosperity Fund allocations received for it. She commented that it had been a productive and value for money scheme which had operated over a number of years. The projected achievements, as set out in the report, included a total of 286 graduate jobs created, 175 graduates upskilled through training and professional development and £8.4M of private sector investment secured as a direct result of the programme.

13.2 Ms Beirne referred to the evidence in the report on the scale of Graduate 'Brain Drain' and why it was important to work with SMEs and retain talent in the region.

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The Chair concurred that the Initiative was a very important scheme which required an extension. Skills needed to be developed within the region and the talent retained.

13.3 It was **RESOLVED** that the CJC:

1) Approved a three-month extension of the CCR Venture Graduate Programme from April - June 2025; and,
2) Allocated £30,000 of unallocated Wider Investment Fund funding assigned to the Cluster Development & Growth Programme to fund the extension.

Exclusion of Press and Public

The SEW CJC **RESOLVED** that the public and press be asked to leave the meeting during discussion of the remaining items of business because exempt information as defined in Part 4 of Schedule 12A to the Local Government Act 1972 is likely to be made known.

NOTE: In accordance to the Standing Orders in relation to the delivery of the Cardiff Capital Region City Deal, Bannau Brycheiniog National Park Authority was not represented during the Exempt Session.

EXEMPT SESSION

14. Transport Grants Modernisation

14.1 Colan Mehaffey presented the report.

14.2 It was **RESOLVED** that the CJC approved the recommendations in the report.

15. Metro Central Full Business Case

15.1 Kellie Beirne presented the report.

15.2 It was **RESOLVED** that the CJC approved the recommendations in the report.

Meeting end: 12.04pm

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