
NORTH WALES CORPORATE JOINT COMMITTEE

11 October, 2024

TITLE: CJC Establishment Progress Update

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1. PURPOSE OF THE REPORT

- 1.1. To update CJC members on progress made to establish the North Wales Corporate Joint Committee (CJC), which includes the transfer of the Growth Deal, its funding, and the Portfolio Management Office (PMO).

2. DECISION SOUGHT

- 2.1. The CJC accepts the update, progress made to prepare for the proposed transfer of the Growth Deal, its funding and the PMO into the CJC, but recognises the challenge and reasons outlined for delay, which will impact the current plans to transfer on 1st November, 2024.
- 2.2. Directs that a further report be submitted on setting out a revised transfer date and supported by a comprehensive risk assessment and detailed plan.

3. REASON FOR THE DECISION

- 3.1. The CJC will be a party to the agreements which will enable the transfer of the Growth Deal into its management. It needs to be advised of this programme and progress.

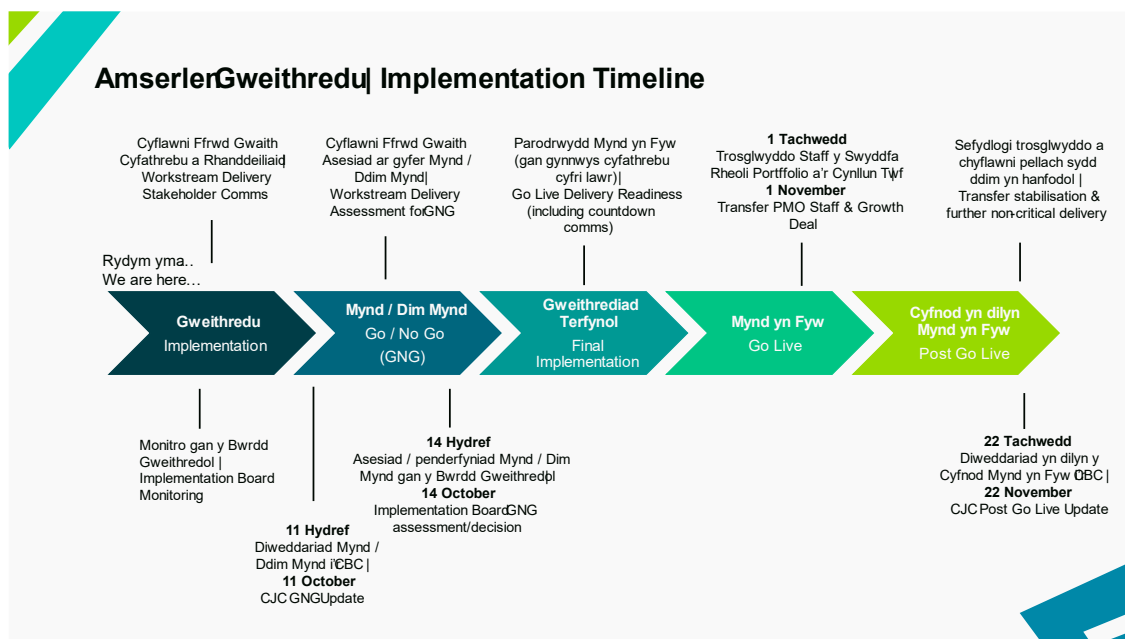
4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. Between December 2021 and January 2022, the Cabinets and Executives in each of the six Local Authorities, agreed, in principle, that the functions of the North Wales Economic Ambition Board (NWEAB) should transfer, by means of a delegation agreement, to the CJC. It was explained that the decision of this report allowed for the transfer to begin and be completed – this is explained further in 4.3. It was explained that the statutory framework and the establishment of the CJC meant that the proposed transfer needed to be progressed.
- 4.2. The overall strategic impetus to transfer stemmed from the correlation in membership between the North Wales Economic Ambition Board (NWEAB) and the CJC, the wish to avoid a multiplicity of regional bodies with similar functions, and the various legal and operational advantages and efficiencies of the CJC being its own corporate entity.
- 4.3. The original decision was an in-principle decision as the legislation relating to CJC was continuing to develop and indeed the final set of initial Regulations came into force on 1 April, 2023. These regulations being of direct relevance and implication for the proposed transfer particularly around taxation and staffing. It is recognised that we were unable to secure some

anticipated statutory provisions particularly around delegation agreements. However, it is considered that the proposed transfer arrangements will provide a governance framework which will meet and address the matters raised albeit by a different pathway.

5. UPDATE ON PROGRESS TO ESTABLISH THE CJC

- 5.1. The Programme Lead and Implementation Board have continued to drive forward the programme plan relating to the proposed transfer of the Growth Deal, its funding and the PMO to identify and mitigate potential risk that could impact the transfer on 1st November, 2024. The timeline relating to 1st November is set out below.



- 5.2. As outlined at CJC on the 6th September 2024, to affect the transfer, there are key legal matters which are being developed:

- i. Agreement with the Governments on the transfer (novation) of the Growth Deal across to the CJC and the model for achieving this. The principle of the transfer has government support.
- ii. Formal decisions by the parties to GA2 and the CJC to agree to the transfer of the Growth Deal functions and the Accountable Body function to the CJC.
- iii. Creation of Joint Working Agreement between the parties to GA2 and the Corporate Joint Committee. The agreement will be a successor to GA2 and in many respects will reflect the current arrangements. However, the different corporate status of the CJC will mean that aspects of the agreement will need to be approached differently. These reflect the fact that GA2 created a Joint Committee of the Constituent Councils with delegated powers, whereas the CJC (notwithstanding its name) is a statutory corporation. The aim however is to reflect and seek to replicate the partnership arrangements within the “lift and shift” transfer model and provide a contractual framework to ensure delivery of the Growth Deal and continue with the financial commitments of the partners to the project.

- 5.3. The targeted transfer date for Go Live on 1st November 2024, which is dependent on receiving the required approvals for transfer, has identified challenges which will cause delay. Programme matters still to be finalised to achieve transfer go live include:

- agreement on the governance model with partners through decision making processes.
- circulation of the draft GA3 to codify arrangements.
- agree the novation agreement with WG and any other issues (agreement on way forward for transfer achieved).
- Completion of the GA3 partnership agreement.

5.4. Whilst it had been anticipated that the transfer could occur on 1 November it was contingent on getting all elements of the programme agreed and in place and in time. It is conceded that whilst significant progress has been made on most aspects of the project not all the governance and contractual elements could be progressed sufficiently to allow for the transfer to take place as intended.

5.5. This process will take longer than expected and contingency planning is underway to define if delivery of some elements of the transfer may be possible this year and what would transfer in 2025. It is critical that transition and change is managed in a safe and controlled way – with the focus on ensuring that delivery of the Growth Deal is unaffected and that the statutory obligations of the CJC can be met.

6. FINANCIAL IMPLICATIONS

6.1. The CJC implementation project is being supported by a number of contract resources targeted at supporting programme management, finance, legal and democratic services. This capacity will be required until the CJC has been established, including the transfer of the Growth Deal and the recruitment into permanent roles targeted at the CJC's statutory duties.

7. LEGAL IMPLICATIONS

7.1. The report sets out the legal and governance implications of the decision sought.

APPENDICES:

None

STATUTORY OFFICERS RESPONSE:

i. **Monitoring Officer:**

Joint author of the report.

ii. **Statutory Finance Officer:**

“Officers from the Finance Service continue to provide support to facilitate the further development of the CJC. The budgets and expenditure of both the CJC and the Growth Deal are the subject of regular review, and I am confident that the financial arrangements are robust, should the transfer of the Growth Deal into the CJC occur as planned on 1 November, or is delayed to a later date in the current financial year.”