
NORTH WALES CORPORATE JOINT COMMITTEE

17 January, 2025

TITLE: North Wales Corporate Joint Committee's 2025/26 Budget and Levy on Constituent Authorities

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1. PURPOSE OF THE REPORT

- 1.1. It is a statutory requirement for the North Wales Corporate Joint Committee (CJC) to approve its budget at a meeting of the CJC by 31 January annually.
- 1.2. The budget, which is included in the appendix, has been divided to reflect the structure of the CJC, namely the Strategic Planning, Transport, Investment Zones and corporate functions, and has been analysed per expenditure heading. This allows the constituent authorities' contributions to be levied separately for 'Planning' and 'Other' functions.

2. DECISION SOUGHT

- 2.1. To approve the Budget for 2025/26 for the North Wales Corporate Joint Committee (CJC) as presented in the appendix. To approve the budget as noted below:-
- Strategic Planning (6 Leaders and Chair of the Park - simple majority, quorum = 5)
 - Other Functions of the CJC including Transport (6 Leaders - simple majority, quorum = 5).

Strategic Planning	Transport	Corporate Joint Committee	Budget Total
£	£	£	£
375,040	184,180	343,260	902,480

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

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

	Strategic Planning	Other functions	Total Levy
	£	£	£
Conwy County Borough Council	(59,630)	(87,190)	(146,820)
Denbighshire County Council	(52,660)	(74,050)	(126,710)
Flintshire County Council	(84,450)	(118,820)	(203,270)
Cyngor Gwynedd	(53,860)	(90,830)	(144,690)
Isle of Anglesey County Council	(37,540)	(52,800)	(90,340)
Wrexham County Borough Council	(73,770)	(103,750)	(177,520)
Eryri National Park Authority	(13,130)		(13,130)
Total Levy	(375,040)	(527,440)	(902,480)

3. REASON FOR THE DECISION

- 3.1. Regulations 16 and 17 of The North Wales Corporate Joint Committee Regulations 2021 set out the details of the process to be used to agree and fund the costs.
- 3.2. Again for 2025/26, it is recommended that the budget is funded by means of a levy apportioned between the constituent authorities based on the population relevant to the field of work.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. The CJC budget for 2025/26 has been split to four headings which are Strategic Planning, Transport, Investment Zone and corporate functions.
- 4.2. The total expenditure budget for 2025/26 is £1,647,220, with £180,000 funded from the Investment Zone allocation, £564,740 from the reserve and £902,480 from the levy on constituent authorities.
- 4.3. The levy for 2025/26 has increased by £137,660 and this is mainly due to Governments' recent recommendation that the Growth Deal requires a dedicated full time Portfolio Director. This has had an impact on the CJC's structure going forward with the CJC's Chief Executive post that was previously split between the Growth Deal and the CJC now requiring a full-time Chief Executive post funded by the CJC levy.
- 4.4. There has been a delay in the transfer of the Growth Deal functions to the CJC and the likely transfer date is now 1 April 2025. A separate budget will be established for this element of the work, and it will be approved by the Economic Ambition Board on 14 February 2025.
- 4.5. Regular budget monitoring reports will be presented to the CJC during the year, and any issues will be highlighted and appropriate steps will be taken.

5. FINANCIAL IMPLICATIONS

5.1. Budget headings

Employees

- 5.1.1. Four additional posts in Policy, Procurement, Operations and Administration have been added to the staffing structure for 2025/26. These posts will initially be funded from the reserve for a period of two years with further discussion needed in the future as whether these posts will be made permanent and added to the levy.
- 5.1.2. The Governments' recent recommendation for a dedicated full time Growth Deal Portfolio Director has also had an impact on the CJC's staffing structure going forward. The CJC's Chief Executive post was previously split between the Growth Deal and the CJC, but following this recommendation, the CJC's budget has now been adjusted to include a full-time Chief Executive post as well as a full time Personal Assistant.
- 5.1.3. All the posts will need to go through the formal Job Evaluation and the results of this process could have an impact on the level of budget required in the future. An inflation rate of 3% has been applied for 2025/26 and the percentage and threshold changes to National Insurance have also been applied.
- 5.1.4. The cost of allowance for lay members is based on three members for the Governance and Audit Committee and seven members for the Standards Committee.

Travel

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

Supplies and services

- 5.1.6. This heading includes budgets for tools and equipment, miscellaneous supplies, engagement and meetings, audit fees, external consultants, insurance and systems. The systems budget has been added in 2025/26 and will cover the initial set-up costs as well as an annual fee for a Committee Management System.

Support Services

- 5.1.7. Support services are needed to facilitate the work of the Joint Committee, and the budget for 2025/26 has been increased to reflect the resources required going forward and includes the support of Finance (including S151 Officer), Legal (including the Monitoring Officer), Democratic Support, Corporate Services (Translation, Human Resources, Learning and Development, Health and Safety) and Information Technology services.
- 5.1.8. A Service Level Agreement will be set up with Cyngor Gwynedd and it will include more detail on the resources and costs associated with the provision of these corporate and statutory support services.
- 5.1.9. The support services budget will need to be reviewed when further information regarding the Investment Zone requirement becomes available with the intention for any extra budget requirement to come from the allocated Investment Zone budget.

Set-up costs

- 5.1.10. The set-up costs heading includes a budget for the legal and external consultant costs associated with transferring the Growth Deal functions to the CJC as well as a budget for the Investment Zone.
- 5.1.11. Confirmation was received in the October 2024 Budget that the Investment Zone programme will continue UK wide. The Gateway documents are now being prepared with the aim of having all approvals in place to commence in April 2025. There is an annual allocation of £640k to fund revenue costs, and one third of this budget will be allocated to the CJC. The first claim in 2025/26 will include the £100k costs incurred in 2024/25, and it will then leave a budget of £180k for the CJC for 2025/26. The commissioning of work related to the Investment Zones heading will need to be discussed further during the year as more information becomes available.

Income

- 5.1.12. A contribution from reserve of £564,740 is also used to fund the budget, and this will then leave around £0.5m in the reserve.

5.2. Constituent Authority Contributions

- 5.2.1. Partners' contributions have been divided based on the population figures used in the 2025/26 settlement calculation, and the total net budget used to calculate the levy is £902,480 for 2025/26 which is an increase of £137,660 from 2024/25.
- 5.2.2. In accordance with the legislation, the CJC's general budget and the Transport budget will be funded by the six North Wales authorities, while the Eryri National Park Authority will also contribute towards the Strategic Planning budget (where they will have a vote).

6. IMPACT ASSESSMENT

- 6.1. The Corporate Joint Committee is subject to duties under the Equality Act 2010 and the Well-being of Future Generations (Wales) Act 2015.
- 6.2. In accordance with the legal duties under the Equality Act 2010, when making decisions, the Corporate Joint Committee must give due attention to the need (1) to eliminate unlawful discrimination (2) advance equality of opportunity and (3) encourage good relations based on the protected characteristics. As setting a budget falls within the decisions which can be considered strategically, there is a duty to give due attention to operating in a way which is designed to minimise inequalities which stem from socio-economic disadvantage. As the Corporate Joint Committee is still in its early years, it is not considered that any specific impacts stem from the decisions submitted.
- 6.3. The Well-being of Future Generations (Wales) Act 2015 involves improving the social, economic, environmental and cultural well-being of Wales. The act places a well-being duty on public bodies which is aimed at delivering the seven well-being goals, namely a prosperous, resilient, healthier, more equal Wales with cohesive communities and a vibrant culture with a thriving Welsh language and which is globally responsible. Given the context, the recommendations are in accordance with these duties.

7. LEGAL IMPLICATIONS

- 7.1. Regulations 16 and 17 of The North Wales Corporate Joint Committee Regulations 2021 set out the details of the process to be used to agree and fund the costs. These regulations place specific requirements regarding the calculation and approval of the budget requirement (Regulation 16) and then, as a second step, agreeing the levy contributions of the constituent authorities (Regulation 17). According to statute, the Corporate Joint Committee must adopt the Budget by 31 January 2025. If the Corporate Joint Committee fails to agree on the contributions, Welsh Ministers have statutory powers to instruct the distribution of contributions.
- 7.2. It is noted in the decisions sought that there are specific requirements regarding quorum and voting in relation to these decisions. Therefore, it must be ensured that voting is arranged in a way which reflects on the one hand the specific voting rights involved with setting the budget and on the other hand the need for unanimity on the decisions on the levy, again while separating both elements.

APPENDICES:

Appendix 1: North Wales Corporate Joint Committee's 2025/26 Revenue Budget

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer:

The report summarises the technical requirements involved with these decisions together with the statutory duties involved with establishing the budget and levy.

ii. Statutory Finance Officer:

Report author.