

Draft Statutory Guidance

Establishment of Corporate Joint Committees

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About this guidance

Purpose of this guidance

This draft guidance sets out the core principles and values around how the Corporate Joint Committees (CJCs) established on the 1 April 2021 should operate and the issues members will wish to consider when putting in place the constitutional and operational arrangements for their CJC. CJCs will be public bodies, and an important part of the local government family.

Members of the CJC will want to consider from the beginning how they will demonstrate good governance through upholding high standards of conduct and behaviour; take informed and transparent decisions which are subject to effective scrutiny arrangements; and engage with and involve others in the decisions they take.

Likewise, CJCs will be responsible for managing public money and so it is essential they are accountable for the use of that money and that they have robust financial management and scrutiny arrangements in place.

In addition, as a public body, a CJC will be expected to comply with a number of general duties, which are key to how public service organisations work in Wales. Members of a CJC will need to consider how it will comply with such duties and this is set out in more detail in Chapter six.

The guidance is intended to support CJCs in putting in place these arrangements, it is not intended to be prescriptive about what form these arrangements take - the regulatory framework for CJCs is designed to provide flexibility and enable local discretion where possible.

The guidance is also intended to support CJCs to take a proportionate approach to such arrangements, adapting them to local circumstances. It is important that the members of CJCs determine for themselves what is appropriate and what meets their needs in the development of their constitutional and operational arrangements.

CJCs will be subject to broadly the same powers and duties as their constituent councils. The guidance confirms what these requirements will be and highlights specific areas for consideration by CJCs. We recognise that local authorities will already be familiar with these requirements, and that guidance already exists in relation to many of them.

The guidance does not intend to replace or undermine existing good practice in regional arrangements but rather to recognise it and support CJCs to build on it. It has been informed by the consultation on the regulations establishing CJCs and ongoing discussions with local government.

CJCs will want to consider how they can work together to shape and support their work, developing common 'once for Wales' approaches where appropriate and sharing learning. We know that this sector led approach is a successful way of driving, owning, sharing and sustaining effective practice. The WLGA Improvement Programme will provide a range of general and targeted support that CJCs will be able to draw upon.

The guidance is on the constitutional and operational arrangements, it is not on the functions that will be exercised – there will be separate guidance on preparing a Strategic Development Plan and Regional Transport Plan.

Section 86 of the Local Government and Elections (Wales) Act 2021 provides that principal councils and CJsCs must have regard to any guidance issued by Welsh Ministers relating to Part 5 of that Act, Chapters 3, 4 and 5, and in respect of National Park authorities, relating to Part 5 Chapters 4 and 5.

As with all stages of the development of CJC's, two key principles underpin the development of the guidance for CJsCs:

- A CJC should be treated as a member of the 'local government family' and, where appropriate, should largely be subject to the same powers and duties as local authorities in the way that it operates. The intent is to avoid as far as possible making CJsCs do things in a manner that those in local government would be unfamiliar with or to create new and unfamiliar procedures, obligations, powers etc. which might increase administrative burdens; and
- The detail on how a CJC operates in practice should be left to the determination of the members of the CJC itself. This flexibility will enable CJsCs to differ between geographical areas to meet the different needs and ambitions of their region.

This guidance does not seek to provide a detailed analysis of / guidance on every aspect of the legislation which applies to CJsCs. Instead the guidance is intended in the first instance to support the process of establishing CJsCs, and in particular to consider those areas where the legislation provides flexibilities to CJsCs.

In some cases where the relevant local government legislation has not yet been applied to CJsCs the guidance will also seek to set out the policy intent where relevant – in these cases it is noted that until the relevant regulations are made the 'due regard' duty under s 86 of the Local Government and Elections (Wales) Act 2021 may not apply. Where this is the case the approach or policy intent will reflect the principle of treating the CJC as a member of the 'Local Government family'.

In a number of places the guidance will also act as 'interim' guidance, in advance and in anticipation of the publication of the Democracy Handbook, due early in 2022. Wherever possible the guidance will reflect the approach to be taken within that handbook. It is likely that on publication of the Democracy Handbook this guidance will be update to take into account the approach within the Handbook.

It is important that CJsCs and their constituent councils refer to the text of each piece of legislation as the first source of information about what the requirements are and how to meet them.

Where the text of the legislation itself is self-explanatory, no further guidance is given.

Terminology

Reference to the "Act" means Local Government and Elections (Wales) Act 2021.

The term 'local authority' should be interpreted to mean County Council or County Borough Council (also referred to in legislation as 'Principal Councils').

The term 'constituent council' should be interpreted to mean those county councils or county borough councils set out in the CJC Establishment Regulations as members of the CJC. Where relevant this should also be taken to include the relevant National Park Authority.

References to the "CJC Establishment Regulations" means the four sets of regulations establishing the four existing CJsCs, (which are for the most part identical) that is:

- The North Wales Corporate Joint Committee Regulations 2021

- The South East Wales Corporate Joint Committee Regulations 2021
- The South Wales Corporate Joint Committee Regulations 2021
- The Mid Wales Corporate Joint Committee Regulations 2021

Chapter One - Membership and constitutional arrangements

A CJC will be a separate corporate body comprised of its constituent councils, will exercise specified functions¹ of a local authority and will be democratically accountable through its constituent councils for the functions it performs.

1. Membership

- 1.1 The membership of each CJC are set out in the CJC Establishment Regulations for that CJC. The Local Government and Elections (Wales) Act 2021, which provides the framework for establishing CJsCs, requires that CJC regulations must provide that the senior executive members of the local authorities in the area of the CJC are members of the committee. In most cases this will be the Leader of the principal council but it might also be the mayor if a principal council operates under a mayor and cabinet executive.
- 1.2 When CJsCs are exercising the function of preparing a Strategic Development Plan the relevant National Park authority (NPA) is also a member of the CJC. The council members of the CJC may choose, in agreement with the NPA, to extend the NPA membership of the CJC to include other purposes/functions (see Regulation 8 of the Establishment Regulations).
- 1.3 In the event that the office of leader of a constituent council or the office of the relevant nominated NPA member is subject to a job sharing arrangement those persons involved in the job share should be treated as if they were one person for the purposes of the CJC Regulations.

2. Replacement and substitution

- 2.1 The office of CJC council member rests with the role of the senior member of the constituent council and not the individual office holder (or office holders where the role is shared). Therefore in circumstances where this changes, such as a reshuffle or resignation, then membership of the CJC must change also.
- 2.2 Should a constituent council have a vacancy at the senior member position, then that constituent council must appoint another member from the executive to be the member of the CJC until that vacancy is filled (Regulation 7 of the Establishment Regulations).
- 2.3 In circumstances where the council member is unable to discharge their function, a constituent council must appoint another member of the executive to act on behalf of the council member. This is to ensure that the work of the CJC is not disrupted by circumstances that might affect an individual such as:
 - long term sickness
 - family absence
 - parental leave
 - caring responsibility
 - conflict of interest

¹ Functions specified under Part 5 of the Local Government and Elections (Wales) Act 2021 or Regulations made under Part 5 of that Act.

3. Appointment of a chair and deputy chair

- 3.1 A CJC will be required to elect a chair and deputy chair from its constituent council members, see paragraph 2 of Schedule 1 of the Establishment Regulations.
- 3.2 The chair and deputy chair must both be elected as part of the first CJC meeting and then be re-elected, or a new chairperson and /or deputy chairperson appointed, annually at the CJC Annual General Meeting. The CJC Establishment Regulations provide (paragraph 2a of Schedule 1) for the chairing of the first meeting, in advance of the election of the chairperson.
- 3.3 In the event that the offices of the chairperson and deputy chairperson are vacant simultaneously then the CJC Establishment Regulations (paragraph 2(7) of schedule 1) also provide for the chairing of a meeting until a chairperson is elected.

4. Involving others

- 4.1 In order to fulfil their responsibilities and duties effectively, CJsCs will need to, and be expected to, actively involve others in their work. It will be important that each CJC creates an inclusive and collaborative culture to ensure a wider perspective and approach to its work. Each CJC will wish to give thought to how this can best be achieved taking into account its own unique circumstances.
- 4.2 The regulations establishing CJsCs provide the flexibility for them to engage and involve others in their work through co-option. Who is co-opted and how they are co-opted (the terms of the co-option) will be for the CJC to decide. In some cases members may also enable co-opted participants to vote on such matters. In most cases this will be for the council members to decide unless it is in relation to the exercise of the functions in Regulation 8 of the Establishment Regulations, in which case such decisions will include the NPA member.
- 4.3 The benefits of co-opting participants to participate on the CJC are:
- to strengthen the breadth of experience and skills available to the CJC
 - to enable local input or to provide for local representation
 - to provide specialist expertise on specific issues
- 4.4 CJsCs will want to give thought to the type and range of organisations they wish to be represented by co-opted participants, based on the skills and experience that will be beneficial and relevant to its work – for example representatives of:
- Further and Higher Education Institutions
 - Third sector representatives
 - Business or Sector specific organisations
 - Trade Unions
- 4.5 They could equally be private individuals with expertise that may be useful to the CJC, for example to give evidence or provide advice.
- 4.6 CJC members may also choose to co-opt other participants from the constituent councils – for example the portfolio leads for the transport, strategic planning or economic development functions. This might be particularly relevant for subject specific sub-committees.
- 4.7 The Welsh Government is committed to working in social partnership. Social partnership refers both to a transactional way of working and more generally to an idea; a value that should underpin all we do. It can encourage collaboration in delivering public services

and is a means of promoting economic growth and improvements in well-being. Social partnership brings together government at all levels, employers and trade unions in areas of mutual interest, to design and implement better solutions. It is expected that CJsCs would work under the same social partnership approach that exists between trade unions and principal councils. CJsCs should consider how they involve trade unions in their work and in the decisions they make. This involvement may be through formal co-option of trade unions or a trade union representative on to the CJC and / or one or more of its sub-committees (if it elects to have sub-committees) or through less formal arrangements. Welsh Government is also committed to fair work and is committed to introduce legislation in this regard. Any provisions in relation to fair work which apply to local authorities and other public bodies will be expected to apply to CJsCs too.

- 4.8 In considering who to co-opt, CJsCs should also consider the backgrounds and circumstances, gender, age and cultural diversity, of the communities they serve and how those they co-opt might best reflect the diversity of their communities - notwithstanding the need for each participant's ability to demonstrate the skills, experience and knowledge required to contribute to the effectiveness of its work.
- 4.9 There are no restrictions on who can be co-opted, how long they are co-opted for, the purpose for which they are co-opted or if they are co-opted with or without voting rights (but see voting arrangements) – this is left entirely to the CJC to decide. A CJC will however be required to set out such matters in written notice to the co-opted participant (see Regulation 10 of the CJC Establishment Regulations).
- 4.10 When co-opting participants a CJC might wish to consider:
- the purpose for which co-opted participants are co-opted, for example which function or functions
 - the 'term of co-option', (how long they are co-opted for) for example a fixed period, renewed annually or indefinitely until the co-option is terminated;
 - whether co-opted participants are to be co-opted with or without voting rights (see restrictions on voting co-opted participants)
 - If co-opted participants are to have voting rights if those rights are for one, some or all functions, and / or on the governance and administrative arrangements of a CJC
 - whether co-opted participants are co-opted onto the CJC itself or onto one of its sub-committees, or both.

5. Sub-committees

- 5.1 A CJC will be able to establish sub-committees to support it in exercising its functions and/or to support its governance and administrative arrangements. However, certain functions cannot be delegated to a sub-committee and these are set out in the Establishment Regulations. Sub-committees are an important way of involving others and in ensuring appropriate expert and sector specific advice is available to support the decisions CJsCs must take. Sub-committees can also provide an opportunity for more detailed discussion, consideration and decision making on specific matters.
- 5.2 The role, rules and procedures (or terms of reference) of CJC sub-committees are for the CJC to decide and are wholly at the discretion of a CJC. Unless otherwise stated in legislation, a CJC will be able to delegate decision making to a sub-committee, should it wish to do so.
- 5.3 Whilst sub-committees are not required in legislation, other than a Standards sub-committee (see paras 12.8-12.13) and Governance and Audit sub-committee para 35) there is an expectation that CJsCs will set up sub-committees for each of the key

functional areas that they exercise. It is anticipated that these sub-committees will provide the opportunity to engage more broadly and involve a range of relevant stakeholders.

- 5.4 CJC sub-committees can consist of members of the CJC itself. They can also include co-opted participants (see paras 4.1-4.10). It might also be possible for sub-committees to be made up entirely of co-opted participants if the CJC considers this appropriate. For example such sub-committees might be led by a relevant member or relevant portfolio holder from within the constituent councils' executive. In addition it is possible for people to attend a CJC or sub-committee for example to present on a one off basis.
- 5.5 When establishing sub-committees, and considering who to involve in the sub-committee, a CJC might wish to consider, in addition to those matters in 4.10 above:
- the nature of the task/activity to be considered
 - the relevant expertise/skills which might be needed to support the CJC in its decision making
 - the gender, diversity and cultural balance of sub-committee membership and how this might/should represent the communities the CJC serves
- 5.6 A CJC might also consider the timings of its sub-committee meetings, and its meetings more generally, and how this might help support the diversity of its membership and participation by others in its work.

6. Voting arrangements

- 6.1 The default position for a CJC's voting procedures is 'one member one vote' and all CJC's will initially be established on this basis. However, once established, CJC's will be able to adopt alternative voting procedures should they wish to do so. In some cases, such as the Mid Wales CJC with only two constituent councils, adopting an alternative voting procedure might support the approach to involving others through co-option, in particular if the CJC wished to provide co-opted participants with voting rights.
- 6.2 Any decision to adopt an alternative voting arrangement will be required to be a unanimous decision of all those entitled to vote on such matters, all of whom must be present. CJC's will want to give thought to how any alternative voting arrangements can be proportionate, accurate, efficient, transparent and secure. It is important that the administration of a CJC is transparent and accessible to members of the public. Any alternative voting arrangement adopted should be clear and easy to understand and will be required to be set out in the standing orders.
- 6.3 Decisions on alternative voting procedures may not be delegated to a sub-committee or other person(s).

7. Dispute resolution

- 7.1 As provided for in the CJC Establishment Regulations all matters, apart from adopting alternative voting procedures and funding of the budget requirement, are to be decided by a simple majority (unless an alternative procedure is adopted). However as all CJC's are made up of an even number of constituent councils there is a potential for voting to be tied and in which case, except for matters relating to the Strategic Development Plan function (where the chair has the casting vote) the tied matter is not carried.

- 7.2 Whilst CJs may wish to work by consensus there is a potential that such tied matters may escalate into disputes i.e. they are unable to reach decision by simple majority.
- 7.3 It is the case that any tied matters can be deferred for re-consideration and there is nothing to prevent this from happening until a majority agreement can be reached. However a CJC may wish to consider putting in place appropriate arrangements in the event that a CJC is not able to reach a decision by simple majority, in particular where this might prevent the CJC from exercising its statutory duties. A CJC may wish to consider for example;
- adopting alternative voting procedures to introduce a casting vote approach for the chair for certain functions or in certain circumstances; and / or
 - procedures for arbitration (including independent arbitration if appropriate).

8. Training for members

- 8.1 A CJC may wish to consider appropriate and proportionate training for its members and any co-opted participants. Providing training and ongoing support to CJC members and co-opted participants will ensure they have the necessary information and skills needed to fully participate in the work of the CJC. This might include for example in relation to the nature of membership and members' roles and responsibilities on a CJC. A CJC may also wish to provide support to its members on their relationship with, and representation of, their constituent councils and in supporting and encouraging the democratic accountability of the CJC members with their constituent councils.
- 8.2 Training may be particularly important for co-opted participants, for example to support them in understanding their role on the CJC, the nature of the functions within the CJC, the administration and governance of the CJC and the relationship of the CJC with other public bodies / organisations.

9. Concurrence of powers and duties

- 9.1 It will be important that the work of the CJC at the regional level complements, supports and is aligned to that of the constituent councils at the local level. In some cases, for example with strategic development planning and regional transport planning, delivery of functions at the local level will be dependent on the decisions made regionally by CJs; that is in terms of the nature of the decision and the timing of when decisions are made. In other cases, for example with economic development, the powers will be broadly the same and agreements will need to be made so there is clarity on who does what, when, where and how. We refer to such issues here as issue of concurrence.
- 9.2 It is expected that a CJC would seek to agree a process with its constituent councils that sets out how issues of concurrence will be managed. This might include for example:
- agreeing the specific activities within the scope of the agreement
 - agreeing how concurrence will operate and how issue of concurrence will be communicated between parties
 - providing clarity on how agreement on concurrence will be achieved, reviewed and how disputes may be resolved.

10. Constitutions and standing orders

- 10.1 CJs will be required to have a constitution and to adopt standing orders to set out the CJC's organisational, administrative and procedural matters for meetings and decision-making. Standing orders will also set out certain matters with respect to staff, including; codes of conduct (para 12.1-12.5); a protocol on member / officer relations; and, the function of appointment and dismissal of, and taking disciplinary action against, members of staff of the CJC (how-so-ever appointed). There will be a requirement to identify the person responsible for such functions.

11. Discharge of functions

- 11.1 A CJC can adopt a sub-committee model to exercise some of its functions or to support it in exercising its functions, including so as to delegate some of its functions to a sub-committee. It will be for the CJC to determine the arrangements, including membership and voting rights of its sub-committees as it sees fit (see section 5 above). A CJC will also be able to delegate some of its functions to a member of the CJC or staff of the CJC. However, certain decisions cannot be delegated to a sub-committee and these are set out in the Establishment Regulations.

12. Ethical standards framework

Code of conduct

- 12.1 It will be important that members and co-opted participants within a CJC are subject to the same standards of conduct as members of constituent councils. The Local Government Act 2000 established an 'ethical framework' for local government in Wales and the intention is that this same 'ethical framework' will apply to CJs. The Welsh Government is currently reviewing this framework and this guidance will be updated to take account of any changes resulting from the review. The intention is that any changes will be in place for the new administrations elected in May 2022.
- 12.2 It is intended to apply Part 3 of the Local Government Act 2000 to CJs, which will bring CJs within the ethical framework for local government which that Act establishes. On application of the ethical framework a CJC will be able to adopt its own code of conduct for members. Until this point its members (including co-opted participants from constituent councils) will be subject to the relevant code of conduct of their local authorities. During this time members and co-opted participants from local authorities will be required to register any personal interests they have in the business of the CJC in their relevant principal council's register of interest by providing written notification to their council's Monitoring Officer.
- 12.3 Prior to application of Part 3 of the Local Government Act 2000 co-opted participants who are not from a constituent council will not be subject to a code of conduct (or be within the remit of the Public Services Ombudsman for Wales). CJs will want to consider if co-opted participants, with or without voting rights, should be required to sign up / adhere to a code of conduct as part of the 'terms of co-option'. It is recommended that all co-opted participants should be required to adopt the code of conduct as good practice. Any such requirement should be set out in the notice of co-option.
- 12.4 The Code of Conduct (Qualifying Local Government Employees) (Wales) Order 2001 sets out the code of conduct for qualifying employees of relevant authorities in Wales.

It is intended that the code of conduct will apply to employees of CJsCs (see also staff and workforce Chapter Two).

- 12.5 Ad hoc observers invited to advise or to present to the CJC will not be subject to the code, but should follow the [Nolan principles of public life](#). It will be for the CJC to ensure that Ad hoc observers are aware of the Nolan principles and are aware of the standards required when invited to advise or present.

Register of interests

- 12.6 On application of the ethical framework a CJC will be required to maintain a register of interests, to be established by the Monitoring Officer, for its members and co-opted participants with voting rights. A CJC will cover a different geographical area to its individual constituent councils and therefore it is considered necessary for a separate relevant register of interests to be maintained to cover the functions and geographic area of a CJC (and in relation to relevant matters outside the areas to which CJsCs may influence and to which members may benefit).
- 12.7 Co-opted participants with voting rights will be required to declare relevant interests to a CJC. Co-opted participants without voting rights may not be required to declare interests but a CJC should consider, in order to promote transparency in its work and in particular where this work is related to strategic plans, if co-opted participants without voting rights should declare interests also. This should be set out in the CJsCs notice of co-option.

Standards Committee

- 12.8 A CJC will be required to appoint a standards committee. The way in which this requirement is satisfied will be for the CJC to determine.
- 12.9 There are a number of approaches a CJC may wish to consider:
- utilising an existing standards committee of one of its constituent councils
 - establishing its own standards sub-committee, which could be populated in line with the principles within the Standards Committee (Wales) Regulations 2001 but by members of the standards committees of the constituent councils
 - establishing a standards sub-committee in line with the Standards Committee (Wales) Regulations 2001
- 12.10 A CJC standards committee will not be able to establish a joint committee with another CJC standards committee or delegate any of its functions to a sub-committee.
- 12.11 As with standards committees of local authorities, a CJC standards committee will be required to hold at least one meeting during every 12 month period after 31 December 2021.
- 12.12 As with other CJC meetings, the CJC standards committee are likely to conduct the majority of its meetings virtually (unless a standards committee elects to hold physical meetings) and therefore access, notice and availability to relevant documents should be interpreted at all times to mean electronically. A CJC should make all relevant notices, agendas, minutes and other documents of its standards committee available on a dedicated website and / or a designated area of the constituent authorities' websites.

12.13 A CJC standards committee will be required to prepare an annual report to the CJC. To support democratic accountability and transparency a CJC may consider providing a copy of that annual report to its constituent councils also.

Monitoring Officer

12.14 To ensure that the CJC operates within the relevant legislation and that the CJC is not subject to any maladministration a CJC will be required to appoint a suitably qualified Monitoring Officer on the same basis as the provisions in section 5 of the Local Government and Housing Act 1989.

12.15 The role of the Monitoring Officer will also include:

- providing support and advice to the CJC and its members in relation to its meetings and any meetings of its sub-committee (where applicable)
- ensuring appropriate scrutiny arrangements are put in place
- providing support and advice in relation to the functions of the CJC's committees to both the members and officers of the CJC
- establishing and maintaining a register of interests of the members and co-opted participants of the CJC. Such interests should include any matters relevant to the functions and functional area of the CJC, not just their own Principal Council
- providing support and advice to each member of the CJC in carrying out the role of members of the CJC
- providing reports and making recommendations in respect of the number and grades of staff required to discharge the role

12.16 In the case of absence or conflict of interest an alternative person can be nominated to carry out the required functions.

13. Liability of members and staff

- 13.1 A CJC is a corporate body in its own right and the members will be taking decisions on functions which are theirs alone and / or have been delegated to them by the local authorities. A CJC will be required to indemnify its members (have its own indemnity) for the decisions they take. The CJC should hold the liability, rather than individual members, employees or others discharging functions, on their behalf.
- 13.2 Section 101 and 105 of the Local Government Act 2000 provides for the indemnification of local authority members and officers and the same provisions will apply to a CJC.
- 13.3 In relation to the issue of exposure to liability of co-opted participants with voting rights for decisions taken by the CJC, 'The Local Authorities (Indemnities for Members and Officers) (Wales) Order 2006' sets out the terms under which this may happen. Whilst this Order does not specifically reference co-opted participants it does not exclude them.
- 13.4 Co-opted participants without voting rights are not part of the decision making process and therefore it is not anticipated that a CJC need indemnify such persons.
- 13.5 CJCs will need to consider how they will provide similar arrangements, as is necessary, in relation to officers employed by them (and those not employed by them) who are entrusted with the custody and control of money on their behalf. Section 114 of the LGA 1972 provides an example of how this is currently provided for in Local Authorities.
- 13.6 Section 1 of the Employers' Liability (Compulsory Insurance) Act 1969 requires insurance against liability for employees – it requires every employer carrying on any business in Great Britain to insure, and maintain insurance, under one or more approved policies with an authorised insurer or insurers against liability for bodily injury or disease sustained by his employees.

14. Member remuneration

- 14.1 Decisions about the remuneration of members of a CJC will be made by the Independent Remuneration Panel for Wales (IRPW), which is a body set up to decide on the payments that local authorities, community councils, fire and rescue authorities and national park authorities make to their elected members.
- 14.2 Members of CJCs (or their sub-committees) who are already elected members of their 'home' authorities will not receive an additional salary in respect of their role on the CJC. Members will however be entitled to receive payments for items such as travel costs and subsistence while on CJC business. The CJC will be required to put appropriate arrangements in place to facilitate such payments.
- 14.3 The IRPW are also able to consider whether additional support is appropriate to address specific issues, for example it has previously decided that members of local authorities should receive support to assist with the costs of caring for dependents.

15. Discrimination against members

- 15.1 CJCs will be subject to the duties within the Equalities Act 2010 (see Chapter 6 of this guidance) which will include duties to ensure that the CJC does not discriminate against, harass or victimise any of its members when carrying out official business for

and on behalf of the CJC (s58 of the Equalities Act 2010). A CJC will wish to consider how it provides the same or similar protection to any co-opted participants on the CJC and may wish to set this out as part of the notice of co-option.

Chapter Two - Staffing and workforce

It is important that a CJC has the staff it requires to be able to discharge its functions effectively. CJC's will be able to employ and recruit (on merit) staff in their own right; make agreements to have staff from other bodies placed at the CJC's disposal, and place staff at the disposal of other bodies; commission services / staff resource from other bodies; loan or share staff resource with other bodies; and undertake secondments (in and out).

16. Staffing requirements

- 16.1 It will be for each CJC, and its Executive Officers, to decide as is appropriate for its area and for each function it exercises, what staff it requires to be able to discharge its functions effectively. It is important to note that the staffing requirement may change as the CJC develops and the approach to staffing will likely be proportionate to its stage of development and to its functions. For example, staffing requirements for the first year of the CJC, and in advance of the strategic functions commencing, will likely be minimal as the CJC puts in place its constitutional and operational arrangements. As functions commence or transfer / transition into CJC's this may necessitate more significant staffing levels.
- 16.2 In the first instance, CJC's will likely place more emphasis on the use of loaned/seconded staff and as they develop they might then explore all potential options to staffing in order to deliver efficient and effective services at a regional level.
- 16.3 In considering its staffing requirement and approach, a CJC might wish to consider:
- if the role has any statutory requirements
 - if the role requires any specific skills or qualifications
 - if the role is temporary in nature (for example as part of a planning cycle) or more permanent and ongoing
 - if there are particular skills or capacity within the constituent councils which the CJC is seeking
- 16.4 A CJC might also look to other CJC's to see if there is an opportunity to share resources for specific roles or where specific skills or expertise is required.
- 16.5 CJC regulations require that where a CJC is to enter into an agreement with another body with regards to staffing, all relevant staff must be consulted. Where staff are transferred from a constituent council to a CJC then the provisions of the Transfer of Undertakings (Protections of Employment) Regulations 2006 (other than regulations 4(6) and (10)) will apply.
- 16.6 The Code of Practice on Workforce Matters² (also known as the 'two tier code') issued under s19 of the Local Government Act 1999 currently applies to local authorities and it is intended to apply this to CJC's and in any relationship between a local authority and a CJC in the delivery of the CJC's functions.

17. Publicly employed individuals

- 17.1 It is intended that, as publicly employed individuals, officers of a CJC are:
- subject to the same / similar requirements of transparency / accountability etc. as employees of local authorities
 - afforded similar or the same benefits as officers of local authorities
 - subject to the same / similar restrictions on political activities

² [Code of Practice on Workforce Matters](#)

- indemnified in the discharge of their duties on behalf of the CJC (see indemnity of members and staff)

18. Trade union representation

- 18.1 As has been previously mentioned, the Welsh Government and local government are committed to working in social partnership. Social partnership brings together government at all levels, employers and trade unions in areas of mutual interest, to design and implement better solutions.
- 18.2 It is expected that CJsCs would work under the same social partnership approach that exists between trade unions and local authorities. This would include the role of trade unions for the purpose of consultation and negotiation on a collective basis in relation to relevant matters and in the representation of the interests of their members. CJsCs should consider putting in place an appropriate trade union recognition agreement to support the process of representation and negotiation.

19. Terms and conditions

- 19.1 The CJC regulations require that where a CJC appoints staff it does so under terms and conditions (including terms and conditions as to remuneration) that are *'substantially similar to those of officers within a constituent council undertaking responsibilities which the CJC considers to be reasonably comparable.'* These should be in line with the pay and terms of conditions determined by the National Joint Council (NJC) for Local Government Services.
- 19.2 The basic principal is that employees of a CJC should be treated no more / less favourably than employees of a local authority. However the approach within the regulations recognises that there may not be directly comparable posts within local authorities and CJsCs, particularly when you consider the current and potential scale of the CJsCs and the functions they operate.
- 19.3 There is already a significant divergence across Wales in the terms and conditions of local government employees. The intent is to avoid CJsCs looking to establish additional and separate terms and conditions to those that might already exist in local government and therefore adding additional complexity to an already complex landscape. Indeed there may be an opportunity should they wish to do so for CJsCs to look to standardise their terms and conditions more generally with each other or with the constituent councils within their region. In the first instance, it is envisaged that a CJC might use the back office services of one of its constituent councils (or indeed of any principal council in Wales) for example, to provide HR, finance, procurement and payroll functions and so a more standardised approach to terms and conditions would be highly beneficial.

20. Pay policy

- 20.1 A CJC will be held accountable for its approach to pay in the same way that a local authority currently is. Standardising such approaches will ensure that a CJC is not used as a vehicle to erode (or indeed inflate) pay structures through the transfer of staff or functions to a CJC. Where there is deviation / difference such deviation / difference must be clear and transparent.
- 20.2 To maintain transparency in matters relating to pay the intention is to require CJsCs to prepare, annually, a statement setting out the CJC's policies on the remuneration of its chief officers, the remuneration of its lowest paid employees and the relationship

between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.

21. Transparency and accountability

- 21.1 As publicly employed individuals, officers of a CJC are subject to the same requirements of transparency / accountability etc as employees of local authorities or any other public appointments.
- 21.2 Any person who holds a politically restricted post within a CJC (whether appointed to their role by direct contract, commissioned or other loan agreement) will be disqualified from becoming or remaining a member of a CJC or a member of a local authority. A CJC will be required to prepare and maintain a list of politically restricted posts.
- 21.3 A CJC will also be subject to the same legislative requirements as local authorities in terms of:
- Conflict of interest in staff negotiations
 - Payments due to deceased members of staff
 - Limit on paid annual leave for local authority duties
 - Disclosure of interest in contracts and prohibition on accepting rewards

22. Statutory officers

- 22.1 In the same way as currently applies to local authorities, CJC's will have a requirement to put in place a number of statutory officers (see for example Monitoring Officer - para 12.14, and Chief Financial Officer – Chapter 5). This is not necessarily a requirement to directly employ an individual, or individuals, to fulfil these roles. It will be possible for a CJC to satisfy any statutory requirements in this regard in the same flexible way as is outlined for general staffing above. This might include via sharing of resources from within its constituent councils (or any other council), sometimes referred to as 'twin hatting'; commissioning the role from another body; or recruiting on a full time or part time basis as appropriate. It will be for the CJC to determine the approach to filling its statutory officer roles, where appropriate in consultation with its constituent councils.

23. Pensions

- 23.1 CJC's will be required to provide and contribute to a pension for any of its staff that it directly employs. The intent is that CJC's will be able to participate in the Local Government Pension Scheme in the same way that local authorities do. Such an approach would facilitate the transfer of staff between CJC's and the local authorities in Wales and ensure that pension liabilities should not be crystallised as a result of any transfer of staff and that any staff transferring retain their existing Local Government Pension Scheme (LGPS) membership and provision.

Chapter Three - Meetings and proceedings

As with local authorities, it is important that political decision-making within CJsCs should take place in the public eye, with CJsCs ensuring their citizens are both kept informed of policy developments and provided the opportunity to be consulted on policy changes. Making it easier for members of the public to understand how a CJC functions; how it makes decisions; and how local people can follow proceedings, input their views and have them taken into account is vital.

24. Transparency and openness

- 24.1 Transparency and openness of meetings, proceedings and decision-making are important parts of ensuring democratic accountability. A CJC should be at least as open/transparent as a principal council. All CJC meetings, including those of its sub-committees will be required to:
- enable / allow public and press access to all meetings (subject to existing constraints on disclosing information which is confidential and exempt)
 - give public notice of meetings electronically, including details of how to gain access
 - publish an agenda, reports and background papers for any meetings electronically
 - retain a formal record of its proceedings and decisions made. The record must be published electronically and made available to members of the CJC and members of the constituent councils
 - maintain a register of members and publish an electronic and postal address for each member
- 24.2 For the purpose of CJC meeting documents, and any other documents required to be published, these are only required to be made available / published / held electronically. However members of the public who do not have access to electronic means of accessing the documents will be able to request that the CJC provide them with copies.

25. Participation strategy

- 25.1 It is important to remember that the work CJsCs will be taking forward will have the potential to impact on the lives of a great number of people. It is only right that individuals are able to contribute to the shaping of services which they and their families rely upon and which have a significant impact on their daily lives. Trust and respect between communities and CJsCs will be required to set a foundation upon which all parties can work together to meet and overcome the challenges each CJC will encounter as work progresses.
- 25.2 A CJC will be required to encourage participation in its decision making. It will be important that any approach to encouraging participation is proportionate to the functions which a CJC exercises and takes into account any consultation requirements, whether set out in statute or in guidance, when exercising those functions.
- 25.3 Section 40 of the Local Government and Elections (Wales) Act 2021 requires local authorities to prepare and publish participation strategies as part of their duty to encourage participation. Section 41 required the local authorities to consult and review the participation strategy. These duties have not been applied to CJsCs in the first instance, however in encouraging public participation a CJC will wish to consider how it proposes to comply with its wider duties to encourage public participation which

might include the development of an appropriate and proportionate participation strategy.

25.4 Such a strategy might address:

- ways of promoting awareness among local people of the CJC's functions
- ways of facilitating access for local people to information about decisions made, or to be made, by the CJC
- ways of promoting and facilitating processes by which local people may make representations to the CJC about a decision before, and after, it is made
- arrangements made, or to be made, on how views of the public can be brought to the attention of the relevant overview and scrutiny committees
- how a CJC proposes to comply with a duty imposed by any enactment

25.5 It will be important for a CJC's approach to encouraging participation to meet the needs of communities, building on the arrangements within constituent councils and actively seeking the views of the citizens within the area about how they would wish to be engaged. A CJC should regularly review and if appropriate consult on its approach to encouraging public participation.

25.6 Guidance about how to take forward the work to deliver and maintain participation strategies will be contained within the Democracy Handbook, currently in development. The intention is to have this in place later this year so that arrangements can be made in advance of the new administrations elected in May 2022. CJsCs should adhere to the principles within the Democracy Handbook (when published) when considering their approach to public participation.

26. Petitions scheme

26.1 CJsCs will be required to make and publish a petition scheme setting out how the CJC will handle and respond to petitions, including electronic petitions, in the same way as is required of local authorities. This brings CJsCs in line with local government and other public bodies such as the Senedd and, in relation to electronic petitions, in line with the Welsh Government's digital agenda.

27. Broadcasting of CJC meetings

27.1 The electronic broadcasting of meetings will enable individuals who cannot attend meetings to see and hear the proceedings which affect their lives and witness the decisions made and position taken by their representatives. At its heart, these provisions are about the transparency of local democracy.

27.2 Welsh Government has given substantial political and financial support to the introduction of broadcasting of council meetings through on-line web streaming. This has improved significantly the opportunity for the public to follow proceedings in their local authority.

27.3 The matters which CJsCs are responsible for will be of significant interest to individuals, communities and the constituent councils. It is therefore appropriate that CJC meetings, and meetings of its sub-committees, which are open to the public should be subject to the same or similar broadcasting requirements as a principal council. The provisions on broadcasting within the Local Government and Elections (Wales) Act 2021 (s46 and s47) will apply to CJsCs. However in line with the approach with local authorities these provisions will come into force in May 2022. As a new corporate body however CJsCs are encourage where possible to consider and incorporate the broadcasting requirements from the outset.

- 27.4 Further guidance is likely to be provided within the Democracy Handbook currently in development. Where this is the case CJs should take account of the approach within that guidance as if it were part of this guidance.
- 27.5 The expectation is that meetings will be broadcast as they take place, and be available electronically for a reasonable period of time after the meeting. However, depending on the circumstances, flexible arrangements for broadcasting will be considered. It is anticipated that a CJC will look to make use of the constituent councils' facilities in the broadcasting of its meetings. The CJC might wish to consider such arrangements in determining the budget setting and funding requirements of a CJC.

28. First meeting

- 28.1 The CJC Establishment Regulations provide (paragraph 2a of Schedule 1) for the chairing of the first meeting, in advance of the election of the chairperson by a specified constituent council. While not currently explicitly provided for, the expectation is that the responsible council would also arrange the first meeting. However, where the CJC is building on or replacing existing regional arrangements there may be programme offices in place which could undertake this task.
- 28.2 Other than appointing the chairperson and deputy chairperson, there are no requirements in the CJC Establishment Regulations on what must be discussed at the first meeting, but it is expected that it could cover:
- appointing or discussing the appointment of executive officers
 - agreeing/discussing Standing Orders
 - agreeing/discussing code of conduct and disclosure of any interests / conflicts
 - agreeing/discussing sub-committees
 - agreeing meeting schedule for the year
 - agreeing locations / arrangements for meetings (virtual / physical)
- 28.3 Subject to the timing of the first meeting it may also be necessary to agree / set the budget for the CJC in line with Regulation 16(7) of the CJC Establishment Regulations. This requires a CJC to have set its budget by the 31st of January 2022. The CJC must meet to agree its budget.
- 28.4 The balance between discussing and agreeing items at the first meeting will be dependent on the extent of any preparatory work undertaken beforehand.

29. Meeting quorum

- 29.1 A quorum of no fewer than 70% of those persons entitled to vote is required at each meeting (recognising that this may be different for each item subject to the individual decisions of a CJC). This balances the need for the CJC to be able to exercise its functions effectively and the need to ensure that decisions of the CJC are representative of the majority of those entitled to vote.
- 29.2 This quorum applies except for decisions in relation to the funding of the budget requirement and adopting of alternative voting procedures where all of the persons entitled to vote on such matters must be present.

30. Annual General Meeting (AGM)

- 30.1 A CJC will be required to hold an AGM in each financial year but the arrangements and timings of an AGM will be at the discretion of the CJC. At each AGM the CJC must confirm / appoint the chairperson and deputy chairperson.

31. Holding other meetings as a CJC may determine and extraordinary meetings

- 31.1 Other than the AGM the number and frequency of meetings of a CJC will be at the discretion of the CJC. However it is expected that these will be of sufficient frequency to allow for the effective and efficient exercise of the CJC's functions and to ensure the transparency of the work of the CJC. It is anticipated that the frequency of meetings may change depending on the nature of the functions to be exercised or the stages in the relevant planning, reporting or budget setting process. A CJC might wish to consider the timings of its meetings in a way as to encourage and support the diversity of its members and the participation of members of the public in its work. A CJC must provide for its meeting arrangements in its standing orders.
- 31.2 An extraordinary meeting of the CJC may be called at any time by any person entitled to vote on a matter to be discussed / decided on at that meeting.

32. Multi-location meetings

- 32.1 The COVID-19 pandemic highlighted the difficulties in relying on traditional ways of working within local government and the restrictions that arise from the lack of digital interaction between electors and those elected to represent them.
- 32.2 The flexibility introduced through the Local Government and Elections (Wales) Act 2021 provides that meetings can be held in multiple locations – referred to as multi-location meetings³. Under the new provisions authorities must make, and publish, arrangements to facilitate meetings, including fully virtual meetings, semi-virtual or hybrid meetings and of course physical meetings. Authorities must ensure that every meeting covered by these provisions is capable of being held virtually. However, not all meetings will have to be held virtually, that will be a matter for local determination.
- 32.3 It is intended that these multi-location meeting provisions will also apply to CJC. CJC meetings (including sub-committee meetings) will be able to be held virtually, in a physical location, or a combination of both. This will enable a CJC to conduct its business in an effective and efficient way and in a way that meets the needs of its members and the communities it serves. It is assumed that due to the wider geographic spread of its members a CJC will conduct the majority of its meetings virtually.
- 32.4 Local authorities and CJCs will be required to have regard to guidance (to be prepared separately), which will include the expectation that individuals' personal circumstances should be considered when deciding on the type of meetings to be held.

³ The phrase "multi-location meeting" describes any meeting which involves one or more meeting participant joining a meeting from a location other than the council chamber or a committee room of a local authority or other physical location

Chapter Four - Governance and scrutiny

As is discussed in Chapter Three it is important that political decision-making within CJsCs is transparent and CJsCs are able to be held to account and are able to be challenged for the decisions that they take. Having appropriate performance and governance and scrutiny arrangements in place will be important to achieve this. CJsCs will therefore be subject to the same performance, governance and scrutiny requirements as local authorities, however it is expected that these would be proportionate to the scale of functions the CJC undertakes.

33. Performance and governance

- 33.1 The Local Government and Elections (Wales) Act 2021 provides at Part 6 for a new performance and governance regime for local authorities. Part 6 requires each council to keep under review the extent to which it is fulfilling its 'performance requirements', that is, the extent to which it:
- is exercising its functions effectively;
 - is using its resources economically, efficiently and effectively; and
 - has effective governance in place for securing the above.
- 33.2 The mechanism for this review is self-assessment, with a report setting out the conclusions of the self-assessment once in respect of each financial year. Self-assessment will be complemented by a peer-led panel performance assessment once in an electoral cycle.
- 33.3 Separate guidance has been produced to support the introduction of the performance and governance regime. It is intended that Part 6 of the Local Government and Elections (Wales) Act 2021 will apply to CJsCs. [The guidance on the performance and governance regime](#) will therefore apply to a CJC as a result of the application of Part 6.

34. Overview and scrutiny arrangements

- 34.1 Working with its constituent councils a CJC will be required to put in place appropriate overview and scrutiny arrangements. This will be an important part of the democratic accountability of the CJC. It will be important for CJsCs to consult on and agree the arrangements with its constituent councils. In considering the most effective and efficient approach to scrutiny, constituent councils and CJsCs should give thought to the benefits of a joint overview and scrutiny committee made up of the constituent councils. The clear aim and ambition however must be to create, facilitate and encourage a clear democratic link back to the constituent councils.
- 34.2 CJC members and staff will have a duty to provide information to the scrutiny committee; attend committee meetings if requested to do so; and consider or respond to any report or recommendations made by a committee within the agreed arrangements and which relate to the CJC.

35. Governance and audit

- 35.1 A CJC will also be required to have its own governance and audit sub-committee. The functions of the governance and audit sub-committee are as follows: (see also paragraph 16(1) of the CJC Establishment Regulations)
- to review and scrutinise the financial affairs of the CJC
 - to make reports and recommendation in relation to the CJsCs financial affairs
 - to review and assess the CJsCs risk management, internal control and corporate governance arrangements

- to make reports and recommendations to the CJC on the adequacy and effectiveness of those arrangements
- to oversee the CJC's internal and external audit arrangements
- to review any financial statements prepared by the CJC
- to exercise such other functions as the CJC may specify

35.2 Membership of a CJC governance and audit committee will be constituted in the following way:

- at least two thirds of the members must be members of the constituent councils; and
- at least one member is a person who is not a member of a county council or county borough council in Wales.

35.3 In both cases above the members of a CJC governance and audit committee cannot be a member of the CJC, a member of the executive of a constituent council or a co-opted participant (co-opted participant in this case means a person co-opted on to the CJC, or to participate in activities of the CJC, other than the governance and audit committee).

35.4 It is anticipated that the governance and audit committee will be required to meet once in every calendar year as a minimum. Section 116 of the Local Government and Elections (Wales) Act 2021 amends section 82 of the Local Government (Wales) Measure 2011 so that the chair of the governance and audit committee must be a lay member – it is intended that this should apply to a CJC governance and audit committee also. These amendments do not come into force until after the 2022 local government elections. However in anticipation of the application of the commencement of the relevant provision under the Local Government (Wales) Measure 2011 and to avoid needing to amend the approach within the CJC, the CJC should establish its governance and audit committee as if the amendments in Section 116 of the Local Government and Elections (Wales) Act 2021 had commenced.

Chapter Five - Funding, finance and budgetary matters

A CJC must ensure it is sufficiently funded to deliver its specified functions and activities and is required to put in place financial management arrangements which are in line with existing checks and balances – including the financial duties and rules which require councils to act prudently in spending, overseen and checked by a responsible Chief Finance Officer. Proper accounting practices and external audit arrangements will provide independent and objective assurance regarding the effectiveness of the CJC's risk management, control and governance processes.

36. Budget requirements

- 36.1 Each CJC is required to calculate its budget requirements for each financial year to include the amounts required to exercise its functions, and expenditure associated with administrative costs and overheads, as well as an amount for contingencies, a reserve, and an amount to cover any outstanding liabilities. The intention is that a CJC must be sufficiently funded to deliver its specified functions/activities, including expenditure associated with administrative costs and overheads.
- 36.2 In calculating its budget requirement the CJC must also take into account any estimated funding it anticipates receiving from other funding sources including Welsh Government, UK Government, private sector bodies, third sector and voluntary bodies.
- 36.3 The CJC must agree its budget requirement and the amounts payable by each constituent local authority at a meeting before 31 January immediately preceding the beginning of a funding period. This would include the separate calculations involving the relevant NPA required in relation to the strategic planning function.
- 36.4 To facilitate these agreements a CJC is expected, and encouraged, to engage with all its constituent councils and the relevant NPA early in the budget setting process. It is envisaged this should take place as early as November preceding the beginning of a funding period.
- 36.5 For the amounts payable determined by the CJC, the CJC must disclose the factors and criteria which were taken into account, or the methods, principles and rules which were adopted in its formula for the preceding funding period for its functions (including any new factors, criteria, methods, principles or rules).
- 36.6 The amount payable by each of the constituent councils (and for strategic development planning the NPA) is to be determined by apportioning such costs between the constituent councils (and for strategic development planning the constituent councils and NPA) in such proportions as they may agree. The funding of the budgetary requirement must be agreed by unanimous decisions of those entitled to vote on such matters. In the absence of unanimous agreement by all those entitled to vote on such matters, the amounts payable by the constituent councils will be directed by Welsh Ministers.
- 36.7 A CJC may adjust its budget requirement during the financial year, any agreement to do so must be a unanimous agreement of all those entitled to vote on such matters. This is only expected to be done in exceptional cases where the existing budget requirement for a financial year transpires to be substantially insufficient for a CJC to carry out its functions. Before deciding to adjust its budget requirement a CJC should consider all its alternative options to address any temporary cash flow challenges it

faces, including the use of reserves and seeking temporary borrowing or overdraft facilities.

37. Funding the budget requirement

- 37.1 As soon as practicable after 31 January preceding the beginning of a funding period the CJC should in writing confirm arrangements for the payable amounts to be paid by the constituent councils. The frequency and proportion of the payable amounts will be a matter for the constituent authorities and the CJC to agree taking into account respective cash flow challenges.

38. First year budget

- 38.1 In advance of the strategic functions commencing on 2022, the budget requirement for the first year of the CJC (2021/22) is unlikely to be significant as the CJC will primarily focus on putting in place its constitutional and operational arrangements.
- 38.2 The CJC will likely look to draw upon resources from one or all of its constituent authorities in this first year to cover incidental or administration costs that may arise before the budget is set for the following year. The Welsh Government has committed to supporting the initial set up of the CJs. It is likely that this support will go some way to covering the initial expenses of establishing the CJs. It is assumed that a CJC will utilise facilities of the constituent local authorities wherever possible, particularly in the first year, i.e. facilities for meetings, Human Resources and other back office functions.
- 38.3 Each CJC must set a budget for the 2022-23 financial year before 31 January 2022.

39. Accounting practices and controls

- 39.1 The funding from constituent councils will be held and managed by the CJC. In doing so it will be subject to the same financial management arrangements as local government bodies in Wales and required to comply with the same statutory requirements:
- The Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (“the 2003 Regulations”) contain detailed provisions for the regulatory regime for the operation of capital finance and accounting controls applicable to local government bodies in Wales. They also modify accounting practice in various ways to prevent adverse impacts on authorities’ revenue resources.
 - The Accounts and Audit (Wales) Regulations 2014 (“the 2014 Regulations”) provide the regulatory regime underpinning the financial reporting and accounting of local government bodies in Wales.
- 39.2 When preparing financial accounts, CJs will be required to follow proper practices which are prescribed in the 2003 Regulations, defined as:
- a) the Code of Practice on Local Authority Accounting in the United Kingdom (The Code) published annually by the Chartered Institute of Public Finance and Accounting (CIPFA). The Code specifies the principles and practices of accounting required to prepare financial statements which give a true and fair view of the financial position and transactions of a local authority. This Code is prepared under International Financial Reporting Standards (IFRS), which have been adopted as the basis for public sector accounting in the UK

b) Governance and accountability for Local Councils: A Practitioners Guide 2011 (Wales) as may be amended [or reissued] from time to time

39.3 These documents take into account the detailed provisions within the 2003 Regulations ensuring local government bodies are complying with legislation when preparing financial statements to give a true and fair view of the financial position and transactions of a local authority.

39.4 Which of these two 'proper practice' documents CJs will follow will be dependent on their size and this is specified in the 2014 Regulations. It is envisaged the CJs are likely to be managing relatively small budgets in the early years and will therefore adopt the proper practices of the smaller relevant bodies proportionate to their size. As they grow, CJs could be expected to follow practices for those of a larger relevant body.

40. Keep, prepare and publish annual financial accounts

40.1 The 2014 Regulations contain important responsibilities for the control and effectiveness of financial management of a local government body including; governance arrangements; preparation of accounting statements; signing and approval of accounts and interaction with the public in regards to making available documents via publication or inspection.

41. Appropriate audit and accounting

41.1 All funding decisions taken by the CJC will be subject to review through annual external audit, which will undertake cost benefit analysis and assess the extent to which resources have been used economically, efficiently and effectively in delivering its services and activities.

41.2 CJs will be subject to appropriate accounting and audit arrangements set out in the 2014 Regulations, and in compliance with the mandatory Public Sector Internal Audit Standards. Such an approach will provide independent and objective assurance regarding the effectiveness of the CJC's risk management, control and governance processes.

41.3 CJs are also local government bodies in Wales for the purpose of the Public Audit (Wales) Act 2004. The Public Audit (Wales) Act 2004 provides, amongst other things, for the Auditor General for Wales to audit the accounts of local government bodies.

42. Provide and receive goods and services

42.1 A CJC is permitted to 'trade' with other public bodies in the same way as a local authority governed by the Local Authorities (Goods and Services) Act 1970 is. This allows a CJC to enter into agreements with public bodies for the provision of goods, materials, and administrative, professional and technical services, for the use of vehicles, plant and apparatus, and for the carrying out of maintenance.

43. Investment practices

43.1 As an accountable body a CJC is responsible for the proper administration and financial probity of the funds it receives. Each CJC must ensure the effective use of public money and have responsibility for the proper administration of its financial affairs and treasury management activities.

43.2 A CJC will have the ability to invest for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs in the same way a local authority can. A CJC must therefore have regard to existing Welsh Government [Statutory Guidance on Local Government Investments](#) issued under section 15(1) (a) of the Local Government Act 2003 – this encourages local authorities to invest prudently, thus preserving safeguards and to approve and thereby produce:

- a Treasury Management Strategy including the use of reserves
- a Capital Strategy

44. Borrowing

44.1 A CJC will have the ability to borrow for any purpose relevant to its functions or for the purposes of the prudent management of its financial affairs and in doing so it must have regard to proper practices specified as:

- the document entitled "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes" published by the Chartered Institute of Public Finance and Accountancy as may be amended [or reissued] from time to time
- the Prudential Code for Capital Finance in Local Authorities issued by the Chartered Institute of Public Finance and Accountancy as may be amended [or reissued] from time to time

44.2 It is not envisaged that the delivery of the CJC functions will require significant capital resources required by borrowing in the early years. Current legislative arrangements do not allow CJs to borrow from the Public Works Loan Board (PWLB) lending facility operated by the UK Debt Management Office (DMO) on behalf of HM Treasury. A CJC with an early ambition to borrow may therefore look to its constituent councils to agree to undertake such borrowing in the same way as current arrangements for City Deals.

Chapter Six - Other statutory duties

As with any public sector body in Wales a CJC will be expected to comply with duties that apply to public bodies. These are a key element of how public service organisations work in Wales.

45. Corporate Joint Committees as a public body in Wales

45.1 From the outset, members of the CJC will need to consider how it will promote and facilitate the underpinning principles and standards of these duties in everything it does.

45.2 Each CJC will wish to give thought to how its public sector duties can best be achieved and how it will enable, protect and build on the practices of its constituent councils, taking into account its own unique circumstances. This will include its duties to:

- promote and carry out sustainable development; taking greater account of its long-term impact; and monitoring and assessing the extent to which it is meeting its well-being objectives in relation to collaboration, involvement and taking an integrated approach (for example its duties under the Well Being of Future Generations Act (Wales) 2015)
- promote the Welsh language and not treat it differently or any less favourably than the English Language; ensuring its staff are able to work through medium of Welsh by making it an integral part of workforce planning; and encouraging collaboration in delivering its public services by ensuring services are accessible to members of the public in the language of their choice (the CJsCs will be required to comply with duties under Welsh Language (Wales) Measure 2011 and the Welsh Language Standards (No 1) Regulations 2015)
- enable greater diversity and equality by actively involving others in its work so it is able to respond to the economic and social prosperity of local communities within its area; creating an inclusive and collaborative culture to ensure a wider perspective and approach to its work; and considering the backgrounds and circumstances, gender, age and cultural diversity to better reflect the diversity of the communities it serves (for example its duties under the Equalities Act 2010)
- to have due regard, when taking strategic decisions, to the need to reduce the inequalities of outcome resulting from socio-economic disadvantage (The Equality Act, 2010 Socio-economic Duty)
- seek to maintain and enhance biodiversity so far as consistent with the proper exercise of their functions and in so doing promote the resilience of ecosystems in line with their duties under s6 of the Environment (Wales) Act 2016

45.3 In addition, when doing anything that impacts on a NPA area, CJsCs will need to consider how they can further support the purposes of NPA to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Parks; and promote opportunities for the understanding and enjoyment of the special qualities (of the Park) by the public.

45.4 It is important to note that while the guidance sets out some of the key legal requirements in this area which will apply to CJsCs, it does not seek to replicate legislation or guidance that already exists.

46. The Well-being of Future Generations Act 2015

- 46.1 The Well-being of Future Generations (WFG) Act 2015 provides the context within which public bodies, including CJs, should be exercising their functions, using their resources and ensuring their governance is effective with the aim of maximising their contribution to the well-being goals within the scope of their functions / responsibilities. The Act puts a framework around the decision-making process and should shape what CJs do, how they do it, and how they communicate the difference they are making to the achievement of the well-being goals. The five ways of working set out in the WFG Act (long-term, collaboration, involvement, prevention and integration) will be particularly important to consider in the context of a CJ.
- 46.2 In considering how a CJ discharges its duties under the Well-being of Future Generations Act, the CJ should have due regard to the [statutory guidance for the Act](#) which contains a core set of activities common to the corporate governance of public bodies. These are:
- Corporate planning
 - Financial planning
 - Workforce planning (people)
 - Procurement
 - Assets
 - Risk management
 - Performance Management
- 46.3 Considering from the outset the seven corporate areas as a framework for the establishment of the constitutional and operational arrangements of the CJ, and applying the five ways of working to those areas, will support the CJ to ensure it is governing itself to maximise its contribution to the well-being goals and meet its well-being objectives.
- 46.4 CJs need to own and design its response to its well-being duties in a way that best reflects its ambitions and functions. There is a clear opportunity for the ways of working under the Well-being of Future Generations Act to be embedded and built into the governance and administrative arrangements of the CJ from the point of establishment.
- 46.5 For example, one of the 5 ways of working set out in the WFGA is 'integration', which requires public bodies to take account of how the body's well-being objectives may impact upon each of the well-being goals, as well as each other or upon other public bodies' objectives. CJs may wish to consider different options when setting their well-being objectives and steps but, in any case, need to ensure that their approach is integrated to reduce administrative burden and encourage efficient use of resources.
- 46.6 The CJs can work with other public bodies in their area, as well as with Public Services Boards, when setting their well-being objectives and steps to ensure alignment.
- 46.7 CJs may choose, for example, to work their constituent councils on joint well-being objectives in relevant areas with different bodies responsible for individual steps to help meet these joint objectives. Applying the 5 ways of working and the sustainable development principle will help CJs, their constituent councils and other public bodies determine the objectives and steps that they can work on together to jointly discharge their duties under the WFGA and maximise their individual and collective contribution to the goals.
- 46.8 Alternatively, CJs may choose to set separate well-being objectives and steps and meet those independently of the other public bodies in their area. In which case it is

important to ensure that the integration principle is applied and the objectives of their constituent councils are mapped out and aligned against the CJC objectives.

47. Welsh language

- 47.1 The Welsh language is integral to our culture, our heritage and our daily lives. Welsh belongs to us all in Wales, wherever we are and whatever level of Welsh we have as individuals. There is an expectation that CJsCs will create and foster an atmosphere in which the use of the Welsh language can grow within the CJC and in the communities they serve. There is also an expectation that CJsCs will work in partnership to contribute to achieving the Welsh Government shared vision for the Welsh language, published in Cymraeg 2050: A Million Welsh Speakers.

“The year 2050: The Welsh language is thriving, the number of speakers has reached a million, and it is used in every aspect of life. Among those who do not speak Welsh there is goodwill and a sense of ownership towards the language and a recognition by all of its contribution to the culture, society and economy of Wales.”

- 47.2 CJsCs will be expected to contribute to the realisation of this vision and the strategies three themes;
- Increasing the number of Welsh speakers
 - Increasing the use of Welsh
 - Creating favourable conditions – infrastructure and context
- 47.3 CJsCs will be subject to the same Welsh Language Standards as local authorities - The Welsh Language Standards (No. 1) Regulations 2015 (“the No. 1 Regulations”). The No. 1 Regulations also authorise the Welsh Language Commissioner to issue Compliance Notices, which set out the duties that each individual body must comply with.
- 47.4 There are 5 classes of standards within the No. 1 Regulations:
- **Service delivery standards** relate to the delivery of services in order to promote or facilitate the use of the Welsh language, or to ensure that it is treated no less favorably than English
 - **Policy making standards** require bodies to consider what effect their policy decisions will have on the ability of persons to use the language and on the principle of treating Welsh no less favorably than English
 - **Operational standards** relate to the internal use of Welsh by bodies. If operational standards are imposed on a body, that body will be expected to increase the opportunities to use Welsh in their internal arrangements
 - **Promotion standards** means a standard that is intended to promote the use of the Welsh language more widely, this class of standards includes a duty to adopt a strategy setting out how it proposes to promote and facilitate the use of Welsh
 - **Record keeping standards** will make it necessary to keep records about some of the other standards, and about any complaints received by a body. These records will assist the Welsh Language Commissioner in regulating the body’s compliance with standards
- 47.5 The No.1 Regulations also specify standards that deal with supplementary matters which are specific forms of the classes of standards set out above.
- 47.6 Applying the standards within the No 1 Regulations to CJsCs in this way will:

- ensure that Welsh-speakers are clear about the services they can expect to receive from each CJC
- provide clarity to CJsCs about the Welsh language duties they must comply with working continuously to improve the level of Welsh language services they provide
- ensure that CJsCs encourage people to make use of Welsh language services
- ensure there is an appropriate degree of consistency in terms of the duties placed on bodies in the same sectors

47.7 There are likely to be differences in the internal use of Welsh language within the constituent councils of CJsCs and in terms of the services they provide in Welsh. It is recognised that these differences respond to the different needs of the communities each constituent council serves. The Welsh Language Commissioner may impose operational standards on CJsCs which will determine the level of Welsh language services they must provide to staff.

47.8 With the establishment of the CJsCs as new corporate bodies we would expect the CJsCs, from the outset, to embed the use of the Welsh language within the CJsCs themselves and in relation to the Welsh language services they provide.

48. Equality

48.1 CJsCs will be required to promote equality and play their part in delivering a more equal Wales. CJsCs will be subject to a number of duties within the Equality Act 2010 and it is these statutory duties which will underpin their obligations on equality. The Equality Act 2010 makes it unlawful to discriminate against those with a protected characteristic. The 2010 Act also places a ‘due regard’ duty (public sector equality duty 6) on public bodies, to ensure that advancement of equality of opportunity is a key consideration for relevant public bodies when carrying out their functions.

Socio-economic Duty

48.2 The Equality Act, 2010 Socio-economic Duty will require a CJC as a ‘relevant public body’, when taking strategic decisions such as ‘deciding priorities and setting objectives’, to consider how its decisions might help to reduce the inequalities associated with socio-economic disadvantage - driving better outcomes for people’s lives and experiences through better decision making and further contributing towards our shared goal of becoming “a more equal Wales”.

48.3 More information and [guidance on the Socio-economic Duty](#) can be found at the Welsh Government website.

The Public Sector Equality Duty

48.4 CJsCs will be subject to the Public Sector Equality Duty (PSED). Section 149 of the Equality Act sets out the PSED which, in summary, places a duty on public bodies to have due regard in exercising their functions to the need to:

- Eliminate discrimination, harassment, and victimisation
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it

- 48.5 The nine protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership.
- 48.6 As a relevant public authority in Wales, a CJC will also be subject to the requirements of the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011.
- 48.7 The Equality and Human Rights Commission (EHRC) in Wales champions equality and human rights for all, working to eliminate discrimination, reduce inequality, protect human rights and to build good relations, making sure that everyone has a fair chance to participate in society. The EHRC is the regulator of the PSED and works with public authorities to encourage, guide, monitor and regulate activity on the public sector equality duty. [Guidance and advice on the PSED](#) can be found on the EHRC Website.
- 48.8 The [Mapping the Duties](#) guide published by the EHRC also provides tips for the alignment, where appropriate, of common organisational processes undertaken by public bodies under the Socio-economic Duty, the Public Sector Equality Duty and the Well-being of Future Generations Act 2015 Duties.

49. Biodiversity and resilience of ecosystems.

- 49.1 CJs will be subject to the duties under section 6 of the Environment (Wales) Act 2016 and will be required to seek to maintain and enhance biodiversity so far as is consistent with the proper exercise of their functions and in doing so promote the resilience of ecosystems.
- 49.2 To comply with the section 6 duty CJs should embed the consideration of biodiversity and ecosystems into their early thinking and business planning, including any policies, plans, programmes and projects, as well as their day to day activities. A public authority, in complying with the S6 duty, must have regard to:
- The [section 7 list](#) of habitats and species of principal importance for Wales
 - The [State of Natural Resources Report](#) (SoNaRR), published by Natural Resources Wales
 - Any [Area Statement](#) which covers all or part of the area in which the authority exercises its functions, once these are produced.
- 49.3 The [Nature Recovery Action Plan](#) for Wales contains six objectives which should be used to help develop and guide actions to comply with the S6 duty. Further guidance in the form of [Frequently Asked Questions](#) can be found on the Welsh Government website and a [Good Practice Guide](#) is also hosted by the Wales Biodiversity Partnership.
- 49.4 CJs must prepare and publish a plan setting out what they propose to do to comply with the s6 duty. They must also produce and publish a report on what they have done to comply with the s6 duty by 31 December 2022 and then every three years after this date. [Reporting guidance](#) is available on the Welsh Government website.
- 49.5 Complying with the S6 duty will also help CJs to maximise their contributions to the Well-being goals under the Well-being of Future Generations (Wales) Act 2015.

50. Freedom of Information

- 50.1 A CJC will be a body corporate in its own right and so will not be automatically covered by the Freedom of Information Act 2000. However it is the intention that

CJCs should be and so an application has been made to the UK Government to add CJCs to the schedule of public authorities under Schedule 1 of the Freedom of Information Act 2000. Adding CJCs to the Act in this way will be dependent upon a relevant instrument being made by the UK Government. It is not known when this might take place, however in the interim CJCs should conduct themselves in so far as possible as if they were subject to the Freedom of Information Act 2000. However it is recognised that until such time as CJCs are included in the Freedom of Information Act 2000 then the Information Commissioners Office will not have jurisdiction over a CJC or any complaint made against a CJC.

- 50.2 [Guidance on freedom of information](#) can be found on the Information Commissioner's Office website.