

## MID WALES CORPORATE JOINT COMMITTEE

**Report Title: Report of the Section 151 Officer with regard to the Budget Setting and Funding for Financial Years 2021/22 and 2022/23**

**Date of Meeting: 25 January 2022**

<b>Purpose of Report</b>	To approve budgets and funding in respect of the Mid Wales Corporate Joint Committee (“MWCJC”) for financial years 2021/22 and 2022/23.
<b>Report Author</b>	Stephen Johnson
<b>Finance Officer</b>	Stephen Johnson
<b>Legal Officer’s</b>	Clive Pinney / Elin Prysor

### **1. Introduction:**

- 1.1 This report details the Mid Wales Corporate Joint Committee (MWCJC) annual budget for the financial year 2021/22 and financial year 2022/23.
- 1.2 Funding of the budget requirement including the proportions contributed from Powys and Ceredigion County Councils and from the Brecon Beacons National Park Authority is reserved to that of the MWCJC members.

### **2. Budget 2021/22:**

- 2.1 There is a requirement to agree a budget for the current financial year 2021/22.
- 2.2 With the formal establishment of the MWCJC being within January 2022 no budget has been pre-approved for the financial year. Expenditure forecasted to year-end is of very minimal value and can be absorbed by the Constituent Councils.

2.3 Therefore it is proposed that the MWCJC set a zero budget which would result in no Levy being raised.

### **3. Budget 2022/23:**

3.1 The budget for 2022/23 is included within Appendix A. The budget proposed totals £160,000 consisting of £120,000 for the General Budget and £40,000 for the Strategic Planning Budget.

3.2 It is recommended that Powys and Ceredigion County Councils fund the General Budget equally.

3.3 It is recommended that the Brecon Beacons National Park Authority fund 11.45% (per national park population projections – 2018 based – published May 2021) of Employee and Supplies & Services costs of the Strategic Planning Budget. The remaining costs to be funded equally between Powys and Ceredigion County Councils which will include Support Service costs which will be provided by both Councils.

3.4 The basis for funding the MWCJC budget will be agreed annually.

### **4. Other Financial Matters:**

4.1 Surpluses that accrue in any year will be contained and ring-fenced (Strategic Planning and General Budgets identified separately) within the MWCJC reserve account and will be utilised for future expenditure. The assumption is that the budget will be fully spent by 31 March 2023 as a result it is not currently recommended that an amount is approved to be held in reserve for future expenditure.

4.2 The MWCJC does not have any liabilities outstanding in respect of any earlier financial year as a result it is not currently recommended that an amount is approved to be held for this purpose.

4.3 The budget will be reviewed later in the financial year and revised as appropriate for the subsequent financial year and future years.

## **5. Integrated Impact Assessment:**

- 5.1 There is no requirement for an Integrated Impact Assessment for this report as the setting up of the CJC is underpinned by legislation and this report is to establish financial arrangements in accordance with legislation.

## **6. Workforce Impacts:**

- 6.1 Currently any employment within the MWCJC will be undertaken by constituent authorities.

## **7. Legal Impacts:**

- 7.1 Part 5 of the Local Government and Elections (Wales) Act 2021 provides for the establishment, through regulations, of CJsCs and compliance will be had with this and other legislative obligations in the establishment of CJsCs. In particular the Mid Wales Corporate Joint Committee Regulations came into force on 1st April 2021 and set out that the CJC should be established and the timeframes for the discharging of specific functions.
- 7.2 Regulation 16 and 17 of the Mid Wales Corporate Joint Committee Regulations 2021 details the process for agreeing and funding costs.

## **8. Risk Management Impacts:**

- 8.1 Failure to set a balanced budget would render the MWCJC in breach of its obligations exposing itself to legal challenge. In addition, suitable arrangements must be put in place to ensure that the constituent authorities and the national park authority are able to fulfil their legal obligations in establishing the MWCJC.

## **9. Consultation:**

- 9.1 There is no requirement for public consultation in respect of this report.

## **10. Reasons for Proposed Decision:**

10.1 To ensure the financial budget is set for the MWCJC in line with relevant legislative requirements applicable to CJC's.

## **11. Implementation of Decision:**

11.1 This decision is proposed for the immediate implementation.

## **12. Appendices: MWCJC Budget 2022/23**

12.1 Appendix A – Budget for 2022/2023

## **13. List of Background Papers**

13.1 None

## **14. Recommendations**

With Regard to the General Budget

- (a) To approve the General Expenditure Budget for the MWCJC for 2021/22 of zero and therefore no levy raised against Powys & Ceredigion County Councils.
- (b) To approve the General Expenditure Budget for the MWCJC for 2022/23 of £120,000 as outlined in Appendix A.
- (c) To approve a contingency budget line of £3,000 within the General Expenditure Budget for the MWCJC for 2022/23.
- (d) To approve a zero amount budgeted to be held as a reserve to meet expenditure which will be incurred in respect of future years from the General Expenditure Budget for the MWCJC for 2022/23.
- (e) To approve if by the end of 2022/23 there is an under spend against the General Budget that the underspend will be held in an earmarked reserve specifically ring fenced for future years General Budget expenditure

- (f) To approve a zero amount to meet liabilities outstanding in respect of any earlier financial year from the General Expenditure Budget for the MWCJC for 2022/23.
- (g) To approve a levy chargeable against Powys and Ceredigion County Councils of £60,000 each in respect of the General Expenditure Budget for the MWCJC for 2022/23.

#### With Regard to the Strategic Planning Budget

- (h) To approve the Strategic Planning Expenditure Budget for the MWCJC for 2021/22 of zero and therefore no levy raised against Powys & Ceredigion County Councils or the Brecon Beacons National Park Authority.
- (i) To approve the Strategic Planning Expenditure Budget for the MWCJC for 2022/23 of £40,000 as outlined in Appendix A.
- (j) To approve a contingency budget line of £1,000 within the Strategic Planning Expenditure Budget for the MWCJC for 2022/23.
- (k) To approve a zero amount budgeted to be held as a reserve to meet expenditure which will be incurred in respect of future years from the Strategic Planning Expenditure Budget for the MWCJC for 2022/23.
- (l) To approve if by the end of 2022/23 there is an under spend against the Strategic Planning Budget that the under spend will be held in an earmarked reserve specifically ring fenced for future years Strategic Planning expenditure.
- (m) To approve a zero amount to meet liabilities outstanding in respect of any earlier financial year in respect of the Strategic Planning Expenditure Budget for the MWCJC for 2022/23.
- (n) To approve a levy chargeable against Powys and Ceredigion County Councils of £18,283 each and a levy of £3,434 chargeable against the Brecon Beacons National Park Authority in respect of the Strategic Planning Expenditure Budget for the MWCJC for 2022/23.

