

HotSW Joint Committee

Meeting date – 27th September 2019

HotSW Joint Committee – Governance Arrangements update

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1. Summary

1.1. Further to the report to the July 2019 Joint Committee meeting, this paper provides an update on the following governance issues and asks for decisions/recommendations by the Joint Committee:

- (a) The request from the Devon and Somerset Associations of Local Councils (DALC & SALC) for a non-voting representative on the Joint Committee
- (b) A proposal in relation to the Joint Committee's budget for 2020/21
- (c) The appointment of the Administering Authority to the Joint Committee which comes up for renewal in January 2020.
- (d) Proposed meeting dates for the Joint Committee for 2020.

Further documentation about the Committee is available on its website

<http://www.hotswjointcommittee.org.uk/>

Agendas/papers for its formal meetings can be accessed on Somerset County Council's website

<http://democracy.somerset.gov.uk/mgCommitteeDetails.aspx?ID=357>

2. Recommendations

2.1. The Joint Committee is recommended to:

- (a) **co-opt a single joint representative of DALC/SALC as a non-voting member of the Joint Committee with immediate effect;**
- (b) **recommend to the Constituent Authorities**
 - (i) **that the Joint Committee budget contributions for 2020/21 should be set at the following levels:**
 - **County Councils - £21,000**
 - **Unitary Councils - £8,000**
 - **District Councils and National Park Authorities - £2,800**

Note: see paras 4.2.3 and 4.2.4 for the detail behind this recommendation

- (ii) **to reappoint Somerset County Council as the Administering Authority to the Joint Committee for the period 22 January 2020 to 21 January 2022.**
- (c) **agree the Committee's proposed meeting dates for 2020 as set out in paragraph 4.4.1 of this report.**

3. Reasons for recommendations

- 3.1
 - The recommendation for the appointment of a co-opted non-voting member for DALC/SALC takes forward the discussion at the last Joint Committee meeting.
 - The budget decision is required to put the Joint Committee's budget onto a firm footing for 2020/21.
 - The appointment of the Administering Authority to run the Joint Committee is required as the existing appointment ceases in January 2020.
 - Approval of the Committee's meeting dates in 2020 gives certainty to members and officers for diary purposes and will ensure that the Committee is able to expedite its business efficiently.

4. Background

4.1 DALC/SALC request

- 4.1.1 In July the Committee gave initial consideration to a request from DALC / SALC for a single joint representative to be appointed to the Committee as a non-voting co-opted member. The Committee debated the request and decided to defer consideration pending further information to be obtained including the reasoning for a single joint representative. The response from DALC/SALC has confirmed that a single joint appointment was requested as they felt that a request for two representatives may be rejected. They felt that a single joint representative would work as DALC and SALC have worked together numerous times previously to make representations to the Heart of the SW LEP, via working groups with policy officers. There is a good working relationship between the Associations and they would maintain regular contact about meetings, progress and opportunities for councils to have their say. They have indicated that they would not be opposed to the appointment of two representatives if that is the preference of the Committee. This issue was discussed at the meeting of the HotSW Chief Executives' Executive Group recently and their recommendation is that the request for single co-opted member should be agreed by the Committee in line with the original request. In recommending approval the Chief Executives' Executive Group asked that it be made explicit to DALC / SALC that the approval is subject to them acknowledging that the Committee is a strategic body and any input from the appointed co-opted representative must be made in this context.

4.2 Joint Committee Budget

- 4.2.1 Members will recall the governance update brought to the last meeting of the Committee and which outlined the Committee's budget situation for 2019/20. In that report and in previous reports mention has been made to revisit the budget arrangements for 2020/21 to put the Joint Committee on a more sustainable budget footing.
- 4.2.2 The updated budget position for 2019/20 is detailed below. In summary, for 2019/20 we have collected contributions from the Constituent Authorities totalling £48,600 which together with the underspend from last year gives a total budget of £84,926. We have not had cause to invoice the Constituent Authorities for the additional £48,600 agreed in principle as there are currently no work programme proposals requiring funding which cannot be met from the budget already in place. Of the total budget in place of £84,926, £60k is now committed for support costs (refunding officer secondments and meeting costs). As support costs are outstripping the Constituent Authorities base contributions in the medium term, we will be relying on the ever-reducing level of underspend to meet all of the support costs and work programme costs. The HotSW Chief Executives' Executive Group met recently and concluded that this was not a sustainable position. They discussed options for making the Joint Committee's budget sustainable and their recommended approach is set out in para 4.2.3 below.

Income	£ (,000)
Constituent Authority contributions	48,600 - committed (48,600 – in principle and if required)
2018/19 underspend	36,326
<u>Total</u>	84,926 (+ 48.6k in principle and if required)
Expenditure	£ ,000
Administering Authority	20 – committed (for the year)
Programme Office lead officer role	20 – committed (for the year)
Brexit Resilience and Opportunities Group – officer support costs	20 – committed (for the year)
Housing Task Force	Tbc
Growth Corridor Work	Tbc
MP/ Ministerial engagement	Tbc
Brexit work programme	Tbc
Coastal Communities proposal	Tbc
<u>Total</u>	£60k committed

- 4.2.3 Budget options considered by the Chief Executives' Executive Group included raising top slicing funding from external funding that may be made available to the Committee by the Government in the future under specific policy opportunities but this remains a longer term aim. In the short term the Group considered it important that the Constituent Authorities commit to sustaining the partnership by providing an adequate level of funding for 2020/21. Work programme developments remain some way away from

being fully developed, mainly as a result of the Brexit situation, but discussions with civil servants continue and we need to plan ahead accordingly. The Chief Executives' Executive Group's **recommendation** is that a sustainable level of budget for 2020/21 would be achieved on the basis of 2 x the original level of contributions as follows:

County Councils - £21,000

Unitary Councils - £8,000

District Councils and national Park Authorities – £2,800

This would give a total budget of £97,200 (+ underspend carried forward from 2019/20) and this should be sufficient to cover support costs and work programme activity

- 4.2.4 In considering the recommendation in 4.2.3 above the Committee is asked to reflect on representations made by the National Park Authorities on the above proposal. They remain resolutely committed to supporting the work of the Committee and are happy to main a level of financial commitment to the budget at the 2018/19 level (£1,400pa). However, they wish to point out that they don't have the same level of budgets as the district councils and don't have the budget flexibility of councils. An example of this is the Brexit funding that has been made available to all local councils but not the national park authorities. They have therefore requested to be a special case with their level of contribution capped at £1400 pa.

4.3 **Appointment of Administering Authority to the Joint Committee**

- 4.3.1 At the time of the establishment of the Joint Committee, the Constituent Authorities agreed to appoint SCC as the Administering Authority for a two-year period which ends on the 22 January 2020. Consideration needs to be given at this stage to an appointment for the next 2-year period as provided for in the Committee's 'Arrangements' document. The appointment needs to be confirmed by the Constituent Authorities on the recommendation of the Joint Committee hence the inclusion of this item on the agenda today.
- 4.3.2 The detail of the role is set out in the Arrangements document but in summary it includes:
- Running the Joint Committee business and meetings;
 - Administration of the Joint Committee's budget;
 - Responsibility for the Committee's communications and engagement plan including maintaining the JC's website as hosted by SCC.
- 4.3.3 The authority undertaking the role currently receives a budget allocation of £20,000 as a contribution towards the costs of undertaking the role and it is proposed to maintain this allocation at this level for 2020/21.
- 4.3.4 Somerset County Council has indicated that it is happy to continue in this role for a further two years if that is the wish of the Committee and the Constituent Authorities. The Chief Executives' Executive Group considered the options including the offer from Somerset and an alternative of asking for expressions of interest in the role from the Constituent Authorities. The

Group considered that Somerset County Council had done an excellent job over the last two years and their recommendation is that Somerset County Council be appointed as the Administering Authority for a further two-year period.

4.4 Joint Committee meeting dates for 2020

- 4.4.1 The following meeting dates for the Joint Committee are proposed for 2020. The plan is to use these dates for informal/formal Joint Committee meetings in the format that has been used for recent meetings.

10am start on the following dates – all Fridays:

31 January 2020

27 March 2020

26 June 2020

9 October 2020

6. Equalities Implications

- 6.1 There are no equalities implications associated with the recommendations.

7. Financial Implications

- 7.1 As set out in this report.

8. Legal Implications

- 8.1 There are no specific legal implications associated with this report. The Committee has the ability under its own governance arrangements to co-opted non-voting members to its membership and to agree its own meeting dates. The appointment of the Administering Authority rests with the Constituent Authorities under the Committee's Arrangements document.

9. Business Risk

- 9.1 The key risk to the Constituent Authorities is an unsustainable Committee without a sufficient budget to maintain the security and operation of the model. If the Committee cannot be sustained then the momentum already achieved with Government will be at risk and the opportunity to realise additional funds, powers and responsibilities from Government for the benefit of the HotSW will be severely compromised. This in turn would compromise the ability to deliver the Productivity Strategy.

10. Other Implications: Health and Well-being; Health and Safety; Sustainability; Community Safety; Privacy

- 10.1 There are no other implications

11. Background papers

11.1 Link below to the HotSW Joint Committee Arrangements document as agreed by all of the Constituent Authorities



Annex A Heart of the
South West Joint Con

APPENDIX A – EXTRACT FROM THE JOINT COMMITTEE’S ARRANGEMENTS DOCUMENT

2. Joint Committee Functions:

2.1 The only delegated functions of the Joint Committee relate to:

- (a) the approval of the HotSW Productivity Strategy; and
- (b) the development and endorsement of the HotSW Local Industrial Strategy (LIS) (noting that final approval of the HotSW LIS rests with the HotSW Local Enterprise Partnership (LEP) and the Government.

All other matters referred to in 2.3 below are ‘referred’ matters where the Joint Committee will make recommendations to the Constituent Authority or Authorities for decision. Additional delegated or referred functions may be proposed for the Joint Committee in the future by the Joint Committee or any of the Constituent Authorities but shall only be agreed if approved by all of the Constituent Authorities.

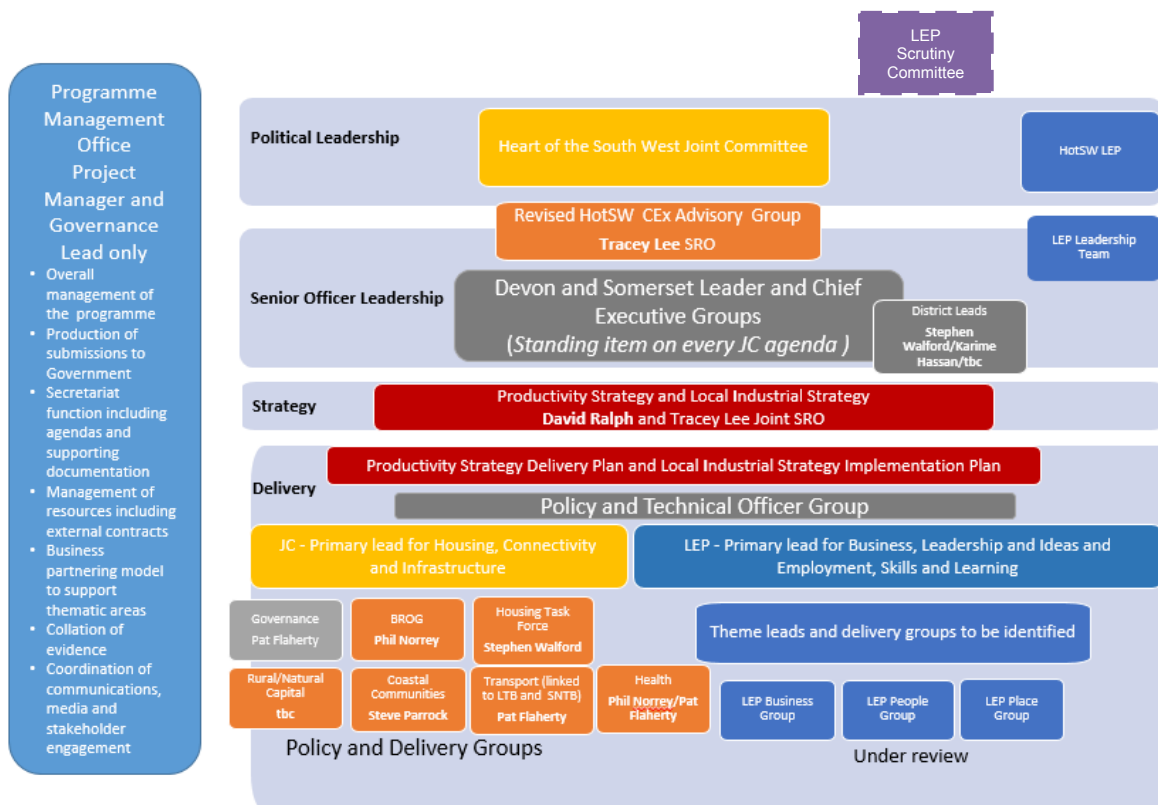
2.2 The principle of subsidiarity will apply to the relationship between the Joint Committee, the Constituent Authorities and local Sub-Regional Partnerships with decisions being made at the most local and appropriate level on all matters to do with the delivery of the Productivity Strategy and in relation to the other functions of the Joint Committee.

2.3 The Joint Committee shall:

- (a) Develop and agree the HotSW Productivity Plan in collaboration with the LEP.
- (b) Maintain oversight of the HotSW Delivery Plan = working alongside and in collaboration with the LEP using each other strengths and roles to ensure delivery of the HotSW Productivity Strategy.
- (c) Continue discussions /negotiations with the Government and Government agencies to achieve direct intervention, support, funding and powers to the benefit of the HotSW and assist with the delivery of the Productivity Plan.
- (d) Continue discussions / negotiations with the Government / relevant agencies to secure delivery of the Government’s strategic infrastructure commitments, eg, strategic road and rail transport improvements.
- (e) Design and deliver the strategic HotSW response to ‘Government’ offers.
- (f) Design and deliver public sector reform where this will deliver improved productivity to the HotSW, eg health, education.
- (g) Deliver at scale (beyond what individual councils can achieve).
- (h) Work with the LEP to identify and deliver adjustments to the LEP’s democratic accountability and to assist the organisation to comply with the revised (November 2016) LEP Assurance Framework. This includes endorsing the LEP’s assurance framework on behalf of the Constituent Authorities as and when required. However, this is subject to the Framework being formally approved by the LEP’s Administering Authority.
- (i) Ensure that adequate resources (including staff and funding) are allocated by the Constituent Authorities to enable the objectives in (a) to (e) above to be delivered.

APPENDIX B

HotSW Joint Committee Structures



Chief Executives' Executive Group Membership and Roles

Theme/Role	Lead	Body
HotSW Leaders SRO	Tracey Lee	JC (PCC)
Productivity Strategy SRO	Tracey Lee/David Ralph	JC (PCC)/LEP
LIS SRO	David Ralph/Tracey Lee	LEP/JC (PCC)
BROG	Phil Norrey	JC (DCC)
Governance lead	Pat Flaherty	JC (SCC)
Housing lead	Stephen Walford	JC (MDDC)
Transport lead	Pat Flaherty	JC (SCC)
Coastal Communities lead	Steve Parrock	JC (TC)
District Council Leads X 3	Stephen Walford (Devon - Rural) Karime Hassan (Devon - City/Urban) Stuart Brown (Somerset)	JC (MDDC/ECC/MDC)
Rural/Natural Capital lead	Kevin Bishop	JC (DNP)
Health theme	Via Phil Norrey and Pat Flaherty in the short term	JC (DCC/SCC)