

Setting of Well-being objectives – Neath Port-Talbot Council

Audit year: 2022-23

Date issued: August 2023

Document reference: 3739A2023

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Background: Our examinations of the setting of Well-being objectives

- 1 The Well-being of Future Generations (Wales) Act 2015 (the Act) places a ‘well-being duty’ on 48 public bodies. The duty requires those bodies to set and publish ‘well-being objectives’ that are designed to maximise their contribution to achieving each of the Act’s seven national well-being goals¹. They must also take all reasonable steps, in exercising their functions, to meet those objectives.
- 2 The Auditor General must carry out examinations to assess the extent to which public bodies have acted in accordance with the sustainable development principle when setting their well-being objectives². We are carrying out a rolling programme of these examinations, up to early 2025³.
- 3 To do something in accordance with the sustainable development principle means acting ‘in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs’. To achieve this, a public body must take account of the five ways of working: long term, integration, involvement, collaboration, and prevention⁴.
- 4 We designed an assessment framework to enable us to assess the extent to which public bodies have applied the sustainable development principle when setting their well-being objectives. **Appendix 1** sets out further information on our approach, including a set of ‘positive indicators’ that illustrate what good could look like.
- 5 In designing our approach, we considered what we could reasonably expect from public bodies at this point in time. Public bodies should now be familiar with the sustainable development principle and ways of working and be seeking to apply them in a meaningful way. At the same time, we appreciate that public bodies are still developing their experience in applying the sustainable development principle when setting well-being objectives. Therefore, the examinations include consideration of how public bodies are applying their learning and how they can improve in future.

¹ The seven national well-being goals are: a prosperous Wales, a resilient Wales, a healthier Wales, a more equal Wales, a Wales of cohesive communities, a Wales of vibrant culture and thriving Welsh language, and a globally responsible Wales.

² Section 15 (1) (a) Well-being of Future Generations (Wales) Act 2015

³ The Auditor General must carry out examinations over the period set out in the Act, which begins one year before a Senedd election and ends one year and one day before the following Senedd election.

⁴ Section 5 Well-being of Future Generations (Wales) Act 2015

Carrying out our examination at Neath Port-Talbot Council

- 6 The aim of this examination was to:
 - explain how Neath Port-Talbot Council (the Council) applied the sustainable development principle throughout in the process of setting its Well-being objectives;
 - provide assurance on the extent that the Council applied the sustainable development principle when setting its Well-being objectives; and
 - identify opportunities for the Council to further embed the sustainable development principle when setting Well-being objectives in future.
- 7 We set out to answer the question: To what extent has the Council acted in accordance with the sustainable development principle when setting its new Well-being objectives? We did this by exploring the following questions:
 - Was the process the Council put in place to set its well-being objectives underpinned by the sustainable development principle?
 - Has the Council considered how it will make sure it can deliver its Well-being objectives in line with the sustainable development principle?
 - Has the Council put in place arrangements to monitor progress and improve how it applies the sustainable development principle when setting its Well-being objectives?
- 8 We discussed the timing of the examination with the Council, and we tailored the delivery to reflect its specific circumstances.
- 9 We gathered our evidence in the following ways:
 - reviewing key documents;
 - running a workshop with key officers who were involved with setting the Well-being objectives; and
 - carrying out a final clarification meeting on outstanding issues with key individuals in addition to the above.
- 10 We also provided some informal feedback to officers on the key findings from our work prior to sharing this report.

How and when the Council set its Well-being objectives

- 11 The Council adopted its new Corporate Plan 2022-2027 (the Corporate Plan) 'Recover Reset Renew' on 1 March 2022. The Corporate Plan is structured around the Council's four new Well-being objectives (WBOs) these being:
 - All children get the best start in life
 - All communities are thriving and sustainable

Our local environment, heritage and culture can be enjoyed by future generations

- Jobs and skills – local people are skilled and can access high quality, green jobs

- 12 To support the delivery of these four WBOs, the Council has established an Enabling Programme focused on Organisational Development for the following areas: digital, people, assets, financial sustainability, governance and engagement. The Corporate Plan and a summary Corporate Plan on a page are published on the Council's website.
- 13 The Corporate Plan includes a specific section entitled Well-being Statement. This, the other sections of the Corporate Plan and its accompanying Integrated Impact Assessment, covers the elements for a Well-being Statement, as required by the Well-being of Future Generations Act. However, the Council could more clearly communicate how its new WBOs support the delivery of the national Goals and five ways of working.
- 14 In setting its new WBOs, the Council has applied lessons learned from the previous setting of WBOs. The key lesson learned was to ensure there was better engagement on the WBOs with officers and members and citizens.

What we found: the Council has applied the Sustainable Development Principle and carried out extensive engagement when setting its Well-being objectives but will need to further develop its monitoring arrangements

The process for setting Well-being objectives

Evidence Base

- 15 The Council used a broad range of information to support the setting of its Well-being objectives. The Council's new Corporate Plan includes a summary of the evidence that has been used to underpin the rationale for the selection of each WBO. This information includes describing 'Why is this important' and on 'What Matters to people'. This evidence has also been drawn from its comprehensive 'Let's Talk' engagement process. The new Corporate Plan also includes a section on 'mega trends' such as: digitisation, poverty, deprivation, inequality and community.
- 16 The Council has a good understanding of demonstrating emerging trends, needs and risks that have been used to help shape its WBOs and the steps needed to deliver these. Having a clear understanding of these issues should ensure that the

steps the Council is planning to take to deliver its WBOs will have the greatest impact over the short, medium and longer term. The Council's Corporate Plan also includes a description of what good will look like in 20 years' time. This will help to set the Council's actions to support its WBOs in a longer-term context.

- 17 The Council needs to more clearly demonstrate how it has used a wide evidence base to support the development of its WBOs. The Council has recognised that it needs to improve how it collects and analyses data and has recently created two data analysts' posts. It is also in the early stages of using data analytics software such as Power BI. Both actions should help to improve how data is collected and used to support its decision making and in reviewing and setting future WBOs.

Consultation and involvement

- 18 There was effective consultation. The Council undertook a comprehensive engagement process the development of its new WBOs. This process began in 2021 with an extensive engagement exercise called 'Lets Talk'. Aspects of this exercise, such as the analysis of the feedback and some focus groups were facilitated by an external organisation. It involved several focus groups, in-depth interviews with citizens, and a survey. The survey received 1,694 responses from a wide spectrum of groups, which included young people and children. The Council has effectively used the results of this engagement in the shaping of its new Corporate Plan and WBOs. The 'Lets Talk' results were also used to inform the Public Service Board's (PSB) Well-being Assessment (WBA) which in turn influenced the decision for the Council's WBOs and the PSB's WBOs to be the same.
- 19 In addition to this 'Lets Talk' engagement, the Council used other existing engagement and consultation work to help shape its new WBOs such as:
- the findings from the Canolfan Maerdy Outreach Youth Work;
 - the results of the Community Impact Assessment Survey
 - discussions with service users;
 - the results of the NPT business questionnaire; and
 - the findings from the Race Equality Action Plan Report.
- 20 The Council has effectively fed back the results of its engagement on its WBOs with its citizens. In early 2022, the Council undertook a further engagement exercise, where it tested if the results of the prior engagement exercise undertaken in 2021 had been reflected in its new WBOs.
- 21 There was improved internal engagement. In the development of its new WBOs, the Council was also keen to ensure that it fully engaged with officers and Members. It undertook extensive internal engagement, including holding detailed workshops for each of the WBOs. These workshops provided an opportunity to challenge the data and to consider the delivery steps over the short, medium and longer term.

- 22 Key stakeholders supported an external perspective on the development of the Corporate Plan. For example, the Council has directly sought the views of other organisations in the development of its new Corporate Plan including, Natural Resources Wales, the third sector and a Housing Association. This has enabled the Council to ensure that its new Corporate Plan reflects the perspectives of some of its key stakeholders.
- 23 The Council was proactive in seeking independent peer challenge for the development of its new Corporate Plan. In September 2021, the Council engaged the English Local Government Association to undertake an independent and critical friend assessment. They ran workshops with Directors and Members. In our view this provided a useful challenge to Directors and Members. We have been told that the outputs from this work was then used by the Council to further improve its Corporate Plan.
- 24 There is a good understanding of the role that citizens and business have in helping to deliver the Council WBOs. The Council has also recognised the need to work with individuals and businesses to deliver its WBOs. In recognition of this, the new Corporate Plan includes a section which details what is expected from the Council and what is expected from individuals and businesses in delivering its ambition. This helpful narrative shows consideration of the collaborative and shared approach to delivering WBOs. However, it will be important that its Service Recovery Plans (SRPs) also fully reflect this consideration.

Planning to improve well-being

- 25 The Council and the PSB have shared WBOs. This has the potential to drive stronger collaboration between the Council and the PSB. However, the Council and the PSB should be mindful to ensure that there is clarity over the respective levels of responsibilities of the PSB partners and Council in delivering the shared WBOs.
- 26 The Council recognises there is more to be done to fully understand how and when its partners will support the delivery of its WBOs. In addition to the list of partners included in the Corporate Plan for each WBOs, the guidance for the Council's Service Recovery Plans (SRP) encourages its services to think about the role of partners in delivery. It will therefore be important that, where relevant, how and when it will work with partners is included in its SRPs.

Delivering the well-being objectives

- 27 There is clear accountability for the delivery of WBOs. Each of the new WBOs has a lead Director who is responsible for their delivery. However, given the objectives are cross cutting the Council will need to consider how those Directors co-ordinate activity and information across a range of areas to support integrated delivery.
- 28 The Council needs to better integrate its corporate and service planning arrangements to support the delivery of the WBOs. The Strategic Change

Programme and its SRP will be a key mechanism for delivering the Council's WBOs. Aspects of this framework are relatively new with 2023-24 being the second year for SRPs. Therefore, these processes will need time to become fully embedded within the organisation. The Council also propose to review its Interim Corporate Performance Management Framework (CPMF) this summer (2023). This should enable it to ensure that its Corporate Plan, Business/recovery planning and performance arrangements are fully integrated (see paragraph 30).

- 29 The Council should develop a clearer understanding for how it is using its resources to deliver its WBOs. Doing this will strengthen the relationship between its resources allocation and delivering on its priorities. The Council's current finance/resourcing and budgets are allocated on a traditional service basis. Therefore, it is currently difficult to clearly see how its resources support the delivery of the cross cutting WBOs. The Council is in the process of developing its Medium Term Financial Strategy (MTFS) for 2023-2028. There is an opportunity to ensure that the new MTFS clearly demonstrates how the Council's resources will support the delivery its new WBOs and also identifies how any future financial risks or savings might impact on the delivery of these.

Monitoring the well-being objectives

- 30 The arrangements for monitoring delivery of WBOs need to be further developed. The Council has an interim CPMF which outlines the key mechanism for measuring and monitoring progress towards its WBOs. This will be done through quarterly monitoring of performance by the Corporate Directors Group CDG), Cabinet and Cabinet Boards, and the half yearly/annual review of its Corporate Plan/WBOs. The Council is in the process of refreshing its CPMF which will take place during the summer of 2023. The Council should ensure that any refreshed CPMF improves the way it measures the progress it is making on delivering its WBOs.
- 31 The Council could strengthen the suite of indicators it uses to monitor progress on its WBOs. The Council's current suite of performance indicators are published alongside its WBOs and are used to measure its progress and are regularly reported to CDG, Cabinet and the various Cabinet Boards. These contain a mixed set of metrics that attempt to measure improvements in wellbeing and broader impacts, which is positive. For example, 'Percentage of people satisfied with the local area as a place to live' and 'percentage of people satisfied with their ability to get to/access the facilities and services they need'. However, the other metrics used by the Council are more transactional and traditional. As part of the review of its CPMF, the Council should continue to build on its use of measures and metrics that are more outcome focused as this will help it to improve how its measures progress on the cross-cutting WBOs.

Recommendations

Exhibit 1: recommendations

- R1 In order to support the effective delivery of and accountability for its WBOs, the Council should:
- develop a clearer understanding of when and how partners will support the delivery of its WBOs;
 - ensure its MTFS 2023-2027 clearly considers how the Council's resources support the delivery of its WBOs and identifies how any future financial risks or savings might impact on the delivery of its WBOs; and
 - ensure that as it refreshes its CPMF, it looks for opportunities to develop more outcome-focused metrics that will enable it to measure its cross-cutting WBOs.

Appendix 1

Key questions and what we looked for

The table below sets out the question we sought to answer in carrying out this examination, along with some sub-questions to guide our evidence gathering. It also includes some 'positive indicators' that have been tailored to this examination, adapted from those we have previously used to inform our sustainable development principle examinations. This list is not a checklist, but rather an illustrative set of characteristics that describe what good could look like.

Exhibit 2: key questions and what we looked for

To what extent has the body acted in accordance with the sustainable development principle when setting its new well-being objectives?

Planning: Was the process the body put in place to set its well-being objectives underpinned by the sustainable development principle?

<p>Has the body used data and other intelligence to understand need, risks and opportunities and how they might change over time?</p>	<ul style="list-style-type: none"> • The body has a clear and balanced assessment of progress against previous well-being objectives that has been used to inform the body's understanding of the 'as is/' short-term need. • The body has set well-being objectives based on a good understanding of current and future need, risk and opportunities, including analysis of future trends. This is likely to be drawn from a range of local and national sources, such as: <ul style="list-style-type: none"> – Public Services Boards' well-being assessments – Regional Partnership Boards' population assessments – The results of local involvement/consultation exercises – Service monitoring and complaints – Future Trends report – Natural Resources Wales' State of Natural Resources Report (SoNaRR) for Wales and Area Based Assessments • The body has sought to understand the root causes of problems so that it can address negative cycles and intergenerational challenges through its well-being objectives.
<p>Has the body involved others in developing its well-being objectives?</p>	<ul style="list-style-type: none"> • The body uses the results of involvement to help select its well-being objectives. That involvement – whether primary, secondary or a combination – reflects the full diversity of the population. • Involvement reflects good practice and advice from the Future Generations Commissioner.
<p>Has the body considered how the objectives can improve well-being and have a broad impact?</p>	<ul style="list-style-type: none"> • The well-being objectives have been designed to improve well-being in the broadest sense and make a contribution across the seven national well-being goals. • The well-being objectives have been designed to reflect and capitalise on the connections between different areas of work. • There is a well-developed understanding of how the well-being objectives impact on/relate to what other public bodies are trying to achieve and opportunities to work together.

<p>Has the body designed the objectives to deliver longer-term benefits, balanced with meeting short-term needs?</p>	<ul style="list-style-type: none"> • The body has set objectives that are sufficiently ambitious and have been designed to drive activity across the organisation. • The objectives are designed to meet short and longer-term need. Where objectives are set over a short to medium timeframe, they are set in the context of longer-term considerations or ambitions.
<p>Resourcing and delivery: Has the body considered how it will make sure it can deliver its well-being objectives in line with the sustainable development principle?</p>	
<p>Has the body considered how it can resource the well-being objectives?</p>	<ul style="list-style-type: none"> • Resources have been allocated to ensure the objectives can be delivered over the short and medium-term, but the body has also considered longer-term resources, risks and/or how it can resource longer-term objectives. • The body has allocated resources to deliver preventative benefits, where these are described in its well-being objectives.
<p>Has the body considered how it can work with others to deliver their objectives?</p>	<ul style="list-style-type: none"> • The body is drawing on its knowledge of partners' objectives/activity, its relationships and collaborative arrangements to make sure it can deliver on cross-cutting ambitions.

Monitor and review: Has the body put in place arrangements to monitor progress and improve how it applies the sustainable development principle when setting its well-being objectives?

Has the body developed appropriate measures and monitoring arrangements?

- Performance measures are designed to reflect the sustainable development principle, eg by focusing on outcomes that cut across departmental/organisational boundaries and deliver multiple (including preventative) benefits over the longer term.
- There is a 'golden thread' that will allow the body to clearly and transparently report on progress to meeting the objectives.

Is the body seeking to learn from and improve how it has applied the sustainable development principle to setting its well-being objectives?

- The body shows self-awareness and a commitment to improving how it applies the sustainable development principle so that it can do so in a meaningful and impactful way.
- The body has learnt from setting previous well-being objectives and from applying the sustainable development principle more generally and has improved the process for setting its new well-being objectives.
- The body has or plans to reflect on how it has applied the sustainable development principle in this round of setting well-being objectives.



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