

Setting of Well-being Objectives – Pembrokeshire County Council

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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 Pembrokeshire County Council

- 6 The aim of this examination was to:
 - explain how Pembrokeshire County 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. We undertook this examination between February 2023 and May 2023.
- 9 We gathered our evidence in the following ways:
 - reviewing key documents;
 - running a workshop with key officers and Members 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 the report.

How and when the Council set its well-being objectives

- 11 The Council adopted its Corporate Strategy 2023-2028 on 11 May 2023. The Council has told us that, following translation, the Corporate Strategy will be formally published on the Council’s website by the end of June 2023.

- 12 The Corporate Strategy is structured around the Council's new 12 well-being objectives (WBOs), nine of which are externally facing (A) and three of which are internal/organisational objectives (B). The new WBOs are:
- A1 We will improve the provision of education and learning, equipping our learners with lifelong skills and knowledge they will need for the future.
 - A2 We will ensure the appropriate provision of care and support, focusing on prevention and ensuring vulnerable people are safe.
 - A3 We will enable the delivery of affordable, available, adaptable and energy efficient homes.
 - A4 We will deliver our economic ambition through supporting growth, jobs and prosperity and enable the transition to a more sustainable and greener economy.
 - A5 We will promote and support initiatives to deliver decarbonisation, manage climate adaptation and tackle the nature emergency.
 - A6 We will support our communities, maintaining positive relationships with them to help to build active, resourceful, connected, sustainable and creative communities.
 - A7 We will support the Welsh language within communities and through schools.
 - A8 We will focus resources on delivering core services such as highways, waste and recycling, public protection and leisure and culture that contribute to all communities' quality of life, ensuring residents live in neighbourhoods that are clean, green, safe and active.
 - A9 We will develop a strategy to reduce poverty and inequality.
 - B1 We will build a culture of good governance in the Council to enhance trust and confidence in our decision-making processes.
 - B2 We will be a financially sustainable and resilient Council managing our resources and assets effectively and efficiently, for instance by reviewing and optimizing our corporate estate.
 - B3 We will enhance the development of our workforce, improving skills and opportunities as well as tackling issues of recruitment and retention.
- 13 The Corporate Strategy also includes a well-being statement. This well-being statement includes all the areas required by the Act, but it could be strengthened by including a clearer picture of how the Council's resources will be used to deliver its WBOs.
- 14 In setting its new WBOs the Council felt it had applied lessons learned from the previous setting of WBOs. These key lessons included:
- ensuring that the WBOs were more aligned with the political administration's ambitions and vision; and
 - adopting a more inclusive and collaborative approach to developing its new WBOs.

What we found: the Council has applied the sustainable development principle in the setting of its new well-being objectives, but needs to strengthen its arrangements for citizen involvement and monitoring its progress

The process for setting well-being objectives

Evidence Base

- 15 In developing its Corporate Strategy, the Council has drawn on evidence from a wide range of sources, including the:
- Programme for Administration;
 - Annual Report and Self-Assessment 2021-22;
 - Scrutiny findings and recommendations;
 - Annual Governance Statement;
 - Director of Social Services Annual Report;
 - External regulatory reports; and
 - The Public Service Board (PSB) Well-being Assessment and resultant Plan.
- 16 These evidence sources include short, medium and longer-term risks and needs and have been used to help shape the WBOs and to underpin the rationale for their selection.
- 17 The Council was part of a collaborative approach to collecting and analysis data on a regional basis for the PSB Well-being Assessment. This information and intelligence, which identified current and future needs, has been used by the Council to inform its WBOs. The regional approach to developing the well-being assessment has also enabled cross-boundary risks and issues to be identified and reflected within the Council's new WBOs, such as those around the economy, housing, the environment, and climate change.

Consultation and involvement

- 18 The Council undertook a specific consultation exercise on its WBOs through its website under its 'have your say' consultation pages. However, the response rate to this consultation was poor, with only 21 responses. Whilst the Council has used other existing consultations, such as that on its budget proposals and the PSB Well-being Plan, to help inform its WBOs, the Council could do more to improve how it draws on the views of the full diversity of the population in the shaping and delivery of its WBOs.

- 19 The Council has invested in engagement software which should help ensure that its future engagement is more extensive and covers the full diversity of the population. However, the Council recognises that there is more work to be done to try to make sure that those from typically under-represented groups are able to get involved in future initiatives.
- 20 The Corporate Strategy includes several examples of how individuals will be an important part of the approach to delivering on the ambitions within its WBOs. For example, WBO A6 which is focused on Sustainable Communities, identifies that it will need to be 'Involving communities and citizens more meaningfully in local decision-making' and WBO A2 which is focused on social care identifies that it will, 'Continue to co-produce services with the third sector such as the Community Hub'. However, the Council could strengthen its arrangements by being clearer on the role of citizens in helping to deliver its other WBOs.

Planning to improve well-being

- 21 The Corporate Strategy includes both a summary and a more detailed description for how each of the WBOs support the national well-being goals. It also includes a more general description of how the overall strategy has applied the five ways of working from the Act.
- 22 The Council has looked to ensure that the political ambitions and commitments are reflected in its new Corporate Strategy. However, there is a recognition within the Council that by necessity it has focused on responding to short-term financial challenges and that it will need to continue to further refine its focus on delivering well-being over the long term.
- 23 The Council's WBOs cover a broad range of areas and focus on both short and longer-term ambitions. There is also good alignment between the Council's WBOs and the PSB's WBOs, which should help support the delivery of well-being for the people and area of Pembrokeshire.
- 24 The Council's Corporate Strategy recognises that its WBOs will need to be delivered with the support of partners, and the majority of its WBOs include steps/actions that have a partnership focus. For example, its WBO around housing (A3) includes an action which states it will, 'Accelerate housing delivery as well as work with partners to increase the range of affordable housing projects including the development of Community Land Trusts (CLTs) and making available smaller plots of Council land for those seeking self-build opportunities.' Whilst recognising the key role of partners in collaboration is positive, it will be important that the Council's more detailed Service Improvement Plans also clearly articulate how and when working with partners will help the Council to deliver its WBOs.

Delivering the well-being objectives

- 25 A key mechanism for delivering the Council's WBOs and the steps/actions outlined within its Corporate Strategy are the Council's Service Improvement Plans. Clearly

defining how these plans support the delivery of the WBOs should provide some assurance to the Council that work undertaken by its services is focused on delivering its WBOs.

- 26 The Council's Medium Term Financial Plan includes a useful analysis of the longer-term financial resourcing risks up to 2040, which will be helpful in enabling it to prioritise its resources over the longer term. However, the Council could provide a clearer narrative around: how it is using its resources to support the delivery of its WBOs; how any future resourcing risk might impact on their delivery; and how budget setting is aligned to its WBOs.
- 27 The Corporate Strategy outlines aspects of prevention and there is a specific WBO which is focused on prevention in Social Care. However, having a clear articulation of how its preventative activity will support the delivery across all its WBOs would strengthen the Council's arrangements.

Monitoring the well-being objectives

- 28 The current process for monitoring progress on its WBOs has been outlined in the Corporate Strategy and the key elements include:
- quarterly monitoring of a range of measures (Corporate Score Card) by Cabinet and the Senior Leadership Team, and by Corporate Overview and Scrutiny Committee on a periodic basis;
 - annual self-assessment process;
 - Annual Governance Statement; and
 - overview and scrutiny committees oversight/review of performance.
- 29 The Council's Performance Management Framework (PMF), which encapsulates the monitoring of its WBOs, is still at an early stage of development and has limitations. A key issue is that the current suite of corporate indicators (the Council's Corporate Score Card) is structured on a service basis and predominantly comprised of traditional activity-based measures/metrics. It is therefore difficult to see which of these metrics will help the Council determine the progress it is making against its WBOs. An example of this is the Council's Self-assessment and Annual Report for 2020-2021. This self-assessment outlines the progress the Council has made on its prior WBOs, however, in doing so it uses very few of the corporate indicators from its Corporate Score Card. The Council's PMF needs to set out how the Council is going to measure progress on delivery of its WBOs and the corporate suite of indicators needs to be developed so that the Council is able to measure the broader, long-term benefits and outcomes that are reflective of the cross-cutting nature of its WBOs.
- 30 Whilst the Corporate Strategy states that the Council is in the process of updating its PMF and revising its current suite of corporate indicators, this work has been ongoing for some time. The Council will need to progress improvements to its PMF quickly if it is to have timely and robust evidence to effectively determine and demonstrate its progress on delivering its WBOs for 2023-24.

- 31 The Council has not been reporting corporate performance information to its overview and scrutiny committees as frequent as it had intended. The reason given for this was due to shortages in staff resources. It will be important that these issues are resolved quickly to ensure that overview and scrutiny committees can effectively discharge their oversight responsibilities and provide challenge on the progress the Council is making in delivering its WBOs.

Recommendations

- R1 The Council should strengthen its approach to applying the sustainable development principle in the setting and delivery of its well-being objectives by:
- ensuring that it is able to draw on the views of the full diversity of the population in setting its future well-being objectives;
 - clearly setting out in its Service Improvement Plans how services will support the delivery of the WBOs, including for example how services will work with partners and citizens and how their work supports a preventative agenda;
 - ensuring that in future budget setting or refresh of its medium-term financial plan there is clear alignment with the Council's new WBOs, and that there is clarity about how savings targets or known future financial uncertainty might affect the delivery of its WBOs; and
 - ensuring that planned improvements to its performance management framework, including the refinement of its corporate suite of indicators, are made as a matter of urgency so that there is an effective framework in place for assessing progress on the 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.

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?	
Has the body used data and other intelligence to understand need, risks and opportunities and how they might change over time?	Positive indicators <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

	<ul style="list-style-type: none"> – 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.
Has the body involved others in developing its well-being objectives?	<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.
Has the body considered how the objectives can improve well-being and have a broad impact?	<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.
Has the body designed the objectives to deliver longer-term benefits, balanced with meeting short-term needs?	<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.

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

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?

Has the body considered how it can resource the well-being objectives?

- 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.

Has the body considered how it can work with others to deliver their objectives?

- 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, e.g., 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.

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

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?

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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