

# Setting of well-being objectives – Caerphilly County Borough 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 goals.<sup>1</sup> 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 objectives.<sup>2</sup> We are carrying out a rolling programme of these examinations, up to early 2025.<sup>3</sup>
- 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 prevention.<sup>4</sup>
- 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.

<sup>1</sup> 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.

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

<sup>3</sup> 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.

<sup>4</sup> Section 5 Well-being of Future Generations (Wales) Act 2015

## Carrying out our examination at the Council

- 6 The aim of this examination was to:
  - explain how 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 overall 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 carried out the examination in ‘real time’, undertaking the work while the Council was in the process of setting its well-being objectives. This allowed us to observe key parts of the process, gaining valuable insight and audit evidence.
- 10 In addition to observing meetings and events, we:
  - reviewed key documents; and
  - ran a workshop with key people who were involved with setting the well-being objectives.

## How and when the Council set its well-being objectives

- 11 The Council commenced work on setting new well-being objectives during 2022 then published its new objectives in November 2023. **Exhibit 1** sets out those well-being objectives.
- 12 The Council published its well-being objectives as part of its Corporate Plan and Well-being Objectives 2023-2028 which included its well-being statement that is required under the Act. The Corporate Plan and Well-being Objectives 2023-2028 can be [viewed on the Council's website](#).

## Exhibit 1: The Council's well-being objectives 2023-2028

**Well-being Objective 1: Enabling our Children to Succeed in Education**

**Well-being Objective 2: Enabling our Residents to Thrive**

**Well-being Objective 3: Enabling our Communities to Thrive**

**Well-being Objective 4: Enabling our Economy to Grow**

**Well-being Objective 5: Enabling our Environment to be Greener**

## What we found

The Council has applied the sustainable development principle throughout the process of setting its new well-being objectives but there is scope to strengthen monitoring arrangements

### The process for setting the well-being objectives

#### Evidence base

- 13 The Council has developed its new well-being objectives (WBO) based on a good understanding of current risks and opportunities and has drawn on many sources of information and a wide-ranging set of data to understand both its current and future needs, which are set out in the draft corporate plan. For example:
  - the Public Services Board's well-being assessments;
  - the results of local consultation and engagement;
  - Flood Risk Assessment Wales;
  - Welsh Government household projections;
  - its annual review of performance against its Well-being Objectives; and
  - its annual self-assessment.
- 14 There is a clear rationale in its draft corporate plan for the setting of its WBO and the steps it is taking to deliver them to improve the County Borough over the longer term. The Council is also intending to develop more intelligence to help it understand the root causes of problems. For example, the Council aims to build an

evidence base on what contributes to the root cause of rough sleeping to further its understanding to reduce the demand for Housing Related Support Provision.

## **Consultation and involvement**

- 15 The Council has involved a wide range of stakeholders to inform the development of its WBOs. This included a series of engagement sessions with Cabinet, management networks, staff and partner organisations. It also carried out face-to-face engagement and a survey with the public in the formative and ongoing stages of developing its objectives. The Council then held a joint scrutiny session in October 2023 to seek views on the draft well-being objectives.
- 16 The Council undertook a county-wide engagement exercise, for example, through its 'Caerphilly Conversation' where it asks people 'what matters to them. Despite those efforts, the response rate to this specific exercise was not high (500 comments and 292 completed surveys) and therefore it considers its engagement intelligence cannot be fully representative of the population. The Council recognises it will be important for it to take this into account in its future engagement planning so that it can effectively reach different groups.
- 17 The Council has drawn on the results of other involvement activity to help set its WBO. It has also adopted a cross organisational approach to determine the steps and actions it will take to help deliver the WBO. This reflects the learning from its previous round of objective setting, where it identified the need to strengthen links between the directorates and adopt a collective approach to setting its WBO.

## **Planning to improve well-being**

- 18 The Council has considered how its objectives can improve well-being and have a broad impact and has designed them to improve social, economic, environmental and cultural well-being and the national well-being goals. This is set out in the draft Corporate Plan, for example:
  - the Council worked through the Gwent Public Services Board (PSB) to gain a good understanding of how its WBOs relate to the longer-term outcomes key partners are seeking to achieve. It developed a good understanding of shared regional issues and risks, in part, through the regional PSB well-being assessment. It also reviewed the partners' plans and objectives and undertook a mapping exercise to determine how its WBOs, and the steps to deliver them best supported each of the PSB's objectives.
  - furthermore, the Council and its PSB partners have collectively adopted the 'Marmot Principles'. This set of guiding principles form a framework for reducing health inequalities.

## Planning to deliver the well-being objectives

- 19 The Council has undertaken considerable work to understand some the resource implications in delivering its objectives. The Council's Corporate Plan and Well-being Objectives 2023-2028 set out what resources it will use to deliver each objective including preventative work. For example, its 'Caerphilly Cares' model<sup>5</sup> will be used to support early intervention and prevention, to meet the needs of all residents and support the most vulnerable; and Supporting People's early intervention grant programme to support actions which prevents people from becoming homeless or stabilises their housing situation.
- 20 However, the Council hasn't yet fully determined resources to support delivery of its WBO over the medium term. The Council's Medium-Term Financial Plan (MTFP) is being revised and updated to reflect the new well-being objectives, and wider financial challenges. Our previous reports<sup>6</sup> on the Council's financial sustainability highlighted that the MTFP was underdeveloped and that it had not made its planned improvements. It will be important that the refreshed MTFP shows how it will resource the delivery of its new WBO over the short, medium and longer term and reflects any potential future financial risks to deliver them.

## Monitoring the well-being objectives

- 21 The Council has clearly considered how it can develop appropriate measures and monitoring arrangements to accompany its WBOs. The Corporate Plan includes measures under each objective, and some reflect the broader impact on well-being. For example, measures around reduction in carbon emissions shows the Council's contribution to improving the environment as well as health benefits for its communities from reduced pollution exposure. The measures should enable the Council to monitor progress. However, the measures do not yet contain the direction of improvement as this work will be undertaken at a later stage. This will be important to enable the Council to determine the progress it is making in delivering its WBO and the extent in which its impacting and improving the well-being of people in its communities. Furthermore, it will be important that the Council regularly reviews the appropriateness of its measures in helping it evaluate the outcome of its activities.
- 22 The Council's current process for monitoring progress against its WBO is through a combination of its performance monitoring arrangements and through its annual reporting and self-assessment report. The Council recognises that its current reporting approach needs to be adapted to ensure appropriate focus is given to

<sup>5</sup> The 'Caerphilly Cares' team offers a centralised coordination and response triage service for residents in need of support for issues such as food poverty, debt or rent arrears, isolation or loneliness.

<sup>6</sup>

[https://www.audit.wales/sites/default/files/publications/caerphilly\\_council\\_assurance\\_risk\\_assessment\\_review\\_english.pdf](https://www.audit.wales/sites/default/files/publications/caerphilly_council_assurance_risk_assessment_review_english.pdf)



monitoring progress against its WBO and will be continuously reviewing the appropriateness of its reporting.

## Recommendations

### **Recommendation heading**

- R1 The Council should ensure that its refreshed MTFS shows how it will resource the delivery of its new WBO over the short, medium and longer term and to reflect any potential future financial risks to deliver them.
  
- R2 The Council should ensure its performance management arrangements provide effective monitoring, reporting and scrutiny of the progress being made on delivering its well-being objectives.

# 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. They are based on the positive indicators we have previously used in our sustainable development principle examinations, which were developed through engagement with public bodies and informed by advice and guidance from the Future Generations Commissioner for Wales. 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?**

<p><b>Has the body used data and other intelligence to understand need, risks and opportunities and how they might change over time?</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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"> <li>– Public Services Boards' well-being assessments</li> <li>– Regional Partnership Boards' population assessments</li> <li>– The results of local involvement/ consultation exercises</li> <li>– Service monitoring and complaints</li> <li>– Future Trends report</li> <li>– Natural Resources Wales' State of Natural Resources Report (SoNaRR) for Wales and Area Based Assessments</li> </ul> </li> <li>• 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.</li> </ul>
<p><b>Has the body involved others in developing its well-being objectives?</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Involvement reflects good practice and advice from the Future Generations Commissioner.</li> </ul>

<p><b>Has the body considered how the objectives can improve well-being and have a broad impact?</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The well-being objectives have been designed to reflect and capitalise on the connections between different areas of work.</li> <li>• 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.</li> </ul>
<p><b>Has the body designed the objectives to deliver longer-term benefits, balanced with meeting short-term needs?</b></p>	<ul style="list-style-type: none"> <li>• The body has set objectives that are sufficiently ambitious and have been designed to drive activity across the organisation.</li> <li>• 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.</li> </ul>
<p><b>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?</b></p>	
<p><b>Has the body considered how it can resource the well-being objectives?</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The body has allocated resources to deliver preventative benefits, where these are described in its well-being objectives.</li> </ul>

<p><b>Has the body considered how it can work with others to deliver their objectives?</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<p><b>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?</b></p>	
<p><b>Has the body developed appropriate measures and monitoring arrangements?</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• There is a 'golden thread' that will allow the body to clearly and transparently report on progress to meeting the objectives.</li> </ul>
<p><b>Is the body seeking to learn from and improve how it has applied the sustainable development principle to setting its well-being objectives?</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• The body has or plans to reflect on how it has applied the sustainable development principle in this round of setting well-being objectives.</li> </ul>



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