

# Setting of well-being objectives – Merthyr Tydfil 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 Merthyr Tydfil County Borough 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 gathered our evidence in the following ways:
  - reviewing key documents;
  - a workshop with senior management and members; and
  - carrying out a small number of interviews.

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

- 10 The Council commenced work on setting new well-being objectives during 2022. It then published its new objectives in April 2023 as part of its Corporate Plan 2023-2028, which included its well-being statement that is required under the Act. The Corporate Plan 2023-2028 and the well-being statement can be viewed on the Council’s website. **Exhibit 1** sets out the Council’s well-being objectives.

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

**An aspirational Merthyr Tydfil focused on learning – we will strengthen how we enable people to grow and reach their potential.**

**A healthier Merthyr Tydfil – we will empower people to live independent and dignified lives.**

**A safe and prosperous Merthyr Tydfil – we will support how our economy recovers and grows.**

**A clean and green Merthyr Tydfil – we will support the creation of a clean and green environment now and in the future**

## What we found

**The Council has applied the sustainable development principle when setting its well-being objectives, but there is scope to strengthen its arrangements to support effective delivery and monitoring**

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

- 11 The Council has developed its new well-being objectives based on a good understanding of current need, long-term challenges, risks and opportunities. It drew on a range of data sources, including the Cwm Taf Morgannwg Population Needs Assessment data, the Well-Being Assessment data for the Cwm Taf and Bridgend Public Services Boards, and the Welsh Government Future Trends report and evidence pack. The Council is able to articulate what it considers to be the fundamental challenges facing the area. It is clear on how its new well-being objectives will contribute to addressing those challenges, such as poverty.
- 12 The Council has used data on its past performance to inform its well-being objectives. In 2022, the Directors of the Council produced reports looking back over the five-year time period of its previous Corporate Plan, and progress in relation to the respective well-being objectives. These reports demonstrate that the Council has considered how well it performed against its previous well-being objectives and what it needed to focus on moving forward.

- 13 The Council worked hard to involve residents, members, partners and other stakeholders in developing its new well-being objectives. The Council used this consultation and involvement to help shape its new well-being objectives.
- 14 The Council undertook a two-stage consultation process; an initial engagement survey and then consultation on the draft well-being objectives. The first stage was designed to be simple and engaging in the three questions it asked. These were:
- What do you like most about Merthyr Tydfil?
  - What would you change about Merthyr Tydfil? and
  - What do you think leaders in Merthyr Tydfil need to hear?
- 15 The Council had an excellent response rate to this stage of the consultation, with over one thousand responses. The Council involved a wide range of the population and included both face to face sessions and emailing survey questions. The Council also had a good response rate (359 responses) for the second stage of the consultation on the draft well-being objectives themselves.
- 16 The Council collected data on the ages and geographical diversity of the people they reached. However, the Council hasn't analysed the responses beyond this to determine how representative they were. There is scope for the Council to continue building on its approach to involvement when it next sets well-being objectives to ensure its responses reflect the diversity of the population.
- 17 The Council has set out in its Corporate Plan how each objective links to the national well-being goals. The Council has also considered the extent to which objectives cut across its Directorates. An example of this is the Council's approach to tackling poverty, which it recognises as the root cause of many of the challenges facing the area. The Council considered having a specific well-being objective relating to tackling poverty, but instead decided it underpinned all its objectives. The Council, therefore, decided against having a standalone tackling poverty objective but it has incorporated some relevant steps under other well-being objectives. It is also currently developing a poverty strategy to support cross-cutting delivery.
- 18 However, the Corporate Plan does not make explicit links to its existing longer-term plans, such as the Cyfarthfa Plan 2020-2040 and its Economic Vision 2021-2035. Making those linkages would help to ensure alignment between work carried out during the five-year term of the Corporate Plan and longer-term aims and objectives of the Council.
- 19 The Corporate Plan explicitly references Cwm Taf Morgannwg PSB's well-being objectives and there are similarities to the Council's new well-being objectives. The Council undertook some mapping work as part of the development of its Corporate Plan to consider connections between the Council's own objectives and partners' objectives. However, the Council has not described in the Corporate Plan how those connections translate into partnership activity. Overall, the Council could set out more clearly in its Corporate Plan the links between its work and partners' work

and how they impact on each other and support delivery of their respective objectives.

## **Resourcing and delivering the well-being objectives**

- 20 The Council aligned its Medium-Term Financial Plan (MTFP) (covering the period 2023-24 to 2026-27) to its previous well-being objectives and made reference to its then draft well-being objectives in the version that went to Cabinet in March 2023. The Council has not yet aligned its MTFP to its now published well-being objectives.
- 21 Given the financial challenges and the long-term nature of the well-being objectives, it will be important for the Council to consider the resources and the risks to delivery over the medium term. This will help the Council to identify and manage the risks that could impact on delivery of the well-being objectives. We have raised a similar point about the Council needing to take a longer-term approach to its financial planning in our previous financial sustainability reports.
- 22 The Council has not yet updated its service business plans to reflect the new well-being objectives. To ensure that service areas are working towards the aims and objectives of the new Corporate Plan, the Council will need to update its service business plans to achieve that alignment. It will also be important for service plans to reflect how the Council intends to work with partners to deliver on its objectives.

## **Monitoring the well-being objectives**

- 23 The Council did not publish measures to accompany the well-being objectives in the Corporate Plan. It is currently in the process of developing measures for each of its well-being objectives.
- 24 The Council should ensure that the measures enable the Council to monitor progress towards its well-being objectives over the short, medium and long-term. The measures should also reflect the cross-cutting nature of its well-being objectives.
- 25 The Council has not decided how it will monitor its progress in delivering its well-being objectives. The Council needs to do this to be able to assure itself that it is on track to achieve its well-being objectives and so that progress is transparently reported.



## Recommendations

- R1 When reviewing or setting future well-being objectives, the Council should build on the progress it has made in applying the sustainable development principle by:
- Making more explicit links between the Corporate Plan and other existing long-term plans;
  - More clearly describing in the Corporate Plan/well-being statement how the Council will work with partners to help deliver its own objectives and shared objectives; and
  - Building on its successful engagement with targeted engagement to assure itself that its responses reflect the diversity of the population.
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- R2 The Council needs to determine how it will resource and identify the risks to delivering its well-being objectives over the short and medium-term.
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- R3 The Council needs to ensure that relevant strategies and service business plans are aligned to deliver the well-being objectives.
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- R4 The Council should determine how it will monitor its progress in delivering the well-being objectives in its new Corporate Plan.
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- R5 The Council should develop measures which enable it to monitor progress towards its well-being objectives over the short, medium and long-term. The measures should also reflect the cross-cutting nature of 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?**

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

- 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:
  - 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><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>

**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.

**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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