

Springing Forward – Conwy County Borough Council

Audit year: 2021-22

Date issued: May 2023

Document reference: 3459A2022

This document has been prepared for the internal use of Conwy County Borough Council as part of work performed/to be performed in accordance with Section 17 of the Public Audit (Wales) Act 2004, and Section 15 of the Well-being of Future Generations Act (Wales) 2015].

No responsibility is taken by the Auditor General or the staff of Audit Wales in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and Audit Wales are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at info.officer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.

Contents

Summary report	
Summary	4
Recommendations	7
Detailed report	
The Council is working to implement its vision and plans across all services	8
Assets	8
The Council has a clear Asset Management Plan to meet previous corporate objectives but has not yet taken the opportunity to reshape it for the long term	8
The Council has delivered key aspects of its asset management plan and works with partners to maximise the use of its assets	9
The Council's asset management plan is monitored but it does not benchmark its performance	10
Workforce	11
The Council has a vision for its future workforce but recognises it needs to refresh it following the lessons learnt during the pandemic	11
The Council has implemented a hybrid model of working for its workforce	12
The Council has a good understanding of current workforce issues but does not benchmark its arrangements or have a comprehensive understanding of longer-term demands to shape its planning	12

Summary report

Summary

What we reviewed and why

- 1 As the world moves forward, learning from the global pandemic, this review has looked at how the Council is strengthening its ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities.
- 2 We reviewed the Council's arrangements for managing its assets and workforce:
 - a. for assets, our primary focus was on office accommodation and buildings from which the Council delivers services to its residents; and
 - b. for workforce, our focus has been on the challenges highlighted during the pandemic that have exacerbated some long-standing workforce issues.We looked at how the Council strategically plans to use its assets and workforce, how it monitors their use and how it reviews and evaluates the effectiveness of its arrangements.
- 3 When we began our audit work under the Well-being of Future Generations (Wales) Act 2015 we recognised that it would take time for public bodies to embed the sustainable development principle. We also set out our expectation that over the medium term we would expect public bodies to be able to demonstrate how the Act is shaping what they do. It is now approaching seven years since the Well-being of Future Generations Act was passed and we are now into the second reporting period for the Act. Therefore, we would now expect public bodies to be able to demonstrate that the Act is integral to their thinking and genuinely shaping what they do.
- 4 This project had three main aims:
 - to gain assurance that the Council is putting in place arrangements to transform, adapt and maintain the delivery of services;
 - to explain the actions that the Council is taking both individually and in partnership to strengthen its arrangements as well as further embed the sustainable development principle; and
 - to inspire the Council and other organisations to further strengthen their arrangements through capturing and sharing notable practice examples and learning and making appropriate recommendations.
- 5 This is important because Conwy Council invests considerable sums in its building assets and workforce. Some key information from 2020-21 is shown in **Exhibit 1**.

Exhibit 1: key facts and figures relating to building assets and workforce. March 2021

Number of Council buildings owned in 2020-21	718 buildings
Value of property, as at 31 March 2021	Approximately £277 million
Reduction in total office accommodation 2013 to 2020 (in square metres)	2013: 24,558 2020: 16,898
Number of staff	4,048
Percentage of the workforce, of staff who were male	27.1%
Percentage of the workforce, of staff who were female	72.9%
Percentage of staff who work full time	48.5%
Percentage of staff who work part time	51.5%
Percentage of staff aged over 55 years	26.2%
Number of staff who left the Council by their own choice in 2020-21	267

- 6 The COVID-19 pandemic and continuing financial pressures have impacted on demand for buildings and the way that staff work. This report examines some of these impacts and the way that the Council benefits from the positives and mitigates risks from the negatives when planning future service delivery.

What we found

- 7 Our review sought to answer the question: Is the Council's strategic approach strengthening its ability to transform? In doing this work we have identified some of the direct impact of the pandemic as well as some operational and governance issues exacerbated by the pandemic.
- 8 Overall, we found that the Council is working to implement its vision and plans across all services.
- 9 We reached this conclusion because:
 - the Council has a clear Asset Management Plan to meet previous corporate objectives but has not yet taken the opportunity to reshape it for the long term;
 - the Council has delivered key aspects of its asset management plan and works with partners to maximise the use of its assets
 - the Council's asset management plan is monitored but it does not benchmark its performance;
 - the Council has a vision for its future workforce but recognises it needs to refresh it following the lessons learnt during the pandemic;
 - the Council has implemented a hybrid model of working for its workforce; and
 - the Council has a good understanding of current workforce issues but does not benchmark its arrangements or have a comprehensive understanding of longer-term demands to shape its planning.

Recommendations

Exhibit 2: recommendations

The table below sets out the recommendations that we have identified following this review.

Recommendations	
Strategic planning and the sustainable development principle	
R1	The Council needs to demonstrate that the sustainable development principle is at the heart of its future considerations for its assets and workforce. It should build on the experience of the pandemic, to develop a long-term approach to its assets and workforce, which is integrated with other key plans and supported by costed delivery plans.
Data and benchmarking	
R2	The Council should further develop the use of benchmarking to inform planning, budget setting and to measure the longer-term success of its asset and workforce initiatives.

Detailed report

The Council is working to implement its vision and plans across all services

Assets

The Council has a clear Asset Management Plan to meet previous corporate objectives but has not yet taken the opportunity to reshape it for the long term

Why setting a clear vision is important

- 10 A clear asset management strategy and well-developed delivery plans are important to identify the intended usage of assets over the short and longer term; the funding available to maintain and develop assets, as well as the anticipated future level of demand for, and cost of, providing services. It is also important to identify how the asset management strategy aligns and is integrated with other relevant strategies including, agile working, workforce, digital, and carbon reduction. Learning from the changes brought about by the global COVID-19 pandemic can help councils strengthen their ability to transform, adapt and maintain the delivery of services.
- 11 In reaching this conclusion we found that:
 - the Council's corporate Asset Management Plan (AMP) 2012-22 sets out a clear vision to ensure that the Council's land and building assets are 'aligned to service delivery and that those assets are managed efficiently and sustainably' – which it summarises as 'the right size to meet operational needs'.
 - the AMP and its associated policies are well integrated. The AMP is supported by service asset management plans and a range of associated policies that collectively promote effective asset management.
 - the AMP sets out how the Council considers sustainable development in its approach to its assets. For example, the Council's decision to move its headquarters to Colwyn Bay was driven by the impact this would have on helping to regenerate the town centre, which is one of the Council's well-being objectives.
 - both the Council's asset management plan and medium-term financial strategy end in 2022. As the Council updates its AMP, it will be important for the Council to ensure that its AMP is supported by costed delivery plans and its strategic approach to its assets is underpinned by the sustainable development principle.
 - to do this, the Council needs to take account of longer-term trends and future service demand that may affect service provision and the efficient use

of its built assets. For example, the Council is regularly reviewing and assessing with staff how the hybrid model is working and will need to consider what this may mean for the future use of its assets.

The Council has delivered key aspects of its asset management plan and works with partners to maximise the use of its assets

Why effectively managing the delivery of planned changes to assets is important

- 12 It is important that asset management plans deliver the intended outcomes efficiently and effectively so that actual expenditure is as close to the levels planned as possible and councils meet their statutory duties. Effective collaboration with other organisations and involving communities about their needs can improve the services delivered to residents. Where councils do not have the range of skills, knowledge, and expertise to effectively manage both ongoing asset management and deliver strategic changes, this may reduce the ability to deliver the intended outcomes.
- 13 In reaching this conclusion we found that:
- the Council has implemented key aspects of its AMP. This includes the opening of its new purpose-built office, Coed Pella, in Colwyn Bay. The office was designed with the potential for future changes to provide greater service flexibility.
 - in line with its property disposal programme, the Council has reduced its asset base. Its approach is underpinned by the principle that no land or buildings are retained unless required for operational, income-generation or strategic site purposes.
 - the asset disposal programme has had a beneficial impact on the Council's economic development and housing-related corporate priorities. Surplus Council offices have been redeveloped by their new owners. This includes changes of use to provide retail and social housing accommodation, affordable housing and assisted-care housing units (eg several Housing Association extra care schemes are built on the site of former Council-owned homes)
 - the Council has made progress to improve the energy efficiency of its buildings in line with its environmental ambition well-being objective. From 2013 to 2020, the Council reduced office energy and water consumption costs by 14% and carbon emissions by 28%. The Council achieved a Building Research Establishment Environmental Assessment Method (BREEAM) sustainability rating of 'Excellent' for the new Coed Pella office. The Council has also set up a Climate Challenge Programme Board to drive

sustainable development. The Council's Environmental Policy has specific targets to manage energy consumption.

- the Council, through its project management software (CAMMS), can evidence that it actively involves both internal and external stakeholders when making strategic property-asset-related decisions.
- the Council seeks to follow the Participation Cymru National Principles for Public Engagement in Wales. For example, the recent proposals for the Glasdir buildings were subject to well-publicised engagement with people living in Llanrwst and the final proposals had a comprehensive equality impact assessment. Staff and their trade unions were also consulted about the layout and facilities at Coed Pella.
- the Council collaborates with partners to maximise the use of its assets. For example, the Council relocated the library and police service to the Glasdir community centre site with Welsh Government funding through the Transforming Towns investment programme. During the pandemic, the Council worked with other public bodies to use Council assets as vaccination centres and to set up a temporary hospital at the Venue Cymru theatre in Llandudno.

The Council's asset management plan is monitored but it does not benchmark its performance

Why effectively reviewing the delivery of planned changes to assets is important

- 14 Councils should use data to monitor whether they are achieving their intended outcomes effectively and efficiently over the short and longer term. Using benchmarking data can provide useful insight into councils' individual performance and can identify opportunities for learning from other organisations.
- 15 In reaching this conclusion we found that:
 - the Council's asset management annual report to councillors does not provide a robust and useful evaluation of the Council's approach to its assets and whether it is achieving its intended outcomes. The report includes information about the Council's performance against a suite of national asset indicators, but there is limited analysis of the data, long-term trends and comparative performance.
 - the Council participates in regional and national asset management networks. It is a member of the property groups of the Consortium of Local Authorities in Wales and the Association of Chief Estates Surveyors. It also contributes to the National Assets Working Group.
 - however, the Council is not benchmarking its approach to better understand its own performance and identify areas for improvement. We recognise this would have been difficult during the pandemic. The ability to compare data

and arrangements with other organisations will continue to be an important element of arrangements to help the Council understand if it is delivering value for money. It will be a challenge for councils to consider, particularly as they continue to implement the requirements relating to self-assessment set out in the Local Government and Elections (Wales) Act 2021.

Workforce

The Council has a vision for its future workforce but recognises it needs to refresh it following the lessons learnt during the pandemic

Why setting a clear vision is important

- 16 A clear strategy for its workforce and well-developed delivery plans are important to ensuring an efficient and effective workforce over the short and longer term. It is also important to identify how the workforce strategy aligns and is integrated with other relevant strategies including, asset management, digital, and carbon reduction. Learning from the changes brought about by the global COVID-19 pandemic can help councils strengthen their ability to transform, adapt and maintain the delivery of services.
- 17 In reaching this conclusion we found that:
- the Council has a vision for its future workforce set out in its ‘Workwise Framework’. This sets out hybrid model guidance for agile working where councillors and all office-based staff work from home and attend the office (or other hub location) depending on service need.
 - the Council’s Human Resources Strategy expired in 2017 and therefore did not reflect the hybrid working strategy as set out in the separate Workwise Framework or the learning from the pandemic. Neither did it align with other key plans and strategies. In March 2023, the Council approved a new People Strategy which addressed these issues. The Council recognises this is an opportunity to use the sustainable development principle requiring a long-term approach to its workforce, which is integrated with other key plans, factored into its medium-term financial planning and supported by costed delivery plans.
 - the Council has identified workforce risks, both over the short and longer term, and is taking action to address them which includes:
 - extending its Apprenticeship Plan to increase the number of apprentices;
 - growing internal talent across all Council departments;
 - carrying out local recruitment campaigns across the county, as well as trialling new ideas and methods to attract more applicants;

- identifying gaps in skills and expertise anticipated over the next five to ten years and to take pro-active steps to address these; and
- exploring ways to increase the capacity and resilience of its children's and adults' services, the recruitment situation in the children's social care and adult care fields, looking at ways to increase capacity and the resilience of our workforce.

The Council has implemented a hybrid model of working for its workforce

Why effectively managing the delivery of planned changes to workforce is important

- 18 It is important that workforce plans deliver the intended outcomes efficiently and effectively so that actual expenditure is as close to the levels planned as possible and councils meet their statutory duties. Effective collaboration with other organisations and involving communities about their needs can improve the services delivered to residents. Where councils do not have the range of skills, knowledge, and expertise to effectively manage both ongoing workforce issues and deliver strategic changes, this may reduce the ability to deliver the intended outcomes.
- 19 What we found:
- the post-pandemic hybrid model of agile working set out in Workwise 2020 is now operational throughout the Council's services;
 - agile working for most staff does still require attendance at Council offices;
 - Council engaged staff and councillors to gauge views about wellbeing and future working arrangements;
 - Human Resources and the Trade Unions worked together to support the implementation of new developments in health and safety; and
 - a full equality impact assessment was undertaken prior to staff returning to their offices or spending more time working from home.

The Council has a good understanding of current workforce issues but does not benchmark its arrangements or have a comprehensive understanding of longer-term demands to shape its planning

Why effectively reviewing the workforce is important

- 20 Councils should use data to monitor whether they are achieving their intended outcomes effectively and efficiently over the short and longer term. Using

benchmarking data can provide useful insight into councils' individual performance and can identify opportunities for learning from other organisations.

21 In reaching this conclusion we found that:

- the Council has a good robust understanding of the current workforce challenges, including recruitment and retention of staff.
- workforce profile data is well developed and available to all services.
- the Council has developed a dashboard for monitoring and reviewing workforce data. The dashboard is reported quarterly to the senior leadership team.
- the Council revised its hybrid working policy after consulting staff to see if hybrid and home working arrangements are supporting the delivery of services. This helped the Council to gain an understanding of what works and what does not.
- officers we spoke to felt that benchmarking with other councils is difficult and is not frequently used. As we highlighted in the assets section of this report, the ability to compare data and arrangements with other organisations will continue to be an important element to help the Council understand if it is delivering value for money.

22 Long-term workforce planning needs a full range of data not only about the workforce but about the demands placed upon it. Although the Council has some demand information most notably for social services, it does not have this information for all its services. Having this information would help the Council develop its workforce strategy.



Audit Wales

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.