

Meeting of:	Governance and Audit Committee
Date of Meeting:	Monday, 23 June 2025
Relevant Scrutiny Committee:	Resources Scrutiny Committee
Report Title:	Vale of Glamorgan Council Setting Well-being Objectives Examination
Purpose of Report:	To advise Members of the findings of the Auditor General for Wales' examination of the Vale of Glamorgan's approach to setting well-being Objectives.
Report Owner:	Tom Bowring, Director of Corporate Resources
Responsible Officer:	Tom Bowring, Director of Corporate Resources
Elected Member and Officer Consultation:	No specific ward member consultation has been undertaken. Regulatory reports apply to the whole authority and inform Scrutiny Committees' annual work programme, the Cabinet annual work programme and the Council's improvement programme. Progress in relation to areas for improvement arising from the Annual Regulatory Plan (including local and national reviews) is regularly reported via the Council's Strategic Insight Board Insight Tracker to the Strategic Leadership Team, relevant Scrutiny Committees, Governance and Audit Committee and Cabinet for final oversight.
Policy Framework:	This is a matter for Executive decision by Cabinet.
<p>Executive Summary:</p> <ul style="list-style-type: none"> As part of the Council's annual audit work programme for 2024/25, the Auditor General for Wales undertook an examination that considered the extent to which the Council has applied the sustainable development principle in shaping the setting of its well-being objectives. The report's key findings are detailed in (Appendix A). The examination was undertaken to help fulfil the Auditor General's duties under section 15 of the Well-being of Future Generations (Wales) Act 2015. This requires the Auditor General to 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. The examination sought to provide assurance on the extent to which the Council had acted in accordance with the sustainable development principle when setting its well-being objectives and to identify opportunities for the Council to further embed the principle when setting well-being objectives in future. 	

- The examination was timed with the development of the Council's new Corporate Plan (Vale 2030) and carried out in real time. This enabled Audit Wales to observe the key phases of the process, gain insight, audit evidence, and provide interim feedback that helped improve subsequent phases of work.
- Audit Wales concluded that, 'The Council has applied the sustainable development principle to shape the setting of its well-being objectives including effective use of data, alignment with financial plans and a strong approach to involvement.'
- No formal recommendations have been made in relation to the examination.
- Governance and Audit Committee members are asked to consider the contents of the report with any recommendations and comments being referred to Cabinet for their oversight.

Recommendations

1. That members consider the findings from Audit Wales' examination of extent of the Council's application of the sustainable development principle in setting its well-being objectives.
2. That, subject to recommendation (1), the report be referred to Cabinet for their oversight.

Reasons for Recommendations

1. To provide for scrutiny of the findings of Audit Wales' examination of the Council's application of the sustainable development principle in setting its wellbeing objectives.
2. To ensure the Council responds appropriately and implements areas of improvement as identified by Audit Wales.

1. Background

- 1.1 To help fulfil the Auditor General for Wales' duties under section 15 of the Well-being of Future Generations (Wales) Act 2015, Audit Wales 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.
- 1.2 This examination has been undertaken as part of the Council's annual audit work programme for 2024/25 with the work aligned with the development of the Council's new Corporate Plan (Vale 2030).

2. Key Issues for Consideration

- 2.1 **Appendix A** contains the Audit Wales report outlining the key findings of the examination.
- 2.2 The examination sought to provide assurance on the extent to which the Council had acted in accordance with the sustainable development principle when setting its well-being objectives and to identify opportunities for the Council to further embed the principle when setting well-being objectives in future.
- 2.3 The timing of the examination with the development of the Council's new Corporate Plan (Vale 2030) meant that this work was carried out in real time. This enabled Audit Wales to observe the key phases of the process, gain insight, audit evidence, and provide interim feedback that helped improve subsequent phases of work.
- 2.4 Audit Wales concluded that, 'The Council has applied the sustainable development principle to shape the setting of its well-being objectives including effective use of data, alignment with financial plans and a strong approach to

involvement.’ No formal recommendations have been made in relation to the examination.

- 2.5** Key findings of the examination are detailed below.
- 2.6** The Council carefully planned its approach to setting its well-being objectives. Senior Leadership Team started the process in January 2024 allowing 15 months to develop its ideas and plans and received guidance from the Future Generations Commissioner’s Office at an early stage in the process which helped determine its programme of involvement.
- 2.7** The Council’s vision is based on an understanding of current need as well as a longer-term perspective considering aspects such as poverty, deprivation, and life expectancy. It has sought to understand from stakeholders what the Vale will look like in the longer term if this vision is achieved and what needs to be done now to accomplish it. This has also given rise to a broader refresh of its strategic policy framework, such as its risk and performance management arrangements, Strategic Equalities Plan and Participation strategy.
- 2.8** The Council drew from a broad range of data and engagement activity to gain a better understanding of current need, risks, and opportunities to develop its vision for the Vale.
- 2.9** The Council is promoting a culture of improved integration across the Council. It has refocussed its Reshaping Programme of work to better connect its main priorities in the Plan with its Medium Term Financial Plan (MTFP).
- 2.10** There is an emphasis throughout the Plan of working in partnership to deliver the well-being objectives and ‘change how we work’ and the process of identifying and monitoring partner contribution whilst underdeveloped, remains an area of focus. For example, the Council has invited its strategic partners to an event in May 2025, to discuss how they can work together over the next five years to achieve their shared vision of strong communities with a bright future.
- 2.11** The Council has adapted its performance management framework to improve monitoring and review of progress in achieving its well-being objectives. It has reduced the volume of performance information to improve clarity of message and better align its performance framework with its MTFP. It is also about to adopt a revised ‘thematic’ scrutiny structure designed to increase opportunities to focus on topics of interest, become more agile to emerging issues and enhance transparency and accountability.
- 2.12** The Council has already begun acting upon the four recommendations arising from the PPA.
- 2.13** Governance and Audit Committee members are asked to consider the contents of the report with any recommendations and comments being referred to Cabinet for their oversight.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

Performance Management is an intrinsic part of corporate governance and integrated business planning which underpins the delivery of Vale 2030, the Council's Corporate Plan. Vale 2030 details five new Well-being Objectives which provide a framework for the next five years and how the Council will contribute to the national well-being goals. The five ways of working have been embedded in the development of the new Plan and are reflected in the work that will be undertaken to deliver Vale 2030.

- 3.1** External Regulation is an important vehicle for driving continuous improvement across our services. Progressing the improvement areas identified by our regulators not only enables us to demonstrate our commitment to continuous service improvement but also contributes to further strengthening our impact on the national well-being goals through the achievement of our well-being objectives.

4. Climate Change and Nature Implications

- 4.1** There are no implications directly arising from this report, although failure to respond to our regulatory recommendations could have a negative impact on any future external regulatory assessments and could result in a special inspection by the Auditor General for Wales if deemed that the Council is not meeting the performance requirements.
- 4.2** The climate change and nature implications in respect of our regulatory recommendations will be considered as part of the development of our response (action plan) where required and will identify mitigating actions required to minimise any adverse consequences.

5. Resources and Legal Considerations

Financial

- 5.1** There is an annual audit fee aligned with the Vale of Glamorgan Annual Audit Work Programme. Any proposed changes to this will be discussed with the Section 151 Officer prior to implementation.

Employment

- 5.2** There are no direct workforce related implications associated with this report.

Legal (Including Equalities)

- 5.3** The statutory duties of the Auditor General are contained within the Local Government & Elections (Wales) Act 2021, the Well-being of Future Generations

(Wales) Act 2015, the Public Audit (Wales) Act 2004, the Local Government Act 1999 and the Code of Audit Practice.

6. Background Papers

[Annual Audit Plan 2024](#)

Setting of Well-being Objectives – Vale of Glamorgan Council

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This document has been prepared as part of work performed in accordance with statutory functions.

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.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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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 56 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 Vale of Glamorgan Council

- 6 The aim of this examination was to:
 - explain how Vale of Glamorgan 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 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 Vale of Glamorgan 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; and
 - provide interim feedback that could help Vale of Glamorgan improve subsequent phases of work.
- 10 In addition to this, we:
 - reviewed key documents and
 - carried out a small number of interviews in addition to the above.

How and when the Vale of Glamorgan Council set its well-being objectives

- 11 The Council commenced work on setting new well-being objectives in January 2024, then published its new objectives in April 2025. **Exhibit 1** sets out those well-being objectives.
- 12 The Council published its well-being objectives as part of its Vale 2030 Corporate Plan (the Plan), which included its well-being statement that is required under the Act. The plan can be viewed on the Council's website.
- 13 The well-being statement included most of the requirements of the Act. It explains why the Council has set its well-being objectives in accordance with the sustainable development principle. For example, it identifies how the Council proposes to involve persons that reflect the diversity of the population and sets out the steps it proposes to take to meet its objectives.
- 14 The Council has also illustrated the connection between its well-being objectives and the well-being goals. It has published a separate document to accompany the Plan showing diagrammatically the links between its well-being objectives and the national goals.

Exhibit 1: Vale of Glamorgan Council's well-being objectives 2025-2030

Creating Great Places to Live work and visit
Being the Best Council, we can
Giving everyone a good start in life
Respecting and Celebrating the Environment
Supporting and protecting those who need us

What we found

The Council has applied the sustainable development principle to shape the setting of its well-being objectives including effective use of data, alignment with financial plans and a strong approach to involvement

- 15 The Council carefully planned its approach to setting its well-being objectives. Senior Leadership Team started the process in January 2024 allowing 15 months to develop its ideas and plans. For example, it received guidance from the Future Generations Commissioner's Office at an early stage in the process which helped determine its programme of involvement.
- 16 The Council's vision is based on an understanding of current need as well as a longer-term perspective considering aspects such as poverty, deprivation, and life expectancy. It has sought to understand from stakeholders what the Vale will look like in the longer term if this vision is achieved and what needs to be done now to accomplish it. This has also given rise to a broader refresh of its strategic policy framework, such as its risk and performance management arrangements, Strategic Equalities Plan and Participation strategy.
- 17 The Council drew from a broad range of data and engagement activity to gain a better understanding of current need, risks, and opportunities to develop its vision for the Vale. This included:
 - research of good practice from elsewhere;
 - Regional Partnership Board and Public Services Board plans;
 - other local authorities' plans;
 - census information; and
 - other key trend data.
- 18 The lead-in time allowed the Council to maintain a sustained and wide-ranging programme of engagement. This included events with external partners and stakeholders, such as staff, headteachers, its equalities consultative forum, change forum, youth council, and Vale 50+ forum. It also did a survey 'Let's talk about life in the Vale'. The Council considered the scope and timing of its Panel Performance Assessment (required under the Local Government Elections Act (Wales))⁵ to further inform the development process.
- 19 At the same time, it is building knowledge of its communities. For example, it has broken down responses to the survey 'Let's talk about life in Vale' by characteristic, prepared Equalities Impact Assessments to inform decisions and involved the Equalities Consultative Forum. As a result, it knows that the Vale is becoming

⁵ Local Government and Elections (Wales) Act 2021 – a new and reformed legislative framework for local government elections, democracy, governance and performance.

increasingly diverse and that there is more to do to better understand the diversity of the population. It has reflected this in its commitment in the Plan to better understand how individuals' characteristics affect their experience of living in the Vale and how changes to services may disproportionately affect some citizens.

- 20 The Council is promoting a culture of improved integration across the Council. It has refocussed its Reshaping Programme of work to better connect its main priorities in the Plan with its Medium Term Financial Plan (MTFP). The Reshaping Programme is the key mechanism to drive delivery of the Corporate Plan. It is based on five key themes developed to achieve service change, improvement, closer working with communities/stakeholders, technological change, and economic resilience. Each of the themes and activities are also key to delivering the MTFP. For example, there are specific reserves to target priority areas such as a cost-of-living reserve and digital transformation.
- 21 There is an emphasis throughout the Plan of working in partnership to deliver the well-being objectives and 'change how we work' yet the process of identifying and monitoring partner contribution is underdeveloped. As a result, the recently developed performance measures framework does not fully reflect the broader impact from working with partners. Work is now underway to secure partner commitments to jointly deliver shared outcomes. For example, the Council has invited its strategic partners to an event in May 2025, to discuss how they can work together over the next five years to achieve their shared vision of strong communities with a bright future.
- 22 The Council has adapted its performance management framework to improve monitoring and review of progress in achieving its well-being objectives. It has reduced the volume of performance information to improve clarity of message and better align its performance framework with its MTFP. It is also about to adopt a revised 'thematic' scrutiny structure designed to increase opportunities to focus on topics of interest, become more agile to emerging issues and enhance transparency and accountability. These changes were informed by engagement with staff, members and learning from peers.
- 23 The Council has demonstrated that it is learning from feedback provided internally by officers. For example, it used its Management Development Programme initially to support communication of the Plan and encourage behaviours that reflect service standards designed to support consistent delivery of the Plan. The second session will be focused on following up impact. There is also a learning café to promote collaboration and two-way conversation across the Council.
- 24 The Council has already begun acting upon the four recommendations arising from the PPA. The PPA concluded that 'the Vale of Glamorgan is a values-based organisation with a good internal culture and solid external relationships. There is a clear commitment to delivering on the Corporate Plan, with a particular focus on prioritising the needs of vulnerable people. Staff are enormously proud to work for the Council, and there is a strong sense of ambition for the future.' For example, it adapted its cross-directorate Strategic Partnerships Group to make better

connections across the Council's strategic partnerships. These include the Public Services Board, Regional Partnership Board, City Region, and others.

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>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.
<p>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?</p>	
<p>Has the body developed appropriate measures and monitoring arrangements?</p>	<ul style="list-style-type: none"> • 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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