

Cyngor Sir CEREDIGION County Council

REPORT TO:	Governance and Audit Committee
DATE:	27th September 2023
LOCATION:	Remotely by Video Conference
TITLE:	Regulator & Inspectorate Reports & Updates
PURPOSE OF REPORT:	To provide the Governance and Audit Committee with updates on the progress with studies Audit Wales have undertaken or are undertaking
For:	Decision

Introduction

This Report sets out Regulator and Inspectorate Reports and updates and has 3 parts:

- a) Audit Wales quarterly update to Governance and Audit Committee*
- b) Any local risk work issued/published since the last Governance and Audit Committee meeting*
- c) Audit Wales National Reports*

Current Position

a) Audit Wales quarterly update to Governance and Audit Committee

- Appendix 1 Audit Wales – 23-24 Q1 Workplan and Timetable – Ceredigion County Council

b) Any local risk work issued/published since the last Governance and Audit Committee meeting

- Appendix 2 Care Inspectorate Wales – Performance Evaluation Inspection of Ceredigion County Council
- Appendix 3 Care Inspectorate Wales - CIW Inspection Action Plan final
- Appendix 4 Audit Wales – Setting of Well-being Objectives – Ceredigion County Council
- Appendix 5 Audit Wales – Planning Service Follow-up review – Ceredigion County Council

c) Audit Wales National Reports

- Appendix 6 Audit Wales – Cracks in the Foundations – Building Safety in Wales
- Appendix 7 Audit Wales – Consultation on Fee Scales 2024-25
- Appendix 8 Audit Wales –Springing Forward - Lessons from our work on workforce and assets in local government

RECOMMENDATIONS:	To consider the Regulator and Inspectorate reports and updates
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**Reasons for
Recommendation**

To keep the Governance and Audit Committee informed of reports, proposals and work being undertaken

Appendices:

- Appendix 1** Audit Wales – 23-24 Q1 Workplan and Timetable – Ceredigion County Council
- Appendix 2** Care Inspectorate Wales – Performance Evaluation Inspection of Ceredigion County Council
- Appendix 3** Care Inspectorate Wales - CIW Inspection Action Plan final
- Appendix 4** Audit Wales – Setting of Well-being Objectives – Ceredigion County Council
- Appendix 5** Audit Wales – Planning Service Follow-up review – Ceredigion County Council
- Appendix 6** Audit Wales – Cracks in the Foundations – Building Safety in Wales
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Contact Name:

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Designation:

Corporate Lead Officer: Legal & Governance & Monitoring Officer

Date of Report

27/09/2023

Audit Wales Work Programme and Timetable – Ceredigion County Council

Quarterly Update: 30 June 2023

Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in March 2023.	March 2023	Complete Ceredigion County Council – Annual Audit Summary 2022

Financial Audit work

Description	Scope	Timetable	Status
Audit of the Council's 2022-23 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	Audit Opinion by 30 November 2023	In progress
Audit of the 2022-23 Annual Return for Ceredigion Harbour	To confirm that the return has been properly completed.	Audit Opinion by 30 November 2023	Not yet started
Audit of the 2022-23 Annual Returns for Growing Mid Wales and Mid Wales Corporate Joint Committee	To confirm that the returns have been properly completed.	Audit Opinion by 30 November 2023	Not yet started

Description	Scope	Timetable	Status
Audit of the Council's 2022-23 Grants and Returns	Audit of the grants and returns as required by their terms and conditions.	In line with the deadlines for each individual grant and return.	Not yet started

Performance Audit work

2022-23 Performance audit work	Scope	Timetable	Status
Assurance and Risk Assessment	Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.		
	<ul style="list-style-type: none"> Financial position 	Monitoring of financial position	Ongoing
	<ul style="list-style-type: none"> Capital programme management 	September – December 2023	Scoped

2022-23 Performance audit work	Scope	Timetable	Status
	<ul style="list-style-type: none"> Use of performance information – with a focus on service user feedback and outcomes 	February – September 2023	In progress – fieldwork started July 2023
	Setting of well-being objectives	Complete	Report to Council – 4 July 2023
Thematic Review – Unscheduled Care	A cross-sector review focusing on the flow of patients out of hospital. This review will consider how the Council is working with its partners to address the risks associated with the provision of social care to support hospital discharge, as well as prevent hospital admission. The work will also consider what steps are being taken to provide medium to longer-term solutions.	August 2022 – July 2023	Drafting report
Thematic review – Digital	A review of councils' strategic approach to digital, and the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of councils' resources.	January – September 2023	Drafting report
Local risk work: Planning review – follow up	To follow up the Council's progress in relation to addressing the recommendations in our Planning review published in November 2021. Review of the Planning Service – Ceredigion County Council	Autumn 2022 – Summer 2023	Finalising report

2023-24 Performance audit work	Scope	Timetable	Status
Assurance and Risk Assessment including any follow-up work	Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle. This Assurance and Risk assessment work may involve any follow-up/tracer work that we may identify from our audit reports and recommendations in previous years.	Ongoing	In progress
Thematic review – Financial Sustainability	A review of councils' financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term.	To be confirmed	Scoping
Thematic review – Commissioning and contract management	A review focusing on how councils' arrangements for commissioning, and contract management apply value for money considerations and the sustainable development principle.	To be confirmed	Scoping

Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Ceredigion County Council
Building safety	Review of how well local authorities are delivering their responsibilities for building safety	September 2022 – August 2023	Reporting – end of July 2023	Yes – interview with nominated officer at the Council and survey.
Planning for sustainable development – Brownfield regeneration	Review of how local authorities are promoting and enabling better use of vacant non-domestic dwellings and brownfield sites	October 2022 – September 2023	Reporting – September 2023	Yes – interview with nominated officer at seven councils and survey.
Governance of special purpose authorities – National Parks	Review of systems and effectiveness of governance	November 2022 – September 2023	Evidence gathering – fieldwork due to be completed end of June 2023	No

Study	Scope	Timetable	Status	Fieldwork planned at Ceredigion County Council
Corporate Joint Committees (CJCs)	Assessing CJCs' progress in developing their arrangements to meet their statutory obligations and the Welsh Government's aim of strengthening regional collaboration.	September 2022 – August 2023	Draft report has been issued to the four CJCs. Letters to the four individual CJCs will also be issued. Updated summary report due to be published August.	Yes – We explored the Council's perspective via our routine liaison meetings. Fieldwork included interviews with the chief executive, director of finance and chair of each of the four CJCs.

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Our link inspectors are continuing to work with Torfaen as part of our follow-up process for an authority causing significant concern. Wrexham local authority is still in a causing concern category, and we will convene a progress conference in July to evaluate progress against the recommendations from the core inspection. We also undertook a focused link work activity in Powys in May to consider aspects of their work on school improvement, the transformation agenda and financial management in schools. We will inspect Gwynedd in the week beginning 26 June and Carmarthenshire in the week beginning 10 July.

Field work being carried out across local authorities during the summer term includes a focus on how well local authorities are supporting the educational needs of asylum seekers and refugees. This work will be included in HMCI's annual report. Our aim is to describe, acknowledge, and evaluate the experiences of these groups as they engage with education and training in Wales.

Care Inspectorate Wales (CIW)

CIW planned work 2022-23	Scope	Timetable	Status
Programme 2022-23	<u>We have published our updated Code of Practice for our local authority inspection activity Care Inspectorate Wales</u> <u>How we inspect local authority services and CAFCASS Cymru</u>	May 2023	Published
Performance evaluation	Review of the Council's performance in exercising its social services and functions in line with legislation. <u>Report of performance evaluation inspection: Ceredigion County Council's social services Care Inspectorate Wales</u>	March 2023	Published

CIW planned work 2022-23	Scope	Timetable	Status
Joint work	We are finalising our thematic reviews programme of work for 2023-2026. Areas for consideration include, adult safeguarding, carers, CLDT and CAMHS.	Current	In progress
	We continue to work with partners, sharing information and intelligence including completing joint reviews.	Current	In progress
	We are working in collaboration with HIW for a national review of the stroke pathway. A national report will be published early summer.	Current	In progress
	We continue to work in collaboration with HIW in conducting CMHT inspections.	Current	In progress
	CIW is working with partners to complete a rapid review. The overarching objective of the rapid review is to determine to what extent the current structures and processes in Wales ensure children who are in need of care, support and protection are appropriately placed on, and removed from, the Child Protection Register, when sufficient evidence indicates it is safe to do so. This is a collaborative review.	Interim findings – Publish 22 June 2023 National report – September 2023	In progress

CIW planned work 2022-23	Scope	Timetable	Status
Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2022-23	<p>The 2020-21 report was published on 7 February 2021</p> <p>The 2021-22 report is underway</p>	<p>Published</p> <p>To be confirmed</p>	<p>Published</p> <p>Preparing</p>
National review of Care Planning for children and young people subject to the Public Law Outline pre-proceedings	<p>Purpose of the review</p> <p>To provide external scrutiny, assurance and to promote improvement regarding the quality of practice in relation to the care planning for children and young people subject to the public law outline pre-proceedings.</p> <p>To consider the extent to which practice has progressed since the publication of both the CIW 'National Review of care planning for children and young people subject to public law outline pre-proceedings' and the publication of the PLO working group report 2021 including best practice guidance.</p>	National report publication October 2023	In progress
Joint Inspection Child Protection Arrangements (JICPA)	<p>Cross-inspectorate approach. Areas to be determined. We will complete a further four multi-agency joint inspections in total. Each local authority will have a published letter post inspection.</p> <p>We will publish a national report in late spring 2023.</p>	April 2023 – April 2024	Delivery

Audit Wales national reports and other outputs published since June 2022

Report title	Publication date and link to report
Maximising EU funding – the Structural Funds Programme and the Rural Development Programme	June 2023
Digital inclusion in Wales (including key questions for public bodies)	March 2023
Orthopaedic Services in Wales – Tackling the Waiting List Backlog	March 2023
Betsi Cadwaladr University Health Board – Review of Board Effectiveness	February 2023
Welsh Government purchase of Gilestone Farm	January 2023
Together we can – Community resilience and self-reliance	January 2023
A Picture of Flood Risk Management	December 2022
‘A missed opportunity’ – Social Enterprises	December 2022
Poverty Data Tool	November 2022
‘Time for change’ – Poverty in Wales	November 2022
Learning from cyber-attacks	October 2022 (distributed privately to audited bodies)

Report title	Publication date and link to report
National Fraud Initiative 2020-21	<u>October 2022</u>
COVID-19 business support in 2020-21 – Memorandum for the Public Accounts and Public Administration Committee	<u>October 2022</u>
Payment to the Welsh Government's Former Permanent Secretary on Termination of Employment	<u>September 2022</u>
Equality Impact Assessments: More than a Tick Box Exercise?	<u>September 2022</u>
Welsh Government – setting of well-being objectives	<u>September 2022</u>
Welsh Government workforce planning and management	<u>September 2022</u>
NHS Wales Finances Data Tool – up to March 2022	<u>August 2022</u>
Public Sector Readiness for Net Zero Carbon by 2030: Evidence Report	<u>August 2022</u>
Public Sector Readiness for Net Zero Carbon by 2030	<u>July 2022</u>
Sustainable Tourism in Wales' National Parks	<u>July 2022</u>
Third Sector COVID-19 Response Fund – Memorandum for the Public Accounts and Public Administration Committee	<u>July 2022</u>
The Welsh Community Care Information System – update and data tool	<u>July 2022</u>

Audit Wales national reports and other outputs (work in progress/planned)^{1, 2}

Title	Indicative publication date
Local Government Financial Sustainability Data tool update	July 2023
NHS finances data tool – to 31 March 2023	July/August 2023
Springing Forward: Managing assets and workforce in local government	July/August 2023
Covering teachers' absence – follow-up	August 2023
NHS quality governance	August/September 2023
NHS workforce planning (data briefing)	August/September 2023
Net zero (pan UK overview)	September 2023
Ukrainian refugee services	October/November 2023

¹ We will continue to keep our plans under constant review, taking account of the evolving external environment, our audit priorities, the context of our own resourcing and the capacity of audited bodies to engage with us. Follow up work could also lead to other outputs, as may other local audit work where we consider there is merit in a national summary output of some kind. For example, we have been tracking developments with completion of the A465 section 2 road improvement project following our [interim findings report](#) in February 2020.

² We have also published a paper on our website – [Our work programme for 2023-2026](#) – that provides additional detail about our national work (including local thematic reviews). In addition to new work that we will be taking forward in 2023-24, the paper includes details about indicative topics for work to start in 2024-24 or 2025-26.

Title	Indicative publication date
Local government digital strategy review – national summary	October 2023
Local government use of performance information, outcomes and service user perspective – national summary	October 2023
Affordable housing	January/February 2024
Local government capital programme management – national summary	To be confirmed
Active travel	To be confirmed
Cancer services	To be confirmed
Capital planning and programme management	To be confirmed (starting in 2023-24)
Challenges for the cultural sector	To be confirmed (starting in 2023-24)
Homelessness	To be confirmed (starting in 2023-24)
Addressing biodiversity decline (pan-public sector and at Natural Resources Wales)	To be confirmed (starting in 2023-24)
Rebalancing care and support	To be confirmed (starting in 2023-24)
Tackling NHS waiting lists	To be confirmed (starting in 2023-24)

Title	Indicative publication date
Access to education for children with Additional Learning Needs	To be confirmed (starting in 2023-24)
Further and higher education funding and oversight – Commission for Tertiary Education and Research	To be confirmed (starting in 2023-24)
Governance of Fire and Rescue Authorities	To be confirmed (starting in 2023-24)
The senior public service	To be confirmed (starting in 2023-24)

Good Practice Exchange events and resources

Title	Link to resource
<p>A Wales of vibrant culture and thriving Welsh language: Inspired by the Football Association of Wales journey over the past decade, this event will examine and discuss how going beyond expectations creates an inclusive and positive attitude that becomes self-fulfilling. Working in partnership with the Future Generations Commissioner and the Welsh Language Commissioner, this event will assist and inspire public bodies, and the third sector to embrace the cultural diversity of modern Wales and work beyond compliance and into excellence.</p>	<p>All resources are now available on our website.</p> <p>Link to blog</p>
<p>Together we can – creating the conditions to empower our communities to thrive: This shared learning event will bring people together from across public services to share ideas, learning and knowledge. We will share the findings of our reports on social enterprises and community resilience, including our recommendations going forward.</p>	<p>20 June 2023 – 10:00 – 12:00 – Online. The recording will be available on our website in one to two weeks.</p>
<p>Podcast: Poverty and Community Resilience Our latest podcast follows our recent reports and events on poverty, social enterprises, and community resilience.</p>	<p>Podcast</p>
<p>Digital Strategy: The Covid pandemic has demonstrated the importance of digital in delivering modern services at pace. We have seen digital acting as a major catalyst in adapting to the challenges we have faced. Public services need to continue with this agile and responsive mind set as the norm and not the exception. This event will help equip public services with the practical tools and knowledge they need to successfully implement a Digital Strategy within their organisations.</p>	<p>21 September 09:00 – 13:00 – Cardiff – To register for Cardiff: 27 September 09:00 – 13:00 – North Wales – To register for North Wales:</p>

Recent Audit Wales blogs

Title	Publication date
<u>Helping people to help themselves</u>	15 February 2023
<u>A perfect storm – the cost of living crisis and domestic abuse</u>	21 November 2022
<u>Tackling poverty means tackling poverty data</u>	11 November 2022
<u>Cost of living and putting away the bayonet</u>	21 September 2022
<u>Heat is on to tackle Climate Change</u>	18 August 2022
<u>Direct Payments in Wales</u>	15 June 2022
<u>Unscheduled Care in Wales – a system under real pressure</u>	21 April 2022
<u>Skills Competition Wales</u>	18 February 2022
<u>Cyber resilience – one year on</u>	9 February 2022
<u>Helping to tell the story through numbers</u> (Local government financial sustainability data tool)	3 February 2022
<u>Call for clearer information on climate change spending</u>	2 February 2022
<u>Actions speak louder than words</u> (Building social resilience and self-reliance in citizens and communities)	14 January 2022

Performance Evaluation Inspection of Ceredigion County Council

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

Introduction

Care Inspectorate Wales (CIW) carried out a performance evaluation inspection of Ceredigion County Council's (the local authority) Social Services in March 2023. The purpose of this inspection was to review the local authority's performance in exercising its social services duties and functions in line with legislation, on behalf of Welsh Ministers.

We sought to answer the following questions aligned under the principles of the Social Services and Well-being (Wales) Act 2014 (The 2014 Act).

1. **People - voice and control**

How well is the local authority ensuring all people are equal partners who have voice, choice and control over their lives and can achieve what matters to them?

Effective leadership is evident at all levels with a highly skilled, well qualified and supported workforce working towards a shared vision?

2. **Prevention**

How well is the local authority ensuring the need for care and support is minimised, and the escalation of need is prevented whilst ensuring that the best possible outcomes for people are achieved?

How well is the local authority promoting resilience within communities and people are supported to fulfil their potential by actively encouraging and supporting people who need care and support, including carers, to learn, develop and participate in society?

3. **Well-being**

How well is the local authority ensuring that people are protected and safeguarded from abuse, neglect and any other types of harm?

How well are people supported to actively manage their well-being and make their own informed decisions so that they are able to achieve their full potential and live independently for as long as possible?

4. **Partnerships**

How well is the local authority able to assure itself effective partnerships are in place to commission and deliver fully integrated, high quality, sustainable outcomes for people?

Are people encouraged to be involved in the design and delivery of their care and support as equal partners?

This inspection focused on the effectiveness of local authority services and arrangements to help and protect people. The scope of the inspection included:

- Evaluation of the experience of adults and children at the point of the performance evaluation inspection.
- Evaluation of the experience and outcomes people achieve through their contact with services.
- Evidence of the local authority and partners having learnt lessons from recent experiences and plans for service developments and improvement.
- Consideration of how the local authority manages opportunity and risk in its planning and delivery of social care at individual, operational and strategic levels.

1. **Summary**

- 1.1. The local authority is currently in the second of a five-year transformation strategy under its Through Age and Well-being programme (TAW). The model has a focus on early intervention, prevention and well-being, seeking to minimise the requirement for statutory services. The model is arranged around three 'Porths' - Porth Cymorth Cynnar (PCC) which is the early help and prevention services, Porth Gofal (PG) responsible for triage and assessment, short term intervention and safeguarding, and Porth Cynnal (PC) which incorporates the planned care and support element of social services. The programme forms a key part of one of the local authority's wider corporate objectives of creating caring and healthy communities, as outlined in its Corporate Plan 2022 – 2027.
- 1.2. The TAW model encompasses an 'all ages' approach. The vision is that teams will be able to look at the needs of the whole family and work across adult and children services, but with the recognition that some practitioners will need to retain specialisms.

- 1.3. In common with many local authorities in Wales, Ceredigion County Council is experiencing a challenging time in relation to the provision of social care. Many of the pressures experienced by the local authority reflect national issues including high levels of demand and increased complexity of people's needs, including the impact of the 'cost of living' crisis.
- 1.4. Critical workforce deficits in relation to social work and occupational therapy recruitment and retention, and staff absence had resulted in the loss of experienced staff and an over reliance on newly qualified and agency social workers. There is strong corporate and political support for social services in Ceredigion. The inspection was undertaken at a time when senior leaders, managers and politicians had recognised the significant action and resource needed to ensure the local authority's ability to deliver all statutory responsibilities in terms of safeguarding children. The local authority commissioned a Managed Care Team consisting of seven social workers, a team manager and administrator to provide additional capacity. Vacancies in adult teams are also covered by agency workers with occupational therapy assessments outsourced to ensure people are getting the right support at the right time.
- 1.5. Following the commissioning of a managed care team most children and young people now receive support and services from the local authority in a timely manner, in their preferred language, are supported to maintain their safety and well-being and their voices are heard.
- 1.6. There is strong senior leadership within social services. We were told by staff, stakeholders and partners that senior leaders are visible, accessible, supportive and approachable. Feedback we gathered indicates a culture which is focused on well-being, building and maintaining relationships and achieving safe outcomes for people.
- 1.7. There are plans to strengthen practice using Signs of Safety (SOS) as a model to underpin the TAW strategy. The aim of SOS training is to build a strong foundation to further develop, enhance and reflect on social work practice. Whilst the strategic vision is clear, and training had been completed before the pandemic, further work is required before full implementation is achieved. It is acknowledged that post-covid recovery, recruitment challenges, workforce fragility and increased demand have all impacted on implementing the TAW.
- 1.8. The local authority demonstrates a strong focus on working in partnership. We

heard about enthusiasm and readiness to work together at a strategic level and saw examples where this has benefitted people.

Key findings and evidence

Key findings and examples of evidence are presented below in line with the four principles of the Social Services and Well-being (Wales) Act 2014.

2. People - Voice & Choice

Strengths:

- 2.1 For many people, their voices are heard, and their personal outcomes captured. There were examples of practitioners working collaboratively and consistently with people to support what matters to them. People we spoke with said they had been understood and their voice heard with effective and regular communication. 82% of people who responded to our people survey said they were treated with dignity and respect 'at all times' or 'most of the time' by the local authority.
- 2.2 People are able to communicate in their preferred language. There was evidence of the active offer being made and managers were confident of adequate numbers of Welsh speaking practitioners to implement the active offer.
- 2.3 We found advocacy is proactively considered and offered, particularly in the context of child protection conferences and reviews for children who are looked after by the local authority. It remains a strength from our previous assurance check in 2021 that these services are readily available. Advocates routinely attend decision making forums to represent children's views. Some children who are looked after told us of difficulties they had at times in accessing support and a lack of transparency about their rights and entitlements. Some of the children felt they were making decisions unaided at key points in their lives. This may be an area in need of further strengthening. In adults there was evidence of people being supported by informal advocates to participate in decisions that affect them. Practitioners in adult's services understand the importance of advocacy. The formal advocacy provider noted that perhaps, at times, they could have been involved at an earlier stage.
- 2.4 People are being provided with the opportunity to tailor and manage their own care and support using direct payments. However, in common with other local authorities across Wales recruitment of personal assistants to provide support via direct payments is a challenge. We heard how the service is actively trying

to recruit new personal assistants supported by a new website and software system.

- 2.5 Ceredigion has a committed workforce which is responding to an increasing workload both in terms of complexity and volume. 77% of the respondents to our anonymous staff survey reflected these challenges but said they were well supported by colleagues and managers. We also heard how staff valued the accessibility of senior leaders. 74% of staff said their workloads were manageable.
- 2.6 In response to the challenges faced by the local authority when recruiting qualified social workers there is a focus on 'growing our own' from internal staff. We heard how, positively, the local authority has been working closely with Aberystwyth University to try and establish a social work course to train the workforce required for the future. We further note the local authority is carefully considering employing overseas workers. They would want those workers to commit to learning the Welsh language and are mindful of supporting them to integrate into the local culture.
- 2.7 Managers we spoke with expressed confidence they are skilled and supported to lead. The Director of Social Services is currently a temporary appointment. A permanent person is being sought to give the senior leadership team improved stability.

Areas for Improvement:

- 2.8 Some people, including carers, told us their social workers took time to listen to them which supported them to build good working relationships. There was some very positive feedback from younger children we spoke with about their social workers, one child told us "*They are funny and they always talk with us*". Some children expressed the difficulties they have in building relationships when social workers change often. Only 67% of people who responded to our survey said they felt listened to. In addition, the voice of adults was not consistently captured in the proportionate assessments we reviewed. **The local authority must ensure people's voice is central to the work they undertake with people.**
- 2.9 The local authority must ensure carers are routinely informed of their rights to an assessment and this is understood, recorded and promoted by all staff. The physical, emotional, financial and psychological impact of caring could be better reflected in the records supported by an unequivocal offer of a carers assessment. We spoke with a group of adult carers who shared mixed experiences of accessing support. Most spoke positively of their relationship with their social worker, although we

could also see the impact of delays when accessing domiciliary care and occupational therapy adaptations. It is encouraging that there has been a notable increase in the number of carers who have joined the Carers Information Service. **The local authority must ensure practitioners consistently comply with the general duty to promote the well-being of the carer, by explicitly offering carers assessments to people to discuss what support they require, with reasons for refusal of an assessment routinely recorded.**

- 2.10 We heard how the lack of short break provision is adversely impacting people's outcomes across Ceredigion. Arranging short break provision in advance for adult carers to book a holiday is very difficult, with providers more inclined to fill vacancies permanently. We also heard repeatedly how the availability of respite is an issue in children's services, particularly for disabled children. **The local authority must increase short break provision across the county to help address the well-being needs of parents and carers.**
- 2.11 The Director of Social Services Annual Report is an important way of informing people living in Ceredigion about how well social care service are being delivered. We note the delays in the local authority publishing the Director of Social Services Annual report over the last two years. This is an area requiring improvement as Part 8 of the Codes of Practice for the 2014 Act state that the director of social services must prepare and publish an annual report about the exercise of the local authority's social services functions. **This annual report must be published as soon as reasonably practicable after the end of a financial year.**
- 2.12 During 2022 there were critical deficits in the numbers of social workers and occupational therapists because of recruitment and retention issues, and a highly competitive market. The local authority has taken significant action to address these challenges, as already mentioned above. This has resulted in a significant improvement in the performance of statutory responsibilities to children and families being met. Despite this the workforce position remains fragile and an exit plan is needed from this commissioned arrangement. **The local authority must carefully consider their future workforce strategy to prioritise a sufficient and sustainable workforce, with the capacity and capability to consistently meet statutory responsibilities.**
- 2.13 Most practitioners reported receiving regular supervision from their managers. However, supervision files viewed varied in content and quality. The discussions largely reflected the challenges and pressures of providing support

to people in the current context. The need for improved supervision was a finding from our assurance check in 2021. We understand the local authority has recently developed a supervision policy. **The local authority should ensure robust management oversight of practice and reflective conversations are taking place with sufficient information noted to evidence decision making.**

- 2.14 Feedback from practitioners about the quality and availability of training was variable. People talked positively about the impact of core training, but that more specialist training is needed to support specific roles. We understand a training programme is being developed to support the TAW model which includes management training to support key posts. **The local authority must ensure it has a competent and confident workforce.**
- 2.15 Staff told how they benefited from the support of peers and would welcome more opportunities for face-to-face contact in offices. We heard how arranging in-person meetings for adult and children's services can be a challenge due to lack of suitable facilities. This included child protection conferences when face to face meeting is the family's preference. **This is something the local authority should consider.**
- 2.16 **The local authority must implement and embed a robust quality assurance framework.** This was identified as an area which required improvement at our 2021 assurance check and, following this inspection, it remains to be the case. We are aware that a quality assurance framework has been drafted. We also heard about investment in supporting the local authority's approach to quality assurance with newly appointed posts specifically to focus on this area. WCCIS, the local authority's records management system, is also under development to provide performance management information. These improvements are essential to enable scrutiny of data to drive forward service improvements and ensure managers have better oversight of front-line practice.
- 2.17 Responding to complaints within statutory timescales has become increasingly challenging for the local authority, due to pressures within the central complaints team who currently manage the process. **The local authority must ensure complaints are consistently responded to in accordance with the prescribed timescales in the "The Social Services Complaints Procedure (Wales) Regulations 2014", and lessons learned from responding to complaints drive improvements.**

3. Prevention

Strengths:

- 3.1 Senior managers fully understand access to early intervention and prevention is key to maintaining well-being and mitigating the demand on managed care services. An area of strength in Ceredigion is the shared strategic commitment to the preventative agenda as evidenced by the transformation to the TAW model. This ensures a focus on prompting people's independence and supporting families to stay together when safe to do so.
- 3.2 **We saw examples of assessments and child protection conference reports, which were child focused and written in a way the child or young person could engage with and understand.** The quality of most reviews for children remains a strength from our previous check in 2021. Minutes are written directly to the child, giving the feeling of a personalised letter. These minutes acknowledge the child's wishes and explain in child-friendly language the outcomes and decisions of their review.
- 3.3 Social workers clearly strive to establish meaningful relationships with children and families, with an emphasis on direct work with individual children. We saw examples of social workers playing games with children, colouring with them and playing football to build relationships. We found strong evidence of practitioner reflection, professional curiosity and clear decision making in respect of children and young people.
- 3.4 Under the TAW model a range of preventative services have been combined under the umbrella of PCC. The range and capacity of these services, including those provided by the third sector, is undoubtedly a strength which our staff survey indicated is appreciated by the workforce in Ceredigion. We observed well organised meetings to determine which services are best placed to support families. Well-being centres are planned as a 'one stop shop' for services including leisure, housing and youth services. The local authority is currently developing a directory of resources, services and facilities to make the early help offer clearer for staff and the public.
- 3.5 We heard, as a commitment to developing community links and supporting the preventative agenda, the local authority has increased the number of Community Connectors, working in a patch-based model, throughout the county, looking to connect people with services, activities and events happening in their locality with the aim of impacting positively on their well-being.
- 3.6 Despite the high demand and waiting list for occupational therapy assessments we saw some examples of the services ability to respond promptly. This included the provision of some equipment to promote people's independence enabling them to remain living at home for longer.

- 3.7 Assistive technology, including the provision of wrist watches to monitor people's vital health signs and falls, is a key strategy to support early intervention and prevention. We also heard about projects such as PCC giving 'Fitbits' to young people to encourage them to stay active even when they were not engaging directly with services. The local authority is also developing office space to be able to showcase the offer of assistive technology.
- 3.8 Like most local authorities across Wales there is substantial pressures on capacity within the domiciliary care market in Ceredigion. Despite this demand timely hospital discharge continues to be a priority. We saw a focus by the enablement team on effectively supporting people to regain their independence and enabling people to return home in accordance with their wishes.

Areas for Improvement:

- 3.9 People's experience of contacting the local authority is varied. Some people, including carers, told us of the difficulty they experienced in speaking to the appropriate person or receiving a timely response. **The local authority must review its current arrangement to ensure people consistently receive a timely response when they contact them.**
- 3.10 For many adults their assessments and annual review of their care and support plan, are delayed due to waiting lists across teams, including occupational therapy. This risks people's changing needs not being identified and addressed at the earliest stage. It also misses the opportunity for services to end when no longer required which would release capacity. Providers commented on how they are not regularly invited to take part in reviews. **The local authority must take the required action to ensure compliance with timescales for statutory reviews and ensure all relevant professionals are invited to contribute**, as it is missing the opportunity to assure itself resources are being used to best effect.
- 3.11 We heard from carers and practitioners about the negative impact of a lack of domiciliary care across the county. This included increased pressure on unpaid carers, people being placed on waiting lists or moving into care homes unnecessarily due to a lack of care at home. Whilst most people in Ceredigion are receiving some form of care this is impacting on the flow of other services, for example enablement. Whilst a shortage of care is a recognised national issue, there are specific challenges in terms of Ceredigion's geography and demographics which require a robust response. A new Domiciliary Care Commissioning Framework is being developed. The local authority is also

working with strategic partners to develop a 'patch based' approach to delivering local services and addressing the challenges.

The local authority should continue to work strategically and operationally with its partners to look for solutions to alleviate the situation.

- 3.12 The provision of services to people who have visual or hearing impairments must be improved. There is a waiting list to be seen by a Rehabilitation Officer for Visual Impairment and concerns around the availability of British Sign Language, with people telling us they are not aware of any available groups for people with a visual or hearing impairment. **The local authority should engage with people experiencing sensory loss to hear their voice to influence the development of services.**
- 3.13 The local authority is experiencing an increase in contacts and referrals. From records reviewed we mainly observed prompt responses to meet the needs of children. However, in one example we saw many re-referrals where further cumulative assessment of the information would have been beneficial. We are aware of a high re-referral rate (45%) for children who have been assessed as not requiring further statutory intervention. **The local authority must ensure it understands the high re-referral rate, so leaders can assure themselves about the appropriateness of closures/signposting and demonstrate clear evidence of management oversight.**
- 3.14 There has been a significant rise in the numbers of children looked after in Ceredigion over recent years. We were told the reason for this is a lack of focus on discharging care orders where situations are stable. Positively, additional legal support to discharge the orders has been commissioned. We also saw examples where children should have had legal protections, but these were not in place promptly due to staffing capacity. **The local authority must assure itself the discharge of care orders is prioritised.**
- 3.15 The availability of foster carers and suitable homes for children is an area of challenge given the increase in children becoming looked after by the local authority over recent years. We heard from senior managers about plans to increase the sufficiency of care homes for children and supported accommodation in Ceredigion. **Fostering recruitment should continue to be prioritised.**
- 3.16 There are mixed views from third sector providers about partnership working with some expressing the opinion that there could be more recognition of what services there are and more done to coordinate them at a strategic level. The local authority may benefit from carrying out a mapping exercise to understand

the variety of third sector services with the aim of facilitating greater collaboration.

- 3.17 We heard from practitioners, team managers and IROs that plans are central to monitoring interventions with children on the Child Protection Register (CPR). However, children who are looked after by the local authority do not receive the same approach. The number of children with an updated care and support plan and a pathway plan in place at the date of their first placement is far too low and requires improvement. This performance information reflects messages from young people we spoke to who told us they had not seen their plans. **The local authority must ensure plans are updated in line with statutory standards.**

4. Well-being

Strengths:

- 4.1 Safeguarding children and young people is prioritised across the TAW model. Social workers demonstrated a good understanding of the history and current situation of families. We found skilled and competent workers performing well in meeting children and young people's need to be safeguarded. Decision making in relation to significant harm is clear and results in appropriate action.
- 4.2 Children are seen by their social worker as often as needed in line with the levels of needs and risks. There is recognition of the impact of poverty on families and financial support regularly provided to support parents to attend contact. We saw practitioners increasing visits, including on weekends, and supporting intensively to proactively reduce safety risks. One parent powerfully described the approach as “*understanding, actually supporting me and letting me speak*”. She also said the conference reports now recognise strengths as well as risks. This supports our findings that risks in child protection are appropriately considered and balanced with the families' strengths.
- 4.3 Family Group Conferences are routinely and effectively used to formalise support for parents/carers to safely care for their children. In these cases, good outcomes are often achieved for children. Significant work is being undertaken to maintain children with their parents and, although this was not always possible, we saw good outcomes where children remained with extended family. **Positively, we heard how Family Group Conferencing is now being extended to include work with adults, as a reflection of the TAW model.**
- 4.4 We saw excellent examples of practitioner analysis and rationale recorded which evidenced an understanding of what was required to help people meet outcomes. Children's views are considered as part of planning and informed social worker analysis on the risk of harm. Recordings highlight strengths as well as detailing the worries and the lived experiences of children. We saw

excellent examples of multi-agency risk assessments, using SOS methods and a range of other tools to facilitate direct work.

Areas for Improvement:

- 4.5 In relation to adult safeguarding, an area of strength previously, we saw some variation across the social care records reviewed, with most showing timely and effective safeguarding practices aligned with the Wales Safeguarding Procedures (WSP). However, records could be strengthened by consistently evidencing all reasonable steps have been taken to enable the person to participate in the safeguarding process.
- 4.6 Partner agencies reported a lack of feedback when reporting adult safeguarding concerns. We also heard that whilst strategy meetings are well attended, there is often a delay in distributing the minutes of these meetings. **The local authority should review current arrangements to ensure the outcome of referrals are shared with the reporter and that minutes are shared with attendees in a timely manner.**
- 4.7 We heard, at times, the capacity of the adult safeguarding team to undertake joint visits with the police and complete timely mental capacity assessments has been limited. We were told of plans to enhance adult safeguarding capacity. **The local authority must ensure there is robust oversight of safeguarding practice to assure itself of compliance with the WSP.**
- 4.8 As part of the new TAW model, strategy discussions are now undertaken by the central safeguarding team. At times we noted a wider group of professionals should have been invited to be involved in the strategy discussion regarding children, such as health or education. The social worker working with the family should also always be invited to contribute as they will inevitably have a wealth of information to inform decision making. The local authority initiates child protection processes in a timely way **but must assure itself multi-agency involvement is considered at the earliest opportunity.**
- 4.9 Our Assurance Check in 2021 found the quality of adult assessments and care and support plans and recording to be varied. This remains the case following this inspection. For many people their voices are heard, and the five areas of assessment are captured in the specialist social care assessment. However, this is not the case in many of the proportionate assessments. In our view many are simply a record of multi-agency triage, communication and decision making rather than an assessment of what matters to the person. **The local authority must review adult assessment documentation to ensure it**

follows all core statutory requirements as outlined in Part 3 Code of Practice (Assessing the Needs of Individuals).

- 4.10 When completing social care records, it is important practitioners capture the role of people involved in multi-agency discussion. Many of the proportionate assessments only contained the first names of practitioners. **The local authority must review its recording policy to include robust managerial oversight to ensure all records are maintained appropriately.**

5. Partnership and Integration

Strengths:

- 5.1 We heard consistently positive messages about partnership working from the people we spoke with during our inspection. At a strategic level, senior leaders work together to address cross cutting departmental challenges. One senior manager described their senior management structure as a '*powerhouse*' for getting things done. Externally, we heard about excellent working relationships with the strategic lead in community health services. We saw evidence of partnerships directly benefiting people such as the development of care homes for children in Ceredigion meaning they can remain in their own communities, and the Borth project, a multiagency meeting focusing on getting people the right help and support at the right time.
- 5.2 Operationally, effective integration and collaboration between professionals is evident across teams. Structures are in place which allow for coordinated consideration of requests for care and support in relation to prevention. Integrated working with health services in Porth Gofal Triage and Assessment ensures people can be directed towards the most relevant professional in a timely manner. This promotes holistic consideration of people's circumstances and risks to ensure well informed triage decisions. For example, effective and timely triage and referral for enablement input meant one person could be discharged promptly from hospital and regain independence at home without the need for formal care and support.
- 5.3 Decision making forums, including child protection conferences, are well attended by a range of professionals. Practitioners described engagement in these meetings as 'exceptional' with examples given of paediatricians routinely in attendance. We heard how conference reports are routinely shared, however the sharing of the conference minutes in a timely manner, post conference, needs to improvement. There was evidence of joint working with health in the small number of disabled children files viewed and healthy disagreements between professionals at times.

- 5.4 Schools have many positive partnership arrangements. For example, we saw a clear pathway enabling children who are looked after to access emotional health support through the Emotional Literacy Support Assistant (ELSA) and more general initiatives such as surveys to target specific groups of children and contextual risks around issues like vaping. There are clearly good partnerships benefiting children between schools and youth workers, school counsellors and inclusion officers.
- 5.5 Social work staff told us the timeliness and quality of partners contributions to assessments is good. We saw examples of effective multi agency partnership working and a commitment to supporting families and maintaining children within their families.
- 5.6 Providers gave positive feedback about their relationships with the commissioning team. They talked about how the tendering process can be challenging, but the local authority is supportive and hold workshops to simplify this and clarify expectations. Providers also said the commissioning team are willing to listen to their opinion and take action to improve issues.

Areas for Improvement:

- 5.7 There is evidence of practitioners developing professional working relationships with people built on co-operation and a shared understanding of what matters. However, working in partnership with people and carers on co-produced outcomes requires improvement in some service areas. As already mentioned earlier in the report the domains of assessments and principles of 2014 Act need further embedding in practice especially when completing proportionate assessments. At times the support is service led and functional rather than focussing on what matters and the outcomes the person wants to achieve.
- 5.8 Whilst we heard that the vision of the TAW model is understood by partners and stakeholders at the level of the Healthier Ceredigion Board and Regional Partnership Board, we also heard that wider than this communication needs to be improved. We heard how some members of the public had fed back to the local authority that they were unsure of what the Porth's meant or understand what services they represented. **The local authority should review its communication strategy to ensure that their model is understood and accessible.**
- 5.9 Overall providers feel the local authority has been clear about the vision

of the TAW model. However now that the restructure has taken place some are unclear of the current situation within some teams. The local authority should consider updating their partners on the current operational arrangements.

- 5.10 Some providers noted the number of agency workers in some teams, which can affect the quality of referrals and when the workers are not based in Ceredigion this has been a barrier to meeting. The local authority should ensure that employing agency staff working outside Ceredigion does not cause any barrier or delay to people receiving support.

6. Next Steps

CIW expects the local authority to consider the areas identified for improvement and take appropriate action to address and improve these areas. CIW will monitor progress through its ongoing performance review activity with the local authority. Where relevant we expect the local authority to share the positive practice identified with other local authorities, to disseminate learning and help drive continuous improvement in statutory services throughout Wales.

7. Methodology

Fieldwork

Most inspection evidence was gathered by reviewing the experiences of people through review and tracking of their social care record. We reviewed **32** social care records and tracked **10** of these to understand the person's experience in more depth.

Tracking a person's social care record includes having conversations with the person in receipt of social care services, their family or carers, key worker, the key worker's manager, and other professionals involved.

We also;

- interviewed local authority employees.
- interviewed a range of partner organisations, representing both statutory and third sector.
- held focus groups of children, young people and adults who use the services of the local authority.

all of the above resulting in CIW engaging with **114** individuals

In addition we;-

- reviewed staff supervision files
- reviewed compliments and complaints
- reviewed supporting documentation sent to CIW for the purpose of the inspection.
- administered surveys to staff, partner organisations and people

Our Privacy Notice can be found at <https://careinspectorate.wales/how-we-use-your-information>.

8. Welsh Language

CIW's commitment to provide an active offer of conducting parts of the inspection in Welsh was met. The active offer was required during this inspection.

Acknowledgements

CIW would like to thank staff, partners and people who gave their time and contributed to this inspection.

Theme	CIW Ref	Strengths Identified
People - Voice & Choice	2.1	For many people, their voices are heard, and their personal outcomes captured. There were examples of practitioners working collaboratively and consistently with people to support what matters to them. People we spoke with said they had been understood and their voice heard with effective and regular communication. 82% of people who responded to our people survey said they were treated with dignity and respect 'at all times' or 'most of the time' by the local authority.
People - Voice & Choice	2.2	People are able to communicate in their preferred language. There was evidence of the active offer being made and managers were confident of adequate numbers of Welsh speaking practitioners to implement the active offer
People - Voice & Choice	2.3	We found advocacy is proactively considered and offered, particularly in the context of child protection conferences and reviews for children who are looked after by the local authority. It remains a strength from our previous assurance check in 2021 that these services are readily available. Advocates routinely attend decision making forums to represent children's views. Some children who are looked after told us of difficulties they had at times in accessing support and a lack of transparency about their rights and entitlements. Some of the children felt they were making decisions unaided at key points in their lives. This may be an area in need of further strengthening. In adults there was evidence of people being supported by informal advocates to participate in decisions that affect them. Practitioners in adult's services understand the importance of advocacy. The formal advocacy provider noted that perhaps, at times, they could have been involved at an earlier stage
People - Voice & Choice	2.4	People are being provided with the opportunity to tailor and manage their own care and support using direct payments. However, in common with other local authorities across Wales recruitment of personal assistants to provide support via direct payments is a challenge. We heard how the service is actively trying to recruit new personal assistants supported by a new website and software system
People - Voice & Choice	2.5	Ceredigion has a committed workforce which is responding to an increasing workload both in terms of complexity and volume. 77% of the respondents to our anonymous staff survey reflected these challenges but said they were well supported by colleagues and managers. We also heard how staff valued the accessibility of senior leaders. 74% of staff said their workloads were manageable
People - Voice & Choice	2.6	In response to the challenges faced by the local authority when recruiting qualified social workers there is a focus on 'growing our own' from internal staff. We heard how, positively, the local authority has been working closely with Aberystwyth University to try and establish a social work course to train the workforce required for the future. We further note the local authority is carefully considering employing overseas workers. They would want those workers to commit to learning the Welsh language and are mindful of supporting them to integrate into the local culture
People - Voice & Choice	2.7	Managers we spoke with expressed confidence they are skilled and supported to lead. The Director of Social Services is currently a temporary appointment. A permanent person is being sought to give the senior leadership team improved stability.
Prevention	3.1	Senior managers fully understand access to early intervention and prevention is key to maintaining well-being and mitigating the demand on managed care services. An area of strength in Ceredigion is the shared strategic commitment to the preventative agenda as evidenced by the transformation to the TAW model. This ensures a focus on prompting people's independence and supporting families to stay together when safe to do so
Prevention	3.2	We saw examples of assessments and child protection conference reports, which were child focused and written in a way the child or young person could engage with and understand. The quality of most reviews for children remains a strength from our previous check in 2021. Minutes are written directly to the child, giving the feeling of a personalised letter. These minutes acknowledge the child's wishes and explain in child-friendly language the outcomes and decisions of their review
Prevention	3.3	Social workers clearly strive to establish meaningful relationships with children and families, with an emphasis on direct work with individual children. We saw examples of social workers playing games with children, colouring with them and playing football to build relationships. We found strong evidence of practitioner reflection, professional curiosity and clear decision making in respect of children and young people
Prevention	3.4	Under the TAW model a range of preventative services have been combined under the umbrella of PCC. The range and capacity of these services, including those provided by the third sector, is undoubtedly a strength which our staff survey indicated is appreciated by the workforce in Ceredigion. We observed well organised meetings to determine which services are best placed to support families. Well-being centres are planned as a 'one stop shop' for services including leisure, housing and youth services. The local authority is currently developing a directory of resources, services and facilities to make the early help offer clearer for staff and the public
Prevention	3.5	We heard, as a commitment to developing community links and supporting the preventative agenda, the local authority has increased the number of Community Connectors, working in a patch-based model, throughout the county, looking to connect people with services, activities and events happening in their locality with the aim of impacting positively on their well being
Prevention	3.6	Despite the high demand and waiting list for occupational therapy assessments we saw some examples of the services ability to respond promptly. This included the provision of some equipment to promote people's independence enabling them to remain living at home for longer.
Prevention	3.7	Assistive technology, including the provision of wrist watches to monitor people's vital health signs and falls, is a key strategy to support early intervention and prevention. We also heard about projects such as PCC giving 'Fitbits' to young people to encourage them to stay active even when they were not engaging directly with services. The local authority is also developing office space to be able to showcase the offer of assistive technology

Prevention	3.8	Like most local authorities across Wales there is substantial pressures on capacity within the domiciliary care market in Ceredigion. Despite this demand timely hospital discharge continues to be a priority. We saw a focus by the enablement team on effectively supporting people to regain their independence and enabling people to return home in accordance with their wishes.
Well-being	4.1	Safeguarding children and young people is prioritised across the TAW model. Social workers demonstrated a good understanding of the history and current situation of families. We found skilled and competent workers performing well in meeting children and young people's need to be safeguarded. Decision making in relation to significant harm is clear and results in appropriate action
Well-being	4.2	Children are seen by their social worker as often as needed in line with the levels of needs and risks. There is recognition of the impact of poverty on families and financial support regularly provided to support parents to attend contact. We saw practitioners increasing visits, including on weekends, and supporting intensively to proactively reduce safety risks. One parent powerfully described the approach as "understanding, actually supporting me and letting me speak". She also said the conference reports now recognise strengths as well as risks. This supports our findings that risks in child protection are appropriately considered and balanced with the families' strengths
Well-being	4.3	Family Group Conferences are routinely and effectively used to formalise support for parents/carers to safely care for their children. In these cases, good outcomes are often achieved for children. Significant work is being undertaken to maintain children with their parents and, although this was not always possible, we saw good outcomes where children remained with extended family. Positively, we heard how Family Group Conferencing is now being extended to include work with adults, as a reflection of the TAW model.
Well-being	4.4	We saw excellent examples of practitioner analysis and rationale recorded which evidenced an understanding of what was required to help people meet outcomes. Children's views are considered as part of planning and informed social worker analysis on the risk of harm. Recordings highlight strengths as well as detailing the worries and the lived experiences of children. We saw excellent examples of multi-agency risk assessments, using SOS methods and a range of other tools to facilitate direct work.
Well-being	4.5	In relation to adult safeguarding, an area of strength previously, we saw some variation across the social care records reviewed, with most showing timely and effective safeguarding practices aligned with the Wales Safeguarding Procedures (WSP). However, records could be strengthened by consistently evidencing all reasonable steps have been taken to enable the person to participate in the safeguarding process.
Partnership	5.1	We heard consistently positive messages about partnership working from the people we spoke with during our inspection. At a strategic level, senior leaders work together to address cross cutting departmental challenges. One senior manager described their senior management structure as a 'powerhouse' for getting things done. Externally, we heard about excellent working relationships with the strategic lead in community health services. We saw evidence of partnerships directly benefiting people such as the development of care homes for children in Ceredigion meaning they can remain in their own communities, and the Borth project, a multiagency meeting focusing on getting people the right help and support at the right time
Partnership	5.2	Operationally, effective integration and collaboration between professionals is evident across teams. Structures are in place which allow for coordinated consideration of requests for care and support in relation to prevention. Integrated working with health services in Porth Gofal Triage and Assessment ensures people can be directed towards the most relevant professional in a timely manner. This promotes holistic consideration of people's circumstances and risks to ensure well informed triage decisions. For example, effective and timely triage and referral for enablement input meant one person could be discharged promptly from hospital and regain independence at home without the need for formal care and support
Partnership	5.3	Decision making forums, including child protection conferences, are well attended by a range of professionals. Practitioners described engagement in these meetings as 'exceptional' with examples given of paediatricians routinely in attendance. We heard how conference reports are routinely shared, however the sharing of the conference minutes in a timely manner, post conference, needs to improvement. There was evidence of joint working with health in the small number of disabled children files viewed and healthy disagreements between professionals at times.
Partnership	5.4	Schools have many positive partnership arrangements. For example, we saw a clear pathway enabling children who are looked after to access emotional health support through the Emotional Literacy Support Assistant (ELSA) and more general initiatives such as surveys to target specific groups of children and contextual risks around issues like vaping. There are clearly good partnerships benefiting children between schools and youth workers, school counsellors and inclusion officers
Partnership	5.5	Social work staff told us the timeliness and quality of partners contributions to assessments is good. We saw examples of effective multi agency partnership working and a commitment to supporting families and maintaining children within their families.
Partnership	5.6	Providers gave positive feedback about their relationships with the commissioning team. They talked about how the tendering process can be challenging, but the local authority is supportive and hold workshops to simplify this and clarify expectations. Providers also said the commissioning team are willing to listen to their opinion and take action to improve issues.

Theme	CIW Ref	Area for Improvement	Owner	Actions	Due Date	RAG	Scrutiny Review 1	RAG	Final Review and Completion	RAG
People - Voice & Choice	2.8	The local authority must ensure people's voice is central to the work they undertake with people.	DP	*This will form part of the first year cycle of thematic reviews for the QA Officer, but will be highlighted as part of briefing to managers as part of the report feedback process.	30.09.2023		Healthier Communities Scrutiny 22 November 2023		Healthier Communities Scrutiny 11 March 2023	
				*Review of recording Policy will be revised to explicitly reference the to record the recognition of the need for a carers assessment and the offer being made.						
				*Establish a Care Experience forum - to co produce the Commissioning of services, Policy development, represented on Interviews for key roles.						
				*Adult Service User Engagement Group to be established						
				*Extended Support Through Age Engagement Group -sub groups for adults and children						
			ASE/EJ	*Collaborate with schools to identify and support young carers in education.						
People - Voice & Choice	2.9	The local authority must ensure practitioners consistently comply with the general duty to promote the well-being of the carer, by explicitly offering carers assessments to people to discuss what support they require, with reasons for refusal of an assessment routinely recorded.	DP	*This will form part of the first year cycle of thematic reviews for the QA Officer, but will be highlighted as part of briefing to managers as part of the report feedback process.	30.09.2023					
				* Regular reporting on Carers Assessment compliance through the Performance Board by inclusion in Business Plans.						
				* Review all documentation to ensure they reflect the need for a Carers Assessment to be offered						
				Donna Pritchard will be the designated Lead Officer whilst the carers development work is undertaken. This role will be handed to Porth Cymorth Cynnar when the Action Plan has progressed sufficiently.						
People - Voice & Choice	2.10	The local authority must increase short break provision across the county to help address the well-being needs of parents and carers.	SH/NL	*This work is being address as part of the Respite/Care Breaks within the Carers, Community and Ageing Well Steering Group	31.03.2024					
			NL	* Eliminating Profits project is focused on recruiting foster carers including short breaks and respite.						
			NL/ASE	Ensure that carers are appropriately represented in the approval of respite carer fostering, Supported Lodgings and Shared Lives placements to fully appreciate the needs for the carer. Representation on Panel will also offer reassurance that the child/relative will receive good quality care.						
People - Voice & Choice	2.11	The Director of Social Services Annual Report - This annual report must be published as soon as reasonably practicable after the end of a financial year.	ASE	* 2022/23 Report planning has commenced and has been timetabled with Scutiny, Cabinet and Council for publication in October 2023	31.10.2023		31/10/23		31/10/23	
People - Voice & Choice	2.12	The local authority must carefully consider their future workforce strategy to prioritise a sufficient and sustainable workforce, with the capacity and capability to consistently meet statutory responsibilities.	ASE/GE	* This is being addressed as part of TAW Recruitment and Retention workstream and being monitored as part of the group in to TAW Programme Board	30.09.2023		Healthier Community Scrutiny Committee 22 November 2023			
				* Strategy will be reviewed as part of the revised Workforce Plan						
People - Voice & Choice	2.13	The local authority should ensure robust management oversight of practice and reflective conversations are taking place with sufficient information noted to evidence decision making.	ASE	*Comms has been put in place around updated supervision policy, and also highlighted within the QA Framework.	30.06.2023					
			QA Officer	* Thematic Audit required to allow for full picture to be understood						
				* Recording Policy Needs to be updated						
People - Voice & Choice	2.14	The local authority must ensure it has a competent and confident workforce.		* TNA's are completed every year, and appraisals are also completed. Annual Appraisal will consider all training needs be it mandatory or specialist	30.09.2023					
People - Voice & Choice	2.15	Staff told how they benefited from the support of peers and would welcome more opportunities for face-to-face contact in offices. We heard how arranging in-person meetings for adult and children's services can be a challenge due to lack of suitable facilities. This included child protection conferences when face to face meeting is the family's preference. This is something the local authority should consider.		* Office are now open for staff face to face access.						
				* Locations for CP Conferences are limited but available. Team Manager Quality Assurance to complete an audit of available and suitable locations for CP Conferences and present the available options for consideration.						
People - Voice & Choice	2.16	The local authority must implement and embed a robust quality assurance framework.	ASE	* The QA Framework consultation has now concluded and the feedback received is being considered and amendments will be made to strengthen the approach where appropriate.	30.06.2023					
				* Quality Assurance Officer post out to advert						
				* Quality Assurance Support Officer out to advert						
				* Development of a thematic audit workplan						

People - Voice & Choice	2.17	The local authority must ensure complaints are consistently responded to in accordance with the prescribed timescales in the "The Social Services Complaints Procedure (Wales) Regulations 2014", and lessons learned from responding to complaints drive improvements.	ASE	* Develop a tracker for all Social Service Complaints to be reviewed as part of regular CLO meetings with the Complaints Manager to review responses and ensure that there is adherence to timescales from all perspectives. The review meetings will take place on a fortnightly basis.	30.06.2023						
				* Ownership of the tracker will rest with the Statutory Director of Social Services in partnership with Complaints Manager.							
				* QA Officer will be in a position to gather and implement learning from complaints via lessons learned log linking with L&D, and Policy Review							
Prevention	3.9	The local authority must review its current arrangement to ensure people consistently receive a timely response when they contact them.		* Revisit protocol between Clic and Porth Gofal Triage and Social Work Teams to ensure access to case holder	30.09.2023						
				* Need to ensure feedback to referrers at point of decision							
				* Need to identify thematic QA for process.							
Prevention	3.10	The local authority must take the required action to ensure compliance with timescales for statutory reviews and ensure all relevant professionals are invited to contribute, as it is missing the opportunity to assure itself resources are being used to best effect.	ASE	* Develop a specific action plan and program of work to resolve backlog	30.06.2023						
Prevention	3.11	The local authority should continue to work strategically and operationally with its partners to look for solutions to alleviate the situation.	DP	* Working group already established and tendering process is being reviewed	30.06.2023						
Prevention	3.12	The local authority should engage with people experiencing sensory loss to hear their voice to influence the development of services.	HW	* Assistive Technology and Equipment workstream is focused on the Sensory Service with a view to redesigning service	31.03.2024						
Prevention	3.13	The local authority must ensure it understands the high re-referral rate, so leaders can assure themselves about the appropriateness of closures/signposting and demonstrate clear evidence of management oversight.	TJ	* This will form part of the first year cycle of thematic reviews for the QA Officer, but is also currently being analysed as part of the ongoing monitoring of the Children's Porth Gofal Traige and Assessment process. The re-referral statistic was identified prior to the inspection.	31.03.2024						
Prevention	3.14	The local authority must assure itself the discharge of care orders is prioritised.	ASE	* Already forms part of the CLA Strategy and incorporates a clear plan to support the reduction or prevention of children becoming accommodated by the local authority. Early Intervention services are key to prevention.	30.06.2023						
				* Currently 10 children being explored for revocation.							
Prevention	3.15	Fostering recruitment should continue to be prioritised.	NL	* Foster Care recruitment is being progressed as part of the Children's Steering Group and Eliminating Profit work. There has been further additional funding allocated to Ceredigion through Foster Wales (02.05.2023) to strengthen and develop the foster carer infrastructure. Work has already started on the Fostering integration with MyAccount which will support the recruitment process to help the wider daily report functionality to free up capacity.	30.06.2023						
				* Foster Carer Engagement Plan in place to allow for the sharing of innovative ideas between officers and foster carers.							
Prevention	3.16	There are mixed views from third sector providers about partnership working with some expressing the opinion that there could be more recognition of what services there are and more done to coordinate them at a strategic level. The local authority may benefit from carrying out a mapping exercise to understand the variety of third sector services with the aim of facilitating greater collaboration.		* Contracts Panel has been put in place to monitor the quality and effectiveness of contracts and determine whether value for money is being achieved.	30.06.2023						
				* This needs to form part of the 3rd sector grants review, with a view of rationalisation of funding. The work of the Contacts Panel will assist in gathering this information for rationalisation.							
				* Clients Service Strategies should also determine the need for services							
Prevention	3.17	The local authority must ensure plans are updated in line with statutory standards.	ASE	* Need to understand the issues that are causing timescales to drift, what is contained in the IRO monitoring reports, is whether this still the case now that Innovate are in place. Will review following Q4 data reporting to analyse the performance.	30.09.2023						
Well-being	4.5	In relation to adult safeguarding, an area of strength previously, we saw some variation across the social care records reviewed, with most showing timely and effective safeguarding practices aligned with the Wales Safeguarding Procedures (WSP). However, records could be strengthened by consistently evidencing all reasonable steps have been taken to enable the person to participate in the safeguarding process.	ASE	* Protocol required for Personal Advisors to improve timescales for care leaver Pathway Plans.							
			EU/ASE	An end to end review of current practice will take place to assess effectiveness of current practice and identify any areas that need to be strengthened to encourage participation of the person at risk.	30.06.2023						
Well-being	4.6	The local authority should review current arrangements to ensure the outcome of referrals are shared with the reporter and that minutes are shared with attendees in a timely manner.	TJ and all decision making managers	Need to ensure referers are notified at point of decision within Porth Gofal Triage and feedback is recorded.	30.06.2023						

			ASE/EU	Need to ensure that minutes are approved in a timely manner and circulated as required within good practice guidelines.						
Well-being	4.7	The local authority must ensure there is robust oversight of safeguarding practice to assure itself of compliance with the WSP.	TJ	Develop reporting suite, also need to focus on backlog of case closures						
Well-being	4.8	The local authority initiates child protection processes in a timely way but must assure itself multi-agency involvement is considered at the earliest opportunity.	ASE/EU	Needs to be reviewed						
			All managers will input into the audit	Undertake a thematic audit of strategy discussions and meetings to understand attendance levels in line with statutory timescales.	30.06.2023					
Well-being	4.9	The local authority must review adult assessment documentation to ensure it follows all core statutory requirements as outlined in Part 3 Code of Practice (Assessing the Needs of Individuals).	EU/QA Officer	* This work will be addressed as part of the QA Framework and thematic audits. A document review is taking place under the Signs of Safety development programme.	30.09.2023					
Well-being	4.10	The local authority must review its recording policy to include robust managerial oversight to ensure all records are maintained appropriately.	EU/QA Officer	*Policy review is to form part of the role of the QA Officer *General comms to managers regards the outcome of the inspection and areas of learning via workshops	30.09.2023					
Partnership	5.7	There is evidence of practitioners developing professional working relationships with people built on co-operation and a shared understanding of what matters. However, working in partnership with people and carers on co-produced outcomes requires improvement in some service areas. As already mentioned earlier in the report the domains of assessments and principles of 2014 Act need further embedding in practice especially when completing proportionate assessments. At times the support is service led and functional rather than focussing on what matters and the outcomes the person wants to achieve.	All managers will input into the audit	Thematic audits will be conducted in order to measure input of families to their plans, and the proportionality of assessments.						
Partnership	5.8	The local authority should review its communication strategy to ensure that their model is understood and accessible.		Link to Comms Workstream - Website development	30.09.2023					
Partnership	5.9	Overall providers feel the local authority has been clear about the vision of the TAW model. However now that the restructure has taken place some are unclear of the current situation within some teams. The local authority should consider updating their partners on the current operational arrangements.		* Comms Plan to be updated, to ensure stakeholders are aware of new structure and the roles of teams and services within the model. The update of the website will assist in this area. We will give consideration to facilitating a workshop across the TAW for third sector providers.						
Partnership	5.10	Some providers noted the number of agency workers in some teams, which can affect the quality of referrals and when the workers are not based in Ceredigion this has been a barrier to meeting. The local authority should ensure that employing agency staff working outside Ceredigion does not cause any barrier or delay to people receiving support.	CM's	Terms of reference will be reviewed for all Through, Age, Care and Wellbeing meetings and agreeing to the ongoing approach to hybrid meetings.						

Carer assessment offer and support plans
Voice - young carers, adult victims of alleged abuse
Re-referrals

Recording Policy
Carers Policies

Setting of well-being objectives – Ceredigion County Council

Audit year: 2022-2023

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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 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.¹ 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.² We are carrying out a rolling programme of these examinations, up to early 2025.³
- 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.⁴
- 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 Ceredigion County Council

- 6 The aim of this examination was to:
 - explain how Ceredigion 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.
- 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 first draft of this report.

How and when the Council set its well-being objectives

- 11 The Council adopted its new Corporate Strategy 2022-2027 (the Strategy) in November 2022. The Strategy has been structured around the Council's new four Well-being Objectives (WBO), these being:
 - Boosting the Economy, Supporting Businesses and Enabling Employment
 - Creating Caring and Healthy Communities

- Providing the Best Start in Life and Enabling Learning at All Ages
 - Creating Sustainable, Green and Well-connected Communities
- 12 The Council's Strategy is also its well-being statement, which it is required to publish under the Act.' The Council has published the full Strategy on their website, as well as a Summary Strategy and an 'Easy Read' version.
- 13 In setting its new Well-being Objectives (WBO) the Council has applied lessons learned from its previous setting of WBO. These key lessons included:
- developing its new WBO and Corporate priorities to become one in the same, with the aim of ensuring that the Council is well placed to maximise its contribution to the National Goals.
 - being clearer about the rationale and evidence base for its WBO which has ensured that its WBO are focused on those areas that will make the biggest impact and address the most significant issues.
 - a focus on strengthening the links between its WBO and individual service plans. This has ensured that the way the Council delivers its services is better aligned to delivering its WBO.

What we found

The Council has applied the sustainable development principle in setting its well-being objectives however it could draw on more extensive citizen involvement and improve monitoring and reporting.

The process for setting well-being objectives

Evidence Base

- 14 The Council drew from a wide-ranging set of data and intelligence to understand both its current and future needs. For example:
- The regional Well-being Assessment
 - Its annual review of performance against its WBO
 - Its annual self-assessment
 - West Wales Care Partnership Population needs assessment 2022
 - West Wales Care Partnership Area plan
 - The future trends report (Wales) 2021
 - Evidence for the third UK Climate Change Risk Assessment (CCRA3): Summary for Wales 2021

- 15 This wide-ranging intelligence has helped the Council to provide a clear rationale for the setting of its WBO and the steps it is taking to deliver them.
- 16 The Council has used a robust set of evidence to develop a clear understanding of the root causes of the key issues. For example, challenges around local employment opportunities and the availability of affordable housing, being some of the root causes of the migration of young people out of the County. This understanding has then been used to determine which actions it considers will have the greatest positive impact.

Consultation and Involvement

- 17 The Council has recognised the importance of involving citizens, including hard to reach groups, and stakeholders in setting and delivering its WBO. It has consulted on its Corporate Strategy both directly and by drawing on the results of existing engagement exercises, for example, engagement around the Public Service Board Well-being Assessment. However, the Council has recognised that responses to these consultations were limited and didn't reflect the full diversity of citizens.
- 18 There are some good examples in the Council's Corporate Strategy of where engagement is working well, and citizens are involved in the delivery of the steps to deliver the WBO. These include work with service users in the development of the Through Age Well-Being Model (TAWBM) and involving young people and Housing Associations in the Council's affordable and lifetime housing programmes.
- 19 Developing and implementing innovative and different ways to engage citizens to inform the setting of its future WBO will be important if the Council is to improve the levels of engagement and reach the full diversity of the population. The Council's recently launched Participation and Engagement Strategy should assist it with this.
- 20 The narrative within the Council's Corporate Strategy highlights that delivering on the WBO can only be successfully achieved through collaboration with citizens. For example, its WBO "Creating Caring and Healthy Communities" will be underpinned by the delivery of the TAWBM which, in turn, is predicated on early engagement with citizens and citizen families to identify needs and reduce the risk for the provision of high intensity care packages in the future.

Planning to improve well-being

- 21 The Council has a good understanding of how its WBO support the delivery of the National Goals and undertook a specific mapping exercise to determine how its WBO, and the steps it is taking to deliver them best supported each Goal. The Council has also developed a clear correlation between the Public Service Board WBO and its own WBO and has a good understanding of shared regional issues and risks developed in part through the regional PSB well-being assessment.
- 22 When developing its WBO, the Council examined the strategic priorities of other regional organisations, including those in the Dyfed Powys Police and Crime Plan

2021-2025 and the West Wales Care Partnership (Regional Partnership Board) Area Plan, to enable and promote a joined-up approach to improving well-being in Ceredigion.

- 23 There are several examples, including the Growing Mid Wales Partnership and West Wales Care Partnership, which the Council has drawn upon to help inform the setting of its WBO and will also work with to help deliver them. There are also examples, including TAWBM, that show where and how the Council is promoting early intervention and prevention to deliver on improving well-being.
- 24 The Council's four new WBO use a narrative that helps to position them as being relevant to delivering both short term and long-term need. Areas within its Corporate Strategy where this was particularly strong included climate change and carbon reduction, in its focus on affordable housing, in its approach to economic regeneration and its TAWBM.

Delivering the well-being objectives

- 25 A key part of the current process to deliver the Council's WBO is through its Service Business Plans. These form a key part of the Council's 'golden thread' interconnecting individual staff plans through to the priorities within the Corporate Strategy. The Council is continuing to improve the way in which these Service Business Plans clearly demonstrate how individual services support the delivery of the WBO.
- 26 The Council has demonstrated how it has allocated resources to support the delivery of some areas of its WBO. Examples include specific resource allocation to TAWBM and the earmarking of over £9m of reserves to underpin key Mid Wales Growth Deal projects. The Council is developing a new Medium-Term Financial Strategy (MTFS) - that is scheduled for completion by the middle of 2023 - and has developed a multi-year Capital Strategy to improve the long-term alignment of resources to the WBO. The effective development and successful implementation of the new MTFS and Capital Strategies is clearly fundamental to delivering the WBO.
- 27 The Council has recognised that the long-term resourcing for some of the WBO, such as the WBO which incorporates decarbonisation, remains a risk. It will be important that the new version of its MTFS includes an assessment of where there might be future financial risk to the delivery of its WBO.

Monitoring the well-being objectives

- 28 The Council's current process for monitoring progress against its WBO is through a combination of its Quarterly Performance monitoring arrangements and through its annual reporting and self-assessment report. The Council has recognised that its current monitoring approach needs to be improved to ensure that it is able to monitor its WBO progress more effectively and on more regular basis.

- 29 Whilst the Corporate Strategy includes the activity that the Council will undertake to make progress on delivering its WBO and also includes the National Public Accountability Measures, it intends to include a more comprehensive set of measures to determine its progress within its individual Service Business Plans.
- 30 The Council also recognises that it needs to develop a greater range of high-level outcome-based measures to effectively monitor progress against its WBO. It intends to undertake work around both monitoring and measures as part of the ongoing improvements it is making to its performance management arrangements. Refining, regularly reporting and robustly scrutinising, the WBO measures will be a key step in enabling the Council to determine the progress it is making in delivering its WBO and how/whether they are impacting and improving the wellbeing of the citizens of Ceredigion as intended and planned.
- 31 There are some good examples of performance measures and steps, including those around poverty, such as “Create and implement a Rural Deprivation and Equity Action Plan to support schools, non-maintained settings and childcare and play providers to reduce the impact of poverty on all children” that consider the wide impact on wellbeing across the Council’s services.

Recommendations

- R1 The Council should build on the progress it has made in applying the sustainable development principle in the setting of its well-being objectives by:
- exploring new ways of drawing on the full diversity of its population to inform and deliver its WBO.
 - ensuring 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.
 - ensuring its evolving performance management arrangements identify the most appropriate outcome measures and provide effective monitoring, reporting and scrutiny of the progress being made on delivering its WBO.

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

- 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

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

	<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.

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?

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

<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, 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.
<p>Is the body seeking to learn from and improve how it has applied the sustainable development principle to setting its well-being objectives?</p>	<ul style="list-style-type: none"> • 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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Summary report

Summary

Audit Criteria

- 1 The objective of this review was to assess the Council's progress against the ten recommendations made in our [Audit Wales Review of the Planning Service 2021 report](#). The recommendations in our original report form the audit criteria for this follow-up review.

What we reviewed and why

- 2 Council planning services are strategically important enablers underpinning many major and important developments, including new school builds, developing care homes, housing developments and tourist accommodation. These developments can help councils achieve their corporate objectives and ambitions.
- 3 Ceredigion County Council (the Council), as a Local Planning Authority (LPA) has an essential role to play in identifying development needs; what areas need protection or enhancement; and in assessing whether a proposed development is in line with local and national policies.
- 4 As part of our 2021-22 Ceredigion Council Audit Plan, we undertook a review of the Council's planning service to determine whether the service was effectively and sustainably meeting its objectives and contributing towards the achievement of the priorities in the Council's Corporate Strategy. In October 2021, we published our findings from that review¹ and concluded that whilst Council Members and senior officers viewed the planning service as strategically critical, significant longstanding weaknesses in the Development Control Committee's governance arrangements were not sustainably or cohesively supporting the Council to improve performance and achieve its strategic objectives and priorities. We issued ten recommendations in that 2021 report.
- 5 We undertook this subsequent planning service follow-up review between September 2022 and February 2023. We used a range of audit methods in conducting this review including interviews, document reviews and observations of the Council's Development Management Committee.
- 6 We focused on the Council's progress against our recommendations in our 2021 Planning Service report.
- 7 We have also made further recommendations as set out in **Exhibit 2** below. Some of these relate to our original 2021 recommendations, but others relate to new findings as part of our follow-up review to help the Council going forward.

¹ Audit Wales, [Ceredigion County Council – Review of the Planning Service](#), November 2021

What we found

- 8 As set out in **Appendix 1** below, we found: The Council has taken swift action to begin responding to the original recommendations in our 2021 Review of the Planning Service report. However, the Council now needs to further refine its Development Management Committee procedures and governance arrangements so that they are fully understood, applied and embedded in a way that is transparent and provides value for money for the Council as a whole.
- 9 Further detail on our assessment of the Council's progress in addressing each of our recommendations is set out in **Appendix 1**.
- 10 The detailed report provides an overview of our findings.

Detailed report

Overview of the Council's progress in addressing our original Planning Service review (October 2021) recommendations

- 11 We recognise that the scale of the operational, governance and cultural changes and improvements needed to address the historical longstanding Development Management Committee weaknesses we reported on in our 2021 report will take time for the Council to fully address and embed.
- 12 Our October 2021 Planning Service report included ten recommendations for the Council to address ranging from issues relating to governance arrangements, service planning and monitoring.
- 13 The Council quickly agreed new governance arrangements for the Development Management Committee and worked closely with the Members to do this.
- 14 The Council moved swiftly to approve, by March 2022, several constitutional changes to the arrangements supporting the Development Management Committee. The Council:
 - changed the committee's name from Development Control to Development Management.
 - reduced the number of Members on the committee from 21 to 15.
 - approved a new scheme of delegation. This ensures the committee considers all major and strategically important planning applications and planning applications submitted by the Council, planning officers and Elected Members.
 - developed a term of reference for the Development Management committee.
 - introduced data protection and GDPR guidance for Development Management Committee members when determining planning applications.
 - approved a Member's Protocol of Good Practice in Planning.
- 15 Following the Local Government elections in May 2022, the Council's Development Management Committee membership changed as newly Elected Members joined the Committee.
- 16 Officers delivered a broad range of training to assist all Members of the new Development Management Committee on the purpose of the committee, their role on the committee and important local and national planning policies.
- 17 The role the Development Management Committee plays in contributing to the Council's corporate objectives is continuing to develop. It is positive to see the Committee now considers major and strategically important applications and is making decisions in the public interest on sensitive and complex applications of strategic importance. However, some minor householder planning applications addressing individual concerns which do not meet local and national planning policies are still being called into Development Management Committee. These applications can be dealt with under officers' delegated authority and take up

Committee time and resources. Going forward, the Committee should focus on its strategic role by investing its time more on the strategically important applications it receives to have a more significant and wider impact on local communities and the Council and county.

- 18 The Development Management Committee has made significant improvement in adhering to data protection principles and the processing of personal information in accordance with the Data Protection Act 2018 and the UK General Data Protection Regulation. The Development Management Committee now rarely discusses applicants' personal information.
- 19 The Planning Service is making progress in addressing its planning application backlog with the help of external consultants. However, despite a similar arrangement with external consultants in relation to the enforcement case backlog, enforcement cases are not reducing in the same way, which impacts on the Council's performance. There remains a lack of specialist support within the Planning Service for enforcement officers to progress enforcement cases. The Council has not agreed its strategic direction for enforcement, and enforcement is an area of work that is a growing concern for staff and Members of the Council.
- 20 The Council currently has no intention to make its live broadcasts of its Development Management Committee available electronically to the public following the meetings. Ceredigion Council is the only Local Planning Authority (LPA) in Wales not to do this. The Council has no intentions to record its Development Management Committee meetings and make them electronically available after live broadcast until they are required to do so under further Welsh Government regulations. This is not in line with best practice and the Nolan principle of openness in public life². This results in a general lack of transparency and accessibility, particularly for those members of the public or planning service applicants wanting to observe the Council's Development Management Committee meetings at a time which is suitable to them.
- 21 The Council could do more to observe and adopt good practice from LPAs around Wales. The planning service has begun a review of other LPAs' governance arrangements. To date, it has contacted two neighbouring LPAs and there is opportunity for them to engage with more going forward. Following the Council's review of other LPAs and its subsequent report to Council in March 2022 with an extensive list of changes, the Council decided to retain its Site Inspection Panel (SIP) containing only one third of the Committee membership and introduced a Cooling Off group with only 50% of the Committee membership. Other LPAs do not have these arrangements that increase the propensity and risk to Members and officers of any legal challenges in relation to pre-determination of planning decisions, and as they involve a limited number of Members from the Development Management Committee. This suggests the Council could learn more from other LPAs going forward.

² gov.uk: [The Seven Principles of Public Life](#)

- 22 Along with continuing with the progress relating to our original 2021 Planning Service report recommendations, there are three key additional issues which the Council needs to address over the next few months to help it move further forward on its cultural change improvement journey.
- i. strengthening the arrangements for local ward Member call in of planning applications into Development Management Committee and the reasons and material planning considerations for doing so;
 - ii. the frequency, transparency, efficiency and membership of Site Inspection Panels (SIPs); and
 - iii. the way the Cooing Off Group is operating.
- 23 The strengthening of these three key areas will help the Council to better safeguard Members and officers when making decisions and improve the efficiency, effectiveness, economic outputs and sustainability of the Development Management Committee's governance arrangements and its wider impact on the Council and County as a whole.
- 24 To help the Council, we have summarised below our findings in relation to each of the three new key areas for improvement.

i) Reasons for calling planning applications into Development Management Committee

- 25 As in our previous report, not all the reasons provided by the Council's local ward Members for calling planning applications into the Development Management Committee are material planning considerations. There is guidance within the Council's current Scheme of Delegation which outlines how an application can be added to a committee agenda. The guidance requires consultation between the Corporate Lead Officer for Economy and Regeneration and the Local Ward Member to support a planning application going to the Development Management Committee. This is a single point of dependency on one officer to decide if the reasons meet the required standard. Should there be disagreement, this could potentially impact on working relationships and create a business continuity risk for the service in the event of the officer's sickness or absence.
- 26 To address this issue of a single point of dependency, there are opportunities for the Council to further improve safeguards to ensure Members and officers are more supported and protected when calling applications into Development Management Committee. Currently, planning applicants can repeatedly ask local ward Members to call an application into the Development Management Committee, even if the application does not have robust material planning reasons for call in, in line with the Council's procedures. This creates a difficult situation for a local ward Member and allows an environment for external pressure to exist. Ensuring and enforcing that all reasons for calling an application into Committee are relevant planning reasons, would safeguard and protect Members and officers when making difficult decisions regarding which applications should go to

Development Management Committee and which should not. It would also ensure consistency with the Development Management Committee Terms of Reference.

- 27 To address the above risks and issues and to assess which applications are suitable for Development Management Committee in line with relevant criteria, the Council could establish a small group of officers who consider local ward Members' call-in reasons and determine if the reasons proposed are robust material planning considerations. Whilst there is no one way to achieve this, it could be a mix of officers tasked with upholding governance and planning policy, for example, the Chief Officer, Head of Planning Policy, and an officer from the Council's legal team. This arrangement would help to focus the Committee's time on considering the more complex and strategically important applications, rather than minor applications. The impact of making such changes would help to better safeguard officers and Members, focus the Committee's attention on those applications which are more in line with the role of the Development Management Committees purpose and contribute to the Council's corporate objectives.

ii) Site Inspection Panels

- 28 The Council's Development Management Committee is increasingly deferring minor planning applications to a Site Inspection Panel (SIPs). This is not always an economic and efficient use of resources. Whilst the Council's arrangements for an SIP have been in place for some time, the Committee have been using SIPs more frequently since our October 2021 Planning Services report. The Council's current SIP guidance gives specific examples of when a SIP should be used and recognises that the use of SIPs can cause a delay in the planning process.
- 29 The Welsh Government's Development Management Manual states 'Site visits should only be held on an exceptional basis where the benefit is expected to be substantial. Where required they should be identified in advance of the committee meeting at which the application is due to be discussed and the site visit should occur no more than a week in advance³.' This ensures as little a delay as possible in determining a planning application.
- 30 If the Committee is missing visual perspectives from the officer report, which results in increased SIPs, the Council can explore alternate ways to address this, such as more site photos, video of the site and other such activity, which it used during the first wave of the pandemic. Regular SIPs for minor applications are not an efficient use of Committee member or professional officer time and Council resources at a time when planning and other services across the Council are already under significant financial and workforce pressures due to wider national and global pressures. It can also cause delays in the planning process.
- 31 Currently, only five of the Council's Development Management Committee Members receive an invite to a SIP. This arrangement does not give all Committee Members equal access to information. Each member of the Committee should

³ Welsh Government, [Development Management Manual](#)

have equal opportunity to visit and assess an application site and make their own judgements based on first-hand information to ensure transparent and informed decision making.

- 32 At the Development Management Committee meeting following a SIP, the five SIP Members address the Committee with their views of the site before the Committee debates the application. Currently this group of five Committee Members make recommendations to the Development Management Committee on their observations of the site and the merits of the application. This practice is not in line with the Council's SIP guidance and the Council's Members Planning Protocol of Good Practice in Planning. The Council's own guidance clearly states that SIPs are 'not a forum for debating the application' and the Council's own Protocol states Members must 'ensure that you treat the site visit only as an opportunity to seek information' and 'don't express opinions or views on the proposal to anyone'. In practice, SIP Members currently discuss the merits of an application as evidenced in the reports to the Committee. The reports contain the recommendation from the SIP Members as to whether to approve or refuse the planning application. Allowing the Committee's members to discuss the merits of any application, outside the formal Development Management Committee meeting arrangements, places those Members at risk of pre-determining the planning decision and the potential resulting legal consequences.

iii) Cooling Off Group

- 33 In March 2022, as part of its review of the Development Management Committee's governance arrangements, the Council approved establishing a Cooling Off Group.
- 34 Typically, deferring applications for a 'cooling-off period' is in accordance with the Welsh Government Development Management Manual. A cooling-off period allows LPAs to review the risks of a decision contrary to planning policies and for officers to provide Members with any additional information.
- 35 The difference in Ceredigion Council is that it has constituted a specific Cooling Off Group on which 7 of the 15 Members of the Development Management Committee sit and which is politically balanced.
- 36 We understand that the Council intended for the Cooling Off Group to act as an educational and learning forum for the Development Management Committee. It was intended that this group provide a pause and reflect opportunity for the Committee's Members to sense check and learn further about the related planning policies and impacts in relation to any potential decision.
- 37 What we found was the Cooling Off Group discussing individual planning applications. Upholding the Cooling Off Group as an educational forum would help to safeguard Members and officers against any perceived or actual pre-determination risks and any unintended consequences and legal recourse. As confirmed in the Council's constitution, pre-determination risks placing the Council at risk of a planning decision being vulnerable to legal challenge.

- 38 The Council's 'Member's Protocol of Good Practice in Planning' section 10a instructs that Members must come to Development Management meetings with an open mind and demonstrate that they are open minded. Also, in line with the Council's delegated authority and to ensure best practice, discussions on specific applications which have been called into Development Management Committee should take place within Development Management Committee meetings.
- 39 Repurposing the way the Cooling Off Group works in practice to be an educational forum only, as intended, will help safeguard officers and Members and mitigate against risks relating to predetermination and a lack of transparency. As such the Council should
- a. ensure the Cooling Off Group does not discuss the details of any individual planning applications;
 - b. ensure the Cooling Off Group does not make recommendations back to the full Development Management Committee on whether to approve or refuse planning applications; and
 - c. ensure the Cooling Off Group includes all Members of the Development Management Committee so that they all benefit from the wider learning and are in receipt of the same information relating to planning policies.
- 40 To support the above issues, and to facilitate further improvement. the Planning Service and the Legal Team should work more closely to ensure that related policies and governance arrangements are developed and implemented in a joined-up way both constitutionally and in practice.

Recommendations

Exhibit 1: recommendations.

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

Recommendations	
R1	Progress the partially met and not met recommendations in our 2021 Planning Services report in order that they are fully addressed and culturally embedded within the Council.

Recommendations

R2 Develop and implement a formal arrangement to review and approve the material planning reasons provided by local ward Members when calling a planning application into the Development Management Committee to ensure Members and staff are safeguarded and that the Committee focusses its time on more strategically important applications.

R3 Review the Site Inspection Panel practices and procedures to safeguard against any perception of pre-determination by a small group of Committee Members to ensure:

- all Committee Members are invited to site visits;
- site visits are by exception, comply with Site Inspection Protocols and are used economically to ensure an efficient and proportionate use of resources; and
- site visits are identified in advance of Development Management Committee meetings in line with the Welsh Government Development Management Manual.

R4 Repurpose the way the Cooling Off Group works in practice so that it upholds its intended purpose as a learning and educational forum for Members to receive further information on local and national planning policies to support Development Management Committee decision-making. This will safeguard Members and officers against any perception of pre-determination by a small group of Committee Members.

Appendix 1

Audit Wales assessment of progress against the proposals for improvement in our 2021 report

Exhibit 2: assessment of the Council's progress in addressing our 2021 proposals for improvement.

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>R1 The Council should review its constitution to strengthen the governance of its development control arrangements. The review should:</p> <p>a) learn from the development control governance arrangements of other Local Planning Authorities (LPAs);</p>	<p>Recommendation partially met.</p> <p>The planning service has begun a review of other LPAs governance arrangements. To date – it has contacted two neighbouring LPAs and there is opportunity for them to engage with more going forward. Following the review and subsequent report to Council in March 2022 with an extensive list of changes, the Council decided to retain the Site Inspection Panel (SIP) containing only one third of the Committee membership and introduced a cooling-off group (COG) with only 50% of the Committee membership. Other LPAs do not have these arrangements due to the propensity for pre-determination and limited number of members involved. This suggests the Council could learn much more from other LPAs going forward.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>b) develop an agreed Terms of Reference for the Council's Development Control Committee, to clearly state its purpose, role, and responsibilities, and how it links to Corporate Priorities;</p>	<p>Recommendation met.</p> <p>The Council has amended its Terms of Reference to clearly state the role and purpose of the Development Management Committee. However, while the Committee's Terms of Reference state the Committee must 'consider and determine applications, so as to advance and contribute to the Council's Corporate Strategy and Priorities through thorough consideration of major developments county-wide', the Committee is uncertain as to how to consider these types of applications, as the Committee's questions are limited and no SIPs requested.</p> <p>Going forward, as these are new types of planning applications to the Committee, officers can provide further learning, development, and support to the Committee Members. As all the other LPAs in Wales record and make available their planning committees for view after committee meetings, there is an opportunity for the Development Management Committee to observe and learn from other committees as to how to actively consider major planning applications.</p>
<p>c) define what it deems as strategically important and 'major' planning applications;</p>	<p>Recommendation met.</p> <p>The Council's constitution includes a definition of major and strategically important planning applications and the Development Management Committee now routinely receives these applications.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>d) strengthen the Development Control Committee's scheme of delegation by considering raising the threshold for planning applications called into Committee to allow it to better focus on more strategically important and major applications;</p>	<p>Recommendation partially met.</p> <p>The Council's scheme of delegation describes circumstances when the Development Management Committee should have planning applications referred to them for decision. The Scheme of Delegation states – 'The determination of planning applications following a request of the Local Ward Member, in consultation with the Corporate Lead Officer-Economy & Regeneration, due to local interest and circumstances.'</p> <p>The Council strengthened its Scheme of Delegation and retained the ability for local ward Members to be able to call in planning applications but the reasons for calling in planning applications to Development Management Committee are not always based on material planning considerations and it is unclear what 'due to local interest and circumstances' means within the current Scheme of Delegation. We make an additional specific recommendation in this report to address this.</p>
<p>e) ensure planning applications submitted by or on behalf of the Council's officers and Members are considered by the Development Control Committee and not under officer delegated powers to safeguard against any perceived conflicts of interest and to promote independence and transparency;</p>	<p>Recommendation met.</p> <p>The Council amended its Constitution to address this recommendation, and its Development Management Committee now receives applications submitted by officers, applications on Council owned land and elected Members.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>f) review the balance of time Local Ward Members have to speak on planning applications at Committee meetings as compared to applicants and objectors;</p>	<p>Recommendation met.</p> <p>The Council's constitution includes changes to public speaking arrangements for the Development Management Committee. All speakers, including local ward Members have five minutes to address the Committee. This addresses the balance of time individuals have. We have observed that when Local Ward Members address the Development Management Committee, they are not informed of their five minutes. However, Local Ward Members rarely speak for longer. Any applicant, agent or objector addressing the Committee is informed of their five minutes to address the Committee.</p>
<p>g) review and include the Council's Planning Code of Practice in the constitution and ensure Members understand and act in accordance with it.</p>	<p>Recommendation met.</p> <p>The Council developed 'operational procedures' which, aside from the Site Inspection Panels, are being adhered to. However, as stated in this report, we have concerns with the operation of the Cooling Off Group and its current working practices.</p>
<p>R2 The Council should ensure that its Development Control Committee and Committee support arrangements comply with data protection principles and the processing of personal information in accordance with the Data Protection Act 2018 and the UK General Data Protection Regulation.</p>	<p>Recommendation met.</p> <p>There is significant improvement with Committee Members not discussing applicants' personal details when debating planning applications. The Council needs to ensure that any Local Ward Member addressing the Committee is also fully aware of their responsibilities to comply with data protection.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>R3 The Council's Development Control Committee Members need to ensure that any planning decisions are based on sound material planning considerations, and not applicants' personal circumstances.</p>	<p>Recommendation partially met.</p> <p>There has been much positive progress in relation to adherence with GDPR and the discussion of applicants' personal circumstances.</p> <p>Several the Committee's decisions on the minor and householder type planning applications are made following a deferral to a SIP where a small group of Members discuss and debate the merits of the application and some of these relate to applicants' personal circumstances, this is against the Council's SIP guidance and protocols.</p>
<p>R4 The Council needs to ensure that recordings of its 'in public' Development Control Committee meetings are made publicly available after Committee meetings to adhere to the future requirements of the Local Government and Elections (Wales) Act 2021.</p>	<p>Recommendation not met.</p> <p>Whilst the Council broadcasts all its committees live, it only makes the Cabinet and Council broadcasts available electronically afterwards. Ceredigion is the only LPA not to make the live broadcasts of its Development Management Committee available electronically after the meeting.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>R5 The Council should ensure that Development Control Committee decisions relating to 'affordable' homes in the open countryside are made and reported accurately in accordance with the Council's Affordable Housing supplementary guidance.</p>	<p>Recommendation met.</p> <p>The Council completed a review of its affordable dwellings to determine whether: large single affordable dwellings in the open countryside are having a significant effect on the numbers of affordable homes reported to the Welsh Government; and whether such decisions contrary to professional officer advice, in relation to large single affordable dwellings in the open countryside, give rise to the risk that the applicants of such dwellings could decide to legally challenge the 'affordable' status of their properties when selling them in the future.</p> <p>The Council identified the number of planning applications approved in 'other locations' since 2015. The Council also identified where the affordable homes are being built and the size of the dwellings. The Council's review concluded this equated to 17% of affordable homes permitted. To ensure more accurate reporting of affordable housing in future, the Council intends to review the floor areas and bedroom numbers of affordable dwellings and TAN6 dwellings with Full or Reserved Matters permission. It intends to add this information to its internal monitoring process and those dwellings that exceed the maximum size can be identified and discounted when reporting to the Welsh Government.</p>
<p>R6 The Council and Development Control Committee should assess the cumulative implications and long-term infrastructure impact of approving single affordable dwellings and TAN 6 planning applications in the open countryside to ensure they contribute sustainably and cohesively to the Council's wider corporate priorities.</p>	<p>Recommendation not met.</p> <p>As stated in response to R5, the Council completed a review of the size of permitted affordable dwellings in open countryside and 'other locations'. However, this review did not highlight the cumulative assessment on the impact to the infrastructure, for example, community health provision, waste collection, school transport and places etc, when approving dwellings in the open countryside or 'other locations'.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
Service Planning: The Council's Planning Service should:	
R7 More clearly present its performance information and targets in its business plans.	<p>Recommendation partially met.</p> <p>The Council's Development Management business plan 2022-23 includes a self-assessment looking at three key areas: what is working well, what the service is worried about and what needs to happen. This provides a clear picture of the service. However, the business plan shows no baseline data and a limited number of targets to support the service's objectives. Therefore, the business plan does not clearly present performance information or targets.</p> <p>The Planning Service is putting in place Service Standards to provide clarity on what applicants/agents can expect from the Service and the role of applicants/agents in contributing to a smooth planning application process. Once finalised, the Service Standards should provide details of the services on offer, the standards the service strives to meet, and measurable performance targets. This information is intended to be readily available for officers, Elected Members, local communities, developers, and other interested parties. The intention is for the finalised performance measures in the Service Standards to be included in the business plan.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>R8 Review the effectiveness and efficiency of combining the Development Management Officer and Enforcement roles including the impact on performance.</p>	<p>Recommendation not met.</p> <p>The Council has not undertaken this review. The Council has engaged consultants to assist with reducing the backlog of planning applications and enforcement cases. Despite a slow start, the consultants are improving the speed of their decision-making on planning applications but not for enforcement.</p> <p>The Council is considering the role of enforcement generally, including in other service areas such as waste and recycling and environmental health. During our fieldwork, we received a strong message that planning enforcement is a growing concern in the county, which needs addressing.</p>
<p>Monitoring</p> <p>R9 The Council should establish a framework to assure itself that the Development Control Committee contributes cohesively and sustainably to achieving the Council's corporate priorities.</p>	<p>Recommendation not met.</p> <p>The Planning Service intended to develop a 'Sustainability Checklist' for the Development Management Committee to assess the individual and cumulative impact of decision making. Officers would complete the checklist prior to committee meetings and include the checklist as part of the Committee report pack. However, we have not seen evidence of the service implementing this arrangement.</p>

2021 Proposals for Improvement	Audit Wales's assessment of the Council's progress
<p>Well-being of Future Generations R10 In making any changes to the planning service, the Council should take the opportunity to consider how it might act more closely in accordance with the sustainable development principle in contributing to the delivery of the Council's well-being objectives when making planning decisions.</p>	<p>Recommendation partially met.</p> <p>Officers included the Sustainable Development principle within the new Development Management Committee's training in May 2022. However, some Members' interpretation of 'sustainable development' differs from Planning Policy Wales Edition 11 definition of sustainable development. Contained in the Committee's Terms of Reference is for the Committee 'to take into account the sustainable development principle in determining planning applications'. To adhere to the Committee's purpose, further Member training is required so the Committee fully understands what sustainable development means in the planning context.</p>



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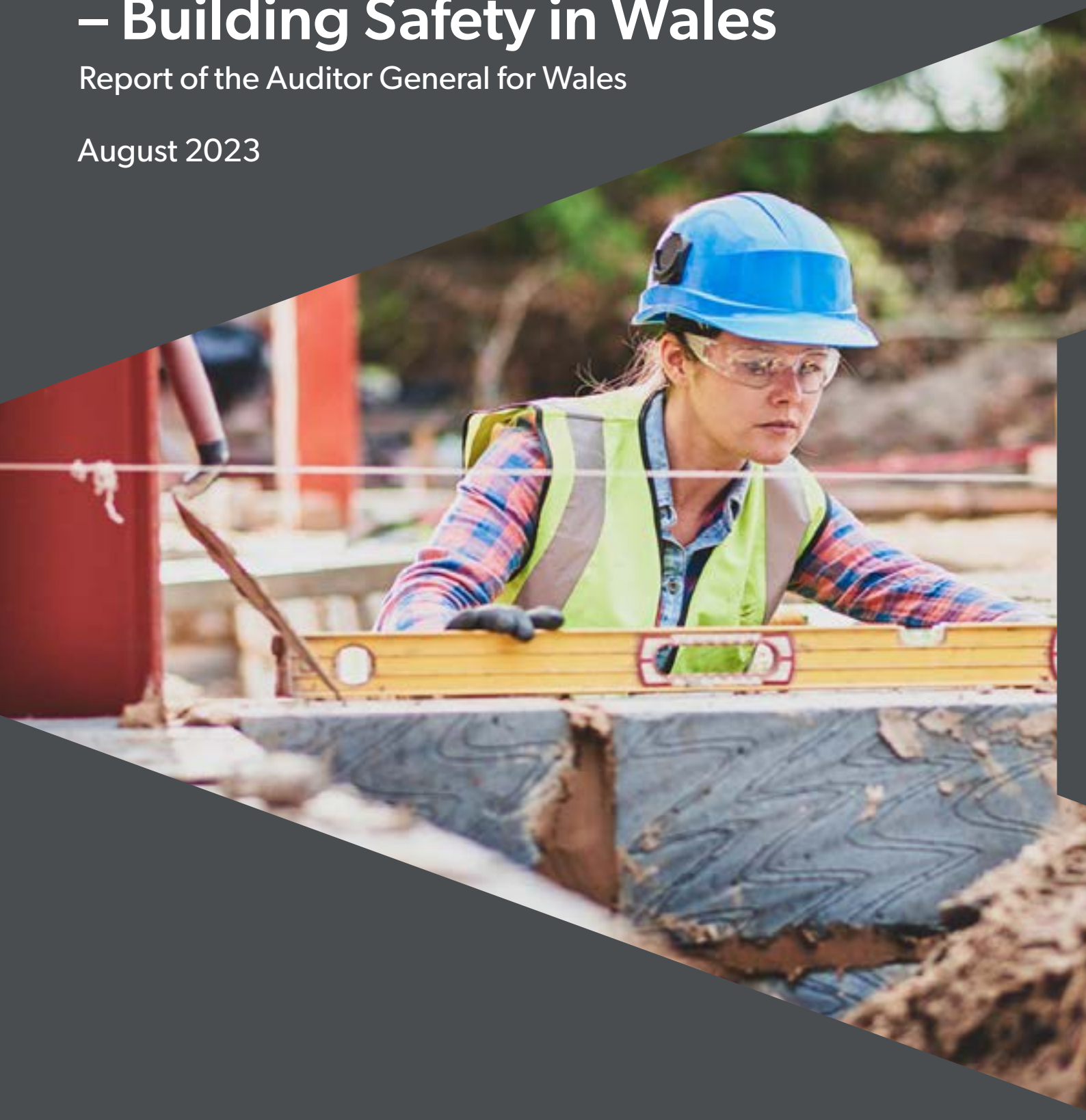
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‘Cracks in the Foundations’ – Building Safety in Wales

Report of the Auditor General for Wales

August 2023



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Summary report

Context

Building Control and Building Safety in Wales

- 1 Building Regulations are a set of legal requirements for the design and construction of new buildings, extensions, and material alterations to, and certain changes of use of, existing buildings. Building regulations help ensure that new buildings, conversions, renovations, and extensions (domestic or commercial) are safe, accessible and energy efficient.
- 2 The building regulations are defined by the Welsh Government and cover specific topics including structural integrity, fire protection, accessibility, energy performance, electrical and installation of combustion appliances. They also lay, for example, standards for drains, ventilation, protection against the ingress of water and protection against contamination including methane and radon gas. To help people to comply with them, the Welsh Government produces Approved Documents which offer detailed guidance and show ways of achieving compliance, expressed in simple functional statements – see **Appendix 2** for further information.
- 3 The primary responsibility for compliance with Building Regulations rests with designers, builders and building owners, and there are two routes open to them when seeking approval for their work¹. They can choose to pay for either:
 - a local authority inspector from the local council and run through Local Authority Building Control (LABC); or
 - an approved inspector from a government-approved private building control company.
- 4 In practical terms, if construction work is proposed, the work must comply with these Regulations. Although work on a new build or extension may proceed before any formal consent, nothing can proceed beyond the inspection stages without the approval of an inspector. When the building is completed to the satisfaction of an inspector, a Completion or Final Certificate is issued (depending on who has approved the work). This certificate is only provided when all work has been approved and a final site inspection has passed.

¹ The system in Wales mirrors England and has largely been unchanged since the adoption of Part 2 of the Building Act 1984 which allowed for the introduction of approved inspectors as an alternative to obtaining building regulations approval from a local authority. In Scotland, all building control activities rest with local government and there are no private building approved inspectors.

- 5 They both work in the same way, checking plans prior to works commencing, physically inspecting work during the development, advising any changes as necessary to ensure compliance, before re-inspecting the job prior to signing the project off. However, only a local authority has powers of enforcement and prosecution where breaches of the Regulations occur. An approved inspector should hand the project over to the local authority if there are problems with the project that cannot be resolved informally. There can be heavy penalties, including fines and imprisonment, for breaches of the Regulations, although in practice this rarely happens.

The Grenfell disaster and the Hackitt Inquiry

- 6 The building regulation regime was unchanged for many years until the Grenfell Tower Fire of 2017, in which 72 people died. Following this tragedy, an independent review into Building Regulations and fire safety was commissioned by the UK (United Kingdom) Government. Chaired by Dame Judith Hackitt, the review's report² was published in May 2018 and exposed long standing and serious issues³ with the building safety system, including:
- **Ignorance** – regulations and guidance were not always read by those who needed to, and when they did the guidance was misunderstood and misinterpreted.
 - **Indifference** – the primary motivation of the system was to do things as quickly and cheaply as possible rather than to deliver quality homes which are safe for people to live in. When concerns were raised by others involved in building work or by residents, they were often ignored. Some of those undertaking building work failed to prioritise safety, using the ambiguity of regulations and guidance to 'game' the system.
 - **Lack of clarity on roles and responsibilities** – there was ambiguity over where responsibility lay, exacerbated by a level of fragmentation within the industry, and precluding robust ownership of accountability.
 - **Inadequate regulatory oversight and enforcement tools** – the size or complexity of a project did not seem to inform the way in which it was overseen by the regulator. Where enforcement was necessary, it was often not pursued. Where it was pursued, the penalties were so small as to be an ineffective deterrent.

2 Judith Hackitt, [Building a Safer Future](#), May 2018

3 Sir John Egan, [Rethinking Construction: Report of the Construction Task Force](#), November 1998

- 7 The report recommended a new framework to replace the complex system that had grown over decades, along with a need to change culture from one that prioritises structural integrity and design to one which has equal emphasis on fire safety quality controls. Following the Hackitt Inquiry, both the Welsh and UK governments prioritised work on addressing the review findings culminating in the Building Safety Act 2022 (the 'Act')⁴. The Act represents the biggest shake-up of building safety regulation since 1984 in England and Wales.
- 8 This report looks at how the Welsh Government, local authorities and their key partners are implementing the requirements of the Building Safety Act 2022. The focus of our review has been on assessing the preparedness of bodies to take on their new and enhanced responsibilities, the resilience of existing services, and the robustness of building safety assurance systems. **Appendix 1** sets out our audit approach and methods.

4 Building Safety Act 2022.



Key Conclusions

- 9 Our overall conclusion is that responsible bodies – particularly local authorities and fire and rescue – are unable to effectively discharge their responsibilities and ensure buildings in Wales are safe.
- 10 In **Part 1** of the report, we consider the priorities set by the Welsh Government in respect of the Act and how well prepared local authorities are to deliver these. We found the Welsh Government prioritised responding to the Grenfell disaster, working with the UK Government. This resulted in the Building Safety Act 2022 which seeks to address longstanding problems in the regulation and oversight of building design and construction.
- 11 We found that the Welsh and UK governments are diverging in key policy areas, and some doubt remains on how the Act will be implemented in Wales, mainly because decisions in key areas are yet to be decided and agreed. This is creating uncertainty, with most local authorities who are responsible for delivering these changes and, by extension in terms of joint working, fire and rescue services, who are yet to develop comprehensive plans that set out how they intend to deliver their new and revised responsibilities.
- 12 In **Part 2** we consider the strength of local authority building control and enforcement services, the effectiveness of the fee-setting regime and how services are changing to strengthen resilience. We conclude that as a profession, building control and building safety face significant staffing challenges. An ageing workforce (see Key Facts below), poor succession planning, a wider lack of investment in services and training and development highlight that these services are neither resilient nor fit for the future.

- 13 We also have concerns with the financial management of building control, concluding that in some authorities current practices are potentially unlawful with services not operating in line with regulations and guidance. While the pandemic has helped local authorities modernise their services, utilising cloud-based IT (Information Technology) and remote working, their resilience nonetheless remains weak. Opportunities to strengthen services through collaboration and regionalisation are not being prioritised and little work has taken place in these areas.
- 14 Finally, in **Part 3** we examine building safety assurance arrangements. We found that the absence of a national framework for monitoring and evaluating building control and building safety means that local authorities and their partners are not working to agreed appropriate outcome measures, targets, or benchmarks. Coupled with limited scrutiny and evaluation of building control and building safety, and poor management of risk, we conclude that assurance systems are inadequate.



The Grenfell Tower fire was a national tragedy, the impact of which we continue to feel today. My report highlights major concerns with the implementation of the new system for Building Safety. Although it's heartening to see the passion and commitment from those working in the sector, I am concerned that not enough priority is being given to these services on the ground. The absence of robust plans, clear decision making, and adequate resources raises real fears that the new legislation will not be delivered and the problems it is seeking to address will remain.

Adrian Crompton

Auditor General for Wales

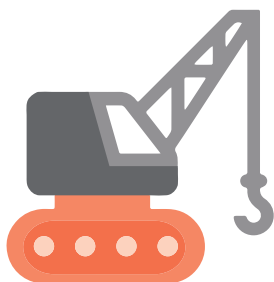


Key facts



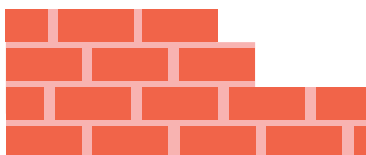
177 total number of staff in building control

Of the of the **133** FTE surveyors and managers, **54.4%** are over the age of 50 and only **10%** under 30



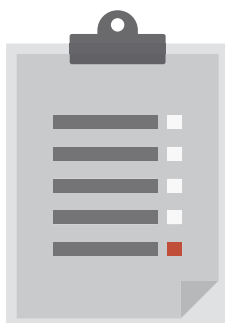
118 Average applications handled per surveyor/manager

11 total number of staff replaced in 2021-22



96% proportion of surveyors and managers that are white

21 total number of staff who left building control in 2021-22

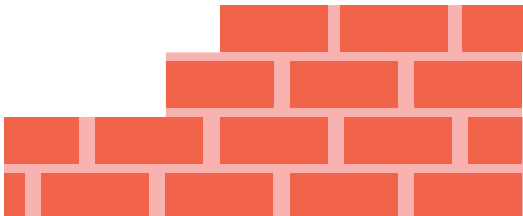
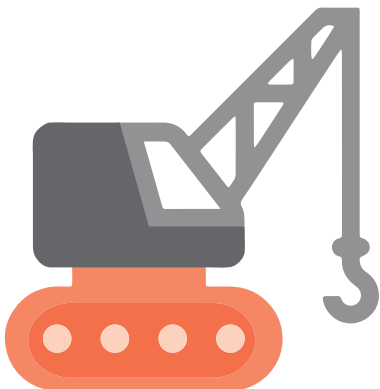
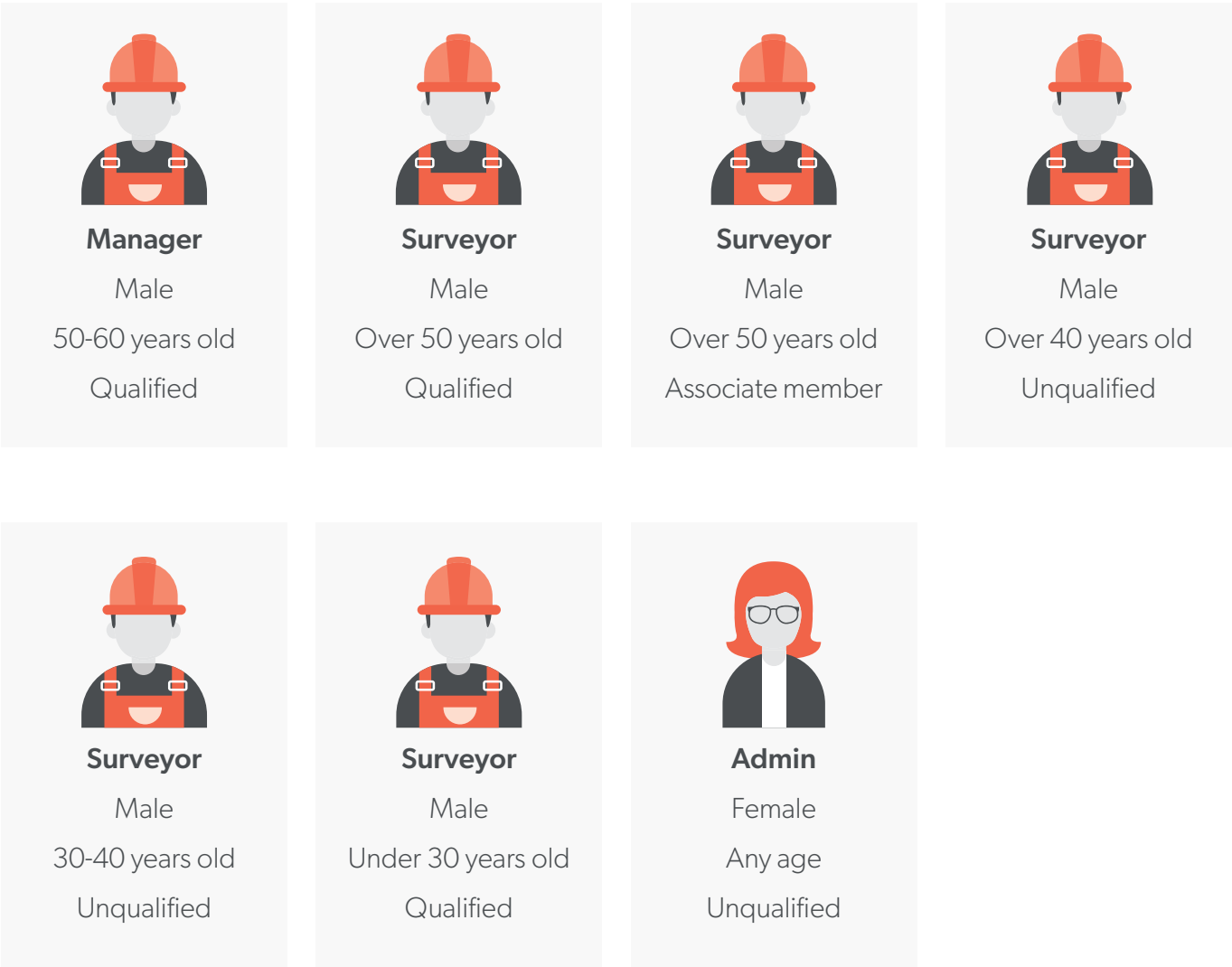


0 number of surveyors or managers who have a disability



100% proportion of admin staff that are white

The average local authority building control team is composed of:



Recommendations

- 15 Our recommendations are set out below. We expect the Welsh Government and individual local authorities to consider the findings of this review and our recommendations and to complete an organisational response form and publish this. We also expect each local authority governance and audit committee will receive the report and monitor their response to our recommendations in a timely way.

Exhibit 1: recommendations

Recommendations

- R1 The Welsh Government should provide greater clarity on the implementation and expectations of the Building Safety Act to ensure local authorities are able to deliver their new responsibilities and duties. This should include:
- clarifying the detailed requirements for competency and registration to enable local authorities to plan for these changes;
 - a specific timetable for development and adoption of Welsh guidance to ensure local authorities and others can deliver their duties; and
 - the Welsh Government should work with key stakeholders, such as LABC Cymru, to support understanding and implementation when guidance is issued.
- R2 The Welsh Government should ensure that it has sufficient resources to deliver the legislative and policy changes for Building Safety to reduce implementation risks.

Recommendations

- R3 The Welsh Government should review the mixed market approach to building control and conclude whether it continues to be appropriate and effective in keeping buildings in Wales safe. This should:
- assess the status quo against potential changes, such as the model of delivery in Scotland;
 - be framed around a SWOT analysis of costs, benefits, threats, and risks;
 - draw on existing research to identify good practice; and
 - be published and agree a way forward.
- R4 The Welsh Government should increase its oversight and management of the building control sector to ensure there is a robust assurance system in place for building control and safety by:
- creating a national performance framework with clear service standards to promote consistency of service. This should also include outcome measures to monitor performance and an evaluation and reporting framework for scrutiny.
 - developing a national building safety workforce plan to address the most significant risks facing the sector. This should include regular data collection and publication, as well as coverage of priorities, such as:
 - a greater focus on trainees to mitigate succession risks;
 - establishing aligned, national job roles matched to competency levels;
 - increasing the diversity of the sector to ensure it reflects modern Wales; and
 - specific funding to enable surveyors to obtain and maintain competence should also be considered.
 - the Welsh Government should explore with the further education sector how best to provide building control training in Wales to support succession planning, skills development, and competency.

Recommendations

- R5 Local authorities should develop local action plans that articulate a clear vision for building control to be able to plan effectively to implement the requirements of the Act. The Plans should:
- be based on an assessment of local risks and include mitigation actions;
 - set out how building control services will be resourced to deliver all their statutory responsibilities;
 - illustrate the key role of building control in ensuring safe buildings and be linked to well-being objectives and other corporate objectives; and
 - include outcome measures that are focused on all building control services, not just dangerous structures.
- R6 Local authorities should urgently review their financial management of building control and ensure they are fully complying with Regulations. This should include:
- establishing a timetable of regular fee reviews to ensure charges reflect the cost of services and comply with the Regulations;
 - annually reporting and publishing financial performance in line with the Regulations;
 - ensuring relevant staff are provided with training to ensure they apply the Regulations and interpret financial reporting correctly; and
 - revise fees to ensure services are charged for in accordance with the Regulations.
- R7 Local authorities should work with partners to make better use of limited resources by exploring the potential for collaboration and regionalisation to strengthen resilience through a cost benefit analysis of partnering with neighbouring authorities, establishing joint ventures and/or adopting a regional model where beneficial.

Recommendations

- R8 Local authorities should review risk management processes to ensure that risks are systematically identified, recorded, assessed, mitigated and subject to regular evaluation and scrutiny.



**Responsible bodies
are yet to develop
comprehensive plans
that set out how the
new and revised
responsibilities
introduced by the
Building Safety Act
will be addressed**

- 1.1 In this section of the report, we consider the Welsh Government's response to Grenfell and the changes introduced, and planned, in the Act. We identify how local authorities and their partners are preparing for these changes and provide an analysis of how well placed they are to deliver them.

The Welsh Government prioritised work on responding to the Grenfell disaster and elected to work with the UK Government on the Building Safety Act 2022

- 1.2 Following the Grenfell tragedy and the findings of Dame Judith Hackitt's inquiry, the Welsh Government established a Building Safety Expert Group. The view of the Expert Group was that while the flaws in the system are equally valid in Wales as they are in England, the context and therefore the solutions need to be different.
- 1.3 The scale of the high-rise landscape in Wales is not comparable to England where there are estimated to be over 11,000 high-rise buildings. At the time of the Expert Group work there were 147⁵ high-rise residential buildings in Wales with up to five additional high-rise buildings being built each year.
- 1.4 In March 2019, the Expert Group published a roadmap⁶ for making buildings in Wales safer, setting out both longer-term priorities but also shorter-term interventions that could be implemented immediately to ensure the failings of Grenfell were not replayed in the future. The Expert Group recommended:
- clarifying key roles and responsibilities;
 - ensuring the imbalance between building designers, contractors and regulators is tackled;
 - creating a single system with consistent standards by addressing the mixed economy of the two-tier system for building control with both public and private building control;
 - improving capacity and competence of building control officers;
 - creating an enforcement and sanctions regime which is delivering effective compliance and guaranteeing safety; and
 - raising standards with non-safe buildings being improved.

5 As of March 2023 there are 171 high-rise residential buildings.

6 Building Safety Expert Group, [A Road Map to safer buildings in Wales](#), March 2019.

- 1.5 In January 2021, following the work of the Expert Group, the Welsh Government published its 'Safer Buildings in Wales white paper'⁷. The White Paper proposed revisions to the building safety regime and the separation of roles between duty holders and residents. Following consultation, most respondents agreed with the proposed approach but wanted, as much as possible, the Welsh policy regime to be consistent with England. Consequently, the Welsh Government elected to proceed jointly on some aspects of the UK Government's planned legislation, to take advantage of economies of scale and ensure appropriate alignment across England and Wales.

There is uncertainty as to how key elements of the Building Safety Act 2022 are being implemented in Wales

- 1.6 The Act received Royal Assent on 28 April 2022 and focuses on the following key areas:
- the safety and standards of all buildings;
 - assuring the safety of higher-risk buildings, both in construction and occupation;
 - improving the competence of the people responsible for overseeing, managing, and delivering works to higher-risk buildings;
 - ensuring clearer standards and guidance; and
 - putting residents at the heart of a new system of building safety.
- 1.7 Alongside the Act, there have also been changes to fire safety law for buildings containing two or more sets of domestic premises in England and Wales. The Fire Safety Act 2021⁸ clarifies application of the Fire Safety Order on who is responsible for managing and reducing fire risks in different parts of multi-occupied residential buildings and the parts of the building it relates to – for instance, the external wall, and doors between domestic premises and common parts.

⁷ Welsh Government, Safer Buildings in Wales: A Consultation: A Building Safety White Paper, 12 January 2021

⁸ The Fire Safety Act 2021

- 1.8 Through these changes, the Welsh Government wants to ensure there is absolute clarity about who has responsibility for the safety of a building at each different point in the process. The Construction (Design and Management) Regulations 2015 already set out who the key people are during a construction or refurbishment project. The Client, Principal Designer, Principal Contractor, designers, and contractors are all identified as 'dutyholders.'
- 1.9 Additional duties have now been placed on dutyholders in relation to building safety. Looking forward, they will be required to cooperate and share information with relevant regulatory bodies and will be responsible for ensuring compliance with building regulations. They will also need to ensure that they, and the people they employ, are competent to do the work they are undertaking. They will also have to comply with the regulatory requirements imposed on them.

The Building Safety Act 2022 came into force in April 2023. All aspects of the Act apply to England, but only Part 3 (with some minor exceptions) applies to Wales. Subsidiary legislation and guidance on Part 3 are currently being introduced by the Welsh Government, with full implementation and compliance set for April 2025. In addition, the Welsh Government is also developing legislation that will deal with the areas covered in Part 4 of the Building Safety Act 2022. This includes introducing a new Regulator for Wales (yet to be decided) and equivalent duty holder roles such as the Accountable Person.



1.10 These reforms apply to every eligible building project, whether it is building an extension, a block of flats or a shopping centre. The Welsh Government will therefore require that higher-risk buildings⁹ within the scope of the different changes taking place to the various Building Safety Regimes will pass through stop points or 'Gateway points' before they can pass to the next stage of works. On its current timetable, the Welsh Government anticipates the new design and construction (building control) regime that covers Gateways will come into force in April 2025. The three Gateways are:



1.11 When passing through a Gateway point, those designing and constructing the building will have to evidence that the design and construction meet, and continue to meet, regulatory requirements and ensure that adequate safety measures and building information are in place so that they can be appropriately managed, maintained, and improved. They will also have to think about how building safety will be managed when the building is occupied. Consequently, the Act and subordinate legislation are aimed at creating a universal change in responsibility and culture within the building industry through the introduction of clearer standards and guidance and the establishment of a more effective regulatory and responsibility framework for the construction industry.

⁹ The definition of 'Higher-risk building' differs between England and Wales. In early 2023, the Welsh Government consulted on their proposed definition of 'a building that is at least 18 metres in height or has at least seven storeys where it also contains at least one residential unit or is a hospital or a care home'. The outcome of the consultation has not yet been published. In England, a building requires at least two residential units.

- 1.12 Importantly, the Act clarifies who has responsibility for fire and building safety throughout the life cycle of a higher-risk building and establishes two new roles to make this ambition a reality – in England this will be the Building Safety Regulator and the Accountable Person. In respect of the Building Safety Regulator, the UK Government has elected to appoint the Health and Safety Executive to deliver this function (see **Appendix 4** for further detail).
- 1.13 At present, the Welsh Government is planning to make the Building Control functions of the regulator for high-risk buildings a role for local authorities, but is yet to set out how this element of the new regime will work or what its expectations of local authority services are. The Welsh Government's decision to make local authorities the Building Safety Regulator for oversight of high-risk buildings is viewed with unease by some we have interviewed. Several approved inspector bodies (who work across England and Wales) and some fire and rescue service staff raised concerns that local authorities are not sufficiently resourced or suitably experienced to deliver this role. Instead, they would prefer to see Wales adopt the Building Safety Regulator system planned in England.
- 1.14 Overwhelmingly, local authorities and fire and rescue services are concerned about the late development and/or notification of policy decisions and options in implementing changes to the building safety regime introduced by the Act. For instance, every local authority officer interviewed raised concerns over the lack of detail on the process for registration of the Building Control profession, one of the most significant features of the Act, and something which will affect all Welsh local authorities, not just those with tall residential buildings.
- 1.15 Everyone working in building control, in both the private and public sector, will soon have to register if they want to continue to practise. In addition, all local authority building control surveyors will need to complete a regular formal assessment of their competence. Building surveyors and managers will need to be suitably qualified before they can practice, although there may be some transition time for this to take place. If training is required before they can undertake work, then this will take resources out of already stretched teams and backfilling may be needed to cover for this.
- 1.16 Taken together, these changes will have a significant impact on local authorities. However, at the time of our audit the new system had not been set out in draft nor consulted on. The Welsh Government plans to introduce the registration of all Building Inspectors and Building Control Approvers from October 2023. This is creating uncertainty and ambiguity and is reducing buy-in from those with building safety responsibilities, especially given the ever-decreasing window of opportunity.

- 1.17 Welsh Government officials we interviewed acknowledge that they have not been able to resource policy work as quickly as they would like, and this has not been helped by the recent retirement of two key members of staff who have been central to driving the changes in Wales. Consequently, many local authority officers noted a growing unease that progress in Scotland is well ahead of England and Wales, and England is now advancing more rapidly than Wales. This uncertainty is adding to their already challenging operating environment.

Most local authorities and fire and rescue services have a good understanding of local building safety risks but are yet to set out how they plan to deliver the requirements of the Act

- 1.18 The implications of the Act are wide ranging and local government needs to be well advanced in its preparation for delivering these enhanced responsibilities. Even though key policy choices are yet to be finalised in Wales, we would still expect to find those who manage building control and safety teams to understand the impact of the Act, especially the consistent Welsh Government messaging on the increased level of expertise that will now be needed to achieve and demonstrate competence and compliance.
- 1.19 Through our fieldwork we found that in general, both local authority and fire and rescue building safety staff have a good understanding of the number and locations of high-risk buildings. However, many admit that the level of detail and knowledge of design, construction and maintenance of these buildings varies and not all those we interviewed felt confident that they had an accurate and up to date picture. Despite this, we found that there is limited action taking place or planned in terms of updating and improving knowledge of the potential high-risk buildings within each area.
- 1.20 Many interviewees also flagged a lack of understanding on the potential implications of the Act both at a corporate level but also directly in key areas of operational activity, such as housing services. While most officers noted that there was an increased awareness in building safety immediately following the Grenfell disaster, the overwhelming majority noted that over time attention has since waned. Indeed, most noted that building control as an area of work rarely features as a corporate priority, and there is poor knowledge and understanding of the implications of the Act.

- 1.21 Very few local authorities have developed a specific plan to implement the changes being made to the building safety regime. In addition, no one we interviewed in local government could articulate a clear vision on what their service will need to achieve in terms of the Act and their enhanced responsibilities, nor a route map for its achievement. This reflects the low corporate priority given to building control. This is something that was echoed in our interviews with fire and rescue service staff, several of whom raised concerns with both the Welsh Government's and local government's prioritisation of building control services.
- 1.22 For example, building control is not a standalone service in 21 of the 22 local authorities and is most usually located in planning services and overseen by the lead officer for planning. There are also no member champions for building control. This means that the service often lacks agency, profile, and recognition. This contributes to building control officers feeling powerless, with most left to get on with it and manage as best they can, focusing on addressing day-to-day issues, rather than being able to invest time in planning for the medium to long term.
- 1.23 Overall, managers are focussed on maintaining service delivery and are not preparing or planning for the Act's reform of services. This is partly a result of the significant uncertainties that remain about how the Act will be implemented in Wales. The result is that local authority building control services have little influence and no prioritisation and are working in a very uncertain environment.



Resourcing issues make it unlikely that local authorities can successfully implement the new building safety regime or that services are fit for purpose

- 2.1 In **Part 2** of the report, we set out how building control services are currently provided, primarily looking at the operating environment for local authorities but also considering the role of approved inspectors. We summarise the staffing and resource challenges facing the profession and how well positioned services are to overcome these.

Building control as a profession faces significant staffing challenges

- 2.2 To effectively implement the Act requires local authorities and others to have staff who are competent, appropriately qualified, and adequately supported to maintain and update their skills and knowledge. In addition, it is also important that staff have opportunities to develop their experience, particularly in more complex buildings and changing construction standards, to be able to provide efficient and effective services.

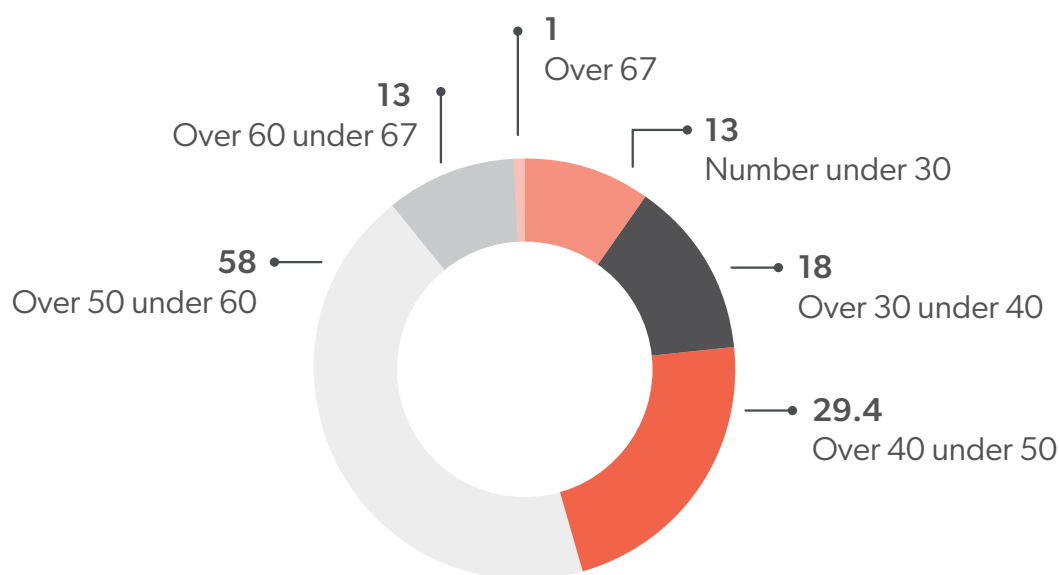
Building control is no longer seen as a good career choice and the challenging demographics are severely impacting the short and long-term resilience of services

- 2.3 Historically, building control was seen as a positive career role. Many managers we interviewed noted that they had joined their local authority as a trainee and had benefitted from opportunities to progress their knowledge and responsibilities over time and had been supported to develop their careers within the organisation. However, in recent years this has changed. The impact of austerity has suppressed wages and reduced staff numbers to the extent that local authority building control roles are no longer seen as financially attractive and with less opportunity for career progression than in the past.
- 2.4 This is borne out by the ongoing recruitment challenge facing local authorities who struggle to fill vacant posts, even where market supplements are offered. For instance, at the end of March 2022, there were 18.5 Full-time Equivalent (FTE) vacant roles across Wales, including 14 building surveyors. Despite the detrimental impact on service delivery, only 2.2 FTE agency staff were appointed to bolster services and despite the increase in building control applications made during the pandemic and 2021-22.

- 2.5 Our survey of local authority building control services found that at the end of March 2022, there were 133 FTE building surveyors and managers and 44 admin staff working in these services. This translates to a surveyor or manager for every 23,361 residents in Wales. In comparison, the most recent published data in Scotland reported 498 building surveyors and managers and 134 admin staff¹⁰, which equates to one surveyor or manager for every 10,633 residents.
- 2.6 In addition to the ongoing recruitment and retention challenge, the age profile of local authority building surveyors is also concerning. **Exhibit 1** shows that of the 133 FTE surveyors and managers, 54.4% are over the age of 50 and only 10% under 30. This highlights operational and service continuity risks for local authorities which are likely to see a major loss of experience and knowledge when people retire in the next decade.

Exhibit 1: building control managers and surveyors by age March 2022

The ageing building control workforce represents a major risk for the implementation and delivery of the new building safety regime.



Source: Audit Wales survey

¹⁰ Data for 2021-22 not yet available. No comparative data for England exists. Scottish Government, [Building Standards Workforce Data Collection Analysis Report 2021](#), June 2022

- 2.7 In particular, the loss of experience in the manager cohort is a significant risk. Of all managers, 10 (46%) have worked in local authority building control services for over 30 years, while 15 are over the age of 50. There is a widespread expectation that significant numbers of managers and surveyors will retire due to the uncertainty surrounding the registration and competency requirements (see above **paragraphs 1.15 – 1.17**). This will lead to a further reduction in capacity, and a loss of experience and leadership during a critical time of change when expectations and demands on services are increasing.
- 2.8 At the other end of the career cycle, very few trainees are being recruited to bolster services and address looming resource and experience gaps. Just seven trainees were in place in 2022, with only four in permanent roles following the completion of their studies¹¹. Managers cited a lack of corporate support to take on trainees and the risk of losing newly qualified staff to approved inspectors as key barriers. This makes succession planning extremely challenging for all local authorities. More widely, the lack of fire engineers, a shortage of surveyors and assessors with sufficient knowledge of both high-rise structural safety and cladding systems, continue to be a concern.
- 2.9 The Local Government Association¹² in England has reported similar recruitment and retainment issues, noting that 43% of authorities struggle to recruit building control officers. Likewise in Scotland, similar demographic and succession issues were also identified but the earlier implementation of key changes has resulted in a more directive approach from the Scottish Government.
- 2.10 The Scottish Government developed a national workforce strategy¹³ and had a vision to establish a sustainable, skilled workforce that makes building control 'a profession for everyone'. To support this ambition in Scotland, a Professional Competency Framework was introduced in May 2021. The framework helps to ensure that building verifiers at each level can demonstrate being suitably competent and is embedded through the Competency Assessment System¹⁴. This drives improvement based on current skills and is supported by other developments in the sector, such as a local authority hub (see **Appendix 4** for further information).

11 Training for apprentices and new entrants is mainly provided under the National LABC programmes hosted by the University of Wolverhampton. The [Building Control Surveying Degree Apprenticeship](#) can train surveyors to different levels of competency related to their role. As a surveyor progresses through the levels, they can assess more complex buildings and obtain higher-level roles.

12 Local Government Association, [Local Government Workforce Survey 2022](#), May 2022

13 Scottish Government, [Building standards verification service: workforce strategy](#), October 2020

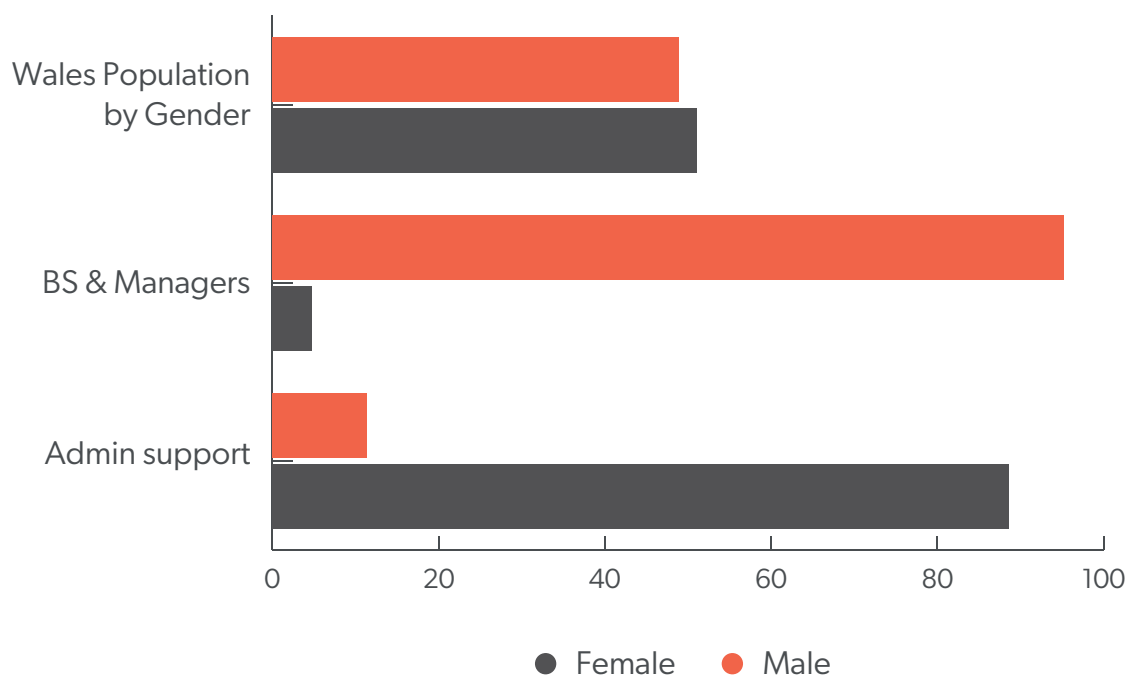
14 Scottish Government, [Building standards - verifiers: professional competency framework](#), May 2021

2.11 Scottish Government officials believe that the loss of experienced staff – 48 people (primarily building surveyors and managers) resigned from Scottish local authority building control services in 2021, following the quicker implementation of the new regulatory regime – is now being addressed. Through its workforce strategy and competency framework, local authorities are prioritising the upskilling of people and recruiting more apprentices. At this time, there are no mitigatory actions akin to the Scottish Government's work planned in Wales.

2.12 The building control workforce also lacks diversity and is not representative of modern Wales. Our survey found that 100% of administrative staff and 96% of building surveyors and managers classify themselves as ethnically white Welsh or white British, and only 5% of administrative staff and no building surveyors or managers self-identify as having a disability. In addition, the roles within the workforce are clearly split along gender lines – **Exhibit 2**.

Exhibit 2: the gender of building surveyors, managers, and administrative staff in Welsh local authorities in March 2022

Professional building surveyor and manager roles are overwhelmingly occupied by men and lower-paid administrative roles by women.



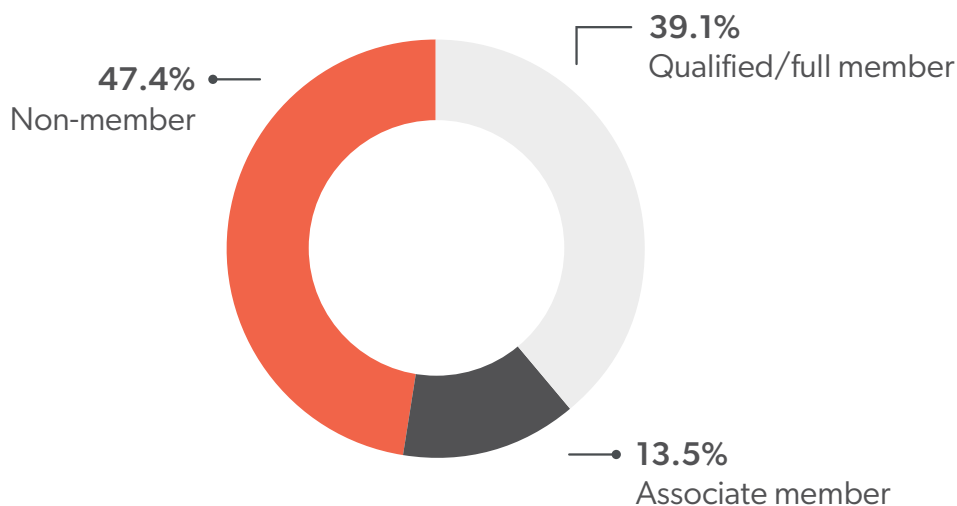
Source: Audit Wales survey and ONS (Office for National Statistics), [Population and household estimates, Wales: Census 2021](#)

Access to training is limited and staff are not being supported to enhance and maintain their skills and knowledge

2.13 To meet the registration requirements of the new building safety regime and ensure staff are competent to practise requires local authorities and their partners to invest in sufficient and timely training. Carefully planned and recorded continuing professional development and technical training are essential to keep abreast of modern technology and changing legislative requirements and their practical application. Importantly, professional accreditation such as membership of the Chartered Institute of Building, the Chartered Association of Building Engineers and Royal Institute of Chartered Surveyors is recognised as crucial to demonstrate competence. **Exhibit 3** shows that in March 2022 less than half of building surveyors and managers in Wales were full qualified members of a recognised and appropriate professional body.

Exhibit 3: the proportion of building surveyors and managers who are members of professional bodies and their grade at the end of March 2022

Less than 40% of building surveyors and managers are qualified and full members of professional bodies.



Source: Audit Wales survey

- 2.14 Additionally, some staff noted a growing problem of local authorities no longer paying for professional subscription fees because of pressures on finances. However, the need to demonstrate competence to meet the new registration standards is likely to place additional demands on local authority budgets to increase resources in professional training and qualifications to ensure they can deliver their statutory responsibilities. Most of the local authority officers we interviewed noted that this is not being factored into future budget setting.
- 2.15 The average number of training days taken by local authority staff in 2021-22 was five days for managers, six days for building surveyors and two days for administrative staff. Building Control officers we interviewed were clear that opportunities to train were, however, continuing to be limited by ongoing budget pressures and are often not actively promoted to avoid frontline staff being taken out of service delivery, even for short periods of time.
- 2.16 The building control fee setting guidance allows local authorities to increase their charges to pay for training and development to ensure they maintain a competent and skilled workforce. However, despite building control officers highlighting the importance of accruing money to fund training for staff, they noted that surpluses are often taken to fund other corporate priorities.
- 2.17 In March 2023, the UK Government provided a £16.5 million grant to the LABC to fund 110 new building control trainees for England to support the implementation of the Building Safety Act. No such funding has been provided by the Welsh Government. Despite a lack of investment, the LABC in England continues to make available training opportunities for Welsh local authority staff.
- 2.18 The resilience issues affecting Welsh local authority building control services are being felt in other parts of the industry. We found that the retention and recruitment issues facing local authorities are similarly being experienced by Welsh fire and rescue service. The lack of competitive reward packages and an ageing workforce with increasing numbers likely to take retirement in the short term is a growing challenge. Similarly, there are ongoing problems with the availability of qualified fire engineers and competition with the private sector, which offers better terms, conditions, and salaries, continues to encourage experienced fire and rescue service staff to leave.

2.19 Historically, where Welsh local authority staff have left, it has been most usually to join approved inspectors who offer more attractive salaries, terms of conditions of service, such as bonuses and company cars; have less responsibility for dangerous structures and enforcement cases; and are not dealing with the ongoing pressures created by austerity. However, in recent years the flow of staff from local authorities to approved inspectors has reduced and private sector building inspection services are also beginning to struggle to recruit sufficiently qualified and experienced staff. Representatives of several approved inspector bodies we interviewed noted that they have now begun to focus on growing their future workforce through trainee programmes due to a lack of available qualified staff in both England and Wales.

The pandemic has helped local authorities modernise their services, but enforcement remains a problem

2.20 Despite the resourcing pressures faced by local authority building control teams, most continue to deliver their work effectively. This continued throughout the pandemic, which helped to accelerate efficiency improvements with the switch to home based working and digitisation of services.

2.21 At the time of the pandemic most building control surveyors used to travel to sites, meeting people face to face and making decisions on the ground, but with COVID-19 most of these processes could not be continued. Instead, building control services focused on finding solutions to their traditional ways of working by updating and changing services. Whilst some authorities were fully digital, for others the pandemic created an opportunity to improve their use of technology and switch to cloud-based services to both optimise efficiency and performance, but also bring working practices into line with the private sector. Several interviewees noted that without the pandemic, these developments would not have happened as quickly, if at all.

2.22 Enforcement is an important part of ensuring that buildings are safe and compliant. Activity can range from persuasion and dialogue to encourage change, to more hard-edged measures such as prosecution or the refusing to issue a completion notice. Through our fieldwork we found that enforcement remains problematic, mainly because local authority building control has two potentially conflicting functions.

- 2.23 Firstly, they are the local regulator of all building work in their area ensuring issues raised in the design and construction of buildings that do not meet the required standard are addressed. However, they are also secondly in competition with approved inspectors for work and need to generate sufficient income to pay for all their services. This is an inherent weakness of the mixed market system introduced in the 1980s and reflects the conflicting role of local authorities which have both a responsibility for policing building control but are also in competition with approved inspectors to secure work.
- 2.24 Given approved inspectors are required to refer individual cases of non-compliance with building regulations to local authorities to take enforcement action, similar disincentives are also in play. As with local authorities, maintaining relationships is an important consideration in maximising income and can discourage approved inspectors from wanting to take enforcement action.
- 2.25 Capacity, resources and capability are also significant barriers that can limit enforcement action. Officers cited the demands and cost of taking developers, property owners or managers to court as a barrier to local authorities in the current financial climate. Several approved inspectors echoed these views, expressing scepticism that local authorities have the resources or capacity to effectively enforce standards and take quick and decisive action.
- 2.26 Overall, we found that the relationship between local authorities and approved inspectors, which is critical to ensuring buildings are safe, is at best limited and at worse epitomised by a lack of trust and scepticism about the actions of each other. Indeed, several fire and rescue service officers we interviewed raised concerns over the robustness of building enforcement regulation more generally, both within local authorities but also in respect of approved inspectors.

Some financial management practices in relation to building control appear to be unlawful

- 2.27 The Building (Local Authority Charges) Regulations 2010 (the 'Regulations') set the legal framework for the financial governance of local authority building control. The Regulations are intended to enable local authorities to be fair and transparent in how fees for services are charged.
- 2.28 The key principle of the Regulations is that authorities should recover their full costs and service users should only pay for the service they receive. Consequently, the Regulations split activities into chargeable, non-chargeable work and other building control services. Chargeable activity must be funded by fees, non-chargeable and other building control services are to be funded by the local authority general fund. **Exhibit 4** provides examples of activities.

Exhibit 4: examples of chargeable, non-chargeable, and other building control activities

Chargeable activity	Non-chargeable activity	Other building control services
Approving or rejecting plans	Liaison with other authorities, eg Fire and Rescue Services	Dangerous buildings
Site inspections	Enforcement on behalf of Approved Inspectors	Demolitions
Consideration of work referred from AIs (Approved Inspectors)	Identifying unauthorised building work	Advice to other departments
Consideration of a regularisation certificate	Functions to support disabled people	Administration of safety at sports grounds
More than 30 minutes of pre-application advice	First 30 minutes of pre-application advice	Street naming or numbering

Source: CIPFA (Chartered Institute of Public Finance and Accountancy), Local authority building control accounting, 2010

- 2.29 To aid local authorities in setting and properly accounting for their fees and charges, the Chartered Institute of Public Finance and Accountancy (CIPFA) developed detailed guidance¹⁵. Taken together, the Regulations and CIPFA guidance require local authorities to:
- set and publish standard fees and means of calculating bespoke fees;
 - set hourly rate fees for both officers and specific, set factors;
 - monitor the breakeven position of the service with the aim to break even over a 'reasonable period;'
 - revise fees to prevent surpluses or deficits;
 - publish an annual financial statement for building control; and
 - consider establishing an earmarked reserve in the event of a surplus or deficit.
- 2.30 Additionally, the CIPFA guidance refers to proposals for regular monitoring from 2010 by 'the Department/National Assembly' to assess the impact of the Regulations overall and particularly to see whether local authorities were meeting the breakeven principle. Given that the building control functions under the Regulations exercisable by the National Assembly were transferred to Welsh Ministers by the Government of Wales Act 2006¹⁶, and the reference to 'the Department' appears to be a reference to the then UK Department of Communities and Local Government, it would seem that the reference to 'National Assembly' is erroneous and should have been a reference to the Welsh Government. [We understand, however, that neither the National Assembly (now the Senedd) nor the Welsh Government have undertaken such monitoring.]

Fee-setting approaches vary significantly and many are not compliant with Regulations

- 2.31 Local authorities are required to review their fees each year to ensure that the income from chargeable activity is as close to the costs incurred in delivering services as possible. This makes ongoing monitoring of the breakeven position and regular recalculation of fees critical. It would be contrary to the Regulations for fees to be deliberately set above the estimated costs to be incurred (taking account of any estimated prior surplus or deficit) or knowingly allowed to fall below what it costs to deliver services.

15 CIPFA, [Local authority building control accounting](#), 2010

16 Government for Wales Act 2006, Schedule 11, paragraph 30

- 2.32 Factors that should be considered when setting fees are specified in the regulations. Apart from the principle of breaking even and staff costs, the factors include use of the building, floor size, and cost. However, other potential considerations such as the competitiveness of fees and comparing with others are not specified in the Regulations. Such other considerations therefore appear not to be relevant considerations that may be considered. The CIPFA guidance sets out the process for calculating the fees and provides examples on how to do this.
- 2.33 We found that the process for deciding fees by local authorities varies, often significantly, from the guidance and Regulations. Of the 12 authorities that responded to our data collection exercise and provided information describing their fee-setting process, nine were not compliant. Most usually because they applied fixed inflationary uplifts; copied neighbouring authority fee revisions; used average national schedules of rates to set their own charges; and/or did not show how they had factored in specific local circumstances that underpin charging such as their staffing structure, central recharges and local operating context.
- 2.34 At the time of our fieldwork, several authorities noted that they were not reviewing fees annually and a smaller number admitted that they had not adjusted fees to reflect the actual cost of services for many years. In one case, fees had not changed since 2012. In addition, despite the requirement to base fees on hourly rates, two authorities were unable to provide this information. We have concluded that many local authorities' building control services are not charging and setting fees in line with the Regulations and CIPFA guidance. We also note that the published fee scales show significant variations for individual activities – **Exhibit 5**.

Exhibit 5: example of fee differentials for Welsh local authority Building Control services 2022-23

Fee type	Lowest fee	Highest fee	Differential	Median
Single dwelling plan fee	£117	£288	145.6%	£210
Single dwelling inspection fee	£274	£510	86.4%	£414
Single dwelling notice fee	£391	£915	134.1%	£671
Composite single dwelling fee	£495	£1,830	269.7%	£1,155

Source: Audit Wales analysis of published fee scales

2.35 Awareness of this issue was mixed among officers. Some are unaware of the financial performance of their service primarily because management of finances sits outside the service with non-building control specialists. Others were aware of the requirements of the regulations but described pressure on budgets which encouraged raising fees or a lack of knowledge of the requirements of the regulations corporately. This is extremely concerning and poses significant risks to achieving value for money from the service.

Financial management of surpluses and deficits is unclear and potentially unlawful

2.36 Our survey of local authority officers found that of the 15 who provided a response, only five reported that their chargeable income is safeguarded (ie earmarked for application to building control services), one that only some is protected and nine reported that no income is safeguarded.

2.37 Where surpluses occur, authorities are encouraged, but not required, to create an earmarked reserve. Our review found that only four local authorities disclosed earmarked reserves for building control, although others may have deemed the sums involved financially immaterial and have not reported them. Regarding the financial performance of services, we found that 11 authorities were making a deficit at the end of 2021-22 and seven a surplus. Four were unable to provide this information.

2.38 The principles of the 2010 Regulations require that building control income, including surpluses, is to be used to provide building control activities. The CIPFA guidance notes that when calculating the total costs of the building control function, authorities are allowed to include training as an indirect employee cost when calculating fees. In addition, where surpluses are generated, these can be used to invest in service quality or to address regulatory changes.

2.39 We found that most building control officers were not uplifting fees to reflect the need to fund training and development for their staff due to wider corporate budget pressures. Indeed, some officers we interviewed anecdotally noted that building control fees were used to create surpluses to pay for other council services, although we saw no evidence of this in practice.

2.40 Overall, we have concluded that the implementation of the Regulations and the setting of building control charges more generally by local authorities fall short of legal and practical requirements. Our analysis highlights that most fees are not being set correctly and, where surpluses and deficits occur, these are not actively managed nor used for the purpose intended. This is particularly worrying because the Regulations were introduced to support good financial management and governance in building control services and correct implementation would help address some of the workforce, recruitment and training issues identified above.

In almost all cases, financial reporting does not meet regulatory requirements and this hinders scrutiny of Building Control fee setting, income, and expenditure

2.41 To demonstrate their financial governance of building control income and expenditure, the Regulations require local authorities to publish annual financial statements for these services. The Regulations require that, as a minimum, these Statements disclose the chargeable costs and income, any surplus or deficit, be published within six months of the financial year-end and signed off by the Section 151 officer. The CIPFA guidance includes a template that mirrors these requirements and a completed example to help local authorities demonstrate their compliance. As publishing a financial statement is a requirement of the regulations, failing to do so is unlawful.

2.42 From our review of local authority websites and financial statements, we found that only four have publicly available statements and only two of these met the reporting deadline. As noted at above, CIPFA guidance refers to proposals for scrutiny of whether authorities are meeting the breakeven principle. Welsh Government officials have, however, confirmed to us that this monitoring has not taken place in recent years and there remains a lack of oversight of building control financial performance and fee setting at both a national and local level.

Progress on collaboration and regionalisation has been slow

- 2.43 Overall, local authority building control has not significantly changed despite the pressure on resources, capacity, and skills. Some authorities have made some innovations, such as Monmouthshire which has partnered with an estate agent to find new clients. Most authorities also operate the Partnership Authority scheme. This allows professionals, such as architects, to use the local authority of their choice to approve plans and the local authority where the site is located to undertake on the on-site inspections. For example, a supermarket chain may be based in England and can elect to use their local LABC team to approve plans but then use a Welsh authority to inspect a new store in Wales.
- 2.44 While the work of LABC Cymru – the pan-Wales officer network – is seen as positive, offering support, learning and the opportunity to share information, this has not translated into more formal change to help improve efficiency and strengthen resilience. The group has proven successful at keeping teams informed and supported, and there are several positive one-off instances of 'collaboration in crises'. For example, neighbouring authorities helping to deliver inspections and plan approval activities in Blaenau Gwent to help address short-term resource pressures in that authority. While we acknowledge that these are positive steps in the right direction, they fall short of addressing the significant challenges facing the sector, and greater, more fundamental change is needed.
- 2.45 There are opportunities to improve efficiency and effectiveness of services through greater collaboration and regionalisation of services. This can help local authorities to compete more effectively, meet the challenge of the new building safety regime and provide solutions to address the sector's many serious resourcing issues. For example:
- pooling staff to ease capacity issues and to mitigate the retirement risks inherent in the sector's demographics;
 - increasing spending power and opportunities to make savings through the joint commissioning and procurement of goods, services, and establishment of uniform charges for activities that cost the same (for example, external training);
 - enabling staff to develop specialisms, such as fire safety, to better manage high-risk buildings; and
 - strengthening capacity in back-office functions.

- 2.46 Despite stakeholders across the building control and safety sectors recognising and articulating the benefits of collaboration and regionalisation, we found little progress has been made to drive this forward. While many building control staff we interviewed can identify the potential benefits of collaborating with other building control teams, this has not led to more formal partnerships such as joint investigation teams. We acknowledge that the demands currently being placed on building control managers as individuals, and their reduced capacity to prioritise these activities, is clearly limiting opportunities to drive change. But given the challenges facing building control services, change is needed to prevent an escalation of the issues already present in the sector.
- 2.47 In Scotland, by comparison, the Local Authority Building Standards Scotland (LABSS) have established a hub model for the 32 local authorities to collaborate and implement improvement recommendations (see **Appendix 4**). The Hub acts as a central collaborator to move the sector in the same direction in the response to improvement recommendations. This has the potential to set a consistent service and standard across Scotland, supported by Scottish Government operational and performance frameworks. It is also helping authorities experiencing a staffing issue to broker support from another.
- 2.48 In response to the similar challenges that they face, Fire and Rescue Services are changing how they provide services. For instance, South Wales Fire and Rescue Service has moved from a dedicated specialist team to a larger team of Business Fire Safety officers. This is allowing the service to better manage the impact of staff turnover and create a more resilient workforce, by widening out the pool of staff who are gaining experience in building fire safety design and construction. Similarly, North Wales Fire and Rescue Service has switched from a service of uniformed fire officers delivering fire safety work to a service which increasingly draws on corporate staff to bolster performance. This is helping to improve efficiency and increase capacity.



**There is little evaluation
of building control
services across Wales
and no national
comprehensive
system of building
safety assurance**

- 3.1 In this final Part of the report, we set out how management and evaluation of building control and building safety performance work and how risks are identified and mitigated.

There is limited understanding of how well services are performing

- 3.2 Performance management and reporting are an essential element of good governance. Having a good range of key data allows you to understand the services you manage and helps underpin evidence-based decisions by providing insight and knowledge. The right data is also a precursor to feed-forward plans and helps organisations to learn from the past to inform the future.

The lack of a national performance management framework for building control and building safety makes it difficult to evaluate the performance of services

- 3.3 At the time of our work there is no agreed national performance reporting framework for building control and building safety services in Wales. In the absence of a robust suite of national measures to manage and evaluate the performance of services, most local authorities focus on reporting against a narrow group of measures. We found that the key indicators most used relate to:
- timeliness measures such as the length of time taken to acknowledge and check applications, whether a site application is carried out on the agreed date, recording the site application notes within two days of an inspection and the number of completion certificates issued within a given period;
 - monitoring levels of customer satisfaction with the response of the service; and
 - market share – the proportion of the building control market a local authority covers.
- 3.4 While each of these are important and relevant, they do not provide sufficient detail to understand or judge the effectiveness of building control services. Whilst timeliness is a key factor in administering an efficient building control system, the measure places importance on dealing with large volumes of applications in the shortest time possible, without any consideration of the quality of the work carried out and does not provide any assurance that the work was carried out safely, risks were reduced and that the overall safety of a building's occupants was improved.

3.5 Because of these weaknesses, local authorities are unable to demonstrate that building control work is reducing risk and improving the built and natural environment and the quality of life in the area. For instance, we found that:

- no data is collected on the work of approved inspectors and fire and rescue services, and benchmarking to compare performance is not routinely undertaken. Consequently, performance reporting remains fragmented and does not provide adequate assurance – a major risk flagged in the Hackitt Report.
- public reporting – notifying key stakeholders on the effectiveness of services and the service 'offer' – is similarly limited. This does not help to provide a comprehensive oversight of all building control and safety activity in an area, or nationally.
- although there are some measures relating to risk, these are limited to buildings that have been recorded as dangerous structures. Risk, especially service resilience risk, is not something that is built into the performance framework as a central consideration of effectiveness.
- little attention is given to actively managing financial performance and reporting against the requirements of the finance regulations, fee setting, comparison of costs, recharges, and deficits.

3.6 In addition, building control teams told us reporting was mainly responsive where concerns were raised rather than a routine part of their role. Where performance measures are recorded and monitored, this is often done on a team's own initiative, for their own purposes, and can be a lengthy manual process, due to poor integration between IT platforms. Where IT tools for automatic reporting do exist, we heard of examples where the system was underutilised or used inconsistently, due to weak processes or operating difficulties. In several cases, analysis is compiled on spreadsheets held locally by individuals, posing a risk to resilience and continuity when staff are absent.

3.7 The Scottish Government have a national framework to monitor and analyse performance. Measures were introduced in 2012 embedding learning from research that analysed previous performance reviews. Building safety is a ministerial responsibility in Scotland and providers are 'appointed' as verifiers (see **Appendix 4**). Although local authorities are typically selected, the appointment and reappointment process is driving consistency and standards, and provides a robust framework to assess performance.

Some local authorities work to the ISO 9001 quality management standard, but this does not provide sufficient assurance that services are working effectively

3.8 Several local authorities have accredited themselves with ISO 9001, the international standard for Quality Management. The standard uses seven quality management principles focussed on:

- customer focus;
- leadership;
- engagement of people;
- process approach;
- improvement;
- evidence-based decision making; and
- relationship management.

3.9 The measures aim to promote understanding and provide consistency, adding value, effective performance, and improvement of processes. The standard also encourages organisations to adopt a risk-based approach, ensuring that preventative measures are taken before risks arise. Once an organisation receives accreditation, they are required to evaluate their compliance with the standard annually.

3.10 While authorities have found ISO 9001 helpful for raising standards and levels of consistency, we found that some authorities have chosen to opt out of the standard due to cost and the challenge of ongoing evaluation to demonstrate compliance. It is also questionable how useful the standard is in judging the effectiveness, efficiency and robustness of services given the many challenges facing building control we have reported on.

Scrutiny and evaluation of building control and building safety are limited

3.11 Effective scrutiny is an essential element of good governance and helps provide assurance that things are working well or need to improve. Without a robust performance management system, scrutiny can only be as effective as the information and measures that are regularly scrutinised. We found that many local authorities' building control services do not formally report to a scrutiny committee on a regular basis to demonstrate the work, impact and risks facing the service.

- 3.12 For instance, we found that scrutiny is inconsistent across Wales, with many teams only being required to report their performance twice yearly and against a very narrow set of measures and information. In several authorities, there is no formal scrutiny of services. Several local authority officers we interviewed noted that from their experience, after the initial heightened interest in building control and building safety arising from the Grenfell disaster, member and senior officer contact is mostly limited and focussed on single issues of concern – a dangerous structure or a constituent's building control application. Several noted that member knowledge and understanding of building control are low and the risks and issues facing services mostly unknown.
- 3.13 In contrast, Scottish local authorities are required to annually report their performance against a series of key performance outcomes. These outcomes are then assessed alongside customer feedback and plans are developed to help drive improvement. Staff are encouraged to link these with improvement actions which can be used to monitor progress and identify key lines of enquiry for those charged with scrutiny. The assessment output is designed to be accessible to various levels of stakeholder, identifying strategic trends to government, promoting improvement operationally to verifiers, whilst also providing a transparent assessment for public consumption.

Risk management processes are inadequate

- 3.14 There is a mixed approach to assessing risk, with some teams having their own risk registers, some feeding into corporate registers, whilst some do not formally record risks or track how they are mitigating them. Indeed, several officers we interviewed noted that known risks are often noted informally within teams and these are considered in isolation from other corporate wide risks.
- 3.15 This siloed approach poses a threat to resilience as the system relies too much on a small number of individuals who hold substantial amounts of knowledge without formally being recorded, shared with colleagues for information, or escalated for action. Only a small minority of local authorities we spoke with could describe the formal procedure of escalating risks, with many acknowledging such protocols do not exist. Without proper identification and recording of emerging risks, authorities are unable to make longer-term plans and prepare for future scenarios.

- 3.16 As contextual information is not routinely integrated with other service areas, it is not clear that sufficient understanding is present amongst accountable officers at each level of escalation. Where risks are raised, they will rarely meet the threshold required to be considered a corporate risk. Poor audit trails mean risks are not proactively mitigated, in an environment where capacity to provide this mitigation is often limited.
- 3.17 With teams often left to operate in isolation, raising corporate and other significant risks is likely to be more challenging than for higher profile services which figure more prominently and are fully integrated into the corporate reporting structure. Consequently, local authorities at their highest level may not be sighted of the many risks facing building control – poor succession planning, an ageing workforce, lack of diversity, insufficient skill mix, along with the implications of the new Building Safety Act.



Appendices

- 1 Audit Approach and Methods
- 2 Building Regulations Approved Documents
- 3 The Building Safety Regulator and Accountable Person
- 4 Scottish approach

1 Audit Approach and Methods

Approach

For this work our approach has been to understand how well the Welsh Government, local authorities and their partners are strengthening and improving building control and building safety services following the Building Safety Act 2022. We have looked at the robustness of needs information, strategies, plans and policies; assessed the resilience of existing services and plans to strengthen these; and considered the robustness of assurance systems.

We examined all 22 principal local authorities in Wales at a high level, managing delivery to be mindful of the pressures local authority officers are under during post-pandemic recovery and the cost-of-living crisis. We ensured coverage was sufficient to draw a view on the whole sector but not to significantly detract from officers' service delivery responsibilities. Our approach was flexible to fit around officers when agreeing and delivering our fieldwork.

Methods

We completed our review between January 2023 and August 2023 and used a range of methods in delivering our work:

- **document review:** we reviewed documentation from the Welsh Government, local authorities, Fire and Rescue Services and other relevant organisations. This included, relevant committee minutes, corporate strategies, business plans and policy documentation. We also reviewed information published by the UK Government and the Scottish Government.
- **interviews** – we undertook a range of different interviews:
 - **officer interviews** – we interviewed Building Safety lead officers in all 22 Welsh principal local authorities and all three Fire and Rescue Authorities. These interviews took place between January and April 2023.
 - **national interviews** – we interviewed representatives of the Welsh Government, the Scottish Government, private sector approved building inspectors, think tanks, academic institutions, and research bodies. These took place between March and April 2023.
- **focus groups** – in line with our approach, some local authorities felt it was more appropriate for us to speak to a range of officers in focus groups to reduce our impact on service delivery.
- **data collection** – we undertook a data collection exercise with local authority officers. This ran from January to April 2023, and we received responses from all local authorities. Some local authorities were unable to provide the information we requested, and we note this in the body of the report where relevant.
- **survey** – working with Community Housing Cymru we surveyed all housing associations in Wales but only received two responses. Consequently, we have not used this information in drawing together our findings.
- **websites** – local authority and external resources, eg CICAIR (Construction Industry Council Approved Inspectors Register), LABC, etc.

2 Building Regulations Approved Documents

The approved documents address the following matters and were last updated on the date listed:

- Part A – Structural safety – last updated April 2017
- Part B – Fire Safety – last updated December 2021
- Part C – Resistance to contamination and moisture – last updated April 2017
- Part D – Toxic substances – last updated April 2017
- Part E – Resistance to passage of sound – last updated April 2022
- Part F – Ventilation – last updated October 2022
- Part G – Sanitation, hot water safety and water efficiency – last updated May 2023
- Part H – Drainage and waste disposal – last updated April 2017
- Part J – Heat producing appliances – last updated April 2017
- Part K – Protection from falling, collision and impact – last updated April 2017
- Part L – Conservation of Fuel and Power – last updated March 2023
- Part M – Access to land and use of buildings – last updated April 2017
- Part N – Glazing safety – last updated April 2017
- Part O – Overheating – last updated October 2022
- Part P – Electrical safety – last updated April 2017
- Part Q – Security – last updated May 2018
- Part R – Physical infrastructure for high-speed electronic communications networks – last updated April 2016

3 The Building Safety Regulator and Accountable Person

The Act introduces two new roles – the Building Safety Regulator and Accountable Person – which are due to come into force in October 2023.

The Building Safety Regulator

The Building Safety Regulator will have three core responsibilities: overseeing the safety and standards of all buildings; helping and encouraging the built environment industry and building control professionals to improve their competence; and leading implementation of the new regulatory framework for high-rise buildings in England. The Building Safety Regulator is also responsible for the performance of the building control sector to ensure standards are met, and for setting building standards.

The Building Safety Regulator (BSR) will be responsible for overseeing the safety and performance systems of all buildings. They will be given powers to enforce the rules and act against those that break them. And for high-risk properties, they will be able to implement more stringent rules, including how they are designed, constructed, and occupied. The three main functions of the BSR:

- oversee the safety and performance system for all buildings: this will be done through overseeing the performance of building control bodies across the public and private sectors, and by understanding and advising on existing and emerging building standards and safety risks;
- encourage increased competence by setting the direction of an industry-led competence committee and establishing competence requirements for registration of building control professionals; and
- lead the implementation of the new regulatory regime for higher-risk buildings, including having the powers to involve other teams, including the Fire Service, when making regulatory decisions regarding Building Safety.

The new BSR is under the control of the Health & Safety Executive (HSE) which is responsible for overseeing and driving improvements in the safety and performance of all buildings, and for enforcing a more stringent regime for higher-risk buildings.

Importantly, the provisions of the Act concerning the new Regulator only apply in part to Wales and the devolved government's exact position is still to be determined on this point.

Accountable Person

For all higher-risk buildings, the appointment of an identifiable 'Accountable Person', who is responsible for ensuring that the fire and structural safety is effectively managed for the whole building.

The Accountable Person (building owner, freeholder, or management company) will have an ongoing duty to assess Building Safety risks and provide a 'Safety Case Report' which demonstrates how Building Safety risks are being identified, mitigated, and managed on an ongoing basis. They will also have to demonstrate how they are ensuring residents' safety. In buildings where ownership structures are complex, there may be more than one Accountable Person, in which case there will be a Principal Accountable Person.

4 Scottish approach

Operating model

Within the Scottish system, building verifiers (surveyors) are appointed by the Minister for Local Government Empowerment and Planning under the Building (Scotland) Act 2003. This allows the Minister to appoint any building verifiers for a six-year term. Since the implementation of the Act in 2005, only local authorities have been appointed to undertake this role.

Prior to appointment, the Minister must consider the competence, qualifications, public accountability, and impartiality of the potential verifiers. To demonstrate these, an Operating Framework has been published to clarify how verifiers can demonstrate these behaviours.

After appointment, performance is monitored under a Performance Framework. There are seven key performance outcomes within the updated framework published in 2021:

- minimise time taken to issue a first report or to issue a building warrant or amendment to building warrant;
- increase quality of compliance assessment during the construction processes;
- commit to the building standards customer charter;
- understand and respond to the customer experience;
- maintain financial governance;
- commit to eBuilding Standards; and
- commit to objectives outlined in the annual verification performance report.

The Act also allows Scottish Ministers to set building regulations, the process for approval, enforcement, and set fees. Fees are set centrally and are determined by the Minister for all authorities. A calculator is provided within the online eBuildingStandards system to enable applicants to access the system and determine their fee.

Response to Grenfell

Following Grenfell, a ministerial working group was set up in July 2017 to oversee reviews into building and fire safety. Review panels were formed to cover different issues and made a series of recommendations for stakeholders. The Building Standards Futures Programme Board (BSFPB) was established to provide guidance and direction on the implementation of these recommendations.

Chaired by a local authority chief executive, the Board is comprised of:

- Local Authority Building Standards Scotland (LABSS);
- Homes for Scotland;
- Royal Institute of Chartered Surveyors;
- Construction Scotland;
- Convention of Scottish Local Authorities;
- Scottish Futures Trust;
- Chartered Institute of Buildings;
- Federation of Master Builders;
- Royal Incorporation of Architects in Scotland; and
- Scottish Government.

The Board has seven workstreams underway to support implementation – **Exhibit 6.**

Exhibit 6: Scotland's Building Standards Futures Programme Board workstreams

Workstream	Explanation
Workforce strategy	To support the adoption of the workforce strategy developed in response to the demographic challenges faced by the sector.
Compliance plan	To develop an approach for high-value and complex public buildings to ensure a planned approach to compliance throughout development.
Certification strategy	Development of a strategy for future appointment of verifiers.
Digital transformation	To support the implementation of the eBuildingStandards platform, launched in 2016.
Technical strategy	A review of how building standards are developed and communicated to promote compliance.
Verification standards	A review of the operating and performance frameworks to help verifier assessment against requirements and linking to skills.
Delivery models	A review to consider changes to business models within the 32 local authorities, including the hub project.

Source: [BSFPB](#)

Additionally, to ensure greater compliance and a response to recommendations, a Professional Competency Framework was introduced in May 2021. This established standardised job roles matched against educational awards and professional qualifications. It also provides examples of competencies based on experience to match existing staff, such as proven management and financial governance skills or specific niche training such as safety at sports grounds. The framework helps to ensure that building verifiers at each level can demonstrate being suitably competent.

To embed the Framework, a Competency Assessment System (CAS) was published. This enables individuals to identify their learning and experience gaps to better target training and development of the workforce.

Local hub model

From the BSFPB, a new delivery model was developed through the Delivery Model Development Group (DMDG), comprising the Scottish Government's Building Standards Division, Local Authority Building Standards Scotland (LABSS), the host local authority (Fife Council) and the Hub Directors, to foster collaboration and implement the recommendations for improving building safety and increasing compliance. This was launched in May 2022 and is being rolled out in a phased approach and is centred on six business units – **Exhibit 7**.

Exhibit 7: Scotland's Building Standards Futures Programme Board workstreams

Business unit	Function and services
Operational Partnership Unit	<ul style="list-style-type: none"> • Maintaining network of bodies • Workload sharing • Access to expert structure and fire hubs • Best practice facilitation
Scottish Type Approval Scheme Unit	<ul style="list-style-type: none"> • Scheme management • Marketing • Fee setting
Technical and Procedure Unit	<ul style="list-style-type: none"> • Technical research • Information paper production • Technical support to the hub
Digital Transformation Unit	<ul style="list-style-type: none"> • Support digital delivery group • Liaison and support roles with stakeholders, LABSS, and other stakeholders

Business unit	Function and services
Learning and Development Unit	<ul style="list-style-type: none">• Management and operation of a virtual learning environment• Management and operation of a learning management system• Assistance with apprentice schemes• Assistance with CPD (Continuing Professional Development)• Management of the verifier position in relation to the Competency Assessment Scheme (CAS)
Core Business Unit	<ul style="list-style-type: none">• Hub management• Business and admin support• Engagement with stakeholders

Source: BSFPB



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Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

Consultation on Fee Scales 2024-25

August 2023

How to respond

Please respond by 10 October 2023.

Responses can be sent to the following address:

Fee scales consultation
Audit Wales
1 Capital Quarter
Cardiff
CF10 4BZ

Or completed electronically and sent by email to: info@audit.wales

If you require this publication in an alternative format and/or language please contact us using the details provided above or by telephone on 029 2032 0500.

Publication of responses – confidentiality and data protection

Information provided in response to this consultation may be published or disclosed in accordance with access to information legislation (chiefly the Freedom of Information Act 2000, but also data protection legislation, including the General Data Protection Regulation, and the Environmental Information Regulations 2004).

If you want any information you provide to be treated as confidential, you should tell us why you regard the information you have provided as confidential. If we receive a request for disclosure of information we will take full account of your explanation, but we cannot give any assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Auditor General or Audit Wales.

Personal data will be processed in accordance with data protection legislation. Where such data falls within the scope of a request for information from another person, the provisions of data protection legislation and the Freedom of Information Act will need to be considered in the particular circumstances. While no situation can be prejudged, this is likely to mean that information concerning senior officials and public figures is likely to be disclosed while the names and addresses of ordinary members of the public are likely to be withheld.

Welsh language standards

Audit Wales is required to comply with Welsh Language Standards that provide for the Welsh language not to be treated less favourably than the English language. More information can be found on our Welsh language arrangements on our [website](#). When reviewing this consultation, we would welcome your views on whether you consider there to be anything in this consultation that undermines or supports this requirement. We would also welcome your thoughts on any revisions that could be made to support opportunities to use the Welsh language or ensure we do not treat the Welsh language less favourably than the English language.

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Foreword

You will be familiar with our annual consultation on fee scales. We are required by legislation to do this for local government bodies, but choose to consult more widely so that all stakeholders have an opportunity to respond to our fee proposals.

Responses to our 2022 consultation exercise suggested that the timescale for consultation (during August and early September) was challenging for some bodies. We are therefore consulting a little later this year and extending our consultation deadline until 10 October. Please note that for us to submit our draft Fee Scheme alongside our Estimate for 2024-25 to the Senedd Finance Committee by the end of October, we are unable to extend this any further.

We do not and cannot make profits on our work.

Legislation requires that the fees we charge **may not exceed** the full cost of exercising the function to which the fee relates. We set our audit fees based on our estimated cost base, the estimated skills mix for audit work and the estimated number of days required to complete the work. Audit Wales remains determined to minimise audit fees whilst ensuring that its audit quality continues to meet rigorous standards.

Like the rest of the public sector, we are facing significant staff cost pressures. For Audit Wales, those are exacerbated by a truly global shortage of audit and finance professionals, which we are seeing reflected in our ability to recruit and retain qualified staff. Staff costs account for over 80% of our cost base and for 2022-23 and 2023-24, we awarded our staff pay increases that were well below inflation and lower than the averages seen elsewhere in the public sector (3% and 4% respectively). We must start to address this shortfall in 2024-25, particularly given the challenges for recruitment and retention being felt across the audit profession.

To help offset increasing staff costs, we are taking difficult decisions to reduce our non-staff expenditure. We are moving to smaller, cheaper offices in both South and North Wales, have significantly reduced our travel and associated costs, and removed financial allowances previously paid to staff. Through our Financial Sustainability Review, we have an established mechanism to challenge our operating model and for identifying any further opportunities for savings and efficiencies.

Failures and poor performance in local public audit in England, and in the corporate sector, demonstrate the enormous cost and damage that can result from a failure to deliver high quality audit. The weaknesses of those sectors led to several UK-wide reviews¹ of audit and new professional standards, which increases expectations of audit and of the quality of that audit. To ensure that the public audit regime in Wales remains strong and effective, we continue to make significant investment in audit quality and it is central to all decisions we make.

To maintain this investment in 2024-25, and to respond to pay and price pressures, we will need to increase our fee rates by an average of 6.4% in 2024-25.

The actual fee that any individual audited body will pay depends not just on our fee rates but on the quantum of work and the skill mix required. Last year, you will recall that we implemented a fundamentally different audit approach for our financial audit work, required by new international auditing standards. This required a richer, more costly skill mix that was reflected in higher fees. In the autumn, we will review the experience of the first year using the new approach so that we learn lessons and secure efficiencies wherever possible. Audit directors and teams will, of course, speak to all audited bodies to explain the combined impact of that exercise, and the fee rates described in this consultation, on the level of fee each body will be charged in 2024-25.

1 Competition and Markets Authority Review; Kingman Review; and Brydon Review

We know that audited bodies are concerned that we are increasing our fees at a time when there are delays to some of our audit work – some of which are attributable to the recruitment and retention issues described above. We are working hard to address this backlog. Audit directors are in contact with audited bodies to ensure a common understanding of delivery and expectation so that we can work together as effectively as possible.

We plan to continue to provide access to the National Fraud Initiative on a free-of-charge basis.

I hope that this consultation is helpful, and I look forward to hearing your views.

Many thanks



Adrian Crompton

Auditor General
for Wales

Consultation

Fee rates 2024-25

Our proposed fee rates for 2024-25 are set out in **Exhibit 1**.

Exhibit 1: proposed fee rates 2024-25

Grade	Rate (£ per hour) 2024-25	Rate (£ per hour) 2023-24
Audit Director	181	170
Audit Manager	138	130
Audit Lead	111	107
Senior Auditor	90	86
Auditor	64	62
Graduate trainee	59	54
Apprentice	46	40

The average increase of 6.4% referred to above is a weighted average based on our overall staff mix. Actual increases by grade vary as, to meet the 'no more than full cost' requirement, we calculate rates based on actual staff in post, and hence the rates allow for incremental progression where relevant as well as expected pay increases for the year.

The Senedd Finance Committee scrutinises us on our spending, performance and budget plans, and the assumptions in this consultation are subject to their approval of our Estimate in autumn 2023 and our Fee Scheme early in 2024.

Further information on our work and our expenditure is provided in our [Annual Report and Accounts 2022-23](#) and [Annual Plan for 2023-24](#).

Facilitating thematic and cross sector reviews

In our [consultation on fees for 2022-23](#), we set out proposals to switch the funding for some of our performance audit work in local government and health from audit fees to the Welsh Consolidated Fund (WCF).

In the event, the Welsh Government was unable to confirm, prior to submission of our Estimate for 2023-24, its support for making the adjustments in local authority and health body funding necessary to hold the WCF harmless. As a result, the Senedd Finance Committee asked that we defer this proposal until our 2024-25 Estimate. This consultation reflects the impact on our fees for 2024-25 of the proposed switch. As before, the switch will only take place if the Welsh Government confirms it is content to make consequential adjustments to funding so that there is no net cost to the WCF, and the Finance Committee and Senedd endorse the approach. We are consulting on the proposal in this consultation, subject to those caveats.

The switch would apply to the 22 principal councils and seven health boards but not to other Local Government bodies or NHS Trusts and Special Health Authorities.

The elements of our performance audit fee that we are seeking to switch to WCF relate to delivery of 'thematic' or topic-specific reviews that typically involve audit work across a number of audited bodies (on an all-Wales and/or regional level) and often with a cross-sector or whole-system focus.

We see such reviews as adding value to our audit regime with their ability to give a whole-system view, helping improve the quality of services provided to taxpayers, and providing insight on the Welsh Government's aspiration for '[One Welsh Public Service](#)'. We are therefore keen to make the delivery of these reviews as flexible and efficient as possible. The key constraints that we emphasised about the current funding model concerned:

- potential inflexibility in the way we disseminate findings – arising from any expectation from audited bodies paying fees that there would typically be an output specific to that body; and
- transactional complexity – given the need to balance time charging across multiple timesheet codes and with the 'charge no more than the full cost' requirements of the Public Audit (Wales) Act 2013, meaning we have to be careful that there is no cross-subsidisation from one body to another.

As for 2023-24, in determining how much funding we would look to switch to the WCF, we are looking to strike an appropriate balance between work funded locally and that funded through the WCF, and recognising that other existing WCF funding streams already provide opportunity for cross-cutting work. The key principles being:

- retaining sufficient local audit fee to support the delivery of work that is specifically focused on individual audited bodies, including risk assessment, examination of corporate governance and financial management issues (including sustainable principle examinations), and individual bespoke audit projects arising from our local assessment of risks;
- ensuring sufficient local audit fee is retained to support our routine local engagement with audited bodies, including regular meetings with senior leaders in audited bodies, and attendance at board, council and committee meetings as necessary; and
- applying the proposal to larger audited bodies (principal councils and health boards) to which our thematic work more typically applies.

We have taken on board the views of audited bodies, expressed in last year's consultation exercise, who value the insight from our local audit work whilst understanding the benefits of the proposals for more thematic studies. The proposed switch is therefore less than previously anticipated.

We anticipate that we will be reducing the fees charged for our local performance audit work by around 15% for Local Government and a quarter for Health bodies (around £0.9 million) and switching funding for this work to the WCF. To hold the WCF harmless for this change, we will be asking the Welsh Government to adjust funding allocations accordingly.

We would welcome your views on whether you support this proposed approach.

ISA315 and audit quality

Our audits for accounts ended 31 March 2023 and future years are being carried out under a revised auditing standard (ISA 315 Identifying and Assessing the Risks of Material Misstatement). This revised standard has significant and far-reaching impacts on how auditors undertake audit risk assessments and therefore on the overall audit.

Our initial assessment of the impact of this richer skills mix was a potential average increase in the fee scales for our financial audit work of between 12% and 18%. The actual increase in fees for Local Government bodies for the 2022-23 audit of accounts was an average of 15% – as compared to the significantly higher increases estimated by private sector audit firms. This overall increase included around 10% due to the implementation of ISA315, with the remainder being as a result of increased fee rates for the year.

Our draft fee scales for local government bodies

The remainder of this document provides the fee scales for local government bodies and for mandatory participants to the National Fraud Initiative. The scales show the range of fees we expect to charge for a typical audited body in that sector with actual fees being set in response to local circumstances. These scales are not required for any other sector.

I would very much welcome your response to this consultation by 10 October 2023, to inform the Senedd's review of our Estimate and Draft Fee Scheme for 2024-25.

Fee scales for work undertaken under the National Fraud Initiative (data matching)

- 1 We invite your views on continuing participation in the National Fraud Initiative (NFI) on a nil-fee basis.
- 2 We are required to consult on and prescribe scales of fees for data matching for mandatory participants in the NFI. The Auditor General conducts the NFI using his statutory data-matching powers under Part 3A of the Public Audit (Wales) Act 2004.
- 3 The NFI matches data across organisations and systems to help public bodies identify potentially fraudulent or erroneous claims and transactions. The NFI has been a highly effective tool in detecting and preventing fraud and overpayments. Our last biennial report identified potential savings and over-payments of £6.5 million across Wales’s public services, increasing cumulative savings to £49.4 million since 1996.
- 4 Since April 2015, the Senedd has met the costs of running the NFI through payment from the WCF. This is intended to encourage participation of organisations on a voluntary basis and to simplify arrangements for mandated participants. As required by legislation, the fees for mandatory participants are shown in **Exhibit 2**.

Exhibit 2: NFI fees

	Fee 2024-25
Unitary authority; police and crime commissioners and chief constables; fire and rescue authorities; NHS trusts; local health boards	Nil
Voluntary participants	Nil
All participants may also be provided with access to the NFI Application Checker (App Check)	Nil

Fee scales for Local Government bodies

- 5 We invite your views on the proposed fee scales which will apply to Local Government bodies for the audit of accounts 2023-24 and for 2024-25 performance audit work.
- 6 Our audit of accounts fee scale takes account of the average increase of fee rates as set out in **Exhibit 1**. As set out above, we are continuing to review the impact of ISA315 and will reflect the outcome in our Fee Scheme for 2024-25 which will be published early in 2024.

Unitary authorities

Exhibit 3: draft fee scale for the audit of 2023-24 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
100	145	170	196	159
200	174	205	236	191
300	194	228	262	213
400	209	246	283	230
500	222	261	301	244
600	233	274	316	257
700	243	286	329	267
800	252	296	341	277
900	260	306	352	286
1,000	267	314	362	294
1,100	274	323	371	302
1,200	281	330	380	309

- 7 Our proposed performance audit fee scale takes into account the proposed switch of funding for around 15% of our local performance work at Unitary Authorities to the WCF from April 2024.

Exhibit 4: draft fee scale for 2024-25 performance audit work

All unitary authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	90	96	109	112

Local Government Pension Funds

Exhibit 5: draft fee scale for audit of 2023-24 accounts

All pension funds	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	45	56	60	48

Fire and Rescue Authorities

Exhibit 6: draft fee scale for audit of 2023-24 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
20	42	50	57	47
40	51	60	69	56
60	57	67	77	63
80	61	72	83	68
100	65	77	88	72

Exhibit 7: draft fee scale for 2024-25 performance audit work

All fire and rescue authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	18	18	18	17

National Park Authorities

Exhibit 8: draft fee scale for audit of 2023-24 accounts

Gross Expenditure £ million	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
2	26	31	36	29
4	32	37	43	35
6	35	41	48	39
8	38	45	51	42
10	40	48	55	44

Exhibit 9: draft fee scale for 2024-25 performance audit work

All national park authorities	Fee range			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
	22	24	27	22

Police and Crime Commissioners

- 8 Auditors undertake audits of two statutory bodies in a police area – the Police and Crime Commissioners (PCCs) and the Chief Constables (CCs). The split of the total fee between the two bodies in a particular police area will be a matter for auditors to determine, based on accounting requirements and the operational arrangements put in place by each of the bodies.

Exhibit 10: draft fee scale for audit of 2023-24 accounts

Combined Gross Expenditure of PCC and CC £ million	Combined fee range for PCCs and CCs			Previous Year
	Minimum £'000	Median £'000	Maximum £'000	Median £'000
50	73	84	96	78
100	86	100	113	93
150	95	110	125	102
200	102	118	134	110
250	107	125	142	116
300	112	131	149	122
350	117	136	155	126

Town and community councils with annual income or expenditure under £2.5 million

- 9 Town and community councils in Wales are subject to a limited assurance audit regime.
- 10 In October 2020, the Auditor General published a paper setting out how these audits will be carried out on a three-year cycle as set out in **Exhibit 11**.

Exhibit 11: three-year audit cycle for town and community councils

	Group A	Group B	Group C
Year 1	Transaction testing	Limited procedures	Limited procedures
Year 2	Limited procedures	Transaction testing	Limited procedures
Year 3	Limited procedures	Limited procedures	Transaction testing

- 11 Charges for this work are based on time taken to complete the audit at fee rate charges as set out in **Exhibit 1** on **page 8**.
- 12 In circumstances where the auditor requires further evidence to properly discharge their responsibilities, including following publication of a related public interest report, additional testing will be undertaken to address the auditor's concerns.
- 13 It is emphasised that the actual charge made to any particular body will be dependent on the time actually worked on that particular audit. The range of fees provided in **Exhibit 12** is for indicative purposes only.

Exhibit 12: estimated time charges for the audit of 2023-24 accounts of town and community councils

	Band 1 (<£10k)	Band 2 (<£25k)	Band 3 (<£50k)	Band 4 (<£100k)	Band 5 (<£500k)	Band 6 (>£500k)
Transaction audit	£160 – £195	£181 – £213	£245 – £300	£379 – £463	£676 – £809	£899 – £1160
Limited procedures	£117 – £138	£145 – £172	£145 – £172	£223 – £266	£223 – £266	£223 – £266

Fee rates for other work in local government

- 14 Other than those types of bodies for which fee scales have been prescribed as shown above, there are a small number of other types of local government body where our prescription of the fee scale is a matter of converting the resource requirements into fees directly based on the costs of delivering the work or by applying the fee rates as set out in **Exhibit 1**. This will include audits of Corporate Joint Committees. It remains the case that for audits of these bodies we apply a zero-based approach to audit planning.
- 15 For all types of local government body, to meet his statutory responsibilities, it is sometimes necessary for the Auditor General to carry out work which goes beyond general duties (those set out in section 17 of the Public Audit (Wales) Act 2004 and in section 15 of the Well-being of Future Generations (Wales) Act 2015). Additional work can include reports in the public interest, extraordinary audit, special inspections, and further work in relation to elector challenge and the prevention of unlawful expenditure. Charges for this type of work will reflect the nature of the work required.
- 16 Auditors may also undertake grant certification work at local government bodies on behalf of the Auditor General. The amount of grant certification work undertaken in any year is dependent on the number of schemes subject to audit and the number of audited bodies participating in those schemes. Charges for this work are made on a per-hour basis and reflect the size, complexity and/or any issues in respect of the grant in question as set out in **Exhibit 13**.

Exhibit 13: estimates of the relative proportions of audit staff grades to be used for different types of grants work

	Complex grants staff mix	All other grants staff mix
Grade of staff	%	%
Engagement Director	1 to 2	0 to 1
Audit Manager	4 to 6	1 to 2
Audit Lead	18 to 21	12 to 16
Auditor/graduate trainee/apprentice	71 to 77	81 to 87

Complex grants include:

- BEN01 Housing and council tax benefits scheme
- LA01 National non-domestic rates return
- PEN05 Teachers’ pensions return



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Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

Springing Forward: Lessons from our work on workforce and assets in local government

September 2023



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

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 infoofficer@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.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

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Detailed report

What we did and why

- 1 All councils went through a period of rapid change in how and where their staff worked during the COVID-19 pandemic. This shift was characterised by a mass move to remote working, which happened virtually overnight. Now, those organisations are in a new phase, where the legacy of that time has had a lasting effect on working patterns and places. So, what is that new normal for councils, what does it mean for how and where they deliver and what are the opportunities for the future?
- 2 Between 2021 and 2023 we undertook work on asset management and workforce planning across all 22 councils. It looked at how they were using their experiences from the pandemic to strengthen their ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities. We titled this work 'springing forward'.
- 3 This review had three main aims:
 - to gain assurance that councils are putting in place arrangements to transform, adapt and maintain the delivery of services;
 - to explain the actions that councils are taking both individually and collectively to strengthen their arrangements; and
 - to inspire councils and other organisations to further strengthen their arrangements through capturing and sharing notable practice examples and learning and making appropriate recommendations.
- 4 We designed this work to consider both the effectiveness of councils' arrangements and the extent to which they were applying the sustainable development principle (as set out in the Well-being of Future Generations (Wales) Act 2015) in their approaches to workforce and assets.

Responding to change

- 5 The pandemic brought about a real-time experiment in how and where people worked. The extent to which these changes will remain and in what precise form is still emerging, but we can assume there will be broad-ranging implications for councils' staff, services and estate.
- 6 For some councils, the pandemic accelerated progress they were already looking to make and acted as 'proof of concept' for changes in location, flexible working and the technology to support it. This reflects the fact there were already a range of trends that were re-shaping the thinking on workplaces and patterns before the pandemic. The section below sets out some of these key trends, how they have changed over and since the pandemic, along with some of the implications for the future.
- 7 The list of trends set out here is not exhaustive and they are not explored comprehensively in this report. They simply aim to highlight some of the wider factors that have, and will continue to, influence councils' thinking on how and where their staff work.

Trend 1: Capacity pressures and skills gaps

- 8 Clearly, public services had been experiencing pressures on their capacity before the pandemic. Over the decade before, staffing numbers in councils fell and skills deficits emerged. Office for National Statistics data shows that the headcount in local government in Wales reduced by 19% from March 2010 to March 2020.¹
- 9 We have previously reported that staffing reductions mean councils do not have adequate numbers of staff with expertise in some key areas. We have identified gaps in cross-cutting policy and planning areas and highlighted that planning authorities lack staff with specialist skills, such as in design and infrastructure. Through Springing Forward, we heard about pressures in areas including social care, planning and environmental health, though the challenges are not limited to these areas. The impact of the pandemic is also likely to have exacerbated pressures in specific services. This is due to some staff being temporarily redeployed, the impact of restrictions on productivity and backlogs that may have emerged due to the reduction or temporary cessation of certain activities.²

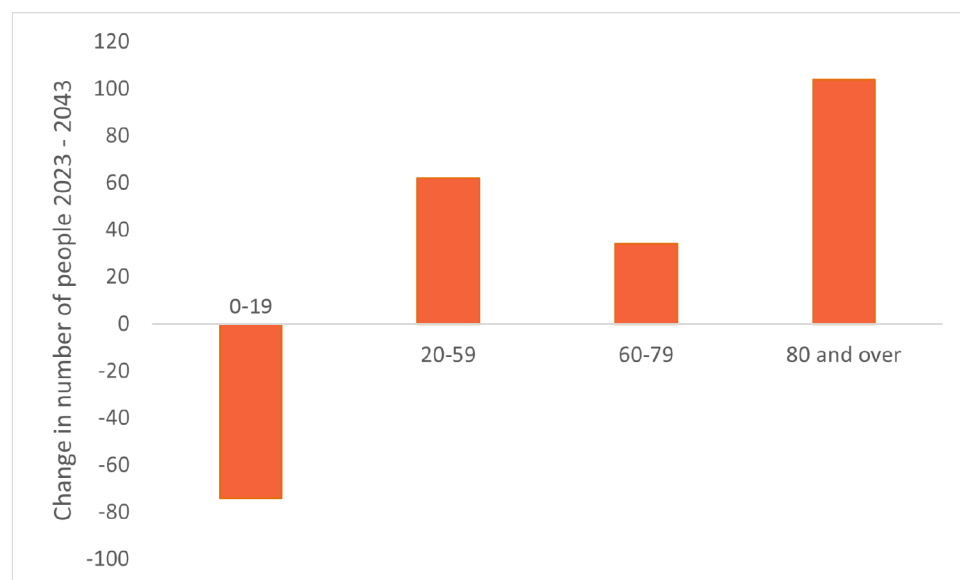


¹ Auditor General for Wales, [A Picture of Public Services](#), September 2021

² See also Auditor General, [A Picture of Public Services](#) (2021) for further information.

- 10 Councils across the UK have been experiencing longstanding difficulties in recruiting and retaining key staff and competition from the private sector in certain occupations, especially on pay.³ Competition for skilled staff also exists in the public sector and between councils. Notably, we heard reference to this in the field of social care.
- 11 These pressures are likely to continue growing. Wales' population is expected to increase and changes in demand are likely to result in additional cost and capacity pressures. Across the UK, there are concerns that increases in labour supply will not keep pace with increasing demand for services. This suggests that recruiting additional staff will not, on its own, be sufficient to address the challenges.⁴

Exhibit 1: Wales population projections: Change in age groups from 2023 - 2043



Source: ONS 2020-based Interim National Population Projections (update 2022)

3 Local Government Information Unit, [Local government workforce and capability planning - LGiU](#)

4 House of Lords Public Services Committee, [Fit for the future? Rethinking the public services workforce](#), December 2022

Trend 2: Hybrid Working

- 12 Hybrid working is a form of flexible working where workers divide their time between working remotely (usually, but not necessarily, from home) and being in the employer's workspace. It is not new, but the percentage of the Welsh workforce working from home has increased considerably since the start of the pandemic. Work undertaken for the Senedd's Economy Infrastructure and Skills Committee highlighted that just 4% of the Welsh workforce worked exclusively at home at the start of 2020, but that this rose to 37% in April 2020 and was at 25% in November 2020.⁵
- 13 While hybrid working is now a significant consideration for employers, the figures showed that, even during a national lockdown, it was still a minority who worked remotely. It has been estimated that 56% of Welsh workers are unable to work at home, which is much higher than anywhere else in the UK. This is a result the different sectors people are in employed in, with comparatively fewer people employed in banking and finance where there has been a significant shift.⁶ Clearly, council employees cover a wide range of diverse roles and the extent to which they will be able to access hybrid working will vary. Councils will need to consider how this applies across their workforce and how the benefits of new ways of working can be distributed.
- 14 Importantly, hybrid is more than just the number of days in an office. It's about ways of working, organisational culture and technology. Organisations have the opportunity to define what hybrid means for them and how they want it to work for the longer term. This could, for example, mean hybrid with a balance towards either on-site or off-site, and it could mean different applications for different categories of staff.
- 15 Organisations will also need to understand the relationship between their hybrid model and productivity. Despite what many employers might have feared, the early days of enforced homeworking did not necessarily have a significant effect on productivity.⁷ The impact that hybrid working is having on productivity is likely to vary between sectors and roles. This underlines the importance of organisations continuing to monitor, review and adapt their arrangements and make sure it works for different parts of the business.



5 [Remote working – the new normal? \(senedd.wales\)](https://www.senedd.wales)

6 Ibid

7 Professor Alan Felstead, 'Outlining the contours of the 'great homeworking Experiment' and its implications for Wales', January 2021

- 16 Hybrid working is likely to widen recruitment pools, which would help councils to attract staff from further afield and help manage skills gaps. However, this will not apply to all roles and could also potentially result in increased competition for staff.

Trend 3: Flexibility in working patterns

- 17 Hybrid working has introduced flexibility in where work gets done, but staff also value flexibility in when work gets done and, potentially, to a greater extent.⁸ Councils may have offered some forms of flexible working before the pandemic, for example 'flexitime', compressed hours, reduced hours or job sharing. However, staff are likely to have been offered a higher degree of flexibility during the pandemic. This, in combination with hybrid (or homeworking when required during that time), will inevitably have impacted staff perceptions and expectations.
- 18 The Chartered Institute of Personal Development (CIPD) report that many organisations state that they will be more likely to grant requests for flexible working, besides working from home, compared with before the pandemic. They also believe that it is important to provide flexible working as an option when advertising jobs.⁹ As well as attracting staff, flexibility might also be helpful in retaining staff. For example, more flexible forms of working could be used to retain staff approaching retirement.¹⁰
- 19 The four-day working week is increasingly part of the debate on the future of work.^{11,12} A likely benefit for employees is increased work-life balance, but organisations could also benefit from productivity gains, lower running costs, a smaller carbon footprint and the ability to attract and keep top talent.¹³ While this model is typically considered in days, it can be adapted to reflect different roles and business requirements.



8 [Top Ten HR Trends For The 2023 Workplace \(forbes.com\)](https://www.forbes.com)

9 CIPD, [An Update on Flexible and Hybrid Working Practices](#), April 2022

10 House of Lords Public Services Committee, [Fit for the future? Rethinking the public services workforce](#), December 2022

11 Senedd Research, [The four-day week – a part of future Welsh working life?](#) 2023

12 ICAEW, [Four-day week: what happens after a successful trial?](#) 2023

13 CIPD [The compensation revolution: incentives to motivate and retain future talent](#) 2023

The UK's four days week pilot

The largest four-day week pilot study took place in the UK between June 2022 and December 2022. It involved 61 organisations and around 2900 employees. Each organisation tailored the four-day weeks to their needs, covering typical 'Friday off' models through to annualised hours. The trial was a 'resounding success'; with 92% of the organisations continuing with the model and 18 committing to a permanent change. There were clear benefits for employees, including improvements in mental and physical health and a balancing work with family and social commitments. The number of staff leaving dropped significantly during the period. Indeed, '15% of employees said that no amount of money would induce them to accept a five-day schedule over the four-day week to which they were now accustomed'. There were also improvements in key business metrics, including increases in revenue.¹⁴

- 20 Councils will need to consider how different forms of flexible working could strengthen their ability to attract and retain the staff they need to meet their prevailing pressures. They may also want to consider the wider impacts that these changes could bring about, for population health and gender equality, for example.
- 21 However, councils will also need to consider how they balance these benefits and respond to changing employee expectations while also meeting their business needs. This is particularly pertinent, given the new Employment Relations (Flexible Working) Act 2023 will grant employees further flexibility.¹⁵

14 Autonomy 'The results are in: The UK's four day week pilot' February 2023

15 The Employee Relations (Flexible Working) Act 2023 introduces new protections for workers, including requirements for employers to consult with the employee before rejecting their flexible working request and giving them permission to make two statutory requests in any 12-month period (rather than the current one request).

Trend 4: Culture and well-being

- 22 It has been suggested that employee priorities have shifted more towards health and well-being, with some research placing it above financial remuneration. There are also suggestions that this is becoming increasingly important for younger generations entering the workforce.¹⁶
- 23 As described above, hybrid and flexible working are important tools that councils can use to advance employee well-being. There is evidence that employees who have flexibility in their working arrangements are more likely to be satisfied at work.¹⁷ These gains in employee well-being can translate into improved productivity and competitiveness in the labour market. However, councils will also need to be mindful of the potential negative impacts that home and hybrid working can have on mental health and relationships with colleagues.¹⁸
- 24 Employee values, and their expectations of how employers create positive cultures, promote equality and build sustainable operating environments has also been identified as a growing trend. Once again, hybrid and flexible working are a means for employers to deliver on this. For example, these opportunities could promote diversity and inclusion by enabling people with health conditions or disabilities to work in ways that best suit them and making it easier for individuals to manage caring responsibilities.
- 25 However, there are risks that these new models could have some negative impacts or worsen inequality.¹⁹ For example, less time in the office could mean reduced visibility, which could in turn impact career progression. This may have a disproportionate on those who are already disadvantaged or are more likely to work from home, such as disabled people. Similarly, younger staff may miss out on development opportunities.²⁰ For parents and those with caring responsibilities, there is a risk that hybrid working can make it difficult to balance different demands.²¹ Councils would need to ensure they have a clear approach and supporting policies, consistent understanding and application by managers and an appropriate learning and development offer to mitigate these risks.



16 World Economic Forum, [How to energize workforce by focusing on employee wellbeing, 2022](#)

17 CIPD, [An Update on Flexible and Hybrid Working Practices](#), April 2022

18 Ibid

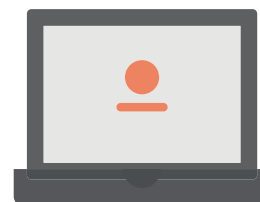
19 Senedd Research, [Remote working – the new normal?](#) 2021

20 Lancaster University, [Making hybrid inclusive- Key priorities for policy-makers](#) October 2021

21 Ibid

Trend 5: Technology

- 26 Use of technology will be key to addressing some of the identified challenges and realising the benefits described above. It is necessary to support the continuation of hybrid working and will be critical to decisions on the size and set-up of council buildings.
- 27 The pandemic accelerated councils' use of technology, both by supporting their staff to work remotely and shifting to digital service delivery. Developments in technology have the potential to continue transforming how services are delivered to the public and to reduce workloads and improve efficiency, including through automation. In this way, technology is likely to change the nature of certain jobs and future skills requirements.
- 28 We are conducting further 'Springing Forward' work on council's approaches to digital transformation and will report on this in due course.



Applying the sustainable development principle

- 29 The Well-being of Future Generations Act places a well-being duty on public bodies in Wales. As part of this, they must act in accordance with the sustainable development principle. Acting in accordance with the sustainable development principle means 'acting in a manner that seeks to meet the needs of the present without compromising the ability of future generations to meet their own needs'. To do this, public bodies must apply the five ways of working: long term, prevention, integration, collaboration and involvement.
- 30 The Act's accompanying statutory guidance describes seven corporate functions where public bodies should apply this thinking to promote wider changes in how they deliver. Assets and workforce planning are included in the list. By applying the sustainable development principle in these areas, organisations can help advance their overall implementation of the Act.
- 31 We consider that applying the sustainable development principle is a feature of having proper arrangements in place to secure value for money. It can help councils deliver value for money, both now and over the longer term, and should be seen as a useful means of working through uncertainty and balancing competing demands. On that basis, it should be a tool that can help councils as they bring forward changes to how and where their staff work.

- 32 We expect that, eight years since the Act was passed, that public bodies understand what they need to do under this legislation. We expect their understanding to have matured and for them to be able to demonstrate that the Act is genuinely shaping what they do.²² These expectations are reflected in our findings and recommendations to each council.
- 33 We hope that our work at each council has provided some insight by highlighting the relevance and opportunity of applying the sustainable development principle. The next section of this report is designed to help inform that thinking further.
- 34 We have also developed a set of ‘positive indicators’ for both workforce and assets to show what good application of the sustainable development principle would look like. It sets out some characteristics that are relevant to different stages of planning and delivering work in these areas. We hope they are useful in developing a consistent and practical understanding, particularly those councils who are currently reshaping work in these areas. We will use them to inform any future work we undertake in this area.²³

What we found

What we saw and what we recommended

- 35 When we undertook our work, we found that most councils were working through what their ‘new normal’ should look like. They were considering what they had learned from the pandemic and what that meant for their workforce and assets in combination. Some told us the pandemic had rapidly accelerated an existing direction of travel.
- 36 As a result, many councils had reviewed or were in the process of reviewing their key strategic documents. This included HR Strategies, workforce plans, smarter working policies and corporate asset management plans. Others had not yet begun that work, but recognised they would need to in the short to medium term.

22 The Act’s Well-being Duty will be extended to additional public bodies from April 2024. Experience and understanding will therefore vary across bodies and this will be reflected in our examinations.

23 In developing these positive indicators we have sought the advice of the Future Generations Commissioner for Wales (the Commissioner) and considered guidance they have issued. This includes the recently published ‘maturity matrix’.

- 37 For this reason, many recommendations across our work focused on the development of councils' strategic approaches to workforce and assets. We recommended to all those councils that were revising or developing their strategies that they should use the sustainable development principle to shape their thinking and build on their experience of the pandemic.
- 38 We also made recommendations focused on improving delivery and monitoring arrangements. We found some weaknesses in supporting delivery arrangements, such as inconsistent workforce and asset planning across services and lack of integration between corporate and service planning processes. We identified opportunities to improve monitoring and oversight and the need to undertake benchmarking.
- 39 Councils are at a critical point. They have the opportunity to use this accelerated period of learning to set a new strategic direction. However, underlying weaknesses in their supporting arrangements could hamper their ability to develop and deliver effective strategies that help them meet current and future challenges.
- 40 We recognise that the pandemic has impacted councils' capacity to plan for the future and that, when we undertook this work, councils were still working through uncertainty. However, councils will probably now be better placed to define and deliver their plans for the future.
- 41 Through our work, we found that many councils had not yet considered how they could use the sustainable development principle to help them develop their approaches to workforce and assets. We have not carried out equivalent work across other corporate functions (though some is underway, and further is planned). However, we anticipate that councils may be less likely to consider applying the sustainable development principle to their various corporate functions than to their corporate planning and service delivery.

Using the sustainable development principle to spring forward

- 42 Councils will need to set a clear direction for their workforce and assets, informed by their learning from the pandemic and shaped by the sustainable development principle. Our work identified some key areas where councils need to develop their thinking and arrangements so that are able to do this. We found that councils needed to:
- develop their intelligence to manage key workforce and asset risks in the here and now so that they can plan for the long term;
 - identify how they can get maximum value from their approaches to assets and workforce;
 - involve their staff and work with partners; and
 - continue to review, learn and innovate.
- 43 We cover each of the bullet points above in more detail below. We also include some examples to show what practical application could look like.

Councils should develop their intelligence to manage risk in the here and now so that they can plan for the long term

- 44 Councils will need a good understanding of their current circumstances to inform their plans. For workforce, this is likely to include resource and skills requirements, where there are risks to these and how that might impact on delivery. For assets, this is likely to include the quality, condition and use of their buildings. We found some examples where councils do not have a good overview of relevant information and risk, which is likely to limit their ability to effectively manage their workforce and assets and plan for the future.
- 45 We identified that councils could do more to consider what future trends might mean for their workforce and assets. The trends we have identified in this report are relevant, as well as more specific and local trends relating to future skills needs and gaps, developments in technology and service changes. These could all have implications for choices councils make in the short to medium term.

Practice example

We reported that Ceredigion Council had a good understanding of key workforce risks. Notably, the council has implemented its 'Through Age Well-being Model', shifting to a more preventative approach to delivering adult and social care and is seeking to transform its workforce in these areas. However, it has identified high vacancy rates and has taken steps to mitigate this risk.

This included:

- working with Aberystwyth University to develop training for social care;
- increasing the number of social care apprenticeships it provides; and
- changing to job descriptions to allow greater flexibility for staff to move between roles.²⁴

This is a good example of a council taking a long-term view of how it needs to change a service and workforce, while also using its management information to mitigate current risks.

- 46 Councils also need to draw on performance information to help them learn and improve. We highlighted some weaknesses in performance and outcome measures that often did not reflect councils' ambitions for its workforce and assets, along with opportunities to strengthen corporate and elected member oversight.
- 47 We also found that there is a widespread lack of benchmarking for these functions. Without benchmarking councils will not be able to assure themselves that they are delivering effectively and achieving value for money. We appreciate that obtaining this information can be a challenge. However, comparative information should help councils assess the effectiveness of their approaches and inform their planning, decision-making and scrutiny.

24 Audit Wales, Ceredigion County Council – Springing Forward – Strategic Workforce Management 2022

Councils should identify how they can derive maximum value from their approaches to assets and workforce

- 48 Clearly, councils will need to consider how and where their staff work in combination. This means ensuring there is alignment between their workforce and asset management strategies, as well as other supporting strategies and policies relating to digital, hybrid or smarter working. Ultimately, workforce and assets need to support a council's vision and well-being objectives.
- 49 Councils could also consider the wider benefits to recruitment, retention, equality and diversity. As outlined earlier in this report, hybrid and flexible working options expand recruitment pools. This could enable councils to attract staff from outside typical catchment areas, which could in turn help to meet skills gaps and increase diversity in the workforce. Such policies can also promote well-being and equality in the workplace, with consequent impacts on resilience, staff well-being, recruitment and retention.
- 50 We saw some examples of councils considering how their approaches to assets and workforce could contribute to their environmental objectives. For example, helping to make progress towards net zero targets by reducing office accommodation and journeys to and from work.
- 51 We also saw some councils making the connection between their assets, workforce and digital agendas. Clearly, councils need to have the right digital infrastructure to support hybrid working models, but they also need to consider the longer term impacts that artificial intelligence (AI) and automation will have on service delivery.

Practice example

'Maximising digital capability' is a key feature of Cardiff Council's corporate plan and is vital to the continued modernisation of its estate and workforce. The Council has appointed consultants to identify further systems and processes that it could automate as part of its Digital First 'Automation and Artificial Intelligence' programme.²⁵

25 Audit Wales, Springing Forward combined report Workforce and Assets - Cardiff Council, 2022

- 52 We also saw that some councils are considering how they can meet economic objectives, including moving forward with plans to dispose of main office buildings as part of wider regeneration plans.

Practice example

Carmarthenshire Council is looking to reduce its corporate office space in the region of 50%. Managers have considered how they can use their assets in a way that reflects how services operate post-pandemic. Within the context of this rationalisation, the Council continues to look for opportunities to support its economic regeneration agenda with the focus on sustaining town centres.²⁶

- 53 We found that some councils do not have a clear connection between their workforce and asset management strategies and their service planning arrangements. Having effective links between the two can help ensure that strategic ambitions translate into practice. It is also a key mechanism for gathering intelligence, identifying and aggregating risk across services. Furthermore, it can help organisations take a more integrated approach to delivering their priorities.

Practice example

At Newport Council, every directorate produces an annual service plan to support delivery of the council's corporate strategies. There is a dedicated section on workforce planning in each. The plans include specific activities the directorates will undertake to support staff recruitment and retention. Activities relate to succession planning, training and developing previously flat structures to provide clearer career pathways.²⁷

26 Audit Wales, [Carmarthenshire County Council – Springing Forward Asset Management](#) | Audit Wales 2022

27 Audit Wales, [Springing Forward – Workforce – Newport City Council](#) 2022

Councils should involve their staff and work with partners

- 54 Most councils had sought the views of their staff to understand the impact of home and hybrid working and their preferences at some point since making the transition. We emphasised the importance of staff engagement and recommended that councils ensure they draw on staff views to inform the ongoing development of their approaches to workforce and assets. It will be important for them to consider this information alongside performance information, to give a rounded view of the impact of changes.
- 55 We highlighted opportunities for councils to engage partners in discussions about the future of their workforce and assets. This could help them identify opportunities to meet service delivery objectives and achieve financial savings through shared posts or co-location, for example. We also reported that councils should seek to understand how, where and when users want to access services post-pandemic to help inform their thinking.
- 56 Councils could explore more opportunities to collaborate with each other to tackle common workforce risks. We heard about common risks in areas such as social care, environmental health and planning. In West Wales, councils are working together on the Joint Learning and Training Working Group under the West Wales Care Partnership. We also heard how Powys was working with partners to deliver its workforce plan (see below). There would appear to be further opportunities for councils across Wales to work together to manage strategic workforce risks, particularly where they are competing to recruit certain specialisms. The Public Services Boards and the associated plans could provide a mechanism for exploring these risks across a range of key partner organisations.

Practice example

In our report to Powys Council, we noted that collaboration was a clear feature of its 'strategic workforce plan'. Specifically, the council collaborates to deliver key elements of training, including:

- its apprenticeship programme, which it delivers in partnership with external training providers and funders, the Department of Work and Pensions and Neath Port Talbot College.
- the Health and Social Care Academy based in partnership with Powys Teaching Health Board and the University of Wales offering specialised training.

We reported that the council's approach means staff are being trained to fill future service gaps.

Councils should continue to review, learn and innovate

- 57 Things have moved on since the pandemic. Councils face ongoing challenges but should now be better placed to plan for the future. However, it is not possible to fully predict the impact that widespread changes will have on ways of working. This means it will be important to continue to monitor and review the impact on individuals, organisations and service delivery.
- 58 As part of this, it will be important to continue drawing on the views of staff, as well as benchmarking and horizon scanning. Benchmarking can involve comparison in the broadest sense, including comparing service delivery models and structures, and sharing practice. Such information will help them continue to strengthen their approaches.
- 59 Councils are experiencing similar workforce and asset management challenges. They are all in the process of developing new ways of working. Given this, there would be value in them sharing their approaches and learning points as they continue this process.

What have we learned?

- 60 This report draws out themes from across the reports to each council. Clearly each council is different, and these messages will apply differently across the 22 organisations. The points below provide a general summary of the key learning points from across this work:
- Councils do not appear to fully appreciate that the sustainable development principle is relevant to the design and delivery of assets and workforce. There are significant gains that could be made by applying this thinking when revising their strategies and delivery arrangements. This prompts a question as to whether this is common across corporate services and functions. Councils should reflect on this and take relevant opportunities to apply the framework set out in the Act. We will continue to test the application of the sustainable development principle through our audit work.

- Councils aren't effectively drawing on the breadth of intelligence that could help them manage the present or plan for the future. Some councils did not have a good understanding of current risks across their workforce, others did but could strengthen their understanding of the medium- and longer-term challenges that would impact them. Benchmarking appears to be seldom undertaken in these areas, meaning councils are not able to compare and really understand the extent to which they are achieving value for money. More generally, there are perhaps more opportunities for them to learn from each other as they develop new ways of working.
- Councils recognise the benefit of linking their assets and workforce with the delivery of wider corporate objectives. There are likely to be opportunities to take this further and systematically consider the full breadth of benefits that could be achieved. This will help councils maximise the value of work in these areas. Applying the sustainable development principle will help them achieve this. They also appear to be missing the opportunity to work together to address common challenges, particularly relating to workforce.
- Weaknesses or gaps in arrangements are likely to hamper progress towards strategic ambitions. Having sound core arrangement- such as a well-defined strategy, supporting service planning arrangements, and effective monitoring arrangements – provide a foundation for transformation. Without these arrangements it will be difficult for councils to apply the sustainable development principle. Where they are filling gaps or refreshing elements of these arrangements, councils should use the sustainable development principle to help them.

Appendices

- 1 Sustainable development principle positive indicators:
Asset management
- 2 Sustainable development principle positive indicators:
Workforce planning

1 Sustainable development principle positive indicators:

Asset management

The table below sets out some positive indicators to help illustrate what good application of the sustainable development principle could look in relation to asset management. Councils could use these indicators to help them develop their strategic approach to assets, but it could also be helpful in relation to decisions on specific assets. They have been adapted from those we have previously used to inform our sustainable development principle examinations. This list is not designed to be used as a checklist and is designed to be interpreted to fit with organisational arrangements and contexts. This is not an exhaustive list but covers elements that would help a council ensure it is applying the sustainable development principle. In developing these indicators, we have sought the advice of the Future Generations Commissioner and taken account of the 'Maturity Matrix for the Implementation of the Wellbeing of Future Generations Act'.

Positive indicator

Ways of working this relates to

The council used a range of information to develop a thorough understanding of its asset base and requirements, and how they are likely to change over time. This could, for example, relate to:

Long term, prevention, collaboration, involvement

- How its assets base is being used (including where its staff are located, which service users and partners use the assets) and the extent to which it is achieving value for money.
- The quality, value and risks across its assets
- How asset requirements could be impacted over the short, medium and longer term. This could include:
 - Changes in working practices, culture, staff expectations and preferences.
 - Future staffing and skills requirements.
 - Service changes
 - Technological changes that could influence how and where staff work or services are delivered
 - Financial pressures over the short and medium term.
- How its assets could be used in the future, including market value and commercial opportunities

The council may have used tools such as PESTLE analysis, horizon scanning or scenario planning to do this, involving relevant people from across and outside the council as appropriate.

Positive indicator**Ways of working this relates to**

The council considered how its assets can deliver wider organisational priorities (linked to its well-being objectives and the national well-being goals) and **have a broader impact**. This could include preventative benefits and relate to, for example:

- How its approach to assets could help deliver wider environmental objectives, such as decarbonisation and air quality.
- How its approach to assets could deliver its economic and regeneration objectives.
- How its approach to assets could deliver social and cultural objectives, related to equality and diversity objectives, health, well-being, community cohesion or the Welsh Language.
- How service changes could impact on asset requirements, including through changes in staff levels and skills requirements
- How its approach to assets could help deliver and mitigate the impact of financial savings.
- How developments in other parts of the business, such as the council's approach to digital, could impact on workforce.

As part of this, the Council is likely to have involved colleagues from across the organisation to develop a shared understanding of priorities, pressures and opportunities.

The council may have used tools such as an 'Integrated Impact Assessment' (if it has one) to explore the interconnections between objectives, priorities, issues and impacts.

Integration, prevention

Positive indicator	Ways of working this relates to
<p>The council identified who it needed to involve in developing and delivering its approach to assets and it applied good practice when carrying out involvement. As part of this, it:</p> <ul style="list-style-type: none"> • Provided genuine opportunities for people to influence the development and delivery of its strategic approach and individual decisions from an early stage. • Sought the views of the full diversity of the population and ensured they were able to participate. This included seeking the views of different generations. • Considered how representative its involvement activity was and where there might be gaps. (see also ‘the council is seeking to learn and improve’ below). • Uses the results of involvement to shape planning and delivery. 	Involvement
<p>The council identified the partners it needed to work with to deliver its approach to assets (including the range of preventive/ wider benefits described above, such as service improvement, decarbonisation, economic regeneration) and how it would do so, it:</p> <ul style="list-style-type: none"> • Understands the challenges they face, their objectives/ priorities and the shared opportunities. • Developed good relationships with relevant partners, by for example, investing time in partnership working and sharing information in an open and transparent way. • Developed appropriate arrangements to support partnership working, as necessary (e.g. programme/ project governance, plans and project documentation, funding arrangements, performance measures). 	Collaboration, integration

Positive indicator	Ways of working this relates to
<p data-bbox="114 384 1585 528">Drawing on this information, the council developed a vision and approach, that is informed by short term and longer-term considerations, and supported by appropriate delivery arrangements. The approach:</p> <ul data-bbox="114 528 1585 1270" style="list-style-type: none"><li data-bbox="114 528 1585 624">• Identified clear actions over the short and medium term, while also taking account of longer term aims/ considerations.<li data-bbox="114 624 1585 783">• Took account of the benefits of investing in long-term, preventative approaches and the cost (both financial and in terms of outcomes) of not doing so. This could include how it might prevent future problems, such as rising costs, carbon emissions, or reductions in service quality or staff well-being.<li data-bbox="114 783 1585 879">• Was designed to support delivery of its corporate plan and well-being objectives, as well as other key organisational strategies and priorities.<li data-bbox="114 879 1585 975">• Was supported by related strategies and appropriate delivery arrangements. There is alignment between strategic and service-based arrangements.<li data-bbox="114 975 1585 1102">• Set out the resources required to deliver in the short to medium term and the longer-term risks and how these could be managed, as appropriate. This is reflected in the council's medium term financial planning.<li data-bbox="114 1102 1585 1198">• Identified short term measures and milestones/ progression steps where outcomes will be delivered over the medium or longer term.<li data-bbox="114 1198 1585 1270">• Considered how to minimise waste/ negative impact on resources throughout delivery, e.g. for capital projects in the use of materials, impact on the environment etc.	<p data-bbox="1585 384 2110 528">Long term, prevention, integration, collaboration and involvement</p>

Positive indicator**Ways of working this relates to**

The council learns and improves how it applies the sustainable development principle to its work on assets. This could include:

- Reviewing and strengthening how it involves and collaborates with stakeholders
- Reviewing and strengthening how it uses data to inform decision-making and value for money
- Responding to recommendations from Audit Wales, as well as relevant recommendations and advice of the Future Generations Commissioner, as appropriate.
- Learning from peers.

Long term, prevention, integration, collaboration and involvement

2 Sustainable development principle positive indicators: Workforce planning

The table below sets out some positive indicators to help illustrate what a good application of the sustainable development principle could look like in relation to workforce planning. Councils could use these indicators to help them develop their strategic approach to workforce, or specific elements of it. They have been adapted from those we have previously used to inform our sustainable development principle examinations. This list is not designed to be used as a checklist and is designed to be interpreted to fit with organisational arrangements and contexts. This is not an exhaustive list but covers elements that would help a council ensure it is applying the sustainable development principle. In developing these indicators, we have sought the advice of the Future Generations Commissioner and taken account of the ['Maturity Matrix for the Implementation of the Wellbeing of Future Generations Act'](#).

Positive indicator

Ways of working this relates to

The council uses a range of information to develop a thorough understanding of its workforce, the risks and requirements, and how they are likely to change over time. This could, for example, relate to:

Long term, prevention, involvement

- The make-up of its workforce, including where there are skills and capacity gaps and how this is impacting delivery and value for money.
- How and where staff work
- Staff well-being
- Internal and external factors that could impact its workforce over the short, medium and longer term. This could include:
 - Changes in working practices, culture, staff expectations and preferences.
 - Future staffing and skills requirements.
 - Emerging/ continuing skills gaps in specialist areas
 - Technological changes that could influence how and where staff work or services are delivered
 - Financial pressures over the short and medium term.

The council may use tools such as PESTLE analysis, horizon scanning or scenario planning to do this, involving relevant people from across and outside the council as appropriate.

Positive indicator

Ways of working this relates to

The council considered how its approach to workforce planning could deliver wider organisational priorities (linked to its well-being objectives and the national well-being goals) and **have a broader impact**. This could include preventative benefits and relate to, for example;

- How its approach to workforce planning could impact on how and where staff work, which could in turn help deliver its asset management objectives and associated economic, social, cultural, and environmental benefits (see positive indicators 'asset management').
- How service changes could impact on staff levels and skills requirements and how the approach to workforce planning could help manage this successfully
- How the approach to workforce planning could help achieve equality and diversity objectives, the Welsh language and improve staff well-being
- How its approach to workforce could help deliver and mitigate the impact of financial savings.
- How developments in other parts of the business, such as the council's approach to digital, could impact on workforce.

As part of this, the council is likely to have involved colleagues from across the organisation to develop a shared understanding of priorities, pressures and opportunities.

The council may have used tools such as an 'Integrated Impact Assessment' (if it has one) to explore the interconnections between objectives, priorities, issues and impacts.

Integration, prevention

Positive indicator	Ways of working this relates to
<p>The Council involved staff and their representatives in developing and delivering its approach to workforce and applied good practice when carrying out involvement. As part of this, it:</p> <ul style="list-style-type: none"> • Provided genuine opportunities for people to influence its approach/ individual decisions from an early stage. • Sought the views of the full diversity of its staff and took steps to ensure they were able to participate. This included seeking the views of different generations. • Considered how representative its involvement activity was and where there might be gaps. (see also ‘the council is seeking to learn and improve’ below). • It then used the results of involvement to shape its planning and ongoing delivery. 	Involvement
<p>The Council identified the partners it needed to work with to deliver its approach to workforce (including preventive/ wider benefits described above, service improvement, equality and diversity), it:</p> <ul style="list-style-type: none"> • Understands the challenges they face, their objectives/ priorities and the shared opportunities. • Developed good relationships with relevant partners, by for example, investing time in partnership working and sharing information in an open and transparent way. • Developed appropriate arrangements to support partnership working as appropriate. (e.g. programme/ project governance, plans and project documentation, funding arrangements, performance measures). 	Collaboration, integration

Positive indicator	Ways of working this relates to
<p data-bbox="114 400 1480 523">Drawing on this information, the council developed a vision and approach, that is informed by short term and longer-term considerations, and supported by appropriate delivery arrangements. The approach:</p> <ul data-bbox="114 544 1541 1181" style="list-style-type: none"><li data-bbox="114 544 1541 619">• Identified clear actions over the short and medium term, while also taking account of longer term aims/ considerations.<li data-bbox="114 635 1541 783">• Took account of the benefits of investing in long-term, preventative approaches and the cost (both financial and in terms of outcomes) of not doing so. This could include how it might prevent future problems, such as rising costs, carbon emissions, or reductions in service quality or staff well-being.<li data-bbox="114 799 1541 874">• Was designed to support delivery of its corporate plan and well-being objectives, as well as other key organisational strategies and priorities.<li data-bbox="114 890 1541 965">• Is supported by related strategies and appropriate delivery arrangements. There is alignment between strategic and service-based arrangements.<li data-bbox="114 981 1541 1098">• Set out the resources required to deliver in the short to medium term and longer-term risks and how these could be managed, as appropriate. This is reflected in the council's medium term financial planning.<li data-bbox="114 1114 1541 1181">• Identified short term measures and milestones/ progression steps where outcomes will be delivered over the medium or longer term.	<p data-bbox="1585 400 1966 523">Long term, prevention, integration, collaboration and involvement</p>

Positive indicator**Ways of working this relates to**

The council is seeking to learn and improve how it applies the sustainable development principle to its workforce planning. This could include:

- Reviewing and strengthening how it involves and collaborates with stakeholders.
- Reviewing and strengthening how it uses data to inform decision-making and value for money.
- Responding to recommendations from Audit Wales, as well as relevant recommendations and advice of the Future Generations Commissioner, as appropriate.
- Learning from peers.

Long term, prevention, integration, collaboration and involvement



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Rydym yn croesawu gohebiaeth a
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