

SUBJECT: WELLBEING OF FUTURE GENERATIONS ACT – WALES AUDIT COMMENTARY ON OUR PREPAREDNESS

MEETING: AUDIT COMMITTEE

DATE: 3RD DECEMBER 2015

DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 To share the results of the Wales Audit Office report “Monmouthshire County Council: The Wellbeing of Future Generations Act: a commentary on preparedness” which was carried out alongside the Corporate Assessment.
- 1.2 To outline Monmouthshire County Council’s reflection and response to the proposed Next Steps.

2. RECOMMENDATIONS:

- 2.1 That Members note the content of the WAO report.
- 2.2 That Members note and agree to the steps outlined in our response to the Next Steps.

3. KEY ISSUES:

- 3.1 The Wellbeing of Future Generations Act achieved Royal Assent in April 2015 and comes into force in **April 2016**.
- 3.2 The Act requires public bodies to **improve social, economic, environmental and cultural wellbeing**, by taking action in accordance with the **sustainable development principle** aimed at achieving the Wellbeing Goals.
- 3.3 Monmouthshire County Council volunteered to be part of the Welsh Local Government Association’s “early adopter” scheme, which offered support to help local authorities take steps in 2015/16 to get ready for the introduction of the Act. A diagnostic tool completed by senior officers helped to identify key areas where MCC needs to focus its work.
- 3.4 As part of this work, Wales Audit Office, at our request, carried out a “light touch” assessment of our readiness for the Act alongside the Corporate Assessment in March 2015. They interviewed key staff and elected members, as well as a panel of external sustainability stakeholders, and looked at key documents.
- 3.5 The following paragraph is their summary from the report:

“The Council has a clearly stated ambition to implement the Well-being of Future Generations (Wales) Act. The Council also has some building blocks in place, which should provide a foundation on which to build a more embedded and systematic approach to sustainable development. However, at this early stage,

there is a lack of consistency in message, understanding and approach, and key business processes are not being utilised to embed sustainable development. This is contributing to a disconnection between the Council's ambition and practice."

- 3.6 In general, the analysis in the report is a fair reflection of sustainable development and awareness of the Act in the Council, particularly given the early stage that the assessment was carried out (i.e. over a year before the Act becomes law and prior to the publication of any guidance on the Act). The report outlines some useful next steps, shown in the following table, together with our response and actions generated as a result.

4. REASONS

- 4.1 The legislation comes into force in April 2016. We will be subject to review by the Future Generations Commissioner for Wales and for examination by the Auditor General for Wales.
- 4.2 In order to meet the requirements of the legislation, both in terms of compliance, but also embracing the "spirit" of the legislation, we need to learn from and act on the WAO report.

5. RESOURCE IMPLICATIONS

- 5.1 The work outlined in this report will be carried out within existing staff resources. At this time there are no additional financial requirements.

6. FUTURE GENERATIONS IMPLICATIONS

- 6.1 There is no need to complete a Future Generations Evaluation, because the report is for information and sets out steps needed to meet a legislative requirement. However, one would hope that implementing the Future Generations Act would contribute towards the wellbeing of Future Generations!

7. CONSULTATION

8. BACKGROUND PAPERS:

The Wellbeing of Future Generations Act: a commentary on preparedness, published by Wales Audit Office (attached)

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RESPONSE TO NEXT STEPS SUGGESTED IN

“THE WELLBEING OF FUTURE GENERATIONS ACT: A COMMENTARY ON PREPAREDNESS”

NEXT STEP	RESPONSE	ACTION	WHO	WHEN
<p>Establish a clear and consistent understanding. Provide a clear explanation of sustainable development (SD) in the context of the Act</p>	<p>MCC acknowledges that this is of key importance and agrees with the suggestions. This had not happened to a great extent prior to the WAO assessment as we were waiting for greater clarity on the detail of the Act. Since the Act has had Royal Assent and the guidance has been published (Sept 15) we have been doing a programme of staff and member training and awareness raising on the Act and what it means for MCC.</p>	<ul style="list-style-type: none"> ▪ Bimonthly induction training on sustainability has been updated to incorporate the WFG Act. ▪ Staff training for managers and report writers on WFG Act and FG Evaluation being rolled out from September onwards (60 officers to date). ▪ Information on the Act being drafted to go on the Hub. ▪ All staff e-mail to go out announcing introduction of FG Evaluation. ▪ Briefings on the Act for the LSB in preparation for transition to PSB. ▪ Developing a training module on the WFG Act to be delivered through TalentLab 	<p>Hazel Clatworthy</p> <p>Hazel Clatworthy</p> <p>Hazel Clatworthy</p> <p>Hazel Clatworthy</p> <p>Will McLean/ Hazel Clatworthy</p> <p>Hazel Clatworthy</p>	<p>Bimonthly</p> <p>September 15 onwards</p> <p>November/ December 15</p> <p>November 15</p> <p>April/ October 15</p> <p>Spring 16</p>
<p>Develop and enhance leadership for sustainable development. Work with the WLGA Early Adopter’s Programme to develop and broaden the capacity and</p>	<p>MCC agrees that this is an important area of work and is developing a programme of officer and member training and development in response.</p>	<ul style="list-style-type: none"> ▪ Staff training for managers and report writers on WFG Act (see above) ▪ Briefing report for Cabinet on WFG Act progress, the results of the WAO report and timeline for actions. 	<p>Hazel Clatworthy</p> <p>Hazel Clatworthy</p>	<p>September 15 onwards</p> <p>December 15</p>

NEXT STEP	RESPONSE	ACTION	WHO	WHEN
<p>understanding of SD amongst the Council leadership.</p>		<ul style="list-style-type: none"> ▪ Member Seminars being delivered on the WFG Act ▪ Presentation to Senior Leadership Team on the FG Evaluation and its use. ▪ As part of our “early adopters” support, sessions with support from Dr Alan Netherwood (funded by WLGA) and officers from key teams specified as being key to implementing the Act by the WAO report, the guidance on the Act or the diagnostic tool. These were: Procurement, Policy and Performance, Strategic Partnerships, Scrutiny and Finance. This has identified key areas of work to develop further. ▪ Establish new Scrutiny process for the PSB and train the relevant elected members. ▪ Develop opportunities to integrate the Act into other training provision. 	<p>Policy and Performance team Hazel Clatworthy</p> <p>Procurement Policy and Performance Strategic Partnerships Scrutiny Finance</p> <p>Hazel Ilett</p> <p>John McConnachie/ Hazel Clatworthy</p>	<p>May and December 15 August 15</p> <p>September 15</p> <p>October 15 onwards</p> <p>January 16</p> <p>Spring 16</p>
<p>Better equip the Council to respond to the Act by targeting key business processes. This commentary confirms business processes</p>	<p>MCC acknowledges that this is a key area of work for MCC to address in order to embed the sustainable development principles</p>	<ul style="list-style-type: none"> ▪ A new Future Generations Evaluation has been developed to replace previous EQIA and SD checklists. It is specific to the requirements of the Act, and incorporates all equalities, 	<p>Hazel Clatworthy</p>	<p>November 15 onwards</p>

NEXT STEP	RESPONSE	ACTION	WHO	WHEN
<p>as one of a number of areas where the Council's response needs to be more coherent and consistent.</p>	<p>across everything that we do. We are working on a number of different ways to make this happen, focussing in particular on those areas highlighted through the report and the Early Adopters Diagnostic Tool.</p>	<p>sustainability and safeguarding and corporate parenting requirements. It was piloted on budget mandates and has been refined following feedback and will accompany all reports for decision from November 15. Training has emphasised the importance of using it early on in decision making, not just at end.</p> <ul style="list-style-type: none"> ▪ The FG Act is being integrated into the new developing Procurement Strategy and opportunities to build it into the Buyers Guide are being explored. ▪ Training on the FG Act for the MCC Procurement Network. ▪ Developing a training module on the WFG Act to be delivered through TalentLab. ▪ We will look for opportunities to better integrate the Act and the principles of the Act as a way of working into the People Strategy. 	<p>Scott James/ Hazel Clatworthy</p> <p>Hazel Clatworthy</p> <p>Hazel Clatworthy</p> <p>Lisa Knight-Davies/ Hazel Clatworthy</p>	<p>Spring 16</p> <p>November 15</p> <p>Spring 16</p> <p>December 15 / Jan 16</p>
<p>Ensure that business planning is fit for the future. Undertake a gap analysis of the current approach to corporate planning and the requirements of the Act. Put in</p>	<p>MCC acknowledges that integrating the FG Act into all our business planning processes is key to fully integrating sustainable development across the</p>	<ul style="list-style-type: none"> ▪ We will be building the Wellbeing Goals and SD Principles into the 2016/17 service planning principles. The Policy and Performance team will challenge the plans to ensure compliance with the principles which 	<p>Policy and Performance Team</p>	<p>Jan – April 16</p>

NEXT STEP	RESPONSE	ACTION	WHO	WHEN
<p>place actions to ensure that the Council's corporate and service planning is equipped to embed SD and respond to the requirements of the Act.</p>	<p>work of the Council. Some of these are described in the previous section. A gap analysis of what was needed to comply with both the spirit and letter of the legislation was carried out as part of the preparation for the WAO assessment of our preparedness for the Act. These gaps have informed all the work outlined in this response.</p>	<p>will include the Goals and Principles of the Act.</p> <ul style="list-style-type: none"> ▪ The Policy and Performance team will lead a review of our corporate policies to identify changes required in line with the Act (e.g. Asset Management Plan, People Strategy, Improvement Planning) ▪ Work with the Finance team to raise understanding and awareness of the Act so that it can inform their discussions when they meet with managers to discuss budgets. 	<p>Policy and Performance Team</p> <p>Joy Robson</p>	<p>Dec – April 16</p> <p>From April 2016</p>
<p>Establish mechanisms to provide regular feedback on preparedness and the progress the Council is making on embedding sustainable development. Ensure reporting streams enable members and officers to understand whether: the council is acting in accordance with the SD principle, and whether the council is maximising contribution to the 7 Wellbeing Goals.</p>	<p>The cross cutting nature of the FG Act means that there is no one specific method for feeding back to officers and members. A variety of approaches is being taken e.g. reporting to Cabinet, Member Seminars, developing Scrutiny of the PSB, reporting to SLT, adopting the Future Generations Evaluation, embedding in service and improvement planning etc</p>	<ul style="list-style-type: none"> ▪ Incorporating the FG Act Wellbeing Goals and SD principles into the service planning and improvement planning processes (see above). ▪ The Future Generations Evaluation will enable officers and members to identify whether proposals are contributing to the Wellbeing Goals and Principles (see above). ▪ Reports to Cabinet, Audit Committee and other committees as appropriate. ▪ Member Seminars being delivered on the WFG Act 	<p>Policy and Performance Team</p> <p>All staff</p> <p>Hazel Clatworthy/ Policy and Performance team</p> <p>Hazel Clatworthy/</p>	<p>Jan – April 16</p> <p>November 15 onwards</p> <p>Ongoing</p>

NEXT STEP	RESPONSE	ACTION	WHO	WHEN
			Policy and Performance Team	May and December 15
Use the Diagnostic Tool for ongoing assessment of the Council's response to the Act and to track progress in embedding SD.	The diagnostic tool was a helpful starting point to identify strengths and weaknesses and raise the profile of the Act.	<ul style="list-style-type: none"> ▪ Consider when would be the most appropriate time to use either the Diagnostic Tool or the Diagnostic Tool Light to measure progress in embedding SD. 	Policy and Performance Team	Spring 16
Explore the potential of Integrated Reporting to enable all personnel to: articulate how the Council creates value; and understand the Council's impact on the financial, human, cultural and natural resources on which it is dependent.	We have trialled integration of reporting finance and performance information, as part of budget monitoring. This has identified that further development of the information is needed.	<ul style="list-style-type: none"> ▪ Finance, performance and outcome data are currently considered together in balanced scorecards which all services have in place. ▪ We will use the proposed national indicators to help measure and report on our contribution towards achieving the Wellbeing Goals. 	Policy and Performance Team Policy and Performance Team	Ongoing From April 2016