

To Chief Executives,
cc Heads of Policy and Improvement Officers

A number of authorities have sought advice regarding the separate statutory objective setting and reporting duties through the Local Government Measure 2009 and the Well-being of Future Generations Act 2015, in particular given the interpretation of statutory timescales and the implications of the local elections in May.

I have had discussions with colleagues from the Wales Audit Office, Office of the Future Generations Commissioner for Wales and the Welsh Government and they have asked that I share the following advice for clarification:

The Welsh Government and the Future Generations Commissioner have made it clear that duties to set and report on wellbeing objectives (under the Wellbeing of Future Generations (Wales) Act 2015) should not be treated as separate from any objectives that guide and steer the actions and decisions of organisations. In addition, they have also set out that planning and reporting processes should be aligned and integrated. As the Local Government (Wales) Measure 2009 states, Improvement Objectives need to reflect the key strategic priorities of authorities and to all intents and purposes, well-being objectives and improvement objectives can be treated as one and the same. Therefore, by integrating processes for setting and reporting on these key objectives, authorities can discharge their duties under both areas of legislation.

Some authorities have already indicated that they will be publishing a Corporate Plan by the end of March 2017 which includes their well-being objectives, effectively discharging both their wellbeing duties and the Measure duties to publish an Improvement Plan and objectives (as publishing an Improvement Plan early is possible under the Measure). Authorities may then wish to re-consider their well-being objectives following the local government elections, as per the WCFG Act 2015 (see S9 (5) and (6) '(5)A public body may at any other time review and revise its well-being objectives...Where a public body revises its well-being objectives...it must publish them as soon as is reasonably practicable..').

The WCFG Act is not intended to introduce a compliance based focus on process. The Act gives the Auditor General for Wales the power to examine the extent to which authorities have acted in accordance with the sustainable development principle (5 ways of working) in setting and working towards well-being objectives. There is nothing in the Act that requires the Auditor General to audit plans. This may mean a light touch in terms of any examination of published documents, but will require deeper examinations of underlying arrangements and the 5 ways of working. In recent years the WAO has reduced the focus on process under the Measure to a basic certification rather than a comprehensive examination of authority publications.

Timetable:

- **By 31st March 2017 – Councils must publish Well-being Objectives and Statements**
(see S9 (2)(a) of the WCFG Act 2015 'A public body's well-being objectives must be set and published...no later than the beginning of the financial year following the commencement of this section', and as stated in Guidance (SPSF2: Para 10) 'The first set of well-being objectives will be agreed and published no later than 31 March 2017')

Some authorities have indicated that they would wish to re-consider well-being objectives with newly elected councils following local government elections, which is provided for by the WCFG Act 2015 (see S9 (5) and (6) '(5) A public body may at any other time review and revise its well-being

objectives...Where a public body revises its well-being objectives...it must publish them as soon as is reasonably practicable...'

A Council that delayed the publication of its first set of well-being objectives until sometime after local government elections when it produced its corporate plan would not be complying with the requirements of the Act

- **4th May 2017 – Local authority elections**
- **Post-Elections 2017 – Councils publish Corporate Plan 2017-18 (including improvement objectives/revised well-being objectives)**

Although some councils plan to have done this by 31st March, other councils could publish a Corporate Plan including well-being objectives following the elections when they have been properly considered, revised (if necessary – see above) and adopted by new councils (e.g. by the end of August 2017). This would discharge the duty under the Measure (S15 (6)&(7) to publish an 'improvement' plan 'as soon as is reasonably practicable after the start of the financial year to which the plan must relate'. It is anticipated that one set of objectives would be produced to jointly discharge the separate duties to produce well-being objectives and improvement objectives.

- **By 31st October 2017 – Councils must publish their 'backward-looking' Performance Assessment 2016-17 (See S15 (3)(a) LG Measure 2009)**
- **By 30th June 2018 - Councils publish Corporate Plan 2018-19**

This is normal practice (in discharging Measure duties to produce improvement objectives and a plan) and the emphasis in the Well-being of Future Generations Act is that there should be on an integrated approach to corporate planning in which the setting, taking steps to meet and reviewing of well-being objectives also discharges the requirements of the Measure. Councils must set improvement objectives each financial year (S3 of the Measure), so assuming councils are producing a single set of objectives, this process would incorporate the review and revision of any well-being objectives (as per S9 (5) and (6) of the WCFG Act 2015).

- **By 31st October 2018 – Councils should publish their first Wellbeing Annual Report and Performance Assessment 2017-18 (this could/should be an integrated report)**

Councils have separate duties to produce an annual performance assessment (S15(3) of the Measure) and annual wellbeing report (Schedule 1, 1(2)). These duties could/should be discharged through the publication of a single report.

The timetables for Well-being Annual Reporting has caused some confusion, as the WCFG Act 2015 states that they '...must be published as soon as reasonably practicable following the end of the financial year to which the report relates' (Schedule 1, 1(2)) however the guidance states 'Annual Reports must be published as soon as possible, but no later than 31 March' (SPSF2: Para 25). To clarify, this should be interpreted as 'as soon as reasonably practicable following the end of the financial year, but no later than a 31st March of the following year'.

The Welsh Government has indicated that it intends to revoke the provisions of the Local Government (Wales) Measure 2009 in the future, through any forthcoming Local Government reform legislation (it is anticipated that next week's White Paper will set out the Welsh Government's proposals). To give a broad indication of timescales, assuming a Bill being introduced

in the Assembly probably towards the end of 2017-18, a 12 month legislative period, Royal Assent and commencement orders, it is likely that any new reforms would probably apply from April 2020.