

Setting of Well-being Objectives – Velindre University NHS Trust

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Summary report

About this report

- 1 This report sets out the findings from the Auditor General’s examination of the arrangements for setting well-being objectives at Velindre University NHS Trust (the Trust). Our review is being undertaken to help discharge the Auditor General’s duties under section 15 of the Well-being of Future Generations (Wales) Act.
- 2 The Well-being of Future Generations (Wales) Act 2015 (the Act) places a ‘well-being duty’ on the Trust. The duty requires the Trust to set and publish well-being objectives that are designed to maximise its contribution to achieving each of the Act’s seven national well-being goals¹. The duty also requires the Trust to take all reasonable steps, in exercising its functions, to meet those objectives.
- 3 The Act requires the Auditor General to carry out examinations to assess the extent to which public bodies² have acted in accordance with the sustainable development principle when setting their well-being objectives.
- 4 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 prevention³.
- 5 In designing our approach, we considered what we could reasonably expect from the Trust 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, including the Trust, are still developing their experience in applying the sustainable development principle when setting well-being objectives. Therefore, the examinations include consideration of how the Trust was applying its learning and how it can improve in future.
- 6 We undertook our work between June and October 2024. The aim of the review was to answer the overall question: ‘to what extent has the Trust acted in accordance with the sustainable development principle when setting its new well-being objectives?’. We did this by looking for evidence of appropriate:
 - arrangements in place for setting well-being objectives which are underpinned by the sustainable development principle;
 - information considered when setting current well-being objectives to ensure they remain consistent with the sustainable development principle; and

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 At the time of our work, 56 public bodies in Wales were subject to the Act.

³ Section 5 Well-being of Future Generations (Wales) Act 2015.

- arrangements in place to monitor progress and improve how the organisation applies the sustainable development principle.

Key findings

- 7 We found that **the Trust has updated its well-being objectives after a long period without a review. However, it did not fully consider the sustainable development principle in doing so. Going forward, the Trust has an opportunity to incorporate the well-being objectives into its corporate planning framework to ensure they become central in shaping decisions on service delivery, service transformation, resource allocation, and the setting of savings targets.**

The process for setting and reviewing well-being objectives

- 8 The Trust first set its well-being objectives in 2015, they were not timebound, and thus open-ended. Therefore, it was not clear when the Trust would set new ones.
- 9 As part of reporting progress in meeting their well-being objectives, public bodies are required to review them annually to ensure they remain appropriate. However, the Trust has not reviewed its well-being objectives since they were set.
- 10 The Trust recognised that it needed to consider its well-being objectives given the length of time since they were set and to ensure compliance with statutory requirements. In 2024, the Trust commenced work to set new well-being objectives. The timing satisfied the requirement on public bodies to consider their well-being objectives following the change to one of the national well-being goals when the Social Partnership and Public Procurement (Wales) Act 2023 came into force.
- 11 The approach to setting new well-being objectives was agreed by the Trust's Executive Management Board and took place between January and July 2024.
- 12 After the work was completed, the Trust amended the wording of two of the existing well-being objectives, with the other five remaining unchanged. The Executive Management Team and the Strategic Development Committee endorsed the well-being objectives, and the Board approved them in July 2024. The current well-being objectives are set out in **Exhibit 1**.

Exhibit 1: The Trust's well-being objectives, 2024

Reduce health inequalities, make it easier to access the best possible healthcare when it is needed and help prevent ill health by collaborating with the people of Wales in novel ways

Improve the health and well-being of our staff and people across Wales, by striving to care for the needs of the whole person

Create new highly skilled jobs in Wales and attract investment by increasing our focus on research, innovation and new models of delivery

Deliver bold solutions to the environment challenges posed by our activities

Demonstrate respect for the diverse cultural heritage of modern Wales

Bring communities and generations, together through involvement in the planning and delivery of our services

Strengthen the international reputation of the trust as a centre of excellence for teaching, research and technical innovation whilst also making a lasting contribution to global well-being

Source: Velindre University NHS Trust

- 13 The Trust's well-being objectives are separate and different to the Trust's strategic goals. However, the well-being objectives do not include any underpinning steps or actions that provide clarity on how and when the Trust will deliver them, how achievement will be measured, and what the desired impact is.
- 14 The Trust is free to determine how it frames its well-being objectives within its strategic planning framework. However, statutory guidance on the Act⁴ encourages public bodies to set them through their corporate planning process and be reflected in a corporate plan (or equivalent). It is fundamentally important that the requirements of the Act are not seen as 'an additional layer' to existing activity so that sustainable development is embedded and designed to drive activity across the organisation and define 'how' it 'will work'. The Future Generations Report

⁴ Welsh Government, [SPSF:1 Core Guidance Shared Purpose: Shared Future](#)

2020⁵, which is a key source of information, sets out what should be considered by public bodies when setting and reviewing their well-being objectives.

- 15 The work undertaken by the Trust in 2022-23 to develop a new ten-year organisational strategy (with supporting enabling strategies) provided an opportunity to embed delivery of well-being objectives in corporate plans, such as the Integrated Medium Term Plan (IMTP). However, this opportunity was not taken advantage of.
- 16 However, whilst reviewing its well-being objectives, the Trust established an internal 'baseline' of progress made to deliver the existing well-being objectives. The baseline mapped existing relevant strategies, plans, procedures and policies to each of the well-being objectives. This exercise provides a useful starting point for progressing work to provide a line of sight between the Trust's well-being objectives and the business priorities set out in corporate plans.
- 17 The Trust's objectives are strategic, long term in nature and relate to different aspects of well-being. However, it will be critical for the Trust to ensure they are effectively incorporated into core planning arrangements if it is to deliver them. This could, for example, be achieved by further developing the baseline of progress to signpost work set out in other plans, such as the IMTP. Alternatively, and in line with statutory guidance and good practice, the Trust could integrate its strategic objectives and well-being objectives. **(Recommendation 1)** This would help to ensure that the sustainable development principle is the central organising principle of every action that staff undertake daily.
- 18 This connection will be critical to make sure that the well-being objectives are shaping decisions on service delivery, service transformation, resource allocation, and the setting of savings targets. It would also enable the Trust to align resources to deliver its well-being objectives and consider the resourcing risks to delivering them over the medium and long term.

Evidence base

- 19 The work to set new well-being objectives included SWOT⁶ and PESTLE⁷ analysis providing high-level summaries of internal and external factors to inform needs, risks, and opportunities of relevance to each well-being objective.
- 20 A survey was developed for staff, service users and other interested parties to complete. It asked respondents to rate each of the current well-being objectives based on how important they felt it was for the Trust to achieve them. Disappointingly, the Trust only received 49 responses from staff and 18 responses from service users. The low response rate suggests the Trust was not able to

⁵ Future Generations Commissioner for Wales, [Future Generations Report \(Chapter 4: Well-being Objectives\)](#), May 2020

⁶ SWOT – Strengths, Weaknesses, Opportunities, and Threats.

⁷ PESTLE – Political, Economic, Sociological, Technological, Legal, and Environmental.

reach the diversity of the population and that it will be important for it to consider this when devising future involvement activity. If the Trust had been able to stimulate a conversation about the actions that it is taking or could take to deliver well-being objectives, this may have stimulated a higher level of engagement and richer feedback.

- 21 Welsh Government IMTP planning guidance requires the Trust to set out the improvements to be made to services and their future sustainability (within the resources available) to reduce inequalities and to improve the health outcomes of the populations served. Our annual structured assessment reports have consistently reported that the Trust has effective corporate planning and financial planning arrangements. The Trust's planning arrangements give good consideration of significant changes in the operating environment; consideration is given to service demand, resource pressures, capacity and capability to deliver service transformation and the need to balance short-term needs with longer-term needs. The Trust also has good arrangements for engagement with key stakeholders and commissioners and planning is informed by service user feedback. Its IMTPs are underpinned by resource plans that clearly identify the risks to delivery.
- 22 Therefore, proactively considering the sustainable development principle as part of existing corporate planning arrangements would help further strengthen those arrangements by ensuring consideration of how the Trust can achieve impact across the well-being goals. It would also help to demonstrate how the Trust:
- used data and other intelligence to understand current and future needs;
 - involved others in reviewing its well-being objectives (and supporting actions);
 - considered how its well-being objectives relate to and impact on each other (including opportunities to deliver multiple benefits/minimise conflicts);
 - considered how its well-being objectives relate to and impact on partners' well-being objectives;
 - considered how its current well-being objectives deliver longer-term benefits whilst balanced with meeting short-term needs;
 - considered whether well-being objectives are set over an appropriate timeframe; and
 - considered how it would resource the delivery of its well-being objectives over the short and medium term, and the resourcing risks to delivery in the longer term.
- 23 The Trust's baseline mapping of progress made to deliver the existing well-being objectives (see **paragraph 16**) identified an initial tranche of potential performance indicators that could be used to track progress to meet well-being objectives.

- 24 However, the Trust still needs to set out SMART⁸ performance measures that underpin its well-being objectives. Whilst the Trust's IMTP contains SMART performance measures, they are structured around IMTP priorities and not the well-being objectives. Therefore, by designating the strategic objectives as the well-being objectives, this would provide a clear and well-understood link between the priorities in the IMTP and what the Trust is aiming to deliver to achieve its well-being objectives and why, how, and when.
- 25 The identification of performance measures to underpin the well-being objectives is crucial to support an effective review of progress towards meeting them. Further measures may need to reflect the broader aspects of some of the well-being objectives (such as those relating to social, environmental, and cultural wellbeing). **(Recommendation 2.1)**
- 26 Furthermore, the Trust does not clearly set out strategic performance measures to monitor the long-term outcomes it is seeking to achieve. **(Recommendation 2.2)** Designating the strategic objectives as the well-being objectives, therefore, would provide an opportunity to integrate and align the underpinning aims.

Monitoring

- 27 The Trust reports progress to deliver its well-being objectives in its annual performance report⁹. To date, the section on progress to meet well-being objectives has contained a short narrative summary of areas of activity across the Trust that have a positive impact on social, environmental and cultural well-being, rather than across the range of the business activities that could demonstrate progress. There is also a separate Sustainability Report which reports progress against the Trust's social, economic, environmental, and cultural well-being actions. Reporting anything more specific is made difficult by the absence of underpinning steps or actions on what is intended to be delivered and by when, and the absence of intended outcomes and measures of progress.
- 28 The Trust recognises it needs to develop a more holistic and balanced assessment of progress made against each of its well-being objectives, underpinned by performance measures. The Trust has signalled its intent to report progress to meet well-being objectives in a separate report in the future. This would help to give the assessment of progress more prominence and give more time and focus for challenge and scrutiny. However, the Trust should consider whether designating its strategic objectives and well-being objectives might demonstrate that the well-being objectives are driving activity across the organisation, while continuing to enhance annual reviews and streamline annual reporting.

⁸ Specific, Measurable, Achievable, Relevant, and Time-bound.

⁹ The performance report provides a summary of key achievements, performance and challenges across the range of Trust activities and receives scrutiny at the Strategic Development Committee and the Board.

Recommendations

29 **Exhibit 2** details the recommendations arising from our work. The Trust's management response to our recommendations is summarised in **Appendix 1**.

Exhibit 2: recommendations

Recommendations	
R1	The Trust should integrate its well-being objectives into its core planning arrangements by, for example, designating its strategic objectives as its well-being objectives to ensure a clear link between the delivery of strategic and business priorities and the well-being objectives. (Paragraph 17)
R2	As part of its core planning arrangements, the Trust should clearly set out and monitor: <ul style="list-style-type: none">2.1. Performance measures and checks to demonstrate progress to implementing well-being objectives and supporting actions. (Paragraph 25)2.2. Strategic performance measures to accompany its well-being objectives that capture the long-term impact it is seeking to achieve. (Paragraph 26)

Appendix 1

Management response to audit recommendations

Exhibit 3: management response

Recommendation	Management response	Completion date	Responsible officer
R1 The Trust should integrate its well-being objectives into its core planning arrangements by, for example, designating its strategic objectives as its well-being objectives to ensure a clear link between the delivery of strategic and business priorities and the well-being objectives.	The Well-being Objectives will be embedded within the IMTP to ensure business priorities align with the ambitions.	April 2025	Director of Transformation (Interim)
R2 As part of its core planning arrangements, the Trust should clearly set out and monitor: R2.1 Performance measures and checks to demonstrate progress to implementing well-being objectives and supporting actions. R2.2 Strategic performance measures to accompany its well-being objectives that	The Trust is developing a comprehensive framework of performance indicators linked to the Well-being Objectives. This will review current metrics and develop new ones, where deemed necessary. The metrics will be a combination of quantitative and qualitative metrics and will be reviewed annually.	April 2025	Director of Transformation (Interim)

Recommendation	Management response	Completion date	Responsible officer
capture the long-term impact it is seeking to achieve.			



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