

Springing Forward – Assets and Workforce – Torfaen County Borough Council

Audit year: 2021-22

Date issued: July 2022

Document reference: 3006A2022

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.

Contents

During the pandemic, the Council has engaged staff to gather views on blended working, but further work is needed for it to understand its future assets and workforce needs and to put the sustainable development principle at the heart of its considerations.

Summary report

Summary	4
Recommendations	6
Detailed report	
The Council has engaged staff to gather views on blended working, but the current arrangements around its assets and workforce limit its ability to plan for the longer term	8
The pandemic has impacted the Council's capacity to plan for its assets and workforce over the longer term	8
The Council's current arrangements are not sufficiently effective to ensure appropriate information sharing and joint-working between services and the corporate centre	9
The Council has engaged staff to understand views on blended working but does not yet fully understand its future assets and workforce needs	10
The Council is taking action to become more future-focused, but it's too early to evaluate its effectiveness	11

Summary report

Summary

- 1 As the world moves forward, learning from the global pandemic, our review looked at how councils are strengthening their ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities.
- 2 We examined Torfaen County Borough Council's (the Council) overall arrangements and approach in relation to its strategic management of its assets and workforce. We sought to answer the question 'is the Council's strategic approach strengthening its ability to transform, adapt and maintain the delivery of its services in the short and longer term?'
 - a. for assets, our primary focus was on office accommodation and buildings from which the Council delivers services to its residents; and
 - b. for workforce, our focus has been on the challenges highlighted during the pandemic that have exacerbated some long-standing workforce issues.
- 3 When we began our audit work under the Well-being of Future Generations (Wales) Act 2015, we recognised that it would take time for public bodies to embed the sustainable development principle, but we did also set out our expectation that over the medium term we would expect public bodies to be able to demonstrate how the Act is shaping what they do. It is now approaching seven years since the Well-being of Future Generations Act was passed and we are now into the second reporting period for the Act. Therefore, we would now expect public bodies to be able to demonstrate that the Act is integral to their thinking and genuinely shaping what they do.
- 4 This project had had three main aims:
 - to gain assurance that councils are putting in place arrangements in relation to their assets 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.
- 5 This is important because the Council invests considerable sums in its building assets and workforce. Some key information from 2020-21 is shown in **Exhibit 1** below.

Exhibit 1: key facts and figures relating to building assets and workforce

Key facts and figures relating to building assets and workforce	
Asset portfolio size	<ul style="list-style-type: none">• 147 operational buildings
Asset value	<ul style="list-style-type: none">• £317 million¹
Number of staff	<ul style="list-style-type: none">• 3,316 full-time equivalent
Spending on workforce	<ul style="list-style-type: none">• £142.7 million²

- 6 The project, which forms part of the work contained in our 2021 Audit Plan will help discharge the duties under section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) and section 15 of the Well-being of Future Generations (Wales) Act 2015. It may also inform a study for improving value for money under section 41 of the 2004 Act.
- 7 The COVID-19 pandemic has impacted on demand for buildings and the way that staff work. This report examines some of these impacts and the way that the Council benefits from the positives and mitigates risks from the negative when planning future service delivery.
- 8 The project was undertaken through a combination of document reviews, focus groups and interviews with officers and members. We undertook the review between December 2021 and March 2022.

What we found

- 9 In doing this work, we have identified some issues arising as a direct impact of the pandemic as well as some strategic planning and cultural issues exacerbated by the pandemic. We found commonalities between the approach taken for both assets and workforce, as well as specific findings related to both which are set out below.
- 10 Overall, we found that during the pandemic, the Council has engaged staff to gather its views on blended working, but further work is needed for it to understand

¹ Torfaen County Borough Council.

² [Statement of Accounts 2020/21 \(torfaen.gov.uk\)](#) note 7.

its future assets and workforce needs and to put the sustainable development principle at the heart of its considerations.

11 We reached this conclusion because:

- the Council has engaged staff to gather views on blended working, but the current arrangements around its assets and workforce limit its ability to plan for the longer-term
 - the pandemic has impacted the Council's capacity to plan for its assets and workforce over the longer term;
 - the Council's current arrangements are not sufficiently effective to ensure appropriate information sharing and joint-working between services and the corporate centre;
 - the Council has engaged staff to understand views on blended working but does not yet fully understand its future assets and workforce needs; and
- the Council is taking action to become more future-focused, but it is too early to evaluate its effectiveness.

Recommendations

Exhibit 2: recommendations

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

Recommendations

Strategies and delivery plans

- R1 In developing its new strategic asset management strategy and workforce strategy, the Council should place the sustainable development principle at the heart of its considerations, and specifically ensure it:
- builds on its experience of the COVID-19 pandemic;
 - takes account of longer-term trends that may affect service provision and the efficient use of assets and workforce;
 - aligns with other strategic documents, including decarbonisation, and digital strategies;
 - sets out the Council's intended outcomes over the short, medium and longer term;
 - takes account of the needs of staff, service users and partners; and
 - sets out SMART performance measures and appropriate monitoring and reporting arrangements.

Recommendations

Service level assets and workforce plans

- R2 Develop more effective assets and workforce plans at service level to support the corporate strategic direction to drive and shape long-term goals.
-

Information sharing and joint-working

- R3 Design and implement arrangements to ensure appropriate information sharing and joint-working between services and the corporate centre.
-

Progress monitoring

- R4 Design and implement arrangements to regularly monitor and review progress of its assets and workforce strategies, delivery plans and service level plans.
-

Evaluate the benefits of partnership working

- R5 Collaborate with public sector partners across Gwent to evaluate the potential benefits of developing a strategic long-term approach to a single public estate.

Detailed report

During the pandemic, the Council has engaged staff to gather views on blended working, but further work is needed for it to understand its future assets and workforce needs and to put the sustainable development principle at the heart of its considerations

The Council has engaged staff to gather views on blended working, but the current arrangements around its assets and workforce limit its ability to plan for the longer term

The pandemic has impacted the Council's capacity to plan for its assets and workforce over the longer term

- 12 The COVID-19 pandemic has had an unprecedented impact on the Council. The Council has worked hard to deal with the pandemic whilst maintaining delivery of key services. The pandemic highlighted workforce issues such as difficulty in recruiting in certain services, and the need to adapt its ways of working to continue to deliver during a crisis.
- 13 Prior to the pandemic, the Council started on its Workplace Transformation Project. The project aimed to reduce the number of buildings used for corporate office accommodation and for storage. The Council was looking to reduce its main office accommodation from three buildings to one main site at the Civic Centre. Most recently the Council vacated leased premises at Pontypool Police Station in 2021.
- 14 In the early stages of the pandemic, many staff adjusted to working from home. Some were unable to work from home because the services could not be delivered remotely, and some staff were redeployed to other duties.
- 15 During 2021, the Council made changes to its Senior Leadership Team (SLT) which included the appointment of its new Chief Executive (commenced in July 2021) and established a new Communities, Customer and Digital directorate.
- 16 Whilst the Council has responded to the pandemic to ensure the delivery of key services, senior officers focussed on ensuring key service delivery continued and did not have sufficient 'strategic thinking' space to actively forward plan.
- 17 In addition, officers we spoke to said that they were waiting for the new strategic direction to be set by the new Chief Executive, to be able to review the priorities and plan for the future.
- 18 The Council's future vision for its assets and workforce is not currently articulated in a long-term, forward-looking strategy. Both the Asset Management Strategy 2021-2023 and the Draft Workforce Strategy 2021-2024 cover a short period, and

are drafted to short timescales to align with the current corporate plan which is due for a refresh in 2023. The Council will need to consider the skills, knowledge and capacity it will need both now and in the future, so that it can design workforce plans that meet both short-term objectives and longer-term ambitions.

- 19 We were told that the Draft Workforce Strategy was progressing through its internal processes in readiness for implementation when the pandemic struck, forcing the Council to divert its resources to respond to other immediate priorities. The Draft Workforce Strategy 2021-2024 has not been widely circulated throughout the organisation and we have been told that it needs reviewing and refreshing in light of the pandemic.
- 20 The need to respond to the pandemic and a lack of strategic direction have impacted on the Council's capacity to plan for its assets or workforce over the longer term. The Council will need to consider how it builds in sufficient capacity to strategically plan and put the sustainable development principle at the heart of its corporate asset and workforce visions and supporting plans to help it deliver its aspirations, both now and in the future. This should help ensure it delivers maximum impact, across its objectives.

The Council's current arrangements are not sufficiently effective to ensure appropriate information sharing and joint-working between services and the corporate centre

- 21 There is a lack of formal arrangements, which highlights a disconnect between services and the corporate centre.
- 22 The asset portfolio is managed as a 'Corporate Landlord' model which means that all property assets are treated as a Council resource and not as 'belonging' to service areas. However, we were told that communication between services and Asset Management Services could be strengthened to enable proactive planning of future work.
- 23 The Council operates an HR Business Partner Model which works with services to build workforce capability, and shape and implement effective strategies to achieve the Council's priorities. The Council's approach to workforce planning arrangements is generally informal and relies on good relationships between HR and services rather than systemic arrangements. Whilst the approach allows both HR and services to respond to emerging issues, the Council recognises that some arrangements and processes need to be formalised.
- 24 There is little evidence of integration between corporate strategies. The Council must be clear on how the strategic-level documents align with each other, will be communicated to the wider organisation, and how it will continue to engage with the wider workforce on its assets and workforce.

The Council has engaged staff to understand views on blended working but does not yet fully understand its future assets and workforce needs

- 25 The Council has engaged with its staff to understand how they want to work in the future, and on proposed changes to the Civic Centre. According to a staff survey undertaken in summer 2020, most respondents regarded the move to homeworking as a positive change but wanted the opportunity to meet and interact with colleagues at the office by adopting a blended workstyle.
- 26 In April 2021, further staff engagement took place through a series of virtual events, and most recently, an extended leadership team conference provided an opportunity to consider the refurbishment proposals for the Civic Centre and how the workforce may want to utilise the asset.
- 27 It is important to consider the ways in which staff would like to work to shape the blended workstyle, but there is further opportunity to explore how services could be delivered in the future and the role assets play in achieving positive outcomes for the residents of Torfaen.
- 28 There is no corporate expectation that services with assets in their remit need a service asset management plan, and therefore no central management of assets for future planning. Whilst individual services may understand their current assets and workforce needs, further work is required corporately to gain a better overview and consider how this information influences plans.
- 29 Collaborative approaches to assets have been negatively impacted by the pandemic. In 2020, public sector organisations in Gwent agreed to collaborate with a view to identifying possible strategic approaches to a One Public Estate. Such an approach may identify flexibility, integration, and a reduced dependency to seek out private market solutions which may potentially reduce costs. However, to date progress has been limited by the operational demands of the COVID-19 pandemic. As the Council and its regional partners develop their new asset management strategies, there is now opportunity to drive a collaborative approach to assets, as committed to in 2020.
- 30 There is currently no automated system to collect and manage workforce information within the Council. The Council told us it needs to create a mechanism to collect and then use data to inform decision-making and is exploring the use of data analytics software to support this aim.
- 31 The Council has workforce data such as age profile, sickness rates, length of service and recognises that it needs better understanding of competencies and skills data and what skills and competencies will be required in the future. At the time of our fieldwork, there were discussions around what skills needed to be captured and how this information might be used, but these were in the early stage of development.

- 32 The Council actively participates in regional and national asset management networks, but no formal benchmarking or learning takes place around asset management.
- 33 The Council, along with others, has found it increasingly difficult to appoint suitably qualified professional staff in several areas. It is experiencing recruitment problems to roles in engineering services, social care, planning services, and project management, as well as more bespoke roles that engage with the business community.
- 34 The Council recognises it needs more effective workforce planning arrangements to support existing staff and help identify its services' future workforce needs. For example, the Council does not currently have service level workforce plans nor any formal processes to identify key skills/talent and plan for succession.

The Council is taking action to become more future-focused, but it is too early to evaluate its effectiveness

- 35 There is awareness amongst the Senior Leadership Team and Council members that the Council needs to create additional strategic capacity to design changes to its ways of working to drive improvement. The Council is now taking action in this regard.
- 36 The Council has started developing 'The Torfaen Well-being Strategic Framework' which sets out how the Council aims to use plans such as the Corporate Plan to achieve its overall mission. The draft framework brings a focus upon the Well-being of Future Generations (Wales) Act 2015 and sets out how the sustainable development principle is to be embedded in the way the Council works.
- 37 To support the 'Torfaen Well-being Strategic Framework', the Council is also developing its new performance management framework. We have seen draft documentation that the Council is developing, although it is too early to evaluate its effectiveness.
- 38 The Extended Leadership Team conference referred to in **paragraph 26** provided the opportunity to involve staff in shaping key priorities, and focused on the Council's:
- Future Mission
 - Future Performance
 - Future Workplace
 - Future Ways of Working
- 39 The Council intends to continue with the Extended Leadership Team conference as a means of ongoing involvement with staff and providing an opportunity to strengthen collaboration between services.

- 40 A newly established Communities, Customer and Digital directorate aims to help the Council realise its ambition to enhance community capacity and resilience. The new directorate will have a focus on public involvement to better understand community needs to inform the design of services, including the Council's assets and workforce. At the time of our fieldwork, this work was being scoped.
- 41 We have been told that the Council is considering options to support programme management to strengthen oversight, direction, and learning across the Council. At the time of our fieldwork, this had yet to be implemented.
- 42 As mentioned in **paragraph 13**, prior to the pandemic, the Council started on its Workplace Transformation which aimed to reduce the number of buildings used for corporate office accommodation. The Council has considered the impact of the pandemic on its Workplace Transformation. The Council told us that the current office portfolio is designed to accommodate staff working to pre-pandemic working patterns. The Council understands that employees now require a space designed to accommodate more collaborative activities that complement blended working.
- 43 During 2022-23, the Council will be focusing on implementing its Workplace Transformation. Its aim is for its corporate office accommodation to be predominantly provided in the Civic Centre where employees will be based, on a blended working model. This also includes staff currently based at Tŷ Blaen. In June 2022, the Cabinet approved the proposals and funding for the refurbishment and redesign of the Civic Centre.
- 44 The Council created an Organisational Development (OD) function just before the pandemic struck. Among other ambitions, the OD function intended to centralise future learning and development and progress with an apprenticeship scheme. However, officers told us that they have not been able to undertake the work because of the need to respond to the pandemic but recognise that the work must now resume.
- 45 Having digitally competent staff is key for the Council to deliver its services differently in the future. To understand the current staff skill levels, the Council is working with the Welsh Local Government Association (WLGA) and commissioned work to complete a digital maturity assessment. At the time of our fieldwork, this work was in the planning phase. The timescale for this work is unclear.
- 46 We have seen a draft of the revised Service Planning template which aims to help consider the long-term vision of services, identify key challenges it faces, the implications for its workforce, and training and development needs. It is unclear whether new guidance will also be available to support managers to produce the service plans.
- 47 The COVID-19 pandemic has also presented opportunities to work differently, and the Council now needs to consider its future assets and workforce needs. As the Council reshapes its business, it has opportunities to be ambitious and set out what the future might look like. It is important the Council considers the long-term demand for services. An embedded assets and workforce planning process will help all Council services set out what the future looks like.



Audit Wales
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500
Fax: 029 2032 0600
Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.