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Well-being of Future Generations: An examination of the step to 'invest in six key regeneration projects' – **Pembrokeshire County Council**

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

The team who delivered the work comprised Tim Buckle, Alison Lewis, Gareth Lewis and Sara Leahy
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Contents

The Council has a renewed impetus for economic regeneration but needs to consider how to apply the sustainable development principle going forward

Summary report

Summary 4

Detailed report

Part One: Examination Findings 6

There is renewed impetus for the Council's key regeneration projects, but it has not yet set out the long-term outcomes from regeneration it is seeking 6

The Council recognises the preventative benefits of regeneration but has not set out how it will deliver these through its regeneration projects 7

The Council could more clearly define how its work on regeneration links to: national well-being goals, the well-being objectives of other organisations, and the Council's other well-being objectives 8

The Council is collaborating with others when delivering regeneration projects but there are opportunities to strengthen collaboration internally and externally 9

The Council has taken steps to engage with some stakeholders, but it could enhance and extend its approach to involvement 11

Part Two: The Council's response 12

Appendices

Appendix 1 – Positive Indicators of the Five Ways of Working 13

Summary report

Summary

Why we undertook the Examination

- 1 In accordance with the Well-being of Future Generations (Wales) Act 2015 (the Act) the Auditor General for Wales (the Auditor General) is statutorily required to examine public bodies to assess the extent to which they have acted in accordance with the sustainable development principle when:
 - a. setting their well-being objectives; and
 - b. taking steps to meet them.
- 2 The Act defines the sustainable development principle as 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'.
- 3 The Auditor General must provide a report on his examinations to the National Assembly for Wales at least a year before each Assembly election. The first report will be published in 2020, before the 2021 Assembly election.
- 4 The Auditor General has undertaken examinations across the 44 bodies covered by the Act to inform his report to the National Assembly during 2018-19 and 2019-20.
- 5 The findings in this report are based on fieldwork that we undertook during the period July to October 2019.
- 6 This report sets out our findings from our examination of the Council's investment in six key regeneration projects that have the potential to transform their local environment or to lay the foundations for future growth, a step the Council is taking to meet its well-being objectives.
- 7 It also sets out the Council's initial response to our findings.

What we examined

- 8 We examined the extent to which the Council is acting in accordance with the sustainable development principle in carrying out its work to invest in six key regeneration projects. The six regeneration projects that make up this step are:
 - the redevelopment of the vacant Ocky White department store and the Riverside Shopping Centre in Haverfordwest;
 - the redevelopment of a series of buildings at risk of collapse in South Quay Pembroke;
 - the creation of the Withybush Food Park;
 - the creation of Pembroke Dock Marine to develop marine renewable energy schemes;
 - the regeneration of Milford Haven waterfront and marina; and

- the improvement of broadband infrastructure across Pembrokeshire to provide high speed connectivity.
- 9 In order to act in accordance with the sustainable development principle public bodies must take account of the following ‘ways of working’:

Exhibit 1: the ‘five ways of working’

The table below sets out the ‘five ways of working’ as defined in the Welsh Government’s ‘Well-being of Future Generations (Wales) Act 2015 The Essentials¹’ document.

The Five Ways of Working
<p>Long term The importance of balancing short-term needs with the need to safeguard the ability to also meet long term needs.</p>
<p>Prevention How acting to prevent problems occurring or getting worse may help public bodies meet their objectives.</p>
<p>Integration Considering how the public body’s well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.</p>
<p>Collaboration Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.</p>
<p>Involvement The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.</p>

- 10 Our examination found that: **The Council has a renewed impetus for economic regeneration but needs to consider how to apply the sustainable development principle going forward.**

¹ Well-being of Future Generations (Wales) Act 2015 The Essentials, Welsh Government (2015)

Detailed report

Part One: Examination Findings

The Council has a renewed impetus for economic regeneration but needs to consider how to apply the sustainable development principle going forward

There is renewed impetus for the Council's key regeneration projects, but it has not yet set out the long term outcomes from regeneration it is seeking

What we looked for

- 11 We looked for evidence of:
- a thorough understanding of current and long term needs and the associated challenges and opportunities;
 - planning over an appropriate timescale;
 - resources allocated to ensure long term benefits; and
 - appropriate monitoring and review.
- 12 Our examination was also informed by the positive indicators for the 'long term' that we have identified and used as part of this examination.²

What we found

- 13 We identified the following strengths:
- Until recently, limited funding for economic regeneration and officer capacity in the service has restricted the Council's ability to deliver on the economic regeneration agenda. The current administration has prioritised economic regeneration in their 'Programme for Administration' and the Council commissioned a peer review to look at the economic development function and to make recommendations for improvement.
 - The Council has invested in a new Head of Economic Development and identified potential funding of up to £20m to support economic regeneration work.

² See Appendix 1

- The Pembrokeshire Economic Development Strategy and Action Plan 2017-2022 is based on research including: data from the Office of National Statistics, economic profile information, discussions with local partners and interviews with businesses.
- The Council has considered evidence around the changing nature of town centres to inform its vision for the future of the town centre in Haverfordwest and its vision for Pembroke is still emerging.

14 We identified the following areas for improvement:

- The Council's Economic Development Strategy covers a five-year period up to 2022. There is an opportunity to refresh the plan to:
 - ensure that it reflects the current priorities of the Council;
 - sets out the outcomes and impacts it wants to deliver;
 - considers the five ways of working in the Act; and
 - that the available funding is invested to balance short and long term needs.

The majority of the Council's current six priority area are focused on delivering short term activity to make immediate, tangible progress.

- Current delivery of the six key projects is based on physical regeneration and not the wider regeneration agenda. The Council has programmes that support wider aspects of regeneration, for example skills training through programmes including apprenticeships and Workways. The Council has not clearly defined how these elements fit with its current regeneration programme. Some additional officer resources have been identified to support regeneration but the Council has not yet reviewed whether these resources are sufficient to deliver its future plans for regeneration.

The Council recognises the preventative benefits of regeneration but has not set out how it will deliver these through its regeneration projects

What we looked for

15 We looked for evidence of:

- a thorough understanding of the nature and type of problem the step could help prevent from occurring or getting worse;
- resources allocated to ensure preventative benefits will be delivered; and
- monitoring and review of how effectively the step is preventing problems from occurring or getting worse.

16 Our examination was also informed by the positive indicators for 'prevention' that we have identified and used as part of this examination.³

What we found

17 We identified the following strengths:

- The Council has identified a number of problems it is seeking to prevent from occurring or getting worse, including:
 - economic decline in the county;
 - being left behind from technological advances e.g. broadband;
 - deterioration of buildings;
 - decline of town centres; and
 - lack of skills/jobs in the county.
- The Council has undertaken some work to understand the issues it is trying to prevent. This can be seen in part in its Economic Development Strategy, the Regional Retail Study and the town masterplans.

18 We identified the following areas for improvement:

- In its plans for regeneration, the Council could more clearly set out what it is trying to prevent through this 'step' and how it will achieve this. Whilst the Council is aware of the wider preventative impact of regeneration, the metrics for the projects and the overall regeneration programme do not reflect these wider preventative factors. The current measures for the projects are around what the Council is doing in terms of activity, rather than monitoring how effective the regeneration projects are in preventing problems from occurring or getting worse.
- The Council's current focus through this step is on physical regeneration and not the wider preventative aspects of regeneration.

The Council could more clearly define how its work on regeneration links to: national well-being goals, the well-being objectives of other organisations, and the Council's other well-being objectives

What we looked for

19 We looked for evidence of consideration of:

- how this step could contribute to the seven national well-being goals;

³ See Appendix 1

- how delivery of this step will impact on the Council's well-being objectives and wider priorities; and
 - how delivery of this step will impact on other public bodies' well-being objectives.
- 20 Our examination was also informed by the positive indicators for 'integration' that we have identified and used as part of this examination.⁴

What we found

- 21 We identified the following strengths:
- The Council has an Economic Regeneration Strategy that covers the whole of Pembrokeshire. This strategy builds on the earlier regional strategy, the Swansea Bay City Region Economic Development Strategy 2013–2030.
- 22 We identified the following areas for improvement:
- The Council could more clearly define how the work it is doing around regeneration links to: the seven national well-being goals, the well-being objectives of other organisations (including the Public Services Board) and the other well-being objectives of the Council.
 - The Council's plans for the six regeneration projects are not progressed from the perspective of an integrated approach between each of the projects. For example, the Strategic Regeneration Frameworks for Pembroke and Tenby do not refer to broadband connectivity.
 - The Council has recognised that there is an opportunity to do more around the contribution of the regeneration projects to the delivery of the objectives of other departments of the Council.

The Council is collaborating with others when delivering regeneration projects but there are opportunities to strengthen collaboration internally and externally

What we looked for

- 23 We looked for evidence that the Council:
- has considered how it could work with others to deliver the step (to meet its well-being objectives, or assist another body to meet its well-being objectives);
 - is collaborating effectively to deliver the step; and

⁴ See Appendix 1

- is monitoring and reviewing whether the collaboration is helping it, or its stakeholders meet well-being objectives.
- 24 Our examination was also informed by the positive indicators for 'collaboration' that we have identified and used as part of this examination.⁵

What we found

- 25 We identified the following strengths:
- The Council is collaborating with others in delivering regeneration projects, including collaborations with: the Swansea Bay City Region, the Milford Haven Port Authority, private sector business partners in connection with the Withybush Food Park and local business groups and town councils through the Town Teams approach.
 - The Council has recently focused on building its relationship with Welsh Government and is now meeting with officials more regularly.
 - The Council has set up an internal Regeneration Programme Board. The Council report that this board is helping to improve management and oversight of the projects. The Council has also established clearer client and delivery functions for its projects.
- 26 We identified the following areas for improvement:
- The Council could review the effectiveness of its current collaboration arrangements and decide how it might continue to review these moving forward with its programme.
 - Town Teams are noted as an example of where the Council is collaborating with external organisations including local business groups, town councils and local interest groups. However, there is some confusion around the precise role of the Town Teams in relation to the six key regeneration projects and their role within the future strategy for regeneration.
 - The regeneration department collaborates internally, for example in the recent provision of a youth centre in Haverfordwest. However, the Council has acknowledged that there could be areas where regeneration could work more effectively with other parts of the Council to tie in the wider benefits of the regeneration work. At a strategic level in the organisation there is an opportunity to explore this further.
 - The Council has begun to set out the governance arrangements for its internal Regeneration Programme Board but there is an opportunity to review and clarify these arrangements, including the remit of the board.

⁵ See Appendix 1

The Council has taken steps to engage with some stakeholders, but it could enhance and extend its approach to involvement

What we looked for

- 27 We looked for evidence that the Council has:
- identified who it needs to involve in designing and delivering the step;
 - effectively involved key stakeholders in designing and delivering the step;
 - used the results of involvement to shape the development and delivery of the step; and
 - sought to learn lessons and improve its approach to involvement.
- 28 Our examination was also informed by the positive indicators for 'involvement' that we have identified and used as part of this examination.⁶

What we found

- 29 We identified the following strengths:
- The Council has engaged communities in their work on regeneration including:
 - consultation on town centre masterplans through the Town Teams work;
 - specific consultations on the South Quays and Ocky Whites projects; and
 - working closely with the key business user in developing the Withybush Food Park site.
 - The Council is looking at opportunities to improve the information it provides to the public and partners about its regeneration work. This includes: new web pages to promote its regeneration work, putting articles in the Pembrokeshire Business News publication, and increasing its presence on Facebook.
- 30 We identified the following areas for improvement:
- Whilst the Council has a corporate framework for engagement there is no overall plan for stakeholder engagement on regeneration initiatives.
 - There is no agreed process for reviewing and learning lessons from the engagement activity that takes place. However, the Council has reflected on the recent consultation work on South Quays and has added information

⁶ See Appendix 1

about the proposals onto its Facebook page to try to widen the demographic that it is engaging with.

- The Council has made minor changes to the library scheme, post completion of the project, to accommodate suggestions/feedback from library users with disabilities.
- Whilst the Council has taken steps to identify and engage with groups in the community, there are further steps that the Council could take to improve on the approach to involvement, including:
 - setting out how involvement will help to inform the Council's regeneration work;
 - ensuring that involvement work covers the full diversity of the community;
 - undertaking involvement at each stage of the process including design, development, delivery and review; and
 - regularly reviewing its consultation and engagement arrangements to enhance future engagement work.

Part Two: Council's response

31 Following the conclusion of our fieldwork we presented our findings to the Council at a workshop in October 2019 that was attended by officers from the Council. At this workshop the Council began to consider its response to our findings and as a result of discussions at the workshop and further reflection on our findings the Council has developed the following actions:

To develop a high-level regeneration strategy and partnership for Pembrokeshire. The strategy will include:

- a set of long term and broad-based measurable outcomes and (preventive) benefits;
- details on the contribution to national well-being goals and local (partner) well-being objectives; and
- a structured engagement plan.

The partnership will focus on:

- strengthened collaboration both internally and externally; and
- effective engagement leading to co-design.

32 We will continue to monitor the Council's progress in implementing these actions, and the extent to which they address the issues we have identified in our findings.

Appendix 1

Positive Indicators of the Five Ways of Working

The table below sets out 'positive indicators' for each of the five ways of working that we have identified and will use to help inform our assessments of the extent to which bodies may be applying the Sustainable Development Principle (SDP). We do not intend to use the indicators as a 'checklist'. They should be viewed as 'indicators' that will help us to form conclusions, rather than 'determinants' of the extent to which a body is acting in accordance with the SDP in taking steps to meet its well-being objectives.

Exhibit 2: Positive Indicators of the Five Ways of Working

What would show a body is fully applying the long term way of working?
<ul style="list-style-type: none">• There is a clear understanding of what 'long term' means in the context of the Act.• They have designed the step to deliver the well-being objective/s and contribute to their long term vision.• They have designed the step to deliver short or medium-term benefits, which are balanced with the impact over the long term (within the project context).• They have designed the step based on a sophisticated understanding of current and future need and pressures, including analysis of future trends.• Consequently, there is a comprehensive understanding of current and future risks and opportunities.• Resources have been allocated to ensure long term as well as short-term benefits are delivered.• There is a focus on delivering outcomes, with milestones/progression steps identified where outcomes will be delivered over the long term.• They are open to new ways of doing things which could help deliver benefits over the longer term.• They value intelligence and pursue evidence-based approaches.
What would show a body is fully applying the preventative way of working?
<ul style="list-style-type: none">• The body seeks to understand the root causes of problems so that negative cycles and intergenerational challenges can be tackled.• The body sees challenges from a system-wide perspective, recognising and valuing the long term benefits that they can deliver for people and places.• The body allocates resources to preventative action that is likely to contribute to better outcomes and use of resources over the longer-term, even where this may limit the ability to meet some short-term needs.• There are decision-making and accountability arrangements that recognise the value of preventative action and accept short-term reductions in performance and resources in the pursuit of anticipated improvements in outcomes and use of resources.

What would show a body is taking an 'integrated' approach?

- Individuals at all levels understand their contribution to the delivery of the vision and well-being objectives.
- Individuals at all levels understand what different parts of the organisation do and proactively seek opportunities to work across organisational boundaries. This is replicated in their work with other public bodies.
- Individuals at all levels recognise the cross-organisation dependencies of achieving the ambition and objectives.
- There is an open culture where information is shared.
- There is a well-developed understanding of how the well-being objectives and steps to meet them impact on other public sector bodies.
- Individuals proactively work across organisational boundaries to maximise their contribution across the well-being goals and minimise negative impacts.
- Governance, structures and processes support this, as do behaviours.

What would show a body is collaborating effectively?

- The body is focused on place, community and outcomes rather than organisational boundaries.
- The body has a good understanding of partners' objectives and their responsibilities, which helps to drive collaborative activity.
- The body has positive and mature relationships with stakeholders, where information is shared in an open and transparent way.
- The body recognises and values the contributions that all partners can make.
- The body seeks to establish shared processes and ways of working, where appropriate.

What would show a body is involving people effectively?

- Having an understanding of who needs to be involved and why.
- Reflecting on how well the needs and challenges facing those people are currently understood.
- Working co-productively, working with stakeholders to design and deliver.
- Seeing the views of stakeholders as a vital source of information that will help deliver better outcomes.
- Ensuring that the full diversity of stakeholders is represented, and they are able to take part.
- Having mature and trusting relationships with its stakeholders where there is ongoing dialogue and information is shared in an open and transparent way.
- Ensure stakeholders understand the impact of their contribution.
- Seek feedback from key stakeholders which is used to help learn and improve.

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