

Getting Ready for the Social Partnership Duty



The Social Partnership and Public Procurement (Wales) Act 2023 ("SPPP Act") fulfils a Programme for Government commitment placing social partnership on a statutory footing in Wales. On 1 April 2024 the new Social Partnership Duty ("the Duty") on public bodies will come into force in Wales. The Duty is set out in sections 15, 16 and 18 of the SPPP Act. It complements existing well-being duties to which certain public bodies are already subject to under Part 2 of the Well-being of Future Generations (Wales) Act 2015 ("WFG Act").



The Social Partnership Duty

In carrying out sustainable development, public bodies listed under section 6(1) of the WFG Act, will be required, in so far as is reasonable, to seek consensus or compromise with their recognised trade unions, or, where there is no recognised trade union, other worker representatives, when setting their well-being objectives and making decisions of a strategic nature about the reasonable steps they intend to take to deliver those objectives set under section 3(2) of the WFG Act.

Section 16(2) of the SPPP Act, sets out a number of specific requirements relating to the Duty, which a public body must comply with when 'seeking consensus or compromise'. The requirements are intended to ensure that trade unions or other representatives of the staff of public bodies are fully and properly involved when a public body sets its well-being objectives, or when making strategic decisions about the reasonable steps the body is taking to meet those objectives.

The SPPP Act states that:

- in order to seek consensus or compromise a public body must include its recognised trade unions or other representatives of its staff in the process of setting objectives or making decisions, by (in particular)—
- (a) consulting them at a formative stage of the process, and
- (b) otherwise involving them throughout the process by-
 - (i) providing sufficient information to enable them to properly consider what is proposed, and
 - (ii) providing sufficient time to enable them to adequately consider what is proposed and respond.

The full text of the SPPP Act is available here: www.legislation.gov.uk/asc/2023/1/contents/enacted



As set out in the Explanatory Memorandum to the SPPP Act, the intended effect of the legislation is to improve the economic, social, cultural, and environmental well-being of people in Wales by strengthening the role of social partnership within strategic decision-making. Involving both employers and workers in key discussions regarding improvements to well-being recognises and values the unique contribution and expertise brought by those directly engaged in public service delivery when addressing shared challenges and seeking innovative solutions. The intended effect of these provisions is to promote cooperation, strengthen policy and improve outcomes, through dialogue between social partners, achieved in social partnership.

The devolved public sector is a significant employer in Wales. It directly shapes the experience of work for those who work within it, and it can also have an indirect influence throughout the public sector and wider economy through leading by example on progressive approaches to workforce matters. The ability of the devolved public bodies to perform that direct and indirect role will be strengthened by the Duty.



The Public Bodies captured by the Duty

As of December 2023, there are forty-eight public bodies listed in section 6(1) of the WFG Act that are required to meet the well-being duty set out in the WFG Act. The bodies listed under section 6(1) of the WFG Act are the bodies to which the Social Partnership Duty will apply. Responsibility for complying with the Duty sits with the individual public body. The bodies currently listed under section 6(1) are:

- Local Authorities (the 4 Corporate Joint Committees established in 2021 have been included since December 2021)
- Local Health Boards
- Public Health Wales NHS Trust
- Velindre NHS Trust.
- National Park Authorities
- Fire and Rescue Authorities
- Natural Resources Body for Wales (Natural Resources Wales)
- the Higher Education Funding Council for Wales
- the Arts Council of Wales
- the Sports Council for Wales (Sport Wales)
- the National Library of Wales
- the National Museum of Wales (National Museum Wales).



The SPPP Act requires in-scope public bodies to produce an annual report to evidence how they have complied with the duty, which must be submitted to the Social Partnership Council ("SPC") for scrutiny. Section 18 of the SPPP Act states:

Social partnership reports

- (1) A public body must prepare, in respect of each financial year, a report of what it has done to comply with the duty.
- (2) The report must be agreed with the public body's recognised trade unions or (where there is no recognised trade union) other representatives of its staff, or contain a statement explaining why it was not agreed.
- (3) The public body must publish the report, and submit it to the SPC, as soon as reasonably practicable after the end of the financial year.

The SPPP Act does not provide a template for the Annual Report.



Social Partnership: The Welsh Way

Partnership and collaboration are distinctive characteristics of how we work in Wales. Since devolution, the Welsh Government has encouraged social partnership working as a means of finding the best solutions to the challenges facing us. The Welsh Way embodied by the SPPP Act showcases the potential for a new way of working that starts with the aim of building consensus and compromise and encourages worker participation. It represents the first step of a journey towards a more cooperative, equitable and forward-thinking approach to employer-worker relations in Wales.

Social partnership is a way of working designed to pursue mutual gains within the context of policy development and implementation, or operational change, but not primarily used as forums for information exchange, collective bargaining or consultation. It works on the basic principle that more can be achieved by employers and workers, predominantly through their trade unions, working together in a spirit of co-operation and collaboration.

The Welsh Way of Social Partnership aims to find consensus, which differs from positional bargaining or adversarial winner and loser approaches. Both sides should enter into discussion in good faith. There will be occasions where common ground is impossible to establish; but where there is conflict, it should be managed within a culture of respect and problem-solving. Social partnerships, therefore, need to create an environment which encourages participants to be open with each other and agree working arrangements that are mutually acceptable to each partner in a spirit of co-operation and collaboration.



Social partnership is a process, but the principles on which it is built can help deliver behavioural and culture change. As set out in the Explanatory Memorandum to the SPPP Act, working consistently in social partnership can develop trusted relationships and engender behaviours that promote cooperation, respect, trust, increase participation as well as delivering mutual gains. These values and behaviours have been created as reference points for successful social partnership in Wales and are described as follows:

| Social partnership principles | Shared commitment |
|-------------------------------|--|
| Cooperation | Success through joint problem solving, compromise and reaching consensus. |
| Respect | Mutual recognition of legitimate and potentially conflicting interests. |
| Trust | Relationships based on integrity, authenticity, transparency, openness and selflessness. |
| Voice and Participation | Proactive and timely information, consultation and engagement. |
| Mutual Gains | Achieving improvements in public services, social, economic, environmental and cultural well-being and fair work outcomes. |



The WFG Act places a well-being duty upon listed public bodies across Wales to carry out sustainable development. In doing so, public bodies must set and publish well-being objectives that are designed to maximise contribution toward the national well-being goals and take all reasonable steps to meet those objectives. The link below provides guidance to public bodies and public services boards on key definitions, how to carry out sustainable development, understanding the well-being goals, applying the sustainable development principle, an explanation of the individual duties (public bodies and public services boards) and collective duties, how public bodies fit into the architecture of the WFG Act and where the key changes in organisations are expected to be seen.

Well-being of future generations: statutory guidance | GOV.WALES

Additional Information

Social Partnership working

Social Partnership webpage - www.gov.wales/social-partnership-and-public-procurement-wales
Case studies - www.gov.wales/social-partnership-and-public-procurement-wales-act#112516
Review of social partnerships within the Welsh Government | GOV.WALES

Well-being of Future Generations (Wales) Act 2015 (WFG Act) general information

Well-being of future generations | Sub-topic | GOV.WALES

Well-being of Future Generations (Wales) Act 2015: guidance | GOV.WALES

Fair Work general information

A guide to fair work | GOV.WALES

Other Useful Resources

Stakeholder video - <u>www.youtube.com/watch?v=p3nzcipgJWY</u>

Easy Read Guide - <u>www.gov.wales/social-partnership-and-public-procurement-wales-bill-easy-read-version</u>

Components Map - <u>www.gov.wales/social-partnership-and-public-procurement-wales-act-components-map</u>

Newsletter sign up link - <u>www.gov.wales/subscribe-social-partnership-newsletter</u>