

# Frequently Asked Questions in relation to the Social Partnership duty

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# Relevant to organisation both subject to the legislation or not

This document compiles a wide range of stakeholder-driven questions. While many are broadly relevant, some apply only to specific sectors. To enhance usability, sector-specific questions are separately identified.

### **Core Concepts**

#### 1. What is Social Partnership?

Social Partnership is a way of working that brings together employers and workers (normally represented by trade unions) and sometimes government to discuss matters of common interest and develop solutions to the challenges they face.

#### 2. Who are Social Partners?

The phrase "social partners" refers to employers and trade unions (or other representatives of employees if there are no trade union representatives) and, sometimes, government representatives.

# 3. What is the Welsh Way of Social Partnership working?

In Wales, we have a long-standing and successful commitment to Social Partnership working - bringing together partners from across government, employers, and trade unions to collaborate and co-produce solutions to shared problems. We believe that the Welsh way should be characterised by shared ownership of problems and a shared commitment to joint solutions.

## 4. What are formal Social Partnerships?

Formal Social Partnerships are official arrangements which facilitate regular and constructive engagement between social partners.

They are based on 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.

The arrangements are often supported by formal documentation such as terms of reference and work programs.

# 5. What characteristics can enhance the effectiveness of Social Partnership?

A Welsh Government review of Social Partnership arrangements found that the following characteristics strengthened relationship and effectiveness:

- Clarity of purpose, objectives, and focus.
- Meaningful and continuous engagement with social partners from the outset and throughout the policy development process.
- A clear commitment to collaborative working and principles of cooperation, respect, trust, voice and participation, and the pursuit of mutual gains.
- Joint understanding of how information and decisions are cascaded, and delivery challenges managed.
- Clear arrangements to monitor and review success.

#### 6. Are there behaviours that support Social Partnership as a way of working?

Yes - to be successful, Social Partnerships 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. These behaviours include:

- Trust and respect.
- Shared values.
- Building lasting relationships.
- Transparency and open communication.

## 7. What are the common challenges?

Research suggests there are several common challenges to working in Social Partnership, these include:

- Resource and capacity constraints.
- · Differences in understanding.
- · Cultural challenges.
- Exclusion of wider partners.

These challenges are not all exclusive to Social Partnerships and can also be common symptoms of ineffective engagement in relation to any form of partnership working.

Working in partnership is not always the most straightforward path, as there will be challenges and disagreements. Where there is conflict it should be managed within an environment that promotes respect and problem-solving.

# Relevant to Organisations subject to the Legislation

# 8. What is the Social Partnership and Public Procurement (Wales) Act 2023 ('the 2023 Act')?

Social Partnership is a behavioural framework for collaboration between employers and employee representatives (or recognised trade union(s)) aimed at promoting mutual benefits and ensuring inclusive decision-making. It is based on trust, respect, and shared goals, fostering an environment where all stakeholders work together towards common objectives.

The 2023 Act aims to strengthen Social Partnership by building on current practice, rooted in long-standing arrangements for trade union engagement established through local, sectoral and national Social Partnership arrangements. The 2023 Act is a landmark piece of legislation that was itself developed in Social Partnership.

#### 9. What will the Act achieve?

The Act created a statutory **Social Partnership Council**, chaired by the First Minister. This collaborative social partnership approach will draw on the combined knowledge, experience and ideas of employers, workers and trade unions in developing solutions to common challenges.

The Act placed **Social Partnership duties** on certain public bodies and Welsh Ministers and amends the Prosperous Wales goal in the Well-being of Future Generations (Wales) Act 2015 to refer to "fair work" rather than "decent work".

The Act also includes provisions to strengthen **Socially Responsible Procurement**, including supply chain management. Specific details in respect of Procurement requirements will be provided separately.

# 10. How does the Social Partnership Duty relate to Social Partnership more generally?

Social Partnership is a behavioural framework for collaboration between employers and employee representatives (or recognised trade union(s)) aimed at promoting mutual benefits and ensuring inclusive decision-making. It is based on trust, respect, and shared goals, fostering an environment where all stakeholders work together towards common objectives.

## 11. What is the Social Partnership Duty?

The 2023 Act contains two separate Social Partnership Duties.

Section 16 requires public bodies listed in section 6 of the Well-being of Future Generations (Wales) Act 2015 (WFG Act) to seek consensus or compromise with their recognised trade unions when setting well-being objectives under the WFG Act or taking strategic decisions about the steps the body will take to meet those objectives. In order to comply with this requirement, section 16 requires public bodies to consult their recognised trade unions about the setting of well-being objectives and decisions about how to meet them at formative stage of the process and to provide adequate information and time to allow a proper response.

• Section 17 imposes a different duty on the Welsh Ministers intended to achieve a similar result. Welsh Ministers must consult the SPC (which includes employer and worker representatives) when making decisions of a strategic nature about the reasonable steps they take to meet their well-being objectives set under the WFG Act.

Unless otherwise stated, references in this document to the "Social Partnership duty" are to the duty under section 16 of the 2023 Act).

#### 12. What is the purpose of the **Social Partnership Duty?**

The ultimate purpose of the Social Partnership duty 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.

#### 13. Who needs to comply with the Social Partnership duty?

All Public Bodies listed in Section 6 of the WFG Act (see section 14 of the 2023 Act) need to comply with the Social Partnership duty under section 16 of the 2023 Act (except the Welsh Ministers who must comply with the duty under section 17 of the 2023 Act).

#### 14. What is required by those Public Bodies subject to the Social Partnership duty?

The Social Partnership duty requires certain public bodies to seek consensus or compromise with their recognised trade unions, or where there are no recognised trade union other representatives of their staff, when.

- setting well-being objectives under section 3(2)(a) of the of the WFG Act,
- making decisions of a strategic nature about the reasonable steps the body takes to meet those objectives under section 3(2)(b) of the WFG Act.

#### 15. Will there be any guidance on how to apply the Social Partnership duty for public bodies?

Social Partnership is a behavioural approach to working. As such, there won't be prescriptive guidance on fulfilling the Social Partnership duty. However, there is a wide range of reference material available to support and guide you on your journey. This material can be found on the Welsh Government web page on the 2023 Act (Social Partnership and Public Procurement (Wales) Act | GOV. **WALES**) provides a range of resources:

However, there will be guidance available on the specific elements of the Procurement duties in sections (24, 25 & 26) as set out in the legislation.

#### 16. Does the Social Partnership Duty apply to both Public **Bodies and Welsh Minister** in the same way?

No. For the Welsh Ministers, the duty differs. Welsh Ministers have a duty to consult The Social Partnership Council when delivering on their well-being objectives (which effectively means consulting representatives of various employers and trade unions) rather than the trade unions representing their staff as is the case for other public bodies.

#### 17. How might Public Bodies need to work differently because of the 2023 Act?

Public bodies listed in section 6 of the Well-being of Future Generations (Wales) Act 2015 (WFG Act) must, in so far as is reasonable, seek consensus or compromise with their recognised trade unions, or (where there is no recognised trade union) other representatives of their staff by:

- (a) consulting them at a formative stage of the process, and
- (b) otherwise involving them throughout the process, by:
- providing sufficient information to enable them to properly consider what is proposed, and
- providing sufficient time to enable them to adequately consider what is proposed and respond.

#### 18. How does the Social Partnership duty under section 18 and 19 link to the Well-being of Future **Generations (Wales) Act?** (WFG Act)

The Social Partnership duty links directly to the WFG Act because it is a duty to involve trade unions in the course of taking certain actions required by section 3(2)(a) of that Act (setting well-being objectives and taking all reasonable steps to meet them). Public bodies subject to the well-being duty in the WFG Act will have well-being objectives in place which they have designed to maximise their contribution to each of Wales seven well-being goals and are required to take steps to meet their objectives.

#### 19. How does the review of WFGA objectives impact the Social Partnership duty in practice?

The Social Partnership duty comprises of two distinct elements:

#### I. Objective Setting

Public bodies must set well-being objectives in accordance with the WFG Act. These objectives form the foundation for Social Partnership duty activity.

#### II. Strategic Decision-Making

Public bodies must consider how decisions of a strategic nature contribute to meeting those well-being objectives. This includes engaging with Social Partnership principles, collaboration, co-production, and shared outcomes when making such decisions.

In practice, any review or update of WFG objectives directly influences how public bodies fulfil their Social Partnership duty, particularly in aligning strategic decisions with refreshed priorities.

#### 20. Is there guidance available to Public Bodies to help with reviewing their well-being objectives?

There is existing statutory guidance for public bodies on the WFG Act 2015 which outlines what Public Bodies should and could do when reviewing their well-being objectives. These are:

- **Shared Purpose Shared Futures** 1: Core Guidance (in particular section 5.2).
- **Shared Purposes Shared Future** 2: Individual role (public bodies) (in particular paragraphs 18 to 24).

Additional relevant documents include:

- Future Trends Report Wales 2021.
- National Well-being Indicators and Milestones.
- Well-being of Wales Report.
- <u>Future Generations</u> (futuregenerations 2020. wales).
- · Assessments of local well-being (relevant to the area the body operates).

#### 21. How will compliance with the Social Partnership Duty be evidenced?

It is not the intention of Welsh Government officials to be prescriptive and to stipulate or define the specific steps Public Bodies should adopt to be compliant with the Social Partnership duty. However, under section 18 of the 2023 Act, in-scope public bodies must produce an annual report to evidence how they have complied with the Social Partnership duty, which must be submitted to the Social Partnership Council for scrutiny (an equivalent duty is placed on the Welsh Ministers by section 19).

#### 22. Does the annual Social Partnership report (under section 19) have to be agreed amongst social partners?

The annual Social Partnership report must be agreed with the public body's recognised trade union(s) or contain a statement setting out why it has not been agreed upon.

#### 23. When does the Social Partnership duty annual report have to be submitted to the Social **Partnership Council?**

Reports must be submitted as soon as reasonably practicable following the end of the financial year (see sections 17 and 18).

# Responses Relevant to the role of the SPC

# 24. Is there a set format for the annual Social Partnership reports?

No, the format is a matter for each organisation to determine how best to present their report.

## 25. What is the reporting period?

Each report should cover a single financial year (1st April to 31st March).

# 26. How should reports be submitted to the Social Partnership Council?

By emailing a link of the published report to the SPC mailbox SocialPartnershipCouncil@gov.wales.

## 27. What happens when a report is submitted to the SPC?

When all reports have been submitted, the SPC secretariat will provide a summary for discussion by the SPC. SPC members also receive links to all published reports.

### **General Responses**

# 28. What is unique about Social Partnership working?

Social Partnership offers a unique opportunity to foster meaningful engagement and collaboration between employers, trade unions, and government throughout the policy development and implementation process. Wales was the first country to enshrine this model of Social Partnership in law, placing it on a statutory footing.

Social Partnership is not just a framework – it's a way of working. It represents a behavioural and cultural approach grounded in collaboration, trust, and mutual respect. It brings together employers, workers (typically through trade unions), and government to:

- Discuss matters of shared interest.
- Co-produce solutions to challenges.
- Improve outcomes for workers, services, and communities.

## 29. Why does the 2023 Act contain provisions about procurement?

The Socially Responsible Procurement duties in Part 3 require bodies listed in Schedule 1 to comply with duties which include setting and meeting objectives on socially responsible procurement, considering including model contract clauses in outsourcing services and major construction contracts, and reporting annually on the extent to which they have met their objectives.

The procurement duties relate to the Social Partnership duties in several ways:

- First, many sections of the SPPP Act are underpinned by the Well-being of Future Generations (Wales) Act 2015, which requires certain public bodies to pursue social, environment, economic and cultural wellbeing through procurement, in accordance with the sustainable development principle.
- Public services are often delivered by contracted workers, and so well-being requirements, including on fair work, need to be included in contracts as well as being achieved through social partnership.
- Schedule 1 includes bodies not listed as a "public body" in section 6 of the WFGA, so this Act extends the WFG Act obligations to the procurement activities of these organisations.

## 30. Will there be guidance on Fair Work?

Yes, there is an updated <u>guide to fair</u> work which has been published on the Welsh Government's website.

Within the Legislation there is no specific duty for Fair Work. However, by replacing `decent work' for `fair work' within the existing "A prosperous Wales" well-being goal, the 2023 Act ensured that public bodies subject to the WFG Act will need to consider `fair work' when setting and publishing well-being objectives that are designed to maximise the public body's contribution to the well-being goals.

## 31. Where can I find more information?

For additional information on all aspects of Social Partnership visit the webpage: Social Partnership and Public Procurement (Wales) Act 2023.

- Visit our intranet site: Social Partnership and Fair Work
- Contact the Social Partnership Team: pgcgt@llyw.cymru/spefw@gov.wales

#### Key resources include:

- A Social Partnership Handbook <u>Social</u> <u>Partnership handbook | GOV.WALES</u> has been compiled which collated all relevant Social Partnership reference material into a user-friendly format.
- A Social Partnership Self-Assessment
  Tool <u>Social Partnership handbook</u> |
   <u>GOV.WALES</u> for social partners to use
   as a voluntary evaluation framework
   to test and critique the strengths of
   their relationships and effectiveness
   of partnership working.
- A package of multi-level training including training events, workshops, online modules, and materials designed to support and empower effective partnership working.

- The Social Partnership Newsletter is a digital publication released approximately every three months. It offers a comprehensive update on developments within the Social Partnership landscape, including policy updates, case studies, resources and upcoming events. The newsletter is designed for anyone with an interest in Social Partnership, and individuals can easily subscribe to receive each edition automatically via email.
- Subscribe to the Social Partnership newsletter | GOV.WALES.