Agenda - Public Accounts and Public Administration Committee

Meeting Venue: For further information contact:

Video Conference via Zoom Fay Bowen

Meeting date: 17 November 2021 Committee Clerk

Meeting time: 09.00 0300 200 6565

SeneddPAPA@senedd.wales

(Private pre-meeting)

(09.00 - 09.15)

In accordance with Standing Order 34.19, the Chair has determined that the public are excluded from the Committee's meeting in order to protect public health. This meeting will be broadcast live on www.senedd.tv

- 1 Introductions, apologies and substitutions (09.15)
- 2 COVID-19 and its impact on matters relating to the Public Accounts and Public Administration Committee's remit: Evidence session with the Welsh Government on health issues

Judith Paget - Director General Health/NHS Chief Executive

Frank Atherton - Chief Medical Officer

Jo-Anne Daniels - Director of Health, Vulnerable Groups and NHS

Governance

Steve Elliott - Director of Finance

Elin Gwynedd - Deputy Director COVID-19 Vaccinations

Albert Heaney - Chief Social Care Officer for Wales

Jonathan Irvine - Director of Procurement and Health Courier Services

Samia Saeed-Edmonds - Planning Programme Director

Andrew Sallows - Delivery Programme Director

Lisa Wise - Deputy Director, Operation Supplies (PPE)



Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:

(11.15)

Items 4 & 5 of today's meeting and Items 1 – 5 of the meeting on 1 December 2021

Break

(11.15 - 11.25)

4 Barriers to the successful Implementation of the Well-Being of Future Generations (Wales) Act 2015: Consideration of responses to Reports

(11.25 – 11.55) (Pages 47 – 90)

5 COVID-19 and its impact on matters relating to the Public Accounts Committee's remit: Consideration of the evidence received

(11.55 - 12.30)

By virtue of paragraph(s) vi of Standing Order 17.42

Agenda Item 2

Document is Restricted

Agenda Item 4

Document is Restricted

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Reference: AC/281/caf Date issued: 31 August 2021

Dear Mark

Delivering for Future Generations: The story so far – response to recommendations

I am writing to respond formally to Recommendation 12 of the Public Accounts Committee's Report, Delivering for Future Generations: The story so far. The clerking team has also invited me to comment on Recommendation 11. Please see below my response and comments.

Recommendation 12.

As we enter the second reporting period, the Auditor General for Wales must raise his expectations of public bodies and not hesitate to highlight poor adoption of the sustainable development principle - ACCEPTED

This recommendation is broadly in line with the direction of travel of our work under the Act and the approach that my auditors will be taking in forming judgements on the extent to which public bodies are acting in accordance with the sustainable development principle. When we undertook our examinations work under the Act in the previous reporting period, we set out some principles to guide our work. One of these principles was that:

"The essence of the Act is about changing behaviours and mind-sets and these will take time to embed."

However, we also set out that:

"Over the medium and long term, the Auditor General will expect that public bodies are able to demonstrate how the Act is shaping what they do."

As we moved into the second reporting period 2020-2025, we have revised our approach to our work under the Act. As part of this we have issued new and updated audit guidance to our auditors, and part of this guidance emphasises that we will be raising our expectations of audited bodies in line with our earlier principle set out above. We will however continue to approach our work under the Act in a way that seeks to help public bodies to self-reflect and explore what they could do differently and encourages public bodies to develop their own actions in response to our findings.

While the Committee noted in its report the collaborative spirit in which we developed our audit approach in the first reporting period, this is not to say that we have not challenged public bodies to date. Our local reports over the previous reporting period, covering all of the 44 bodies listed in the Act, identified strengths and areas for improvement in the extent to which each body had applied the sustainable development principle.

In my statutory report in May 2020, which drew on that local audit work I said:

"Overall, we have found that public bodies can demonstrate that they are applying the sustainable development principle. But it is also clear that they must improve how they apply each of the five ways of working if they are going to affect genuine cultural change – the very essence of the Act. In the next five-year reporting period, public bodies across Wales will need to work together in taking a more system-wide approach to improving well-being if they are to take their work to the next level."

Later in that report I also set out that:

"In the next reporting period, we will expect to see public bodies using the framework of the Act to address these [challenges set out in our report] and other challenges."

Therefore, I believe that Audit Wales is well placed to act in accordance with the spirit of this recommendation. Nevertheless, we shall continue to report independently, without fear or favour, and in a way that demonstrates that we are being fair in our judgements based on the available evidence. For example, in a local audit report published during the current reporting period we highlighted how, in one council, there was significant scope for it to apply the sustainable development principle and focus on delivery of its well-being objectives through its out-sourced leisure contract.

Recommendation 11.

Public bodies subject to the Well-being of Future Generations (Wales) Act 2015 must ensure that the five ways of working are embedded in their plans for recovery from the Covid-19 pandemic. We recommend that any gains they have made in their immediate response to the pandemic are not lost, and that they shift their focus from the day-to-day to long-term and prevention.

I recognise the importance of public bodies applying the sustainable development principle as they move to the recovery phase. This is an important opportunity for public bodies to demonstrate the application of the five ways of working in balancing current and future needs and to ensure that the experience gained over the course of the pandemic informs both short and medium to long-term plans.

A key area of focus for our audit work has been, and will continue to be, the plans that public bodies are putting in place to recover from the COVID-19 pandemic. For example, over 2021-22 we are undertaking a review across all 22 principal councils called 'Springing Forward', that will examine how they are using the experience and reflecting on the changes that have arisen from the pandemic to maintain, adapt and transform services. This review is focusing on how councils are making changes in the use of their buildings and managing their workforce. We are considering both the extent to which councils are acting in accordance with the sustainable development principle as well as the extent to which they are putting in place proper arrangements to secure value for money in the use of their resources. Following this review we will publish a local report for each principal council, as well as a national summary report, and will support these with Good Practice Exchange (GPX) events.

Our forthcoming Picture of Public Services outputs will also be positioned against the backdrop of the impact of, and recovery from, the pandemic. Our main report will highlight what we consider to be some of the key issues for public services in the coming years and important aspects of service transformation where we will be focusing our attention.

Yours sincerely

ADRIAN CROMPTON

Auditor General for Wales

By email

3rd September 2021

Dear Mark,

Thank you for the opportunity to respond to the recommendations in the Public Accounts Committee report 'Delivering for Future Generations: The Story so Far' published on the 24th March 2021.

I welcome the report's findings and recommendations which reflected my evidence, the findings of my statutory monitoring and assessing and my Future Generations Report 2020.

The Well-being of Future Generations Act is the greatest cultural change programme the Welsh public sector has ever experienced and I'm proud of the work that is being done to meet its aspirations. Any cultural change takes time, but changes of the magnitude envisaged by the Act means that this is a long-term mission rather than a short-term fix. Wales is the only country to legislate in this way, using a long-term approach to look at root causes of problems via a law that's admired globally.

In terms of general progress, over the past five years, there has been a marked change in political commitment to the Act and I am starting to see public bodies change the way they deliver and design services. For example, the way transport planning is being approached; the way new schools, homes and public buildings are being designed to be more sustainable; curriculum reform, shifting beyond delivering 'services' to focusing on what matters to communities. I'm seeing politicians for example reject the status quo in addressing congestion through building more roads; instead, they are looking for solutions which are better for the well-being of people and planet.

The Act is providing a helpful tool for change makers to challenge the system. I am pleased to play a role in challenging the blockers but there remains funding challenges.

I do not currently have the resources to deal with all of the issues associated with implementing such broad cultural change and, there needs to be greater funding for capacity, leadership development and support for transformational change.

In addition to having a modest budget, given the wide remit of my role, I already flagged concern in my 2019-20 and 20-21 Statutory Estimates about how my funding level would have a negative impact on the quality and level of my support and advice to Public Bodies. Increased pension costs, and annual modest pay rises in line with Welsh Government rates eat into my year on year flat lined funding.

Flat line underfunding means in real terms I can do less while expectations and demands for support and advice across 44 public bodies grows (who both I and the Auditor General for Wales have found are not

resourced themselves to support the cultural change required by the Act). The level of support and advice offered to Public Bodies and Ministers increases year on year. Requests for support and advice were up by 44% in 2019-20 from 2018-19.

Furthermore, this demand for statutory services looks set to increase: The most recent regulatory impact assessment (RIA) relating to the establishment of Corporate Joint Committees (CJCs) within the Local Government and Elections Bill specifies that costs to my office are nil despite me providing detailed costings to officials.

I will come back to the importance of this, in relation to the implementation of the recommendations below.

'Delivering for Future Generations: The Story so Far' report and its recommendations build on the concerns and advice I highlighted in my <u>Future Generations Report 2020</u> about the systemic barriers to progress which need to be addressed.

My reflections below directly respond to the following recommendations made by the Committee:

Recommendation 3: The Future Generations Commissioner and Welsh public bodies should ensure that they develop constructive relationships. The inconsistency in their relationships has limited the impact of the Commissioner's work.

Recommendation 4: The Future Generations Commissioner should prioritise supporting public bodies and Public Services Boards to deliver this legislation.

Recommendation 11: Public bodies subject to the Well-being of Future Generations (Wales) Act 2015 must ensure that the five ways of working are embedded in their plans for recovery from the Covid-19 pandemic. We recommend that any gains they have made in their immediate response to the pandemic are not lost, and that they shift their focus from the day-to-day to long-term and prevention.

My response to: Recommendation 3: The Future Generations Commissioner and Welsh public bodies should ensure that they develop constructive relationships. The inconsistency in their relationships has limited the impact of the Commissioner's work.

During my time as Commissioner, I have worked closely with public bodies across Wales, providing advice, guidance, and support to them in their application of the Well-being of Future Generations Act. I was pleased that many public bodies and the Committee recognised that this support was useful. However, this finding reflects the reality of the impossible challenge of supporting 44 public bodies across all policy areas whilst also ensuring that new policy legislation and guidance which comes from Welsh Government does not undermine the Act and the ability of other public bodies to implement it. My office cannot meet these

demands for all public bodies as we have not been adequately resourced. It therefore does not surprise that those we have been able to help find that support valuable and others want more of our time.

"Sport Wales has found the support, resources and advice from the team to be invaluable. How this is made available consistently for all public bodies is a challenge." (Sport Wales)

"Our relationship with the Commissioner's office is excellent. I think they're hugely knowledgeable, very enthusiastic, supportive, and similar for Wales Audit Office, not just on the Act, but on our broader business where they're able to actually give us a view on how we're doing, how we're spending public money, but more importantly, pointing us to good practice and other areas we may wish to explore." (Velindre NHS Trust)

"We had a lot of involvement with FGCW and had lots of practical support... The support we have had from FGCW has been very useful. They were willing to travel up to North Wales to give us additional information, presentations, support on how to embed the tools. I think that's seen as a very supportive offer for all authorities across North Wales." (Cyngor Ynys Mon/Anglesey Council)

"We have used the Commissioner's tools, resources and information to make resources available across the organisation... Support and input from Commissioner very, very helpful." (Aneurin Bevan University Health Board)

This ongoing relationship with public bodies is further captured in the requests for support my office receives. Since May 2018, I have received 892 requests for support, 319 of which (~36%) came from public bodies. Of these, 136 (~43% of all public body requests) are from Welsh Government. Requests for support and advice to my office were up by 78% in 2019-20 from 2018-19. This fell by ~19% between 2019-20 and 2020-21 which was likely due to the pandemic. Since this financial year began in April 2021, I have had 128 requests, which is likely to grow as we work more closely with public bodies as per the Committee's recommendations.

However, I recognise that due to limited resources and, more recently, the pressures placed on public bodies during the pandemic, building on this support has been challenging. In previous years I have used a combination of the underspend from my year one budget (resulting largely from the delay in recruiting staff to my office) and other income to fund a level of services over and above my annual grant in aid funding level and this won't be available from March 2022.

I too believe that Welsh Government play a critical role in the success of the large-scale cultural change programme driven by the legislation, not just because they are a major public body covered by the Act themselves, but because whether or not they demonstrate the principles of the Act has a significant impact on what other public bodies do. This has meant that my focus in the early years of my role has been on ensuring Welsh Government have the right policy, processes and levers in place.

In their evidence to the Committee, public bodies recognised the importance of this:

- 50% of public bodies highlighted that the number of strategic partnerships, and having multiple memberships, is a barrier to implementing the Act.
- 56% of public bodies highlighted that short-term funding cycles and finance restrictions etc impede their ability to deliver long-term preventative actions.
- 67% of public bodies suggested that greater cross-policy and strategy alignment is required from Welsh Government.
- 30% of all responses suggest stronger leadership is required from Welsh Government.
- 42% of public bodies suggested that Welsh Government need to better embed and embody principles of the Act as a role model for other public bodies.

These concerns echoed the findings within my Future Generations Report.

A Dedicated Point of Contact

The Committee heard from several public bodies that they wished to have more contact with my office. Having a point of contact within my team is something public bodies have consistently told me would help with implementing the legislation, but this has been challenging due to my resource-level and the need to focus on systemic issues.

Public bodies echoed this in evidence to this Committee:

- 36% of PAC respondents would like additional support, particularly around how to deliver the Act.
- 38% of PAC respondents would like additional training and or resources for their organisation and for public purposes.
- 22% of public bodies raised that closer working relationships with the FGC such as having a direct office contact would be beneficial.

"...what I want more from the Commissioner's office: I want more time. I think they're excellent. There are too few of them, and they're trying to do an awful lot with a very small resource... Excellent relationship would like more of the Commissioner's team's time. Excellent but finite resource." (Velindre NHS Trust)

"...I don't know what the Commissioner's resources are but certainly having a direct contact (would be helpful), if she had the resources." (Powys County Council)

"Having a rep from the Commissioner's office in every region to give us access to them. More convenient for them to be present in every region (not county because they don't have enough staff)." (Cyngor Ynys Mon / Angelsey Council)

In listening to this feedback, I am pleased to say I have allocated a member of my team to be a dedicated point of contact for each public body covered by the Act with the intention of deepening our relationship and providing support that is consistent with my current funding allocation.

I have recruited four temporary staff members to trial this approach and involve public bodies in regular conversations over the next few months in order to gauge our resource and capacity to respond to requests for help. The intention is to build more consistent and constructive relationships together, giving us additional opportunities to improve communication, provide advice and support, showcase good practice and help signpost to other colleagues internally and across Wales.

Already, public bodies have told me that they welcome this approach.

"[We] welcome the Future Generations Commissioner decision to support Health Board implementation of the Well-being of Future Generations (Wales) Act through the allocation of a dedicated point of contact within the Future Generations team." (Letter from a Health Board, July 2021)

"This is a welcome initiative to have that point of contact with the Commissioner and the Commissioner's office." (Meeting with a local council leader, July 2021)

"I am definitely in support of this initiative, before this we didn't have too much interaction with the Office and now it feels like we have a two-way conversation" (Meeting with Cabinet Member for Future Generations and Well-being at a local council, August 2021)

This work has been funded by the last of my historical underspend and reserves which won't be available from March 2022. The extra members of my team I have recruited to work in this pilot are sadly on short-term contracts as I will need extra funding at the end of this financial year above the annual grant I have traditionally received. I am making a case to Welsh Government for this purpose as we are moving to a needs-based budget going forward in my statutory estimates for 2022/23, as I would like to establish this work on a permanent basis.

This 6-month pilot will be reviewed later this year, and I will share an update with the Committee in the New Year.

Additional Support

I am also planning additional support for public bodies through the second edition of the Future Generations Leadership Academy (FGLA) where in particular senior leaders across the public sector will be able to access reverse mentoring from a future leader and opportunities to test policy development with the Academy. This programme is fully funded by partner organisations across the public, private and third sector

and following a pilot year in 2019-20 an independent evaluation found the FGLA achieved its objectives to train young people (including young leaders from public bodies) in leadership skills and build their understanding of the Well-being for Future Generations Act and how to achieve its goals. The second FGLA programme will run from November 2021 to June 2022 and we are recruiting 20-30 young leaders from across the public, private and voluntary sector, between the ages of 18-30. You can find more information about the Academy here.

I have also published 'bite-sized' versions of the Future Generations Report, which are tailored at specific sectors and departments in public bodies. The aim of these products is to provide public bodies with alternative versions of the Future Generations Report 2020 which are easier to digest. My team has been running session with different sectoral bodies for example North Wales Planning Officers Group (NWPOG) and Young Planners Cymru to upskill them on using these resources. You can find these resources here.

"We really like the simple, attractive, user-friendly format of the document. We think that the Stats and Trends lays out very clearly what the problems are and gives equal weight to the joint crises of global warming and biodiversity loss. The Oxfam donut model demonstrates how we in Wales are living beyond our fair share of the world's resources. We welcome the steer that the document provides as a very clear vision of what Wales should be aiming for." (A National Public Body Feedback)

"This is good – I like this. A great way to illustrate and explain the role and importance of housing in regards to the opportunities and the wider benefits etc. A really helpful way of presenting the link between Housing and Future Generations – particularly for lay people." (A Local Authority Feedback)

My response to: Recommendation 4: The Future Generations Commissioner should prioritise supporting public bodies and Public Services Boards to deliver this legislation.

In addition to the comments on Recommendation 3 above, I would like to share the following reflections.

Public Services Boards (PSBs)

It's an important time for PSBs. Between autumn 2021 and spring 2023, they will publish their second well-being assessments and well-being plans for their respective areas, as required by the Act.

In an effort to be as helpful as possible in supporting PSBs to prepare these, my office worked closely with colleagues in Welsh Government's Partnership division to share a clear set of joint expectations in March 2021. This was signed by both Julie James MS and myself, and is included in the appendix for your reference.

This guidance not only sets out what we expected to see during the second round of well-being planning from PSBs, but also what my office and Welsh Government will do (and what we will explore), to support PSBs as best we can.

For example, we said we will continue to collaboratively run the national PSB network meetings and topic focused webinars through 2021 with other organisations and networks, building on the 'involvement' and 'futures/long-term' events we held in November and December 2020. And we said we'd explore the potential for small, online communities of PSB practice (peer networks) on particular themes. My team are also working collaboratively with Co-Production Network Wales who have secured Big Lottery funding to support the involvement of people across Wales in well-being assessments and planning.

My office continues to work with Welsh Government colleagues to actively run and participate in the PSB Coordinator network meetings, held 3-4 times a year. Due to the pandemic, these switched from meeting in person in locations across Wales, to online. And it's been positive to see the energy and active participation from the Coordinators in these more recent online sessions. We're also using the network meetings, quarterly bulletins, online webinars and other means to share good/best practice with PSBs - this is particularly powerful when hearing from PSBs who feel they're delivering aspects of the Acts well in their areas.

My office continues to work closely with the Sustainable Futures Division of Welsh Government, who are leading on the publication of the second Future Trends Report. This is to ensure alignment and integration with the PSBs as it develops. Currently, this includes my office working collaboratively with Welsh Government, Public Health Wales and Natural Resources Wales to prepare clearer steps and guidance to PSBs on how they can embed futures and long-term into their well-being assessments and plans. And, participating in a series of online workshops in the autumn with Government colleagues to help PSBs understand and apply the Future Trends Report to their areas, helping them answer the 'so what?' question.

This dedicated work is in addition to my general duties of providing advice, assistance and encouraging public bodies and PSBs to take greater account of the long-term impact of the things they do. For PSBs specifically, my team regularly provide ad-hoc advice, digest their Annual Reports and provide case studies and share good practice and I sometimes attend PSB meetings to provide advice and encouragement. As explained above, the points of contact within my team are currently involving representatives of public bodies and PSBs across Wales to explore how my limited resources and capacity can be best used to help them implement this legislation and cultural change.

My response to: Recommendation 11: Public bodies subject to the Well-being of Future Generations (Wales) Act 2015 must ensure that the five ways of working are embedded in their plans for recovery from the Covid-19 pandemic. We recommend that any gains they have made in their immediate response to the pandemic are not lost, and that they shift their focus from the day-to-day to long-term and prevention.

As Welsh Government, the Senedd and public bodies develop their plans for recovery from the COVID pandemic and deal with ongoing challenges, the long-term and integrated focus of the Well-being of Future Generations Act has never been more essential. We have a once-in-a-generation opportunity to create public services that tackle the economic, equality, health, climate and nature crises simultaneously, and which provides the 'Wales We Want' for our communities now and in the future.

COVID-19 has placed huge pressure on the public sector and has resulted in devastating loss of life. The Committee have heard many examples of how public bodies have used this period as an opportunity to see things differently. However, I have not yet been assured that futures-thinking and foresight planning has or is being fully applied to help shape Welsh Government's long-term response to the pandemic, or in how it seeks to prevent future crises from occurring.

Furthermore, COVID-19 has highlighted or exacerbated many inequalities that were already there and can no longer be ignored. I advise public bodies to take all reasonable steps to identify and address these challenges. My forthcoming Inequality in a Future Wales Report will also provide public bodies with further information to consider.

To ensure Welsh Government were considering the Well-being of Future Generations Act in its recovery plans I issued several pieces of advice, including a <u>5 point plan</u>, a detailed letter to Jeremy Miles MS and Rebecca Evans MS (as attached) and published a <u>Fit for the Future Programme for Government</u>. I have followed this up with more detailed advice on specific aspect for example investing in the decarbonisation of homes, the new nation Transport Strategy and on the development of skills policy.

I welcomed the comments made by public bodies during the inquiry. Over a third of written PAC responses highlight that COVID (and Brexit) should be used as opportunities for implementing the Act while people are receptive to change. There are clear lessons here for how these ways of working can be 'baked in' for future work and applied to long-term thinking, not just crisis response.

"The Act emerging from COVID is more important than ever before. The goals are core principles for every country throughout the world. We've learnt a lot of lessons and that's the country we want coming out of the pandemic. The way to do it is to work together. The 5 Ways of Working are more important than ever post-COVID" (Cyngor Ynys Mon / Anglesey Council)

"The experience of COVID and the ACT have planted a conscience in us of a higher purpose and making our services more accessible." (National Library of Wales)

Rather than spending £3m on a new centre, the National Library of Wales chose to invest in digital to make their collections more accessible.

Flintshire Council recognized that budget restrictions and COVID has helped them look at things differently. They've refurbished the old buildings for some day centres and commissioned a third sector organisation who are running the service far better- the offer to service users has far improved.

I have welcomed the innovation and collaboration by public bodies in addressing the COVID response. Activities and decisions that once were seen as challenging or not essential have been actioned and I'm pleased that public bodies have committed to continuing many of these good approaches beyond the recovery.

In my evidence to the Committee, I shared concerns that Welsh Government were failing to apply all five ways of working consistently during the pandemic. These concerns included:

- Lack of join-up and **integration** on Wales' COVID-19 recovery. I was concerned that several policy groups and Ministerial Advisory Groups were potentially working in isolation.
- A lack of alignment between the activity on equality, diversity and inclusion in relation to the response to COVID-19 and the ministerial advisory groups (and others) focused on recovery. It is not clear how the information and intelligence being gathered is informing the work (and investment decisions) of Government to address **preventative** action.
- A lack of **involvement** (in terms of diversity and equality) in many of the groups shaping the recovery. There is a need to build on involvement methods used as part of the crisis response, broadening the involvement of groups steering the recovery.
- The absence of **integration** across policy areas. For example, the National Museum have been open in their message that they are an 'underused resource'. They want to be better connected to the other groups and networks working on COVID-19 recovery, particularly groups focused on the environment, skills and health and well-being.
- Unclear how **long-term** thinking, futures and foresight is being applied.

These lessons must be shared across Government and externally.

Welsh Government showed a progressive approach in passing this law – but has underestimated the scale of focus, support and reform needed to get it delivered in every layer of governance and public service delivery in Wales. The Government now needs to ensure that the ambitious approach in passing legislation on the floor of the Senedd is matched with ambitious action on implementing it on the ground.

I look forward to working with this Committee and others across the Senedd during remainder of my term.

Kind regards,



Sophie Howe Future Generations Commissioner for Wales



Y Pwyllgor Busnes

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Business Committee

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Mark Isherwood MS

Chair of the Public Accounts and Public Administration
Committee

22 September 2021

Response to recommendations of the Fifth Senedd's Public Accounts Committee

Dear Mark

The Fifth Senedd's Public Accounts Committee made two recommendations to the Business Committee of the Sixth Senedd as part of its scrutiny of the implementation of the Well-being of Future Generations Act 2015: *Delivering for future generations:* the story so far.

We are pleased to be able to accept both recommendations. Please find our full response to those recommendations enclosed.

Yours sincerely

Elin Jones MS

Y Llywydd and Chair of the Business Committee

flir fours

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

Recommendations (from *Delivering for future generations: the story so far*)

Recommendation 13. The Business Committee of the Sixth Senedd should ensure that the Senedd's Committee structure facilitates effective scrutiny of legislation such as the Well-being of Future Generations (Wales) Act 2015 and other matters that cross policy areas and Ministerial portfolios.

Recommendation 14. The Business Committee of the Sixth Senedd should give specific consideration to how post-legislative scrutiny of the Well-being of Future Generations (Wales) Act 2015 should be undertaken, and refer that body of work to an appropriate Committee or forum accordingly.

Response from the Business Committee

We accept recommendations 13 and 14.

We sought to address these recommendations in the proposals we made to the Senedd on the establishment of committees.

The remit of the Equality and Social Justice Committee includes "implementation of the Well-being of Future Generations Act 2015" and an ability to scrutinise any area of policy from the perspective of the crosscutting issues within its remit, including (but not restricted to): equality and human rights, and the implementation of the Well-being of Future Generations Act 2015.

Whilst it is for the ESJ Committee to determine how best to deliver its remit, we believe that emphasising the ability to work across policy boundaries will ensure all aspects of the WFGA can be pursued without restriction. It is also our hope that this approach acts as a catalyst for greater collaboration between committees when approaching cross-cutting scrutiny challenges.

We have ensured that there is capacity within the committee timetable to help facilitate joint-working between committees. It is now for committees to determine if and how they wish to take this opportunity.

Making one committee responsible for scrutiny of the implementation of the WFGA will hopefully ensure it receives focused post-legislative scrutiny, but this need not be done in isolation from the work of other committees.

Flexibility was an underpinning principle when designing the committee system. Committees are guided rather than bound by their remits and can pursue cross-cutting issues wherever they might lead in policy terms. To ensure that this is done effectively, communication between committees is

essential. We set this expectation in our report *Sixth Senedd Committees: Titles and remits*.

We have also agreed to propose that the Senedd establishes a Committee for the Scrutiny of the First Minister with a cross-cutting remit to "scrutinse the First Minister on any matter relevant to the exercise of the functions of the Welsh Government." As in the Fifth Senedd, the Chairs' Forum will provide a valuable space within which cross-cutting scrutiny challenges can be discussed and addressed by the Chairs of Senedd Committees.

Welsh Government response to the report of the Public Accounts Committee (5th Senedd) Delivering for Future Generations – the story so far.

RECOMMENDATION 1

The Welsh Government should carry out of a review of how it can provide longerterm financial security to the public bodies that are subject to this Act. This review should be completed in time to inform funding decisions in relation to the 2023-24 financial year.

Response: Accept in principle

It remains the Welsh Government's aspiration to provide longer-term budgets for our partners and stakeholders and we remain open to exploring options to provide certainty where this is possible as it set out in our Budget Improvement Plan which we publish alongside our Draft Budget. The Committee's recognition of the lack of forward funding figures from the UK Government is welcomed, and has previously meant the Welsh Government has been unable to give multi-year funding settlements. The Welsh Government has continued to press the case to the UK Government to publish multi-year settlements with the prospect of the forthcoming UK Spending Review and Budget on 27 October indicating we could expect a 3 year settlement.

Under current funding arrangements for public bodies we already provide an indication of funding for future years where this is possible. We are moving to a programme of Term of Government Remits for Arms-length Bodies in Wales, and this will be much more productive if we receive a multi-year settlement from the UK Government, which would enable us to provide bodies with longer-term indicative budgets.

Financial implications

The potential exploration of options would be met from within existing resources.

RECOMMENDATION 2

The Welsh Government should carry out a review of how the work of Public Service Boards is funded. The review should begin no later than six months after the next Senedd election, with its conclusions implemented in time for them to inform funding allocations for the 2023-24 financial year. The review should be undertaken with the following principles in mind:

- PSBs should be able to access pooled funds, drawn from the resources of their statutory members, which they could either hold as formal corporate entities, or via informal arrangements.
- PSB budgets should be determined by clear, consistent guidelines set out by the Welsh Government.

- PSB budgets should be informed by the role that the Welsh Government has set out for them.
- The contributions that each organisation is required to make to finance PSBs should recognise wider commitments that they have to other partnerships (including to other PSBs).

Response: Accept in principle

The Welsh Government has taken the view to date that it is for the PSBs to decide how they collectively resource their work – including pooling funding. However, we recognise partners have had varying degrees of success with this and there may be scope to support the development of a common approach to pooling resources. Some partners may also value additional guidance on the existing flexibilities regarding funding available from other sources.

We will work with PSBs to get a better understanding of where they have pooled – or attempted to pool – resources and identify and share good practice. Alongside this we consider, on an annual basis, the package of funding and support we make available directly to PSBs and will be looking at how we can raise awareness of the range of funding sources available to them.

The immediate priority is supporting the delivery of the local assessments of well-being, which need to be undertaken by next spring. Whilst this work is therefore unlikely to commence at the time recommended by Public Accounts Committee, we would seek to provide guidance to inform PSBs by the time they complete preparation of their local well-being plans and put in place arrangements to resource delivery of them.

Financial implications

Any review of the approach to funding would be met from within existing resources.

RECOMMENDATION 5

The Welsh Government must continue with plans to set and publish milestones as required by section 10 of the Well-being of Future Generations (Wales) Act 2015 no later than six months after the 2021 Senedd election.

RECOMMENDATION 6

The Welsh Government must continue with plans to review and publish revised national well-being indicators no later than six months after the 2021 Senedd election. The review should recognise the challenges and opportunities presented by the Covid-19 pandemic and take into account the views of public bodies, the public, and key stakeholders of the private and voluntary sectors.

Response (5 & 6): Accept in principle

We published a consultation on the national milestones and indicators on 1 September 2021 and are committed to publish the first set of national milestones and updated national indicators by December 2021.

Whilst we agree it is important to move quickly on the development of National Milestones and reviewing and making small changes to the National Indicators, it is equally important for us to find the right balance between moving at pace and undertaking quality engagement. We believe the timetable outlined in the delivery roadmap still reflects the right balance overall.

The existing timetable is already tight and attempting to move forward publication by a month to comply with the recommendation would involve significantly curtailing the time currently reserved for collaborating with stakeholders or, alternatively, seriously impact our plans for a written consultation in the Autumn. Given Welsh Ministers have a statutory duty to consult public bodies on the National Indicators and Milestones before they are set, our view is attempting to change the timing of the roadmap at this stage would be more problematic than beneficial to the delivery of both the National Milestones and the revised National Indicators for Wales.

Financial implications

None, any additional costs will be drawn from existing programme budgets.

RECOMMENDATION 7

The Welsh Government must carry out a review of the public bodies that are subject to the Act. The findings of that review should be implemented in sufficient time for any newly added public bodies to receive their funding allocations and associated remit letters for the 2022-23 financial year. The review should:

- •take into account the impact on the implementation of the Act at a national level that including/omitting any particular public body would have;
- •acknowledge that the inclusion of any additional public bodies will result in additional reporting, monitoring and auditing requirements that will inevitably have financial/resourcing implications;
- •clearly set out the expectations of public bodies that are not formally subject to the Act in relation to sustainable development, and how those expectations will be monitored and enforced; and
- •clearly set out the criteria against which inclusion/exclusion decisions were made and the process or timeframes by which future reviews will be initiated.

Response: Accept in principle

The Welsh Government is committed to realising the benefits of the Well-being of Future Generations Act and recognises there is value in considering whether more public bodies should be subject to the well-being duty. We will carry out a review of the bodies subject to the WFG Act. The four tests applied in determining which

public bodies were subject to the Well-being of Future Generations (Wales) Act 2015 when it was being developed will form the basis of this work.

Given the need to engage with all affected parties and understand the implications on such bodies we intend to conclude the review by summer 2022. This will allow us to review the list alongside the proposals for the social partnership duty in the proposed Social Partnership and Public Procurement (Wales) Bill which will place a social partnership duty on the same bodies captured by the Well-being of Future Generations (Wales) Act 2015. Maintaining a close link between the well-being duty and social partnership duty will ensure there is consistency between the two pieces of legislation, and reinforce the role that employees have in shaping Wales' future.

Financial implications

The financial implications of extending the duty to additional bodies will be assessed as part of a Regulatory Impact Assessment. There will be costs in consulting and engaging with public bodies, costs on bodies, and implications for the Future Generations Commissioner for Wales and Auditor General for Wales

RECOMMENDATION 8

The Welsh Government must continue with plans to frame remit letters around the Well-being of Future Generations (Wales) Act 2015, following consultation with the Future Generations Commissioner. The new remit letters should be in use no later than in relation to the 2022-23 financial year.

Response: Accept

The Welsh Government has moved to Term of Government Remit Letters following the Senedd Cymru election on 6 May 2021. These Remits will be applied from the 2021-22 financial year. The Term of Government Remit Letter Framework includes a requirement to meet fully the well-being duty set out in the Well-being of Future Generation Act (Wales) 2015.

Financial implications

None, any additional costs will be drawn from existing programme budgets.

RECOMMENDATION 9

The Welsh Government must not create any new partnership or collaborative structures to fulfil any functions unless it has fully explored whether:

- existing partnership structures could undertake those functions instead;
- the new structure could replace existing ones;
- the functions can be carried out by existing public bodies; and after consultation with public bodies affected by the proposed changes, can demonstrate support for the new structures from a majority of public bodies affected by them.

RECOMMENDATION 10

The Welsh Government must publish guidance no later than six months after the next Senedd election that sets out:

- how the work of Regional Partnership Boards, Public Services Boards, Corporate Joint Committees, alongside other major partnership structures, interact with each other within the framework of the Well-being of Future Generations (Wales) Act 2015, with examples of good practice;
- what flexibility partnerships have to make decisions to better and more efficiently organise themselves;
- where partnerships and organisations can take action to simplify or consolidate the governance and reporting structures to reduce repetition and duplication;
- the Welsh Government's view of the landscape of partnership structures over the next reporting period (2020-25), including any proposals to abolish or consolidate those structures.

Response: Accept in principle

The outcome of the *Review of Strategic Partnerships*, which was agreed by Partnership Council for Wales, contained clear recommendations not to create new partnerships, or add to the remit of existing partnerships, without considering the existing landscape. It noted there was no support for standing down any specific partnerships and focused on partnerships being supported to simplify their own arrangements locally. The report concluded that any change should come from the ground up, rather than being imposed by the Welsh Government.

We believe delivering against the recommendations from the review will also deliver the aims within recommendation 9 and 10. We will be working closely with the Chairs of strategic partnerships to support local action to align and rationalise the landscape in the way that makes most sense to that area. As per the recommendations of the *Review of Strategic Partnerships*, the Partnership Council for Wales will be monitoring and evaluating progress. As part of its regular review of progress, they will determine what further action may be needed.

However, the immediate priorities for local government are the successful implementation of the Local Government and Elections (Wales) Act 2021.

Financial implications

This commitment will be met from within existing staff resources.



Eich cyf/Your ref Ein cyf/Our ref JH/3178/21

Mark Isherwood MS
Chair
Public Accounts and Public Administration Committee
Senedd Cymru
Cardiff Bay
Cardiff CF99 1SN

1 October 2021

Dear Mark,

Response to the Report of the Public Accounts Committee (5th Senedd) *Delivering* for Future Generations – the story so far.

Thank you to the members of the previous Public Accounts Committee for their valuable work in looking at the barriers to the implementation of the Well-being of Future Generations (Wales) Act 2015.

We recognise that the nature of the inquiry led by PAC means that it made recommendations that concern policy matters relating to the implementation of the Wellbeing of Future Generations. We have considered the report and its conclusions and recommendations carefully and I attach a response to the policy recommendations which are the responsibility of Welsh Ministers.

The Welsh Government is committed to using the Well-being of Future Generations framework to put Wales on a more sustainable path and help tackle the long-term sustainability challenges Wales faces. Over the past 18 months we have seen considerable scrutiny of how the Well-being of Future Generations Act is being implemented from Members of the Senedd, the Future Generations Commissioner and the Auditor General for Wales.

The broad coverage of the findings, ideas and recommendations of these reports reflect the nature with which the Well-being of Future Generations legislation is penetrating Government and the Welsh public service and its bearing on policies, processes and people. Whilst this can be complex and viewed as a weakness of the legislation, it continues to demonstrate the WFG agenda is not an add-on activity, and is being used to challenge, question and improve current ways of working so more sustainable choices can be considered. These reports will provide an essential reference point as we work with the Future Generations Commissioner and public bodies to remove the barriers to implementation, and build on the enthusiasm found in public officials and stakeholders which Members highlighted in their report.

Within our response we have sought to accept the recommendations, which we agree will help tackle the barriers to implementation. However, for some the specific suggestions for the completion of work by a prescribed timetable or in a prescribed way mean we have accepted these in principle.

Next week, I will be writing to the Auditor General for Wales detailing our response to their report which we agreed with Audit Wales we would consider alongside the findings and report of the Public Accounts Committee. I will also write to the Future Generations Commissioner to conclude our response to the Future Generations Report (2020).

Yours,

Jane Hutt AS/MS

fane Hutt

Y Gweinidog Cyfiawnder Cymdeithasol Minister for Social Justice Welsh Government response to the report of the Public Accounts Committee (5th Senedd) Delivering for Future Generations – the story so far.

RECOMMENDATION 1

The Welsh Government should carry out of a review of how it can provide longer-term financial security to the public bodies that are subject to this Act. This review should be completed in time to inform funding decisions in relation to the 2023-24 financial year.

Response: Accept in principle

It remains the Welsh Government's aspiration to provide longer-term budgets for our partners and stakeholders and we remain open to exploring options to provide certainty where this is possible as it set out in our Budget Improvement Plan which we publish alongside our Draft Budget. The Committee's recognition of the lack of forward funding figures from the UK Government is welcomed, and has previously meant the Welsh Government has been unable to give multi-year funding settlements. The Welsh Government has continued to press the case to the UK Government to publish multi-year settlements with the prospect of the forthcoming UK Spending Review and Budget on 27 October indicating we could expect a 3 year settlement.

Under current funding arrangements for public bodies we already provide an indication of funding for future years where this is possible. We are moving to a programme of Term of Government Remits for Arms-length Bodies in Wales, and this will be much more productive if we receive a multi-year settlement from the UK Government, which would enable us to provide bodies with longer-term indicative budgets.

Financial implications

The potential exploration of options would be met from within existing resources.

RECOMMENDATION 2

The Welsh Government should carry out a review of how the work of Public Service Boards is funded. The review should begin no later than six months after the next Senedd election, with its conclusions implemented in time for them to inform funding allocations for the 2023-24 financial year. The review should be undertaken with the following principles in mind:

- PSBs should be able to access pooled funds, drawn from the resources of their statutory members, which they could either hold as formal corporate entities, or via informal arrangements.
- PSB budgets should be determined by clear, consistent guidelines set out by the Welsh Government.
- PSB budgets should be informed by the role that the Welsh Government has set out for them.

 The contributions that each organisation is required to make to finance PSBs should recognise wider commitments that they have to other partnerships (including to other PSBs).

Response: Accept in principle

The Welsh Government has taken the view to date that it is for the PSBs to decide how they collectively resource their work – including pooling funding. However, we recognise partners have had varying degrees of success with this and there may be scope to support the development of a common approach to pooling resources. Some partners may also value additional guidance on the existing flexibilities regarding funding available from other sources.

We will work with PSBs to get a better understanding of where they have pooled – or attempted to pool – resources and identify and share good practice. Alongside this we consider, on an annual basis, the package of funding and support we make available directly to PSBs and will be looking at how we can raise awareness of the range of funding sources available to them.

The immediate priority is supporting the delivery of the local assessments of well-being, which need to be undertaken by next spring. Whilst this work is therefore unlikely to commence at the time recommended by Public Accounts Committee, we would seek to provide guidance to inform PSBs by the time they complete preparation of their local well-being plans and put in place arrangements to resource delivery of them.

Financial implications

Any review of the approach to funding would be met from within existing resources.

RECOMMENDATION 5

The Welsh Government must continue with plans to set and publish milestones as required by section 10 of the Well-being of Future Generations (Wales) Act 2015 no later than six months after the 2021 Senedd election.

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Response (5 & 6): Accept in principle

We published a consultation on the national milestones and indicators on 1 September 2021 and are committed to publish the first set of national milestones and updated national indicators by December 2021.

Whilst we agree it is important to move quickly on the development of National Milestones and reviewing and making small changes to the National Indicators, it is

equally important for us to find the right balance between moving at pace and undertaking quality engagement. We believe the timetable outlined in the delivery roadmap still reflects the right balance overall.

The existing timetable is already tight and attempting to move forward publication by a month to comply with the recommendation would involve significantly curtailing the time currently reserved for collaborating with stakeholders or, alternatively, seriously impact our plans for a written consultation in the autumn. Given Welsh Ministers have a statutory duty to consult public bodies on the National Indicators and Milestones before they are set, our view is attempting to change the timing of the roadmap at this stage would be more problematic than beneficial to the delivery of both the National Milestones and the revised National Indicators for Wales.

Financial implications

None, any additional costs will be drawn from existing programme budgets.

RECOMMENDATION 7

The Welsh Government must carry out a review of the public bodies that are subject to the Act. The findings of that review should be implemented in sufficient time for any newly added public bodies to receive their funding allocations and associated remit letters for the 2022-23 financial year. The review should:

- •take into account the impact on the implementation of the Act at a national level that including/omitting any particular public body would have;
- •acknowledge that the inclusion of any additional public bodies will result in additional reporting, monitoring and auditing requirements that will inevitably have financial/resourcing implications;
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- •clearly set out the criteria against which inclusion/exclusion decisions were made and the process or timeframes by which future reviews will be initiated.

Response: Accept in principle

The Welsh Government is committed to realising the benefits of the Well-being of Future Generations Act and recognises there is value in considering whether more public bodies should be subject to the well-being duty. We will carry out a review of the bodies subject to the WFG Act. The four tests applied in determining which public bodies were subject to the Well-being of Future Generations (Wales) Act 2015 when it was being developed will form the basis of this work.

Given the need to engage with all affected parties and understand the implications on such bodies we intend to conclude the review by summer 2022. This will allow us to review the list alongside the proposals for the social partnership duty in the proposed Social Partnership and Public Procurement (Wales) Bill which will place a social partnership duty on the same bodies captured by the Well-being of Future Generations (Wales) Act 2015. Maintaining a close link between the well-being duty and social

partnership duty will ensure there is consistency between the two pieces of legislation, and reinforce the role that employees have in shaping Wales' future.

Financial implications

The financial implications of extending the duty to additional bodies will be assessed as part of a Regulatory Impact Assessment. There will be costs in consulting and engaging with public bodies, costs on bodies, and implications for the Future Generations Commissioner for Wales and Auditor General for Wales

RECOMMENDATION 8

The Welsh Government must continue with plans to frame remit letters around the Wellbeing of Future Generations (Wales) Act 2015, following consultation with the Future Generations Commissioner. The new remit letters should be in use no later than in relation to the 2022-23 financial year.

Response: Accept

The Welsh Government has moved to Term of Government Remit Letters following the Senedd Cymru election on 6 May 2021. These Remits will be applied from the 2021-22 financial year. The Term of Government Remit Letter Framework includes a requirement to meet fully the well-being duty set out in the Well-being of Future Generation Act (Wales) 2015.

Financial implications

None, any additional costs will be drawn from existing programme budgets.

RECOMMENDATION 9

The Welsh Government must not create any new partnership or collaborative structures to fulfil any functions unless it has fully explored whether:

- existing partnership structures could undertake those functions instead;
- the new structure could replace existing ones;
- the functions can be carried out by existing public bodies; and after consultation
 with public bodies affected by the proposed changes, can demonstrate support for
 the new structures from a majority of public bodies affected by them.

RECOMMENDATION 10

The Welsh Government must publish guidance no later than six months after the next Senedd election that sets out:

how the work of Regional Partnership Boards, Public Services Boards, Corporate
Joint Committees, alongside other major partnership structures, interact with each
other within the framework of the Well-being of Future Generations (Wales) Act
2015, with examples of good practice;

- what flexibility partnerships have to make decisions to better and more efficiently organise themselves;
- where partnerships and organisations can take action to simplify or consolidate the governance and reporting structures to reduce repetition and duplication;
- the Welsh Government's view of the landscape of partnership structures over the next reporting period (2020-25), including any proposals to abolish or consolidate those structures.

Response: Accept in principle

The outcome of the *Review of Strategic Partnerships*, which was agreed by Partnership Council for Wales, contained clear recommendations not to create new partnerships, or add to the remit of existing partnerships, without considering the existing landscape. It noted there was no support for standing down any specific partnerships and focused on partnerships being supported to simplify their own arrangements locally. The report concluded that any change should come from the ground up, rather than being imposed by the Welsh Government.

We believe delivering against the recommendations from the review will also deliver the aims within recommendation 9 and 10. We will be working closely with the Chairs of strategic partnerships to support local action to align and rationalise the landscape in the way that makes most sense to that area. As per the recommendations of the *Review of Strategic Partnerships*, the Partnership Council for Wales will be monitoring and evaluating progress. As part of its regular review of progress, they will determine what further action may be needed.

However, the immediate priorities for local government are the successful implementation of the Local Government and Elections (Wales) Act 2021.

Financial implications

This commitment will be met from within existing staff resources.



Our ref JH/3178/21

Adrian Crompton
Auditor General for Wales
Adrian.Crompton@audit.wales

8 October 2021

Dear Adrian,

Response to the Report of Audit Wales 'So, what's different? Findings from the Auditor General's Sustainable Development Principle Examinations'

Thank you to you and your team for their valuable work in examining the 44 public bodies subject to the well-being duty under the Well-being of Future Generations (Wales) Act 2015), and for providing a report to the Senedd on the key findings from this work. This was the first reporting period in which these examinations were done and they have provided useful insight into how public bodies are embracing the opportunities provided by the legislation to do things differently.

I am pleased your report found public bodies can demonstrate they are applying the sustainable development principle, but I acknowledge more can be done. We are committed to working with public bodies as a family of bodies subject to Act to continually improve how these ways of working are brought to life in our work.

As agreed between our officials, we delayed our formal response to your report to take into account the work of the Public Accounts Committee and its inquiry into the barriers to the implementation of the WFG Act.

Within our response to the Public Accounts Committee we have provided our response to Recommendation 7 which captures the same issues highlighted in recommendation 2 of your report on whether additional public bodies should be added to those subject to the well-being duty in the Act. This confirms we will review the list of public bodies subject to the Act by summer 2022. We will ensure officials engage with you and your team as this work

PAPAC(6)-05-21 P1D - Letter from the Welsh Government progresses, and take into account the observations from your report in this work, and any

progresses, and take into account the observations from your report in this work, and any implications on your work.

Your report, and that of the Commissioner through the Future Generations Report, will continue to frame and shape the conversation about the next phase of implementation of the Act and will continue to be a reference point on those areas we need to tackle to realise the benefits of the legislation. I agree with the report's conclusions that the Act has the potential to provide a common purpose and consistent culture, and its role in helping address the major challenges Wales' faces. As part of our work on the Future Trends Report we are running dedicated sessions with Public Service Boards on how to consider those likely future trends as part of their well-being assessment process. We will build on these workshops following the publication of the report to allow the long-term way of working to be embedded further in those public bodies subject to the Act. We are working with the Future Generations Commissioner, Public Health Wales and Natural Resources Wales to support this.

Your report recommends that the Senedd and the Welsh Government to give post-legislative consideration of the Act to explore how we overcome barriers to implementation, and how Wales can remain at the forefront of well-being. We are committed to ensuring the Act remains a driving force for change in Wales. However, given the breadth and depth of the observations from the three reports, we consider our focus should be on addressing these barriers and improving awareness and application of the Act by public bodies over the next few years. We will, however, engage with the Senedd should it wish to give post-legislative consideration to the Act and review this position in 2023 informed by our ongoing implementation of the WFG Act and with engagement of the national stakeholder forum and the Future Generations Commissioner.

The recommendation to ensure Wales remains at the forefront of actions on well-being is one I wholeheartedly agree with. We are proud the Welsh Government led the way in legislating for the future through the Act. Earlier this year I established a Well-being of Future Generations National Stakeholder Forum to support national implementation of the Act, which had the explicit remit to support activities to address the barriers to implementation. Last year the Welsh Government joined the Well-being Economy Government (WEGo) network alongside Scotland, New Zealand, Iceland and Finland who all share similar aspirations for advancing the well-being agenda in their respective nations. We continue to engage with our counterparts to share ideas and practice to embed well-being into the workings of Government so we remain at the forefront of actions to improve it. The recent announcement from the United Nations Secretary General to put in place new mechanisms for future generations within the UN agenda illustrates we are providing leadership on the well-being of future generations.

Yours,

Jane Hutt AS/MS

fane Hutt

Y Gweinidog Cyfiawnder Cymdeithasol Minister for Social Justice PAPAC(6)-05-21 P1F - Welsh Government response to the Future Generations Commissioner Jane Hutt AS/MS
Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice



Our ref JH/3178/21

Sophie Howe Future Generations Commissioner for Wales commissioner@futuregenerations.wales

8 October 2021

Dear Sophie,

Response to Future Generations Report 2020

I want to thank you for your ongoing work in helping the Welsh Government implement the Well-being of Future Generations (Wales) Act 2015 (WFG Act) in Wales. I am writing to you to conclude the Welsh Government's response to the Future Generations Report 2020. In addition to this letter, I am writing to the Auditor General for Wales on the Welsh Government's response to the Auditor's report, and the Welsh Government's response to the Public Accounts Committee's (5th Senedd) 2021 report has been published. Our response to the Committee outlines our commitments to strengthen the application of the WFG Act in Government, public bodies, and Public Services Boards. We will continue to work with you and your team on accelerating the implementation of the WFG Act over this Government term.

In this context I want to re-confirm our approach to engaging with the Future Generations Report. In October 2020, the First Minister outlined in a letter that the Welsh Government's response to the report would not be a standalone line-by-line commentary, as this would not give way for meaningful engagement in the challenges, improvements, and opportunities the report identifies. Our response situates our engagement with the report, which is published once every five years, as part of our existing action to embed and improve the implementation of the WFG Act. Ministers will continue to engage with you on portfolio matters relevant to the continued application of the WFG Act.

The Welsh Government continues to provide leadership on the WFG agenda and recognise our role as custodians of the legislation. We have brought public bodies together to discuss how we take forward our sustainable development ambitions for Wales through the Wellbeing of Future Generations National Stakeholder Forum and delivered several engagement events linked to the implementation of the Act.

I plan to meet members of the Forum shortly to discuss how Welsh Government will continue to provide leadership in the national implementation of the Act and how we can

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<u>Gohebiaeth.Jane.Hutt@llyw.cymru</u> <u>Correspondence.Jane.Hutt@gov.wales</u>

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh Arry correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

take forward specific actions in collaboration with the forum and bring these actions together in a plan for this government term.

We have also recently published a consultation on Wales' national milestones and indicators so that we deliver on my commitment to publish the first national milestones, update the indicators, and publish the Future Trends Report by December 2021. Our work to bring the milestones, indicators and future trends together under Shaping Wales' Future provides an opportunity to engage the people of Wales in the future of Wales and improve understanding and awareness of the Act. This is an area which I expect the Forum to look at in the coming months to complement your work in promoting the WFG Act.

I am also pleased that Welsh Government will be sending participants to be part of the next cohort of the Future Generations Leadership Academy. Having met participants of the first cohort I am confident that the Academy is helping equip people across Wales with the skills, confidence and enthusiasm to champion the values and ethos of the Act. I look forward to meeting the next cohort of the Academy in the coming months.

The WFG Act is driving positive changes to policies, processes and culture in organisations across Wales. We will continue to lead this agenda through our international efforts, and deliver on our well-being objective to give Wales the strongest possible presence on the world stage. The recent publication of the Elsevier report shows how Wales is contributing to the progress of the UN's Sustainable Development Goals through research. Our continued and active membership of international networks such as Regions4SD and the Wellbeing Economy Government network will ensure Wales stays at the forefront of activities to leave a positive legacy for future generations. We are grateful for your efforts in showcasing Wales' distinctive approach and making the case for others to follow our lead.

This Welsh Government has put tackling the climate and nature emergencies at the heart of everything it does. Our Programme for Government outlines the ambitious set of commitments Welsh Ministers intend to deliver over this Senedd term and ensures people in Wales can see their democratic voice reflected in our actions. Publishing our well-being objectives as part of the Programme demonstrates the central role of the WFG Act in our thinking and policymaking. The Programme also builds on the Welsh values of community, equality, and social justice to make our communities kinder, more connected, and stronger.

I am copying this letter to the Chair of the Equality and Social Justice Committee.

In Wales, we have opportunity to build a stronger, fairer, greener country. The Welsh Government continues to be steadfast in its commitment to sustainable development, and I look forward to delivering on our agenda this term to create a Wales we can be proud to hand on to future generations.

Yours,

Jane Hutt AS/MS

fare Hutt

Y Gweinidog Cyfiawnder Cymdeithasol Minister for Social Justice

Cc: First Minister, Minister for Finance & Local Government, Chair of Equality & Social Justice Committee

Shan Morgan Ysgrifennydd Parhaol Permanent Secretary

Mark Isherwood MS
Chair of Public Accounts and
Public Administration Committee



27th October 2021

Dear Mr Isherwood,

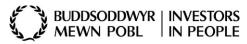
Welsh Government's approach to responding to recommendations made by the Public Accounts and Public Administration Committee in its reports

Thank you for your letter seeking assurance that the practice adopted of accept or reject will be used when responding to reports from the Public Accounts and Public Administration Committee.

I want to firstly acknowledge the role that the Public Accounts Committee (Fifth Senedd) took in leading the inquiry and scrutinising the implementation of the Well-being of Future Generations Act 2015 ('the WFG Act'). The Report, *Delivering for future generations: the story so far*, illustrates that the WFG Act continues to be a point of reference for improving how government and public services work in a more sustainable way.

As acknowledged in the Report, this was the first time that the Senedd has taken a comprehensive look at the work that has been carried out under the WFG Act by the various bodies responsible for its implementation, and therefore Senedd committee chairs agreed that the Public Accounts Committee would lead the inquiry. I note the response from Y Llywydd and the Chair of the Business Committee to the Report which confirms that the Equality and Social Justice Committee's remit includes oversight of the implementation of the Well-being of Future Generations (Wales) Act 2015.

I fully support the need for clarity in response to reports of the Public Accounts and Public Administration Committee. I can assure you that that the decision to 'accept in principle' some of the report's recommendations represents an isolated instance and reflects the nature of the report's recommendations which covered aspects of well-being of future generations policy which would typically be reserved for a subject committee.



As set out in my letter of 26 July 2018 on this matter, copied to the then Chair of the Public Accounts Committee, maintaining the use of three responses – accept, acceptin-principle, and reject – ensures that the Welsh Government is able to respond, at least on an initial basis, to what can often be complex and multi-dimensional recommendations in areas of policy that may still be under development.

The Welsh Government's response to the Report clearly indicates that we agree that action needs to be taken to address the barriers which the individual recommendations seek to address, but that there may be a more effective way or different timescale in addressing these barriers. I would hope that the Committee consider this an acceptance of the recommendation, rather than a full rejection of the issue and suggested actions to address the problem. We would expect the Committee to judge our response to the recommendations and commitment to address the barriers against our detailed responses to the recommendations.

I hope this provides you with the assurances you seek.

Shan Morgan

Ysgrifennydd Parhaol/ Permanent Secretary Llywodraeth Cymru/ Welsh Government

Copied to the Chair of the Equality and Social Justice Committee

