

“What Wales is doing today, we hope the world will do tomorrow – action more than words is the hope for our future generations” – United Nations

**Future Generations
Commissioner
for Wales**
**Comisiynydd
Cenedlaethau'r
Dyfodol Cymru**

Acting today for a better tomorrow

Invitation to give evidence to the Equality, Local Government and Communities Committee in connection with the Role of the Future Generations Commissioner for Wales

Further to your correspondence dated, 5 December 2016, I am pleased to be able to provide evidence to the Equality, Local Government and Communities Committee on my role as the first Future Generations Commissioner for Wales. The committee has asked me to:

- (1) Provide an update on the Commissioner’s work with a specific focus on areas within the Committee’s remit
- (2) Explore the Commissioner’s priorities more generally
- (3) Seek the Commissioner’s views on the Welsh Government’s recently published well-being objectives

Update on the Commissioner’s work with a specific focus on areas within the Committee’s remit

We have been overwhelmed by the positive response from public bodies and others towards Well-being of Future Generations Act and its potential to change things for the better.

We have been working hard with partners to set up the office and infrastructure ready to support public bodies to get to grips with their new duties and requirements.

I am determined that the Sustainable Development principle and the five ways of working set out in the Act, will be at the heart of my work. These ways of working are: planning for the long-term; acting to prevent things from getting worse, taking an integrated approach, collaborating with others and involving the people with an interest in achieving the well-being goals.

With this in mind, I started my role by going out to listen to a wide range of people in line with the involvement principle. I have spoken with many organisations from a wide range of sectors and I have been reviewing the evidence base to better understand the key challenges facing Wales over the long-term. This includes meetings with all 44 public bodies, early engagement events with organisations and individuals including the third sector, meetings with Assembly Members and community organisations.

In order to have a real impact that leads to long-lasting change, I am also been developing an approach that makes the most of my resources by setting priority areas for action. I have started an on-going conversation with experts, academics and stakeholders to involve them in the development of my own priorities to ensure these are the right ones through which to focus our support, challenge and action. I will detail this further below.

1- Setting-up the office

I have focussed on the principles of collaboration, integration and involvement in particular, in setting up my office. I want my team to be the change that we want to see in others – to walk the talk. I challenge them to use the five ways of working in everything we do.

I have established a range of secondments and partnership appointments. This means the team is currently made up of 22 people from a wide-range of organisational backgrounds, including those transferred to me via TUPE. Nine people are appointed on a permanent basis (8.2 Whole Time Equivalent), six people are with us on a short-term basis and a further six (4.4 WTE) are with us secondment from partner organisations. So far we have had secondments and joint appointments with the Children's Commissioner, Welsh Government, Renewables UK and South Wales Police. This means that more than half the posts are resourced flexibly either through a secondment/partnership agreement or via a short term contract.

I am also in discussion with Public Health Wales and the National Offender Management Service about joint working arrangements in 2017-18. I will seek to involve disadvantaged groups within my workforce by providing all age apprenticeships. We are also exploring a partnership agreement with the Equality and Human Rights Commission.

In the spirit of integration, we are exploring how best to avoid duplication and work together with other organisations, for example; with Welsh Government in designing the Future Trends and scenarios work and with Public Health Wales on the making shift to prevention, particularly around the issue of tackling adverse childhood experiences.

I have established the statutory Advisory Panel (as required by section 26 of the Act) as well as my Audit Risk and Assurance Committee.

I am sharing office accommodation with the Welsh Language Commissioner and using space made available within Bangor University for staff based in North Wales. I share my HR function with the Children's Commissioner, my payroll function with the Ombudsman and I have secured joint internal audit arrangements with the Older People's Commissioner, the Children's Commissioner and the Public Sector Ombudsman for Wales.

We are about to move into the next phase of work and will be engaging and involving others to help us design and adopt internal sustainable ways of working.

Building on initial engagement within my team and with stakeholders, I have defined the purpose of the organisation as to:

- Highlight the big issues, challenges and opportunities facing future generations
- Support and challenge public bodies to think about the long-term impact of the things they do
- Work with others to drive the changes needed
- Walk the talk – be the change we want to see in others

Given the huge scope of my role and the Well-being of Future Generations Act, and my limited resources, we are in the process of defining how we can add most value and use our resources to maximum effective. This approach is guiding the development of my strategic plan. I do not have the resources to analyse or intervene in every issue which could come within the remit of the Well-being of Future Generations Act. It is important for me to have a sound evidence base on which to make

recommendations or give advice and, when needed, to challenge public bodies on how well they are meeting their well-being objectives and plans.

2- Initial engagement and collaboration

Good involvement and engagement is key to the delivery of a sustainable Wales. To better understand the challenges and barriers facing our public bodies, I have gone out and met all 44 public bodies responsible under the Act, engaged with more than 80 organisations across Wales and internationally, and spoken at more than 80 events to raise the profile of the Well-being of Future Generations Act. I have begun a conversation about how it can bring about change and started a two-way dialogue to inform my early work-plan and priority areas through which to focus our work.

People have told me they see the barriers to the implementation of the Act as; the lack of permission to change, the restrictions of the current audit and inspection processes, the myriad of performance indicators and targets they have to measure and report against and the organisational cultures that exist. This early feedback has been collated into the *Talking Future Generations* report.

There is a significant amount of international interest in our legislation and I have met with representatives from a range of different countries who want to learn more about the Act. I have recently been elected as chair the Network of Institutions for Future Generations, a group of national bodies with formal responsibility for future generations and sustainable development which supports learning between members, promotes the development of such institutions throughout the world and advocates for the creation of a UN High Commissioner for Future Generations.

In the spirit of the collaboration principle I am working with the Auditor General for Wales to start a discussion about the changes needed in the way auditing operates to remove potential barriers to implementation of the Act. I am also working closely with the Wales Audit Office Good Practice Exchange team. This involves assisting and advising to support shared learning on implementation.

Despite not being covered by the legislation, there is significant interest from the police service in applying the principles of the Act to their work. South Wales Police have allocated a resource to work with my office in applying the principles of the Act to their estates strategy, testing some of the tools we are developing to support public bodies. This will promote an approach which is more focused on future proofing estates, ensuring that the development of buildings is not only fit for today, but incorporates a vision of policing in the future. It will also ensure a greater focus on the environmental impact of buildings and the effect they have on the welfare of staff. Through adopting this approach it will provide a better service for the public, whilst ensuring greater efficiency and effectiveness of South Wales Police.

I have developed a joint programme of work with the Children's Commissioner entitled "Embedding Children's Rights for Future Generations". The programme aims to help public bodies by preventing duplication and inconsistency in what is required of public bodies in respect of the United Nations Convention on the Rights of the Child and the Well-being of Future Generations Act and will develop some practical tools to help public bodies think about how they embed children's rights and sustainable development in their work.

We are also developing further collaboration on projects with the Bevan Commission around the involvement principle, with the Welsh Government and other partners around the Globally Responsible Wales goal, as well as developing work with the Equality and Human Rights Commission to understand the overlap and most effective use of our different powers to drive change.

3- Early pieces of work

In parallel with the development of the priorities for my office, I have decided to consider specific projects and decisions which could not wait for these to be finalised.

This led me to define criteria for engagement with specific projects which include: looking at whether we can influence the process; considering the scale of the project and the decisions being taken; whether more than one part of Wales or significant subsection of the population is affected; considering whether the issue is cross-cutting, across the well-being goals, across sectors or issues (for example relating to poverty or health). The issue must also relate to one of our priority areas, once these are finalised.

I believe that providing a supportive approach, particularly in the early stages of implementation, will lead to longer lasting change. I do not want to drive a compliance attitude which might miss the point of a profound change in attitude and behaviour of public bodies. Public bodies need to be given time to adapt and work towards changing the culture in their organisations and therefore the focus in the first year has not been around use of review powers. I will give further consideration to the appropriate use of these powers as we move beyond the first phase of setting the well-being objectives, assessments, plans and reflect on how these are actually being implemented. I have sought therefore to constructively challenge public bodies on the following projects:

- a. **M4:** I have decided to focus on the M4 as a large scale infrastructure projects such as this are significant given both the proposed level of expenditure, which will be met by Future Generations, and the need for proposals to balance economic, environmental and social considerations. Under the new legislation there is a clear expectation that such proposals, including the decision-making process itself, will need to ensure they embed the five ways of working and maximise their contribution to all of the seven well-being goals. I wrote to the Cabinet Secretary, back in June, to outline initial concerns including:
 - the way the recent Sustainable Development Report (published in March 2016) applies the Act in a retrospective fashion almost to justify an existing decision which is not in keeping with the provisions or intent of the Act
 - questioning the conclusion of the report which states “...therefore the Scheme is considered to align with the Welsh Government’s principles of sustainable development”, as the report focuses on the seven well-being goals and does not include any detail on how the proposals have considered long-term future trends or prevention
 - highlighting lack of integration with other regional transport initiatives, including the Metro, to ensure a holistic and integrated sustainable transport solution for the region or to ease traffic congestion around Newport

Finally, I don’t feel that the Sustainable Development principle has been used during the decision-making process, when alternative solutions to easing the acknowledged traffic congestion and capacity issues on the stretch of the M4 were being considered.

- b. **City Deal:** The Cardiff Capital Region City Deal is a £1.2billion programme over 20 years, affecting a population which is expected by then to be 1.8million in the 10 local authorities involved. The decisions about the City Deal are being made since the Well-being of Future Generations Act came into force and it is therefore an important milestone in the life of the Act. As a 20-year programme, the City Deal also offers an unusual and valuable opportunity for the authorities involved to work on a longer time frame, in particular in relation to budgeting. It is also an opportunity to show how applying the Act to a major public

investment programme could deliver transformational change in well-being and address persistent challenges such as climate change, poverty, inequality, social cohesion, jobs and skills in a truly long-term and preventative way. I have written to the leaders and Minister as well as the Chair of the Growth and Competitiveness Commission to ensure that any recommendations or decisions being made on the City Deal programme fully reflect the requirements of the Act and enables the City Deal to maximise contribution to the goals in order to improve the well-being of communities.

- c. **(a) Supporting public bodies:** The requirement for all of the Public Services Boards to consult the Commissioner on their assessments of well-being gives us a useful early opportunity to ensure that they are developed in a manner that is consistent with the wider intentions of the Act. I have met with five PSBs to date and have provided some informal assistance in the development of their assessments. We have designed this work carefully to ensure it supports our overall approach to supporting public bodies. We recognise that, if it is implemented properly, the WFG Act should fundamentally challenge business as usual in public bodies. We are keen, therefore, to work with public bodies to establish a learning environment that is both challenging and supportive, recognising that we will also be learning alongside them. The feedback to each Public Services Board will identify strengths and areas requiring further development in their assessments. It will be focused on what they need to address to help their Well-being Plans be more effective mechanisms for maximising their contribution to the well-being goals, thereby, improving the well-being of local people. We will also provide a summary report and a shared learning event to support further development.
- d. **Fit for Future Generations:** I want to be working WITH public bodies to change the culture not to drive tick box exercises. Our approach is one of constructive challenge underpinned by support. We are working with the public bodies to scope the support that is most useful. They told us that sharing information on a website or issuing statutory guidance is not the most helpful and that this can lead to compliance and not profound change. Our current work on scoping the method and early work on the Fit for Future Generations approach includes in the following areas:
- **Procurement:** I am considering how the £5.5billion spent annually by the public sector in Wales on goods and services, can be used in a way that delivers real economic, environmental, social and cultural benefits. We are supporting Welsh Government to see how the five Ways of Working and seven Well-being Goals can inform the procurement process and therefore decisions being made, including early work with the National Procurement Service on new food contracts.
 - **Childcare:** My team has engaged directly with the Welsh Government to test how the five ways of working can be used to challenge business as usual as they review their approach to provision for early years, in conjunction with the enhanced childcare pledge.
 - **Decarbonisation:** Welsh Government has a duty under the Environment (Wales) Act to prepare carbon budgets for Wales which will set out how we achieve a reduction of (at least) 80% in our carbon emissions by 2050. We are working with them to ensure that options being developed, and decisions being made, are informed by the Sustainable Development principle as well as the seven well-being goals.
 - I have also been engaged in initial discussions with Ministers and officials in respect of local government reform, skills and the procurement of the metro system.

e. Working with Welsh Government on the new strategies

Whilst not identical to Welsh Government's four new strategic priority areas, my priorities align in a number of ways and therefore we may wish to focus early discussions on how I might support the Government in its implementation of the Act in these areas. I am keen to trial different approaches to providing support and with this in mind we are in the early stages of working with the teams developing the workforce plan for early years, implementing the childcare pledge and taking a cross-government approach to carbon reduction. The intention of this work is as much to co-produce an approach to helping public bodies think about the way they implement the Act as it is to address the policy issues under consideration. We are in discussion with Academi Wales and with a number of academic institutions on how they might support this work and I am hopeful that the Government will work with us to trial different approaches and contribute to developing and refining the method.

f. Local Government

A number of councils have expressed concerns about the potential conflict between the statutory timescales set out in the Local Government Measure 2009 and the Well-being of Future Generations Act (2015). The core guidance of the Well-being of Future Generations Act states that public bodies should integrate the requirements of the well-being duty in to their corporate planning processes.

However, councils are concerned that the differing statutory timescales could drive separate processes. My office is working with the Welsh Local Government Association, the Wales Audit Office and the Welsh Government to provide clarification for councils on this issue. It would be useful if a further piece of work could be undertaken to map and understand where the practical challenges to implementation might be and how they can be resolved. It would seem to me that it would be useful to have some early cross Government work involving each department in assessing the extent to which their current and planned policy and legislative environment supports or hinders the implementation of the Act.

g. Finance

In responding to the National Assembly for Wales' Finance Committee consultation on the Welsh Government's draft budget, I outlined my view that effective budgeting and planning arrangements provide the foundation for sound public administration. In that context, I expect to see Welsh Ministers making full use of the Act as a tool for change, as opposed to merely complying with its requirements. For this reason, allowing sufficient time for meaningful scrutiny will be key in giving effect to the spirit and intention of the Act. This will also allow for 'future proofing' in terms of the ability of future generations to meet their needs, as well as further fiscal devolution. Robustly scrutinizing how the sustainable development principle and the five ways of working have been applied to budget setting will be key. In this fifth Assembly there is a real opportunity to use the Act as a tool to drive innovation and challenge business as usual.

(2) Explore the Commissioner's priorities more generally

In order to have a real impact that leads to long-lasting change, we are developing a strategic approach, designed around involvement, to focus my actions and make the most of my limited resources. I will be identifying priority areas for action through which to focus my support for public bodies and which will drive real changes to improve the well-being of future generations in Wales. These will be published with my annual report in the summer 2017.

To ensure that I have identified the right focus of my team's work I have designed a process which will consider:

- where I can effectively support change
- where, with my team, I can mobilise others
- and where we need to work together to address the more fundamental long-term challenges facing Wales.

We are engaging and involving through a conversation rather than a consultation process. We are collaborating with individuals, experts and partners piloting innovative tools including Sensemaker - a digital application which allows people and partners to tell us what's important to them and to analyse these responses in a way that will help us to prioritise and to identify any gaps.

The first phase of the conversation so far has been to help identify the main challenges facing future generations in Wales. The broad challenges identified so far include:

- Climate change - focusing on reducing emissions and tackling impacts
- Economic change - adapting to a changing economy (focusing on the definition of a prosperous Wales with decent jobs and skills for the future, based on a low-carbon society)
- Demographic change - tackling the challenges and opportunities of an ageing population, rural population, early years and adverse childhood experiences
- Citizen disengagement - championing public participation and involvement in decision making

We will then identify the range of issues within each challenge and through growing the conversation, will seek to identify the six main issues under each challenges where there is consensus that action must be taken. We will then commission work from academics and experts to help identify the priority for my team to focus on to drive real improvements for the well-being of future generations. We will shortly be launching the second phase of the conversation.

Seek the Commissioner's views on the Welsh Government's recently published well-being objectives

The setting of well-being objectives by the Welsh Government was a significant step in the implementation of the Well-being of Future Generations Act, which I noted in my recent response to the Government's announcement. I also noted that, in addition to being the first body to publish objectives, Welsh Government has the additional challenges associated with being one of the largest public bodies in Wales.

If public bodies are to make effective use of the five ways of working in order to make the most of their contribution to each of the national Well-being Goals, this will pose a fundamental challenge to business as usual. It will also require a significant degree of organisational cultural change.

I am keen therefore that the approach my office takes supports the implementation of Act by exploring with public bodies what the kind of change required looks like and how it can best be supported. I also recognise that, if public bodies start from the perspective of compliance, there is a significant risk of a superficial response that will increase bureaucracy and cost with limited benefit. It is important therefore that the Welsh Government sets an example to the rest of the public sector in ensuring that the response to the Act is not simply about generating impact assessments, paperwork and oversight boards but that it actually changes the way decisions are made.

In publishing their objectives, Welsh Government indicated that they were on a journey, that the objectives were not necessarily perfect and that they were keen to work with my office and other partners to develop them further. I welcome this honesty and commitment to partnership working.

As the Welsh Government moves to develop its approach to meeting their objectives within the four strategy areas defined, it will be important for them not only to set out how the objectives will be met, but also how resources will be allocated accordingly and the timescales. To do this in a way which reflects the five ways of working, the Government at both a political and officials level will have a role in challenging the decision-making process and outcomes in a way which is more meaningful than a 'compliance sentence' at the end of reports. They must also support and enable cultural change by allowing the space and time to try different approaches and ensure the approach to leadership, together with the processes and structures of the organisation, encourages rather than stifles innovation and integration. We will be working with them to explore how they intend to approach the need to challenge internal decision-making which applies old ways of working and supports the innovation needed to bring the Act to life. I am seeking to provide support and constructive challenge in this process.

Working with the National Assembly for Wales

I would like to commend the way in which the National Assembly for Wales has engaged with the Well-being of Future Generations Act and to recognise its work in holding the Welsh Government into account in particular by scrutinising their compliance with the Act and in the scrutiny of the draft budget.

I am looking forward to work with Assembly officials on their proposed Assembly Member awareness training.

I am engaging with committee clerks to discuss how committee members can continue to use the Act as part of their scrutiny processes and I held a briefing session to assist in developing understanding of the legislation. I am keen to explore with this Committee and also with the Presiding Officer how we could develop our relationship further, in the spirit of collaboration under the Act, to ensure robust scrutiny of the Act's implementation to drive a profound and long lasting cultural change on how decisions, policies and legislation are designed in Wales.

I will seek a meeting with the Presiding Officer to explore the potential for including a new section in Bill Explanatory Memoranda, which accompanies new legislation that will describe how the five Ways of Working have been used to develop the policy behind the proposed bill, as well as how they were used to develop the legislation itself. This will facilitate scrutiny and also prompt people developing policy and legislation to take the Sustainable Development principle and five Ways of Working into account.

Finally, I would also like to explore what action the Assembly could take within the context of European Sustainable Development Week (May 30th – June 5th, 2017). For example, would it be possible to stage a one-day debate on sustainable development?

I look forward to discussing my work with the Committee.

Yours sincerely,

Sophie Howe.