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Llywodraeth Cymru  
Welsh Government

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27 May 2022

Dear Jenny,

**Response to the Equality and Social Justice Committee's report *Annual scrutiny of the Future Generations Commissioner: An update***

I would like to thank members of the Equality and Social Justice Committee for their report on the annual scrutiny of the Future Generations Commissioner for Wales. The recommendations contained within this scrutiny report on the Commissioner are for the consideration of the Welsh Government, the Senedd, and the Public Accounts and Public Administration Committee. I therefore look forward to a further update on the Committee's views and recommendations to the Commissioner. I have set out the response to the report's recommendations addressed to Welsh Government below. Please note that Recommendation 3 of the report, which concerns the training and professional development of the Welsh Government civil service, is a matter for the Permanent Secretary, who will provide a separate response on this to the Committee.

I am copying this letter to the Chair of the Public Accounts and Public Administration Committee and the Future Generations Commissioner for Wales.

Yours sincerely,

**Jane Hutt AS/MS**  
Y Gweinidog Cyfiawnder Cymdeithasol  
Minister for Social Justice

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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. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Cc: First Minister, Minister for Finance and Local Government, Chair of the Public Accounts and Public Administration Committee, Future Generations Commissioner for Wales.

## **Annual scrutiny of the Future Generations Commissioner: An update**

### **Welsh Government response (May 2022)**

#### **Recommendation 2**

*The Welsh Government should carry out an evaluation looking at the scope of the Commissioner's work and responsibilities with a view to setting out a plan to support any future expansion. This evaluation should be undertaken in time for the appointment of a new Future Generations Commissioner in 2023.*

#### **Response: Accept**

We are carrying out a review of the public bodies subject to the Well-being of Future Generations (Wales) Act 2015. Extending the list of bodies subject to the Act will expand the bodies which the Commissioner's general duty and functions cover. We are in discussions with the Commissioner's office on the financial implications on her office in monitoring and supporting additional bodies. We will shortly be publishing a consultation on the review where we will be inviting views on the proposed list of additional bodies.

The public bodies subject to the Act were identified according to a set of four criteria detailed in the Explanatory Memorandum for the Well-being of Future Generations (Wales) Bill, which we are applying again in this review. I provided further detail on this in a [letter](#) to the Equality and Social Justice Committee in March. The Commissioner's estimate of additional public bodies outlined during her Committee appearance on 7 February was based on a long list of bodies that consisted of those highlighted by the Auditor General for Wales in his 2020 report, as well as those suggested by some stakeholders in the consultation on the draft Social Partnership and Public Procurement (Wales) Bill in 2021. Based on our initial assessment, many of the public bodies identified in this list will not satisfy the established criteria, and we estimate that there will be fewer than ten additional public bodies subject to the Act following the review.

Beyond this, any evaluation of the Future Generations Commissioner's general duty and functions should form part of a wider post-legislative evaluation of the effectiveness of the Well-being of Future Generations (Wales) Act 2015. I have asked officials to explore the scope and need for an evaluation of the Act, which could include an assessment of the role and functions of the Commissioner. I will provide more information to the Committee on this evaluation in due course, and would welcome the engagement of the Committee in this work as it develops.

The preparations for the recruitment for the next Commissioner are underway and I will be writing to you on this separately.

#### **Financial Implications**

The financial implications of extending the Act's well-being 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 Commissioner and the Auditor General. The financial implications of evaluating the Act will be considered as part of the scoping stage of the evaluation. There will be costs arising in recruiting the new Commissioner, which will be met from existing departmental budgets.

## **Recommendation 4**

*The Welsh Government should set out its plans for embedding the Act to ensure that all aspects of public life are shaped by the legislation and that the measures in place to monitor and evaluate progress in implementing the Act are fit for purpose.*

### **Response: Accept**

#### *Shaping public life*

The Act was introduced to strengthen the existing governance arrangements in named public sector organisations to improve the well-being of Wales. While the Act is focused on continually improving how public bodies work, and how they work together to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs, it has had a wider impact beyond those public bodies. The Future Generations Report, published by the Commissioner, and the inquiry by the Public Accounts Committee in the last Senedd term illustrated that businesses, other public bodies, the third sector, and community groups see the value in the framework provided by the Act in the work that they do. This is a great strength of the Act, and it is something we will continue to support through the levers we have so that it remains embedded in what we do and how we shape Wales' future. We will look at ways in which we can better communicate the actions we are taking to embed the Act further in how we work, and will continue to use the Well-being of Future Generations National Stakeholder Forum, which has identified actions on promoting the Act beyond public bodies as an area of focus in 2022, to inform our work. The Commissioner continues to play an important role through her general duty to promote the sustainable development principle and provide advice or assistance to people who are taking or wishes to take steps that contribute to the achievement of the well-being goals.

#### *Welsh Government*

Our Programme for Government, with the ten well-being objectives at its heart, demonstrates the central role of the well-being of future generations approach in our thinking and policymaking. The Programme is an ambitious and radical plan, which delivers on the manifesto promises we made to the people of Wales during the 2021 Senedd election. Placing the well-being objectives within the Programme ensures people in Wales can see their democratic voice reflected in our plans for this government term. Across all of our work, we emphasise inclusivity, social justice, and partnership, and I am proud that our manifesto built on a national conversation, involving voices from all across Wales.

#### *Measures in place to monitor and examine implementation by bodies*

The Act puts into place changes to the governance of the specified public organisations and creates a framework for the improvement of long-term well-being in Wales, and transparency is assured by a system of statutory annual reporting of the contribution bodies are making. For organisations sponsored by the Welsh Government, implementation of the Act is subject to the broader regime of oversight and performance management by the Welsh Government. This includes the sponsored bodies' annual remit letters, which are issued by the Welsh Government to inform their corporate plans, and the framework documents agreed between each organisation and the Welsh Government. The template for Term of Government remit letters includes a requirement to meet in full the Act's well-being duty. New Term of Government remit letters are required to be in place following the 2021 Senedd Cymru election in May 2021. It will be the responsibility of Arms-length body (ALB) Partnership Teams to assess to what extent ALBs are fulfilling those requirements, based on monitoring information provided to them by the Bodies.

What sets Wales apart from other countries in advancing sustainable development is the work of the independent Future Generations Commissioner for Wales, and the Auditor General for Wales, both of whom publish a statutory report every five years. These reports, which were first published in May 2020, give a periodic stock-take of the implementation of the Act. The Auditor General has consulted on how they might deliver their examinations under the Act over the 2020-2025 reporting period and has written to public bodies to outline the proposed approach. In their annual report and update to the Equality and Social Justice Committee, the Commissioner has outlined their plans for discharging their duty to monitor and assess the extent to which well-being objectives are being met.

### *National mechanisms to measure progress*

We have in place 50 national well-being indicators, and nine national milestones, which help us monitor progress towards the seven well-being goals. In addition, our Future Trends Report brings together into one place the key social, economic, environmental, and cultural trends that could affect Wales' well-being in the future, as well as some of the factors that could influence the direction of those trends. Our national milestones drive collaborative action and act as a key measure of the pace and scale of change needed in a number of key areas and are geared towards driving progress in tackling poverty and inequality. Our national indicators represent the desired outcomes for Wales and its people and provide a more holistic national picture of what is changing. The indicators are updated throughout the year, as new data becomes available. The annual ['Wellbeing of Wales' report](#), published by the Chief Statistician for Wales provides an update on progress made in Wales towards the achievement of the well-being goals, making reference to the indicators alongside other relevant data. These mechanisms reflect best practice in how countries respond to the Sustainable Development Goals agenda and our recent updates to the national indicators and setting of national milestones ensure the Well-being of Future Generations framework remains relevant to Wales in 2022.

### **Financial Implications**

None.