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Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref:
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Alun Ffred Jones
Chair
Environment and Sustainability Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

3 November 2014

Well-being of Future Generations (Wales) Bill

Thank you for your letter of 24 October 2014 regarding the Well-being of Future Generations (Wales) Bill ("the Bill"). You have requested further information on a number of issues raised during the Committee meeting on 23 October. My response on those issues is provided under the relevant headings below and I have also sought to clarify one other issue raised by the Committee.

In your letter you have asked about the role of the Auditor General for Wales and the concerns he has raised in relation to his powers. I am meeting the Auditor General this week and will feed back to the Committee separately on this matter.

Clarification as to whether the Welsh Government will seek National Statistics status for indicators being developed to measure progress in achieving the well-being goals

The Statistics and Registration Service Act 2007 defines 'official statistics' as all those statistical outputs produced by the UK Statistics Authority's executive office (the Office for National Statistics); central Government departments; the devolved administrations in Northern Ireland, Scotland and Wales; any other person acting on behalf of the Crown; and any other person as specified by order of a Minister of the Crown, the Scottish Ministers, the Welsh Ministers or the Northern Ireland Department. Consequently, under the responsibility of the Chief Statistician, Welsh Government statisticians produce and publish official statistics. All official statistics we produce are compliant with the Code of Practice for Official Statistics. This ensures they are produced to a high professional standard and undergo regular quality assurance reviews to ensure that they meet customer needs.

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'National Statistics' are a subset of official statistics which have undergone assessment by the UK Statistics Authority and have been certified as compliant with the Code of Practice for Official Statistics. Some of the current set of Sustainable Development Indicators for Wales are already designated as National Statistics. Further information on the current set of Sustainable Development Indicators can be found at: <http://wales.gov.uk/statistics-and-research/sustainable-development-indicators>.

I want to ensure that the national indicators (published under Section 11 of the Bill) have the confidence of the people of Wales and are designed to measure progress towards the achievement of the well-being goals. We are considering exactly how the national indicators might be published in the future and designation as National Statistics is something we are exploring.

How this Bill will complement and interact with the principles, structures and desired outcomes of the Planning (Wales) Bill ("the Planning Bill") and the proposed Environment Bill ("the Environment Bill")

The principle that connects these Bills is our commitment to sustainable development as the best way to improve the well-being of Wales now and for future generations. In other words, we must:

- work towards achieving the well-being goals applying the sustainable development principle (the Well-being of Future Generations (Wales) Bill);
- put in place a modern statutory process to help plan and manage our natural resources in a more joined up way (the Environment Bill); and
- have an efficient process to ensure the right development is located in the right place (the Planning Bill).

Put simply, the overarching aim of the Bills is to put in place the legislation needed to enable us to secure the long-term well-being of Wales. While the three pieces of legislation focus on different areas of law, the changes are needed to ensure that progress is made to achieve the six well-being goals established in the Bill.

The Bills strengthen existing governance arrangements for improving the well-being of Wales through, for instance, the management of natural resources via the forthcoming Environment Bill and the planning process via the Planning (Wales) Bill.

For example (and in relation to the part of the question about structures), a better understanding of the role that our natural resources play in the long term success of Wales will be secured through the Environment Bill (if enacted) by a statutory State of Natural Resources Report. This will provide Natural Resources Wales (NRW) with an improved evidence base for taking action. The State of Natural Resources Report will also provide better evidence to inform local well-being assessments and the Local Well-being Plans provided for in the Well-being of Future Generations (Wales) Bill.

It is also intended that, through the Environment Bill, some of the bodies that form the Public Services Boards may be asked to contribute information to inform the State of Natural Resources Report and area statements for the sustainable management of natural resources.

The improved evidence base will also assist NRW as part of the proposed Advisory Panel established under the Well-being of Future Generations (Wales) Bill to ensure that the sustainable management of our natural resources is at the heart of the proposed independent Commissioner's Future Generations Report.

Area statements, required under the Environment Bill, may provide a transparent evidence base for the preparation of local well-being assessments, which in turn will inform the Local Well-being Plans for each area in Wales. They will also provide evidence to inform Local Development Plans prepared under existing planning legislation. Public bodies may use area statements when reporting on their progress under the Well-being of Future Generations (Wales) Bill.

The planning system is central to achieving sustainable development and land use in Wales. Planning policy provides for a presumption in favour of sustainable development to ensure that decision-makers balance and integrate social, economic and environmental issues at the same time when taking decisions on individual planning applications.

The existing planning system provides mechanisms to manage the use and development of land that are consistent with sustainability principles and objectives. The Planning Bill is predicated upon a positive, enabling planning system that facilitates, rather than frustrates appropriate development to deliver the homes, jobs and infrastructure that Wales requires, as well as protecting the natural and historic environment both now and in the long term.

Local Planning Authorities should determine planning applications based on their adopted development plans and other material considerations, if appropriate. The plans are, by law, subject to detailed Sustainability Appraisals including Strategic Environmental Assessments. The development plans and national planning framework will be informed and shaped by the well-being goals. I believe that the reformed plan-led approach that the Planning Bill contains is an effective way to contribute to the achievement of the six well-being goals and maximise appropriate investment.

The development plans are also required by law to have regard to the Community Strategy provided for in Part 2 of the Local Government (Wales) Measure 2009, which will be replaced by the Local Well-being Plan in the Well-being of Future Generations (Wales) Bill. Local Well-Being plans are one of a number of plans/matters taken into account when preparing a development plan.

Clarification of how the Bill affects the needs of carers and children, particularly the suggestion that Schedule 4 removes express requirements to consider their needs

I do not consider that Schedule 4 removes any requirement to consider the needs of children nor that the Bill will result in any diminution in legislative provision relating to the needs of carers.

Over the past three years the Welsh Government has taken steps to encourage Local Service Boards (LSBs) to adopt a more systematic approach to integrating separate plans and partnerships, both statutory and non-statutory. This implements the Programme for Government commitment (Chapter 2) to "simplify our statutory partnership structures, removing the need for so many separate plans, needs assessments and committees".

Part 4 of the Well-being of Future Generations (Wales) Bill is consistent with this approach and will legislate to reform and streamline partnership working making more effective use of public resources by requiring different public services to work together and to make plans to

address the well-being of their areas in an integrated way, instead of seeking to address problems in siloes.

In line with this approach, Schedule 4 provides for the repeal of separate planning requirements, including:

- The repeal of section 40 of the National Health Service (Wales) Act 2006 which requires the production of a health and well-being strategy by the local authority and Local Health Board, and, following amendment by the Social Services and Well-being (Wales) Act 2014, the submission to the Welsh Ministers of any part of this strategy which relates to the health and well-being of carers; and
- The repeal of section 26 of the Children's Act 2004 which requires that a children's services authority in Wales must prepare and publish a plan setting out the authority's strategy for discharging their functions in relation to children and relevant young persons.

It is worth noting that in practice these strategic planning duties are already discharged through the current, non-statutory, single integrated plans produced by local service boards. Thus, no separate children and young persons plans and health and well-being plans currently exist, but are instead integrated within single integrated plans.

As regards carers, the Bill repeals the section of the National Health Service (Wales) Act 2006 under which health and well-being strategies are produced but it replaces the requirements relating to those strategies with a robust and rigorous process for assessing the well-being of an area (section 35 of the Bill) to inform the production of local well-being plans (section 37 of the Bill).

Section 36 of the Well-being of Future Generations (Wales) Bill will specifically require Public Services Boards to take into account the most recent assessment of the needs for care and support, support for carers and preventative services produced under section 14 of the Social Services and Well-being (Wales) Act 2014 when preparing its assessment of local well-being. This requirements sits alongside the other duties in that Act for Local Authorities and Local Health Boards to promote an individual's well-being, including children, adults in need and carers, and to provide a range of preventative services in their area.

As regards children, the Bill does not remove the substantive duties on public bodies to take the needs of children into account; it merely simplifies how these functions are discharged.

For example it will not repeal section 25 of the Children Act 2004, which requires each local authority to make arrangements to promote co-operation with a view to improving the well-being of children. It simply amends the Act to provide that information about these arrangements can be included in the local well-being plan rather than through a separate plan.

More generally I believe that the planning, governance, scrutiny and reporting provisions in Part 4 of the Bill provide comprehensive mechanisms for ensuring that the needs of specific groups are considered. In brief:

- The assessment of well-being produced under section 35 of the Bill must include an analysis of the state of well-being in each community in the Public Services Board's area and in the area as a whole;

- The assessment of local well-being must also include an analysis of the state of well-being of any category of persons whom the Board considers to be vulnerable or disadvantaged;
- The local well-being plan must explain how the objectives the Board has chosen will contribute to addressing the matters mentioned in the most recent assessment of local-wellbeing;
- Both the assessment of local well-being and the draft local well-being plan must be consulted on. Consultees include representatives of residents in an area and any voluntary organisations the board considers appropriate. This will give stakeholder representatives considerable opportunities to raise any concerns they have over how their well-being has been assessed and how the local well-being plans address those concerns;
- The decisions made by the Board in the exercise of its functions (including the assessment of well-being and the well-being plan) as well as its governance arrangements will be subject to scrutiny by a designated local government scrutiny committee. The committee will have the power to require the Public Services Board, or any one of its members, to attend a meeting of the committee and provide it with explanations of such matters as it may specify.
- The Bill contains powers for the Welsh Ministers to issue guidance to Public Services Boards about the preparation of the assessment of local well-being and the local well-being plan. This can be used to emphasise the importance of taking account of, and engaging with, stakeholder groups.

While the emphasis is firmly on local accountability and scrutiny, the Welsh Ministers will have powers to refer matters to the local authority scrutiny committee and to direct a Public Services Board to review its local well-being plan. These powers could be used in the event that concerns are raised over whether the needs of specific stakeholders were being adequately reflected or addressed, or if they are not satisfied that statutory duties are being planned for or discharged effectively.

Section 36 – the rationale for the provision and the list of reviews/assessments

Section 35 of the Bill requires the Public Services Board to produce a comprehensive and detailed assessment of the state of economic, social and environmental well-being in its area, including an analysis of the state of well-being in each community in its area.

The list of reviews and assessments set out in section 36 details existing statutory assessments the Public Services Boards must take into account **in addition to** carrying out their own assessments. The requirement for a Public Services Board to take those existing assessments into account is intended to support and assist the Board in producing its own assessment of well-being under section 35 of the Bill. The list of those assessments does not restrict or circumscribe the wide range of matters the Board is to take into account in producing its own assessment

The existing assessments referred to in section 36 can loosely be characterised as “social” but, as explained above, there is a clear requirement that the Public Services Boards take full account of the environmental and economic needs of their areas, as well as the social needs.

The Bill also enables the Welsh Ministers to update the list of assessments in section 36 by regulations, for example, should relevant new statutory assessments be enacted, whether they relate to economic, social or environmental matters.

I trust that this is helpful and responds to the Committee's specific questions.

A handwritten signature in black ink, appearing to be 'CS', followed by a period.

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