

By email

06/12/2019

RE: Correspondence from the Chair of the ELGC Committee

Dear John,

Please see the response to the questions you sent me in your letter dated 19 November 2019.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Sophie Howe', enclosed in a thin black rectangular border.

Sophie Howe  
Future Generations Commissioner for Wales



**During the meeting, you mentioned that the Minister for Housing and Local Government was undertaking a review of the various partnership boards. Could you provide more detail about the review and clarify your role, if any, in the review?**

Further details can be found [here](#).

My team have engaged with officials to provide my views of the need to clarify the governance arrangements between various partnership boards. My letter to the Minister outlines these issues (letter to Julie James AM attached).

**You also stated that you were in the process of agreeing a common understanding with Welsh Government officials of how the Well-being of Future Generations Act is applied. Could you please provide more details of the discussions you have had with the Welsh Government regarding the Act's application?**

My team and I have had several meetings over the past year with WG officials with policy oversight for the Well-being of Future Generations Act to discuss our understanding of the application of the duties under Act. These discussions are still ongoing. See also the transcript on this question.

**What is your view on the level of public understanding and awareness of the Well-being of Future Generations Act and of your role?**

- Growing understanding of the Act and my role but still a way to go.
- People often write to me asking that I intervene in specific schemes, stop developments, review complaints and quash decisions. For example:
  - 40% of the letters I received this year ask that I intervene in some way or another in individual decisions, mainly planning and transport but also about opening of fast food outlets around schools, loss of local amenities or to stop the roll out of 5G.
- Elected representatives (AMs and Councillors) also ask me to get involved in individual cases despite my lack of case-work function.
- It is not easy for the public and everyone to grasp what my role entails because there is no uniformity of functions between the Commissioners – most have case work functions, some can issue fines (Welsh Language Commissioner), some can help with individual cases (Children's Commissioner, EHRC), some can champion individual rights (Older People and Children) but my role is only one of a promoter.
  - This can be amended in law by the Assembly at any time.
- We have published FAQs on my website to clarify the different duties in the Act, as well as my own powers, duties and areas of focus and where relevant we share these with correspondents.
- Awareness raising is an important part of my role and the involvement work we have been doing on the Future Generations report in the past 12 months builds on work done earlier in my term.

**Can you provide examples of when the Planning Inspectorate Wales has rejected planning appeals on the basis of inconsistency with the well-being goals and objectives (as referenced in your annual report)?**

Decision 3202863 (Pets at home)

Appeal Ref: APP/M6825/H/18/3202863 Site address: Unit 4, Cross Hands Retail Park, Llandeilo Road, Cross Hands, SA14 6NB

Decision 3210628 (felling of oak tree)

Appeal Ref: APP/Q6810/A/18/3210628 Site address: Land at Ty Du Road, Llanberis LL55 4HD

We are also aware that there has been mention by Nick Ramsay AM in plenary on 8 October 2019 of a planning application for 111 houses on the edge of Raglan which had been called in by the Welsh Government was refused by the Planning Inspector, primarily on the grounds of conflict with the WFG Act, but we have not seen that decision yet.

We are in regular contact with the planning inspectorate and involve them in our work on planning.

**What are the key messages coming out of the work with Cardiff Business School on skills?**

You will find all relevant information [here](#).

Our White paper calls for:

- A significant increase in the number of teaching staff and resources to deliver the new curriculum, if it is to reach its potential.
- Learning to be created and delivered in partnership with businesses, charities and other organisations across Wales.
- A radical re-think of qualifications at age 16. The paper argues that current GCSEs are no longer fit for purpose and should be re-considered to reflect the aspirations of the Curriculum for Wales 2022 and the changing economy.
- Assessments that focus on diversity, are centred around pupils not testing, providing greater academic value and benefit.

**How can public bodies be encouraged to look to the future when thinking about what skills will be needed? - Can you outline the next steps following the publication of the 'Education Fit for the Future' white paper?**

See the link provided above and guidance that I have issued to public bodies [here](#).

**Can you outline the work you have undertaken with the Welsh Government on this year's budget, and what changes you expect to see. What have the main challenges been in this area?**

- The budget process is a focus for my office – both in terms of the draft budget that is published in the autumn and the budget decision making that happens all year round.
- This year I have focused on two areas:
  - Decarbonisation: how the Government is investing at levels that will meet their declaration of a climate emergency.
  - Prevention: how Government is using the definition of prevention across portfolios and is making different decisions as a result.
- My team work closely with the Strategic Budgeting Division – largely a helpful relationship although it has been less collaborative this year than in previous years:
  - We held a workshop on the 10-point plan to give officials the opportunity to input
  - We received input from Social Finance on different models of investment in prevention – Social Impact Bonds
- On prevention, I have been concerned by the lack of evidence that decisions are changing in relation to the definition of prevention. I have written to all Ministers requesting written responses to the following questions:
  - What role does your department play in delivering the overall vision of shifting to preventative approaches, and what contribution are you currently making?
  - How have you applied the prevention definition across spend in a systematic and robust manner?
  - What assessment have you made of the proportion of your investment that is in primary/secondary/tertiary prevention, or in the acute space?
  - How are you clearly defining what you are trying to prevent, and what evidence is there that your investment is supporting the preventative approaches that will improve outcomes for people in Wales? I.e. how do you know you are investing in the programmes that will make the most difference?
  - How are you asking other public services you work with or fund to apply the prevention definition?
  - On the basis of the points above, have you made changes to investment for the 2020-21 budget?

#### Responses:

- Ministers have generally given a list of projects and how they fit with the WFG Act generally but they do not present a coherent understanding of how they have considered whether they are taking all reasonable steps to meet their wellbeing objectives. This has been raised with the Permanent Secretary's leadership group and follow up meetings with officials are being held in January.
- Prevention – difficult to see a coherent approach to taking preventative action across Government. Further work needs to be undertaken within Government to develop understanding of difference between primary,

secondary, tertiary and acute spend and whether the actions taken in each portfolio are the most actions to prevent problems occurring or getting worse are required by the Act.

- Decarbonisation – little sense of how activity has been scaled up to meet the climate emergency and lack of comprehensive or coherent assessment of the carbon impact of Welsh Government spending.

**Whether you have received a response to the advice you provided to the Welsh Government following last year's budget.**

- Following my monitoring of the draft budget last year I published advice to Government in December with ten recommendations about how the annual budget process can take more ambitious and transformational steps from 2019 onwards, to enable Government to take a bolder approach to transforming budget strategy and decision making in line with the ambition of the WFG Act.
- I have had three meetings with the Finance Minister to discuss these recommendations and I have focused my attention on the recommendation to develop some sort of 'journey checker' for the budget process came from both Finance Committee and from myself last year.
- In response WG have developed a budget improvement plan which sets out actions over a 5-year period, in relation to a number of themes including Spending Decisions, Assessing Impact and Tax Strategy. I understand that this plan will be published as part of the draft budget on 19<sup>th</sup> November.
- Whilst this was only shared with me recently and I am therefore still considering the content and quality I think that overall it is a good first attempt to set out what year-on-year progress looks like. My initial assessment of strengths and weaknesses are as follows.

<p><b>Pros / positives of the Budget Improvement Plan</b></p> <ul style="list-style-type: none"> <li>○ I understand that Strategic Budgeting have engaged across the whole of Welsh Treasury and tried to engage a number of teams in discussion.</li> <li>○ It is relatively broad, encompassing in-year spending decisions and tax strategy.</li> <li>○ It recognises progress that has already been made – for example WG was the first Government to do an EIA of the budget back in 2011-12.</li> </ul>
<p><b>Cons / weaknesses of the Budget Improvement Plan</b></p> <ul style="list-style-type: none"> <li>○ 5-year timeframe is too short. There is a lack of ambition and vision of what WG should be working towards – i.e. what would a budget that fully embeds the WFG Act look like.</li> <li>○ I have some concerns about the pace and scale of change.</li> <li>○ It appears that Strategic Budgeting are driving a lot of the work when it needs to be a cross-Government approach (can add more detail if needed).</li> </ul>



Comisiynydd  
**Cenedlaethau'r  
Dyfodol**  
Cymru

**Future  
Generations**  
Commissioner  
for Wales

**How can progress be made on improving procurement processes so they better align with the Act? What discussion have you had with the Welsh Government and other public bodies on this matter?**

I am carrying out some research on this issue in partnership with Cardiff University and I am scoping a potential review on the topic. As part of my research I have written to the Chief Executives of all the 44 Public Bodies to ask them for information on how they are currently applying the Act to their commissioning and procurement decisions. I've had discussions with Welsh Government Ministers and officials about my work. I am intending to publish my findings from this research next year.

---

**Comisiynydd Cenedlaethau'r Dyfodol Cymru**

Siambrau'r Farchnad, 5-7 Heol Eglwys Fair  
Caerdydd, CF10 1AT

[cystylltwchani@cenedlaethaurdyfodol.cymru](mailto:cystylltwchani@cenedlaethaurdyfodol.cymru)  
[cenedlaethaurdyfodol.cymru](http://cenedlaethaurdyfodol.cymru)

---

**Future Generations Commissioner for Wales**

Market Chambers, 5-7 St Mary Street  
Cardiff, CF10 1AT

[contactus@futuregenerations.wales](mailto:contactus@futuregenerations.wales)  
[futuregenerations.wales](http://futuregenerations.wales)

By email.

13<sup>th</sup> August 2019

Dear Julie,

Thank you for your letter in June 2019 on the review of strategic partnerships. I am aware that the initial call for evidence has now closed and your officials are moving into a time of more targeted engagement, building on your initial findings. Therefore, I am taking this opportunity to provide you with some further thoughts. I would be happy to discuss these in more detail and I am aware that members of my team are meeting your lead officials during August.

In recent weeks, I have had a number of conversations relating to the partnership landscape in Wales and the observations made are on the similar themes of complexity, flexibility and funding being allocated in a way that drives 'business as usual'.

I am pleased to read that the scope of this strategic partnership review includes many of the related pieces of work examining the partnership landscape in Wales. These are named in the documentation as:

- "The OECD Multi-Level Governance Review, which has been commissioned to inform the implementation of the 'Economic Action Plan' as part of 'Prosperity for All' and the development of the replacement regional investment approach to replace EU Structural Funds post-Brexit.
- Independent Review of the Regional Skills Partnerships.
- WAO local government study on Public Services Boards and the effectiveness of partnership working.
- Joint inspectorate work on the progress of new local models of health and social care, and the effectiveness of Regional Partnership Board joint working."

In addition to these reviews:

- I have recently received the Joint Ministerial letter and independent report by Professor Keith Moultrie regarding how Public Services Boards (PSBs) and Regional Partnership Boards (RPBs) are working together in practice;
- the Equality, Local Government and Communities Committee are due to report on their inquiry into PSBs during October;
- I have recently heard about pilots or proposed pilots with PSBs linked to Government, such as CLES seeking to work with several PSBs on progressive procurement and local spend;

- I believe that Professor Phil Brown's work on the Digital Innovation Review suggests changes to Regional Skills Partnerships (RSPs); and
- there are many others undertaking analysis of partnership working in Wales, such as those in academia. Some of whom are sponsored by Welsh Government funding.

I am concerned because it is not clear how this myriad of reviews is joined up. Aside from the additional burden the amount of reviews is placing on officers (it is often the same person responsible for several 'strategic partnerships'), it is unlikely to present a clear and coherent picture across the board of what needs to change, in line with the integration requirements of the WFG Act.. Whilst I appreciate that understanding how partnerships are currently operating is important to enable change, it is imperative that these reviews are integrated by officials and the 'strategic partnership review' would appear an appropriate way to do this swiftly.

Whilst reviews to understand context and make recommendations for ways to improve are generally helpful (if, as referenced above, they are conducted in an integrated way) there are some immediate actions that it would be helpful for Government to take that would enable pace and progress to be made in applying the Well-being of Future Generations Act. As an example, the evidence I hear most often on this is in relation to the role of Regional Partnership Boards (RPBs) and Public Services Boards (PSBs).

I am aware that there is confusion - from local level to Assembly Member level - about the role of these two partnerships; how the Boards function and how they integrate their duties. Despite some good work happening locally, I have written to you in the past to share my view that it would be very helpful for Government to clarify the situation by encouraging flexibility for both Boards and collaboration to happen in the best, locally-determined ways.

Many of the conversations I have had relate to an opinion that Welsh Government are allocating funding in a way that undermines the role of PSBs in their duties to improve collective well-being. Continually allocating funding to RPBs, without explicit links to prevention and the work of the PSB has caused, and continues to cause, a lack of integration, collaboration and missed opportunities to invest in prevention and the wider determinants of health.

The World Health Organisation have recently shown that, of the average inequalities of health experienced in Europe, only 10% is due to the quality of health services. The majority (29%) is due to living conditions like housing and access to green spaces. A further 19% is due to feelings of agency, lack of trust, community cohesion and safety. These wider determinants of health are the focus of the PSBs, where wider agencies are present who can affect change. Yet the perception is the RPBs are being funded to focus on health and social care services to 'improve health' and the PSBs are merely being funded much smaller amounts to improve their processes.



The expectation on PSBs is to work together radically differently to collectively improve population well-being for the areas they serve. Although many PSB members agree with this notion, their perception is also that the only incentives that they have had to do so have been the statutory guidance for the Well-being of Future Generations (Wales) Act and the small amount of annual funding they receive on a regional footprint. It is unsurprising, therefore, that many Leaders, Chief Executives and Directors focus more of their attention on RPBs and City / Growth Deal Partnerships.

Through my specific statutory duties relating to well-being assessments and advising PSBs on draft objectives and my general advice and assistance power, I have attempted to show PSBs what good could look like. I am currently working intensively with the Cwm Taf PSB through a 'Live Lab' approach, focused on how they are meeting their objectives relating to adverse childhood experiences. Due to my resources, I cannot provide intensive support for every PSB or strategic partnership. It is worth noting that I am seeing promising initiatives through their annual reporting but I believe the progress and pace can be accelerated by Government providing clarity and reward.

If more funding cannot be allocated to PSBs, then it would be useful for Government to use the opportunity of these reviews to consider and address how funding is allocated and communicated, actively providing PSBs and other local partnerships with more flexibility in how they do things. I agree with Professor Moultrie's findings (in this case on how PSBs and RPBs are working together) that:

*"it would be helpful if national funding arrangements could be further consolidated so that regional and local Boards are dealing with fewer grants, over longer periods of time, with combined wider priorities attached...Participants were clear that the attention locally and regionally needed to shift to how partners are transforming the major elements of services to meet needs more effectively and efficiently, and that Welsh Government oversight should also focus more on this than on detailed monitoring of relatively small -scale additional grants."* (July 2019)

To enable this to happen, as well as Government considering how they allocate funding, it would be helpful if you provided a clear steer to PSB members that PSBs are able to accept funding, provided one partner holds the funds.

At the recent inaugural meeting of the 'Building a Healthier Wales' steering group, I advocated that the £10m prevention fund was awarded to PSBs rather than to Health Boards, which had been previously agreed. It was discussed that, unlike RPBs, PSBs are unable to hold funds - but it seems a partner can hold funds on behalf of decisions made at PSB on how to spend the funding.

Providing this clarity and encouraging the legislation to be realised through partnership working provides an opportunity for Government. Given the PSBs' wider remit across all political areas

and specifically, in the priority themes of 'Prosperity for All', Welsh Government could be using them far more extensively by adequately funding them to deliver the aspirations of the Well-being of Future Generations Act.

Whilst Government has a key role to affect change, I appreciate that locally, leaders must also change their behaviours to recognise the opportunities of using funding more effectively to collaborate and prevent problems. The upcoming Academi Wales Public Services' Summit in October will attract the leaders and senior officers from across the public sector in Wales - many of them members of several strategic partnerships. I suggest this is an opportunity for Ministers to reinforce the culture change required by the Well-being of Future Generations Act.

The strategic partnership review provides Government with a helpful opportunity to clarify the role and flexibilities of local collaboration and funding allocation in Wales, provided it is integrated and shares common messaging with other reviews. I will also share this letter with the Auditor General for Wales, given the related study Wales Audit Office have been undertaking.

Yours Sincerely,



Sophie Howe