

## **POLICY AND RESOURCES CABINET BOARD**

### **REPORT OF THE HEAD OF CORPORATE STRATEGY AND DEMOCRATIC SERVICES – MRS. KAREN JONES**

**9<sup>TH</sup> JULY 2015**

#### **SECTION B – MATTER FOR INFORMATION**

**WARD(S) AFFECTED: ALL**

#### **THE WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015**

##### **Purpose of Report:**

The Well-being of Future Generations (Wales) Act 2015 received Royal Assent on 29 April 2015. This report provides an outline of the timeline for the implementation of the various provisions within the Act, based on information currently available.

##### **Background:**

The Well-being of Future Generations (Wales) Act makes a number of changes to governance arrangements with the aim of improving the social, economic, environmental and cultural well-being of Wales.

A specific aim is to require the public bodies listed in the Act (Appendix 1) to embrace sustainable development – balancing the long-term impact of policy with short term pressures.

##### **Main Provisions**

###### **(i) Common Aim and Well-being Goals**

The Act sets out a common aim of public bodies to improve well-being – “improve the economic, social and environmental well-being of Wales in accordance with the sustainable development principle”.

The sustainable development principle is defined as “ seeking to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs”.

The Act also introduces well-being goals which the Council (and other listed public bodies) must pursue. The goals are contained within the body of the Act and are as follows:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language

A description of the intent of the goals is also set out in the Act. These wellbeing goals reflect, to a large extent, the goals within the existing Single Integrated Plan for Neath Port Talbot.

Welsh Ministers may by regulations amend the goals having consulted with the Sustainable Development Commissioner, other public bodies and any other such person as the Minister deems appropriate.

The Council (and other public bodies) must set and publish objectives designed to maximise the Council’s contribution to the achievement of the well-being goals:

“Each public body must carry out sustainable development and the action a public body takes in carrying out sustainable development must include:

- (a) Setting and publishing objectives (“well-being objectives”) that are designed to maximise its contributions to achieving each of the well-being goals, and
- (b) Taking all reasonable steps (in exercising its functions) to meet those objectives”.

*Part 2 “Improving Well-being 3 “well-being duty on public bodies’ paragraphs (1) and (2)*

This means that each public body listed in Appendix 1 must work to improve the economic, social, and environmental well-being of Wales (these are the aspects of well-being known as the “common aim”).

(ii) Sustainable Development Principle

The Act puts in place a “sustainable development principle” which governs how organisations go about meeting their well-being duty under the Act.

Public bodies will need to make sure that when making decisions they take into account the impact they could have on people living their lives in Wales in the future. There are 5 ways of working public bodies will need to think about to show they have applied the sustainable development principle:

1. Long term – The importance of balancing short-term needs with the need to safeguard the ability to also meet long –term needs.
2. Prevention – How acting to prevent problems occurring or getting worse may help public bodies meet their objectives
3. Integration – Considering how the public body’s well-being objectives may impact upon each of the well-being goals, on their objectives, or on the objectives of other public bodies
4. Collaboration – Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.
5. Involvement – The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.

The Act creates a new office of Future Generations Commissioner for Wales who is provided with a range of powers to fulfil their role to promote the sustainable development principle, monitor progress against the well-being goals as well as offering advice to Welsh Ministers and public bodies. This appears a similar role to that performed by the Welsh Language Commissioner, Older Persons Commissioner and the Children's Commissioner.

(iii) Annual Reports and National Indicators

The Act places duties on Welsh Ministers to set and publish national indicators for measuring progress towards the achievement of the well-being goals and to publish progress each financial year.

The Act similarly places duties on each public body (including councils) to publish annual reports of progress made in meeting its well-being objectives and the public body must also review its well-being objectives when preparing the annual report.

**Likely Impact:**

**In practice, the Act should not have a significant impact on existing planning and reporting arrangements. Many of the wellbeing goals are already expressed in the Single Integrated Plan which provides the overarching framework for the Council's own Corporate Plan. The successor to the Single Integrated Plan (which will be known as the Wellbeing Plan from 2016 onwards) will need to position existing priorities clearly within the framework of the well-being goals. In terms of reporting arrangements, the Council already produces an annual report and this also includes review of existing improvement objectives as an integral feature of the process. It should be relatively straightforward to adjust existing reporting arrangement to meet specific duties and responsibilities set out in the Act.**

**As far as sustainable development is concerned, there will be a need to ensure the sustainable development principle is clearly visible and embedded in arrangements. A draft policy has already been prepared and some tweaking of existing impact assessment tools is also likely to be necessary. It is not yet known how the Commissioner will operate in practice, but if the role follows the function of other commissioners,**

**there is likely to be some additional administrative burden to service. If the Council follows the requirements of the Act it should be possible to keep administrative burdens to a minimum.**

(iv) Public Service Boards

The Act establishes statutory Public Service Boards (PSB's) for each local authority area in Wales, replacing the existing Local Service Boards. The aim of the PSB's is to improve the economic, social, and environmental well-being of its area by working to achieve the following well-being goals set by the Welsh Ministers (as stated in the Act)

A PSB must publish an assessment of the state of economic, social and environmental well-being in its area (no later than one year before the date on which a local well-being plan is to be published). The content of the assessment is detailed in the Act. Each Board must send a copy of the assessment to the Welsh Ministers, the Commissioner, the Auditor General for Wales and the local authority's overview and scrutiny committee. The PSB must make reference in its assessment to:

- the national indicators published by the Welsh Ministers;
- the most recent review of the sufficiency of nursery education provision in the area;
- the most recent assessment of the sufficiency of childcare in the area;
- the most recent assessment of the sufficiency of play opportunities in the area;
- the most recent assessment of the need for care and support, support for carers and preventative services;
- the most recent strategic assessment related to the reduction of crime and disorder in the area;
- the most recent strategic assessment of measures to combat substance misuse in the area; and

- the most recent strategic assessment related to the reduction of offending in the area.

Having conducted the assessment, the PSB must then prepare a local well-being plan which includes objectives designed to maximise the Board's contribution to the well-being goals. The first well-being plan must be published no later than one year after the next local government ordinary elections. The Act places duties on the PSB in relation to consultation, sustainable development and reporting on progress. The Act also gives the PSB power to merge or collaborate with another public services board if considered beneficial to the aim of each board.

Public Service Board members must include the local authority, the local health board, the relevant fire and rescue authority and Natural Resources Wales. PSBs must invite the Welsh Ministers, the chief constable, the police and crime commissioner, the National Offender Management service and a body representing voluntary organisations to participate in the activity of the Board. These representatives will be "invited participants" not members of the board. Other partners to the PSB are listed in the Act and there is a requirement on PSBs to seek advice from those partners and to involve them in such a manner and to such extent as it considers appropriate.

A PSB is to hold its first meeting no later than 60 days after the date on which the board is established and the first meeting is to be chaired by the local authority. At this meeting, the PSB must agree its Terms of Reference (the Act specifies what the ToR must include). For mandatory meetings, a PSB must hold a meeting no later than 60 days after the date of each ordinary election held under section 26 of the Local Government Act 1972 (to be chaired by the local authority).

#### **Likely Impact:**

**In Neath Port Talbot, the composition of the Local Service Board already mirrors, to a large extent, what the new Act requires. The main change is to include the Police and Crime Commissioner as well as the chief constable in the activity of the Board and to the status of the different partners. Under the new arrangements, some will be full partners, some invited participants and others regarded as partners. The existing terms**

**of reference and membership will need to be amended but this should be relatively straightforward.**

**In terms of the needs assessment and the requirement to publish a well-being plan and associated reports, the provisions are similar to those already in place. One issue to be addressed at an early stage is the ability of some of the recently introduced regional arrangements to articulate needs at the local authority level for inclusion in the local assessment. Otherwise, the planning and monitoring arrangements appear to represent an evolution of existing arrangements rather than completely new.**

**Welsh Government currently provide funding to support the work of the Local Service Board and we are awaiting advice as to the funding arrangements that will pertain to the operation of Public Service Boards which are likely to be a requirement from 1<sup>st</sup> April 2016.**

(iv) Overview and scrutiny committees

The Act states the executive arrangements within a local authority must ensure its overview and scrutiny committee has power to:

- a) Review or scrutinise decisions made or actions taken by the PSB in the exercise of its functions
- b) Review or scrutinise the PSB's governance arrangements
- c) Make reports or recommendations to the board with respect to the board's functions or governance arrangements
- d) To consider such matters relating to the board as the Welsh Ministers may refer to it and to report to the Welsh Ministers accordingly

Any report or recommendation made / produced under c) above a copy must be sent to the Welsh Ministers, the Commissioner and the Auditor General for Wales. The committee, for the purpose of exercising any of the above powers may require the PSB, or one or more of its members to attend a committee and provide it with explanations of such matters as it may specify.

**Likely Impact:**

**There will be a need to ensure there is explicit reference in the Council's Constitution to the powers provided to local authorities to review or scrutinise decisions made by the public services board and to be clear which committee/committees are so designated for the purposes of the Act.**

**In practice it is unlikely there will be much change initially, as partners invited to meet with scrutiny committees have generally been content to attend scrutiny meetings on a voluntary basis. In the longer term there may be external pressure on scrutiny committees to discharge scrutiny responsibilities in particular ways.**

**Recommended**

That Members of the Cabinet Board note that the Wellbeing of Future Generations Act (Wales) 2015 has received Royal Assent and that the provisions within the Act will require an adjustment of corporate planning and partnership planning arrangements in Neath Port Talbot in due course once statutory guidance is available and the timetable for commencement of the various provisions within the Act is known.

**Officer Reporting:**

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**Public bodies listed in the Act:**

- Welsh Ministers
- Local Authorities
- Local Health Boards
- Public Health Wales NHS Trust
- Velindre NHS Trust
- National Park Authorities
- Fire and Rescue Authorities
- Natural Resources Wales
- The Higher Education Funding Council for Wales
- The Arts Council for Wales
- Sports Council for Wales
- National Library of Wales
- National Museum of Wales

**Outline Timetable (subject to further advice from Welsh Government):**

Milestone	Key Task	Anticipated Timetable
<b>Public Service Board to be established</b>	Review terms of reference and membership to ensure compliance with Act	End September 2015
	Revised terms of reference and membership approved by partners	End December 2015
	New Public Service Board established	February 2016
<b>Wellbeing Plan established for NPT area</b>	Stocktake of assessments of need against compared with evidence base underpinning existing Single Integrated Plan	End December 2016
	Stocktake of existing aims and objectives against Wellbeing Goals and National Indicators	End December 2016
	Report produced describing output of stocktake and method for embracing sustainable development principle	End March 2016
	Public Service Board agrees draft well-being objectives and priorities for action and authorises public consultation	End September 2016
	Consultation on proposed well-being	End December 2016

	objectives and priorities completed	
	Wellbeing Plan for Neath Port Talbot published by Public Service Board and adopted by Council	April 2017
	First annual progress report produced	June 2018
<b>Wellbeing objectives and sustainable development principle incorporated into Council planning, policy making and performance management arrangements</b>	Corporate Improvement Plan adjusted to make explicit link between established priorities and the well-being goals and national indicators	February 2016
	Business Planning and Performance Management Framework adjusted to ensure well-being goals and national indicators are clearly reflected in frameworks	September 2016
<b>Sustainable Development Policy established</b>	Draft Policy and associated action plan approved for public consultation	March 2016
	Consultation completed	July 2016
	Policy and Action Plan formally approved	September 2016