

# The Future Generations Report 2020: At A Glance



Let's create the future together

### **About the Future Generations Report**

Producing a Future Generations Report every five years, which provides an assessment of the improvements public bodies should make in relation to their well-being objectives, is a statutory duty of the Future Generations Commissioner. But more than just meeting a 'duty', my report is designed to explain clearly and in many different ways what improving our collective well-being in accordance with the Act is all about.

I want to celebrate our achievements so far and I have included numerous examples of good practice already taking place throughout Wales. However, I will also call out where progress is falling short and point at all the opportunities which we should not miss in the present or immediate future.

The full Report provides practical advice, guidance and tools for public bodies grappling with making the aspirations set out in this groundbreaking law a reality for people in Wales. It is also intended to inspire action by showcasing big and small actions that are taking place in Wales and across the world.

### The Future Generations Report - At A Glance

In this At A Glance version of the report, you will find:

- My assessment of the progress made in changing the internal culture and leadership in public bodies and in particular within the Welsh Government
- An overview of my assessment of where public public bodies currently are in seeking to achieve the national well-being goals.

It corresponds to the information contained in Chapter 2 (part 1 and 2) and the Introduction to Chapter 3 of the full Report. It contains my advice on setting well-being objectives and steps on these issues, a summary of my key findings and the areas I would like public bodies to focus on which can be found in the corresponding executive summaries.

It is part of a suite of documents designed to help access the contents of my Report and to help highlight my key findings and recommendations.

Such documents include for example:

- An interactive website
- Executive summaries of each of the Chapters of the full Report
- PDFs of each of the full Chapters
- An easy access version of the Report in addition to the full Report laid before the Assembly.

These other documents include information (which is not contained here) in relation to each of goals and each of my areas of focus such as planning, transport, skills and wellness for example. The full Report and the executives summaries also include detailed information on the vision set out by the Act and my work to date, as is required by the legislation.

See my website for more information and access to all the documents.





### Leadership and implementation of the Act

### Part 1 - Changing our public sector culture

For Wales to realise the aspirations of the Act, public servants need to be braver, broader-thinkers and collaborate better together and with other sectors.

The Well-being of Future Generations Act is the greatest cultural change programme the Welsh public sector has ever gone through. Any cultural change takes time, but changes of the magnitude envisaged by the Act will inevitably mean that this is a long-term mission rather than a short-term fix – or as I often describe it, an expedition rather than a journey.

My duty to monitor and assess the progress public bodies are making towards their well-being objectives involves me understanding whether the culture of organisations is changing in line with the aspirations and legal requirements of the Act.

The findings of Audit Wales and the Auditor General are a crucial source of evidence for me in understanding the improvements public bodies should make to apply the sustainable development principle. Given our respective roles under the Act, we have worked together to publish our reports and the Auditor General's report should be read in conjunction with this chapter.





### Advice on setting well-being objectives for all public bodies and boards covered by the Well-being of Future Generations Act (including Welsh Government)

Please refer to the chapter on Setting Good Objectives in Chapter 4, but in setting their objectives all public bodies and boards covered by the Wellbeing of Future Generations Act (including Welsh Government) should always:

- Undertake horizon scanning exercises to think, plan and resource for the long-term future with others in collaboration – public, private, voluntary sector and members of their community. Welsh Government should help by establishing a targeted resource to help public bodies build capacity in long-term thinking, planning and futures techniques.
- Use the first part of the 'double test' to identify 'what' they should do to maximise contributions to the well-being goals.
- Set a long-term vision. Consider what success looks like for that objective in five, ten, fifteen, twenty and twenty-five years; and identify appropriate milestones and measures considering the national milestones set by Welsh Government.
- Move towards better involving people throughout the decision-making process from
  defining a problem to delivery and evaluation, being open to real change as a result.
  Welsh Government should help by undertaking a review of the statutory guidance of the
  Well-being of Future Generations (Wales) Act 2015, to build in a specific mechanism for
  the public to be involved in the work of public bodies learning from the Scottish
  Community Empowerment Act.



In considering their steps, all public bodies and boards covered by the Wellbeing of Future Generations Act (including Welsh Government) should:

- Test everything they do according to the Act's 'double test' of the 'what' and the 'how'.
- Collaborate with others and involve people to find the problems they need to prevent, understanding whether they fall into primary, secondary or tertiary prevention; using evidence to identify the best possible preventative interventions that maximise contribution to their objectives.
- Public Services Boards and public bodies should be seeking ways of more effectively
  collaborating and integrating their work with others such as town and community councils
  and national public bodies; and identifying opportunities with others such as registered
  social landlords, the private sector, trade union representatives and further and higher
  education in delivering their well-being objectives and steps.
- Set out much clearer steps to meeting their well-being objectives reflecting what contribution each department will be taking to these steps.
- Clearly align financial planning and decisions across the seven corporate areas of change to the achievement of their well-being objectives. The vision provided by well-being objectives should provide a longer-term plan of funding and corporate plans/well-being statements should set out how spending plans will seek to finance their steps.
- Provide evidence in their well-being statements/plans/corporate plans and annual reports on how applying the Act to the corporate areas of change is informing the steps they are taking to maximise their contribution to the goals.

In testing and demonstrating how they are applying the Act, all public bodies and boards covered by the Well-being of Future Generations Act (including Welsh Government) should:

- Ensure they move beyond paper-based exercises, increase staff understanding and provide constructive challenge to show how the five ways of working have been applied, specifically how contribution to the goals and objectives can be maximised.
- Build challenge from other departments, experts and stakeholders into their internal decision-making processes.
- Develop their corporate centre and processes in line with the requirements of the Act, but also encourage innovation and culture change. All public bodies should be using and demonstrating use of resources like the Future Generations Frameworks, designed to help public bodies consider their proposal or decisions in the context of the Act. (See resources).
- Adopt the definition of stages of prevention and preventive spend and allocate spending accordingly within financial planning and risk management.



### In supporting cultural change, all public bodies and boards covered by the Well-being of Future Generations Act (including Welsh Government) should:

- Starting with Welsh Government, adopt a model of well-being budgets. While our legislation requires us to look at the whole budget, a positive place to start this transition would be with 'new money'.
- Galvanise efforts and building a movement of change, placing well-being and kindness at the centre of public policy.
- Involve their workforce in meeting their well-being objectives; start with their own actions, their teams, departments and whole organisations; to meet the national well-being goals.
- Put in place arrangements to ensure staff understand how and why the Act should be applied.
- Support opportunities to collaborate, second staff to other organisations and make joint appointments.
- Take action to diversify their workforce and put in place arrangements to draw on their lived experiences. (For more detail please see Chapter 2 recommendations to Welsh Government on the 'Real Life Fast Track').
- Ensure scrutiny committees, boards, and Audit and Risk Committees have received training on the Act and are using the Future Generations Framework for Scrutiny. (See resources).
- Ensure that they have mechanisms in place to involve children and young people in their decision making processes.
- In the same way that public bodies seek to appoint people with expertise on finance, risk, governance and human resources; an appropriate number (at least one for every board) of public appointments should be made where specific expertise and detailed understanding of the needs of future generations is a specific requirement.
- Be brave in calling out behaviour in partnership environments which does not embody
  the five ways of working; and should be supported by Welsh Government, the Future
  Generations Commissioner for Wales and other appropriate agencies to address this.



### In measuring their progress, all public bodies and boards covered by the Well-being of Future Generations Act (including Welsh Government) should:

- Starting with action from Welsh Government, public bodies should align their corporate planning, performance management and reporting with the requirements of the Act, encouraging planning that focuses on long-term and prevention.
- When set, use Welsh Government <u>national milestones</u> to define appropriate success measures for achieving well-being objectives and steps in five, ten, fifteen and twenty-five years' time.
- Consider a similar method to the setting of national milestones, to define appropriate success measures for achieving well-being objectives and steps in five, ten, fifteen and twenty-five years' time.
- Find ways of measuring the success of initiatives based on well-being to encourage integration, preventative thinking and collaboration.
- Invest in building a movement of change, identifying and breaking down barriers to implementation and promoting wide understanding of how each part of their organisation contributes to the national mission of the Act - improving the well-being of future generations.

### Where are we now? My assessment of of the progress made by public bodies in implementing the Act

### **Innovation**

The Act is bringing about some excellent innovation. I am seeing a growing movement of change, with people daring to deliver differently to improve economic, cultural, social and environmental well-being. For example...

#### Solar power for future generations

Monmouthshire Council have developed a solar farm on council-owned land. The Council is contributing to A Globally Responsible Wales, A Resilient Wales, A Prosperous Wales and A Healthier Wales by setting an objective to 'Maximise the benefits of the natural and built environment for the well-being of current and future generations'.

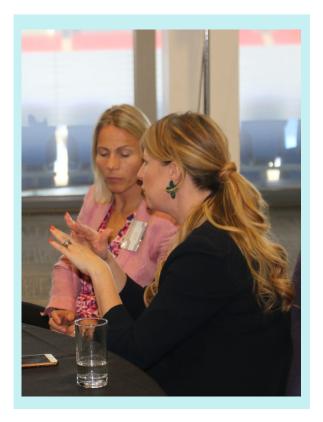
The council say the farm can generate enough electricity to power around 1,400 homes and also save over 2,000 tonnes per year of CO2 by generating clean, renewable energy.



#### **Lansbury Park**

Caerphilly Public Services Board are radically changing their approach, by taking a place-based, collaborative approach to focusing services and regeneration in high areas of deprivation, such as Lansbury Park. In targeting regeneration funding at the homes and neighbourhood of the area, organisations have involved people, listening to their issues, concerns and reasons to celebrate the community. The Public Services Board involve the community in delivering their well-being objectives. For example, parents and children producing books designed to inform carers, teachers and children about the effects of adversity experienced in childhood.

This is a good example of a Public Services Board considering both what they do in line with the Act and then applying the principles of the Act to how they do it.



#### Finding new ways to solve problems

South Wales Fire and Rescue Service and Natural Resources Wales have demonstrated the power of collaboration, integration and involvement by seeking to work towards their objective to 'Reduce the number of deliberate fires'.

A range of methods have been adopted, but the <u>'Healthy Hillsides'</u> project in collaboration with the Wildlife Trust, local authorities, other voluntary sector partners, local farmers and the wider community shows contribution to A Prosperous Wales, A Resilient Wales, A Healthier Wales, A Wales of Cohesive Communities and A Globally Responsible Wales.

Wildfires were having a significant impact on the habitats, watercourses and biodiversity of the region, as well as the well-being of the community. By working together, the partnership adopted land management techniques like bracken management, controlled burns and encouraging grazing animals; moving to an approach that prevents wildfires, prevents resources being spent on fire fighting and prevents further habitat loss.





**Public Services Boards are showing the** power of collaboration, and many public bodies are going beyond their traditional functions to work with others. Collaboration now needs to move beyond involving the most obvious partners and from 'information-sharing' towards pooling resources.

The Act has provided public bodies and **Public Services Boards with a renewed** focus on meaningful involvement. But, their governance, decision-making processes and scrutiny could be more diverse and involve a wider range of people.

More could be done to involve the public sector workforce, placing well-being and kindness at the centre of public policy.

### **Implementation**

The early years of the Act required significant focus on process and on building relationships, but attention is now turning to action.

Public bodies were required to set their first well-being objectives by April 2017. At the same time. Public Services Boards were coming together for the first time and many have spent time on building trust and relationships.

Most public bodies are making progress on implementing the Act but in different ways (see below for more information). In the next phase, they need to apply the Act across all of its aspirations and legal requirements.

#### **Collaborating to create integration** in Cardiff

By seeking to understand the wider social, economic, environmental and cultural impact they could have, Cardiff Council collaborated with the wider partners of Cardiff Public Services Board, residents and businesses to develop a clean air and transportation strategy for the city, recognising that this is an important lever to meet a number of their well-being objectives and the national well-being goals.

The work has been given a 'public health' lens through the secondment of a Public Health consultant to the council. This has prompted a significant refocus on how they can address problems with congestion and poor air quality in a way which drives further progress on meeting their objectives.

This work has led to a focus on making active travel the norm through schemes like 'nextbike', introducing the 'congestion charge' to the city, and creating buildings like Ysgol Hamadryad in the Butetown area as a school inaccessible to vehicles; encouraging more people to walk or cycle. They have considered the socio-economic links to this work by prioritising the most deprived areas with the lowest life expectancy for investment in cycle lanes and active travel infrastructure.



C Cardiff Council



In implementing the Act, some public bodies are delivering the 'what' and some are delivering the 'how' examples; however, there is further work needed for public bodies to fully demonstrate the 'double test' of the Act - applying both.

- For example, initially the Housing Innovation Fund was established by Welsh Government with the Act at its centre - to fund innovative ways of increasing housing stock that was fit for the future. However, in implementing the 'what', government initially did not fully consider the 'how' and the first few rounds of funding asked bidders to demonstrate their contribution to only one well-being goal.
- Other public bodies have been considering the 'how' but not the 'what', suggesting a lack of integration and collaboration. For example, Swansea Bay Health Board have positively reduced gas and electricity consumption. While positive, this does not appear to be linked to their well-being objectives and therefore chances to consider the wider opportunities that decarbonisation could deliver to their core duties of improving the health of their population are being missed.



Public Services Boards are beginning to work together more effectively. For example...

In the five Gwent Public Services Boards, partners are collaborating on a regional basis to use funding for projects like the Gwent Green Grid, which is identifying local collaborative opportunities for protected sites and natural and built environments to contribute towards the resilience of wider ecosystems in the region. The region has also introduced Integrated Well-being Networks, a placebased collaborative project to set up health and well-being hubs and use the assets of communities, with the aim of preventing people in the community needing to access hospitals or social services.

I have been providing advice and assistance to Cwm Taf Public Services
Board to help them work collectively to tackle adversity experienced in childhood.
Through a "Live Lab" approach, my team have supported member organisations of the Public Services Board to use the Act to challenge their thinking, understand different organisational cultures and find an integrated way forward through a complex issue.





### However, their efforts to operate in a more transformational way are being hindered due to barriers such as funding, complex governance and capacity.

For example, funding is needed to support more capacity and capability in longterm, futures thinking, involvement, research and data analysis. Public Services Boards require access to more government funding opportunities that would enable the board to take more substantial steps towards meeting their well-being objectives. They are struggling to be as effective as they could be because boards exist in a complex partnership governance landscape which has a knock-on effect of some partners not being engaged in Public Services Boards - their attention diverted to other boards. (See my advice and recommendations to Welsh Government on removing barriers to implementation of the Act.)

### The corporate planning, performance management and reporting requirements set by Welsh Government for public bodies need to reflect the Act better:

Currently, reporting progress on well-being objectives is a challenge because of responding to other duties and requirements from Welsh Government. Public bodies have reported how difficult it is to change to a long-term, integrated and collaborative form of measuring progress when Welsh Government continue to hold leaders to account on short-term plans and short-term performance and financial measures. Requirements should enable public bodies to shift from focusing on short-term delivery and move to planning preventatively, for the long-term and in an integrated way.

Financial planning and short-term funding inhibit the ability of public bodies to meet their well-being objectives and make collaboration, prevention, long-term thinking and integration more challenging.

## The corporate areas of change (I.e. corporate planning, financial planning, workforce planning, procurement, assets, risk management and performance management) outlined in the Act are potential levers to drive change, but public bodies must make better use of them.

Currently, many organisations are seeing these functions as a hindrance rather than a help to meeting the aspirations of the Act. There are inconsistencies in how far public bodies are going to achieve what's possible and driving cultural change within their corporate areas of change. For example, in Carmarthenshire, two new primary schools have recently been built

to Passivhaus standards, meaning a highquality learning space for pupils, a sustainable environment using less energy and local materials being used. Public Health Wales and Swansea Council have recently furnished and decorated their offices using the Act as a guide. As much as possible, furniture was sourced second-hand, flooring and paint were obtained from off-cuts and social enterprises were used to carry out the restoration and refit. These sorts of innovative, corporate approaches are not being applied consistently across the public sector. Public bodies and Public Services Boards should be evidencing that applying the Act to their corporate areas of change is informing the steps they are taking.

### Cultural change requires everyone to play their part.





### Insight

### Public bodies and Public Services Boards are considering the long-term more than ever before.

For example, in their well-being assessments, Cardiff Public Services
Board looked at 'Cardiff Tomorrow', exploring the possible scenario for every topic based on existing trends and what shift might be needed to take preventative actions now.

The Public Services Boards in the Gwent region collaborated with Ash Futures Consulting to publish a Horizon Scanning report on likely trends for the next 10-20 years. Hywel Dda University Health Board on setting a 20-year strategy for their work: 'A Healthier Mid & West Wales: our future generations living well.'

But the whole system needs to move to be thinking and acting for the long-term.

### Public bodies have an increasing understanding of the need to take preventative action.

I can see this in well-being objectives and steps (for example: 'Promote good health and well-being') and there is a good theoretical understanding of prevention things like housing, poverty, education and environment having a positive or negative effect on your life. However, there seems to be less understanding of the actions that needs taking as public bodies are often looking at problems in isolation. Newcastle City Council found that their school-based approach to dealing with young people Not in Education, Employment or Training (NEET) was focused on the wrong things. The biggest indicator was multiple contacts with social services, not GCSE attainment. The research showed that those who had had as little as six interactions with social services spent almost three times longer out of education or training.

### Public bodies are not always making the best use of insight provided by a wide range of partners, the public and their workforce.

Whilst partnership working and collaboration has improved, public bodies should explore more comprehensively the information and intelligence held by organisations and groups beyond the more obvious partners.







### Integration

The Act is facilitating more integrated thinking, with many Public Services Boards working together effectively to tackle issues and public bodies working beyond traditional organisational and geographical boundaries.

For example, Fire and Rescue Authorities going beyond 'traditional duties', finding ways of preventing injury in the home.

But sometimes opportunities are being missed to achieve wider preventative benefits through integrating their objectives and collaborating with others,

failing to recognise the preventative benefits of good quality housing or the links between culture and gaining skills.

Several public bodies have introduced tools and templates to help people consider how their proposal is integrated and contributing to each of the seven national well-being goals,

such as online impact assessment tools (for example, Denbighshire Council) or integrated impact assessments (for example, Welsh Government).

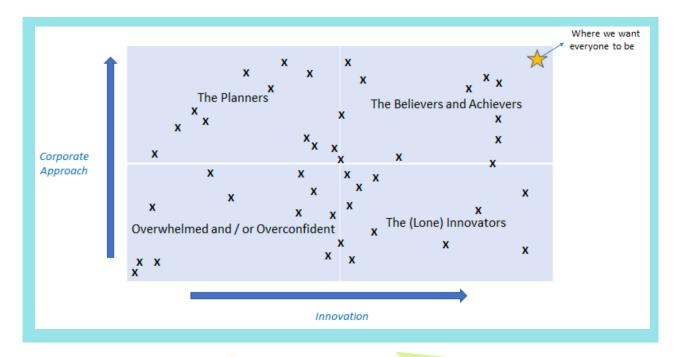
However, paper-based exercises are not enough to show how public bodies are working differently.

There are some national well-being goals that are less understood and clarity is lacking on how public bodies are meeting them.

This is particularly true of 'A Prosperous Wales', 'A Resilient Wales' and 'A Globally Responsible Wales'. There is a tendency to rely on the title of the goals, neglecting the full extent of their legal definitions (see Chapter 3 for more information).

### **Further information:**

My overall analysis of progress loosely categorised public bodies into the following groups:





- "The Planners" organisations that have started with their corporate planning and strategies but often lack innovation.
- "The (Lone) Innovators" thinking and delivering differently because of the Act but often only in pockets of individuals and teams.
- "The Believers and Achievers" organisations where there are examples of
   innovative practice, change makers and
   champions of the Act supported by
   corporate centres and leaders to work in a
   new way. Public bodies should be in this
   space.
- The "Overwhelmed and / or Overconfident" - organisations that seem overwhelmed by responding to crises and / or those that believe they have already 'cracked' the Act and giving further attention to their organisational culture is unnecessary.

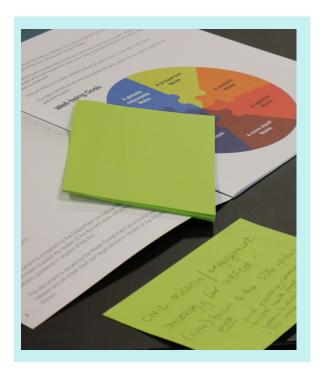
Dedicating time to a corporate vision pays off, but you need corporate vision, innovation and 'hearts and minds' in balance. As such, the Act should apply at two stages of decision making - as a 'double test'. Firstly, 'what' you decide to do. Secondly, 'how' you decide to do it and 'how' the organisation implements the proposed solution. For those implementing policy and delivering services, understanding what the Act is trying to achieve and understanding their role in delivering it is crucial to seizing every opportunity, not just to do these same things better, but to do better things. (See section on Setting Good Well-Being Objectives in Chapter 4.)

Public services in Wales are around 400,000 people strong - a significant resource. The wider workforce should understand the national mission of the Act and why Wales is at the forefront of improving well-being for future generations, what this means in practice and their role to play. Public bodies could also be using their workforce far more to build a movement of change towards putting well-being at the heart of everything they do.

The Government could go further by adopting the same approach as the Scottish Government in placing the value of kindness at the centre of public policy. The recent COVID-19 crisis showed the power of people when others need help. Although in difficult circumstances, the crisis showed that public servants act in a way that is compassionate and uses common sense.

Implementing the Act would be easier if the corporate planning, performance management and reporting requirements set by Welsh Government for public bodies reflected the Act better; financial planning was longer-term and integrated; and everyone played their part in cultural change. (See my advice and recommendations to Welsh Government on removing barriers to implementation of the Act.)

While cultural change takes time, it is essential we all actively challenge these barriers to progress. Five years on from the Act being in place, it is now incumbent on me, the Auditor General for Wales, Welsh Government and organisations themselves to call out this behaviour and challenge the decisions being made that do not reflect the ways of working required by the Act.





### Leadership and implementation of the Act

### Part 2 - The role of Welsh Government in implementing the Act

Welsh Government led the world in legislating for sustainable development when they introduced the Well-being of Future Generations (Wales) Act. They now need to lead the way in matching their ambition with reality, challenging and changing the Welsh public sector culture to match the aspiration of the Act by showing strong leadership and commitment.

Welsh Government play a critical role in the success of this large scale cultural change programme driven by the legislation, not just because they are a major public body covered by the Act themselves, but because whether or not they demonstrate the principles of the Act has a significant impact on what other public bodies do.

Without a purposeful cultural change by Welsh Government, we will not act fast enough or effectively enough to meet the needs of our future generations in Wales.





### My advice and recommendations to Welsh Government are:

### Remove barriers to effective implementation of the Act

Welsh Government need to lead the way in changing public sector culture towards well-being and kindness at its core. They need to show a willingness to remove barriers to implementing the Act, provide trusting leadership to public bodies and Public Services Boards, incentivise and encourage adoption of the Act, reduce bureaucracy on public bodies and welcome new approaches.

#### Adopt a model of well-being budgets

The legislation requires us to look at the whole budget, but a positive place to start this transition would be with 'new money'.

### Lead the way in instilling values of kindness at every level of government and in public policy

following the Scottish Government example, and in seeking to implement the Well-being of Future Generations Act.

### Establish a Ministry of Possibilities, based on the United Arab Emirates model,

bringing the brightest and the best from all levels of government and public service, the private sector and third sector together, to develop and implement innovative solutions to current or future challenges.

### Establish a cross-party, cross-sectoral Commission to create a long-term vision and strategy for the Welsh public sector of 2050,

specifically focusing on key future trends including (but not limited to): opportunities and challenges posed by the digital revolution; the ageing population; the public sector workforce of the future; the climate and nature emergencies.

#### Close the 'implementation gap'

by clearly setting out how they are applying the ways of working in how they design, resource, deliver and evaluate the implementation of policy and legislation. This would include involving a range of people with lived experiences, practical knowledge of delivery on the ground and integrating their aspirations with the well-being objectives of others.

#### **Appoint a Minister for Prevention**

with responsibility for taking a wholegovernment, coherent and evidence-based approach to investment in prevention.

### Top-slice budgets for specific spending on prevention,

starting with the cross-cutting priorities set by Welsh Government that reinforce their well-being objectives, overseen by the Minister for Prevention.



### To achieve this, there are a number of things I have advised Welsh Government should stop doing and start doing in their day to day actions, such as:

	Cincula Start
Funding any programme which does not clearly demonstrate how it has applied the Act.	Incentivising and encouraging proper application of the Act and flexibility to innovate through capital and revenue funding programmes.
Imposing short-term, output based performance measures on public bodies and across policy areas.	Measuring the success of initiatives based on well-being. The performance management frameworks and funding conditions set by Welsh Government should evolve rapidly to reward and recognise kindness and well-being.
Complicating an already complex landscape. Any proposal for a new governance arrangement needs to be able to answer the question of how it is assisting integrated policy making and there should not be any new reviews, commissions or bodies or governance structures, which do not have the requirements of the Act as part of their terms of reference.	Setting out clear guidelines on the relationship between various Boards and bodies, requiring each body to apply the Act in its principles and must seek to contribute to the well-being objectives of other bodies within that geographical area.
Placing requirements on public bodies that discourage application of the Act.	Prioritising opportunities to work in partnership on primary and secondary preventative activities - particularly through Public Services Boards.
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not have long-term, continuation plans.

Short-term, silo-based funding or pilots which do

**Should Stop** 

Bypassing Public Services Boards.

Providing more clarity to the role of civil service representatives on Public Services Boards, empowering them to work across government to resolve issues and concerns, plus provide intelligence on local delivery to civil servants. These representatives should have a role in reporting challenges and opportunities to Cabinet regularly.

**Should Start** 

To see a full list of recommendations, please refer to Chapter 2 within the full report.



### Where are we now? My assessment of the progress made by Welsh Government in implementing the Act

### **Innovation**

There has been a marked change in political commitment and leadership towards meeting the aspirations of the Act in the last year, but this needs to filter down to all the actions of Welsh Government

While Welsh Government got off to a slow start in showing leadership and commitment towards the Act, there has been a marked change in public commitment from the new First Minister. Examples include the decision of the First Minister on the M4 Relief Road: and how Welsh Government have developed a Budget Improvement Plan, using the Act and the five ways of working, as a result of recommendations from my monitoring and assessment in 2019. Plus, investing in decarbonisation following the declaration of a Climate Emergency in April 2019 and my publication of a 'Ten-point plan to fund Wales' Climate Emergency' in June 2019.

There are examples of innovation and new approaches, such as:

 The new Curriculum for Wales provides a solid framework for realising the wellbeing of individuals in Wales. Its mission clearly recognises the importance of the education system in creating well-rounded citizens who, in turn, will be part of creating the Wales we want for future generations.  Since 2017, Welsh Government have also sought to encourage innovative new approaches to building homes in a way, which meets a number of well-being objectives, through the creation of the Innovative Housing Programme. We are currently in the third year of this programme and we are now seeing much more ambitious projects being proposed and commissioned, such as:

#### **Innovative Housing in Swansea**

Coastal Housing Association in Swansea has been successful in delivering three projects as part of the Welsh Government Innovative Housing Programme.

A collaboration with Gower-based social enterprise, Down to Earth will provide six new homes as part of a larger site. The homes will be built using timber frames, and clad using traditional methods. They will generate over half of their heat passively, from the sun and their design, ensuring that residents' utility bills cost just £15 per month.

It is positive that Welsh Government are enacting Part 1, Section 1 of the Equality Act 2010 – the Socio-economic Duty, which will require named public bodies, when making strategic decisions (such as deciding priorities and setting well-being objectives) to consider how their decisions might help to reduce the inequalities associated with socioeconomic disadvantage. This has the potential to be an important lever to reduce poverty in Wales.

• The Welsh Government were the first to declare a 'Climate Emergency' and to consider the climate and nature emergencies in tandem. Over the last year there has been significant additional investment in these areas, including in nature-based solutions, active travel and electric vehicle infrastructure. The requirement to think holistically to meet a number of objectives has led to initiatives, such as the collaboration with Keep Wales Tidy to boost 'nature on your doorstep', as part of the wider £5 million 'Local Places for Nature' fund. The practical project provides starter-packs to town and community councils and community groups, containing plants and tools to create local garden projects, helping to connect communities, enhance and maintain nature and encourage healthy activities.

Despite pockets of good examples, there are examples, highlighted in this report, of areas where Welsh Government need to catch up with the push from political leadership, and lead by example by placing well-being at the centre of their work – making sustainable development a central organising principle of everything they do.

These include the ways they are setting funding criteria, the use of language in guidance and policy that conflicts with the Act and setting up new governance structures or new reviews and commissions with no connection to each other or to the Act.

The language of well-being is prominent in policy and legislation; however, Welsh Government could go further in putting kindness and compassion at the heart of public policy and service delivery in Wales.

#### **A Kind Government**

The Scottish Government have placed kindness within their core values and reflected this in the National Performance Framework. They have begun to recognise this change in actions, as well as words, by measuring and auditing for kindness, designing policy for kindness and regulating for kindness.

Positive signs of placing kindness at the centre of government are shown in research undertaken by Carnegie Trust, where public perceptions of how kindly they have been treated are higher in Scotland than in Wales, Northern Ireland and England.

Being kind is often talked about for front-line staff, but cultural change and the permission to try different things come from the top. The Act provides Welsh Government with the framework that would support kindness and compassion as a means of achieving well-being at the centre of everything they do, reflecting this in funding opportunities, performance management and governance.





### **Implementation**

There is an implementation gap between the aspiration set out by Welsh Government in policy and legislation and their commitment to supporting and resourcing delivery on the ground.

While new policies and legislation are showing promise, Welsh Government have an overly optimistic view of what it takes to implement these. As well as resourcing the introduction of legislation, policy and guidance, Welsh Government need to fund their implementation, including delivery capability, awareness raising, training and robust monitoring.

There are numerous occasions where I have advised Ministers and civil servants of this implementation gap:

- The <u>Wales Transport Appraisal</u>
  <u>Guidance</u> was updated in 2017 in line
  with the Well-being of Future Generations
  (Wales) Act. Still, there has been a lack of
  resources and training for its proper
  implementation and no analysis of
  capacity in the current system to enable
  these changes to happen. (Please see the
  section on Transport in Chapter 5.)
- <u>Planning Policy Wales 10</u>, a significant step in the right direction, but I have emphasised that its implementation is critical to a successful local approach to planning and place-making. (Please see the section on Planning in Chapter 5.)

- The <u>NHS Planning Framework</u>, which influences Integrated Medium Term Plans, has improved year-on-year in terms of how the Well-being of Future Generations Act is reflected. However, there is a gap between this guidance and the extent to which health boards can implement the five ways of working, due to how they are managed and performance-measured by Welsh Government.
- Implementation of the Active Travel (Wales) Act 2013 is lacking. Rates of active travel have stagnated or declined over the last six years. While my advice to the government has been to allocate £60 million per annum to active travel, in 2019-20, they have allocated this amount over three years. Targets of 10% people cycling once a week by 2026 are also unambitious. (Please see the section on Transport in Chapter 5.)

### Public Services Boards are not being given a high enough priority by Welsh Government.

While Public Services Boards can't do everything, they are often bypassed by government, meaning that new partnerships, funding offers or governance arrangements are created on top of an already complex landscape. As a collaboration of local leaders, representing the broadest sections of public and third sector delivery, they should be given more status by Welsh Government in meeting the key challenges facing future generations.

Welsh Government need to ensure consistency in using the language of the Act in legislation, policy, guidance, ministerial statements, performance frameworks and terms of reference for review boards.



Welsh Government and civil servants are contradicting their own Act by using conflicting language in guidance and policy, setting up new governance structures, new reviews and commissions that do not refer to the Act (such as the Integrated Care Fund (2019) guidance, which defines 'integration' in a different way to the Act, the Fair Work Commission (2018), which was established with little reference to the definition of a "prosperous Wales" even though it includes the term "decent work").

This is serving to actively drive civil servants and people in public bodies away from the sustainable development principle and the five ways of working.

The short-term funding cycles, corporate planning requirements and performance management requirements set by Welsh Government for public bodies are a barrier to long-term thinking and are often driving the wrong behaviours. More needs to be done to ensure grant funding and core funding criteria incentivise and encourage the application of the Act.

Public bodies feel that the way that they are held to account by Welsh Government through these duties and requirements is not long-term or integrated and, in many cases, this is driving behaviour away from the five ways of working and measuring what matters.

I believe there is more government could be doing to give greater long-term financial certainty to public and third sector services. Public bodies and government should be working collaboratively to introduce a well-being budget, explore options for working differently and find ways of planning longer term approaches.

With the Act in place, Wales should be at the forefront of measuring success based on well-being. The performance management frameworks and funding conditions set by Welsh Government should evolve rapidly to reward and recognise kindness and well-being, not focus on outputs, quantitative measures and process.





### Insight

There is a lack of long-term vision regarding the kind of government and public services we need in a future Wales. The Act is driving progress towards delivering the vision of 'One Public Service', but more needs to be done. Welsh Government should work beyond public sector boundaries to tackle the 'wicked' issues for the future.

Welsh Government have made strategic and policy commitments to 'One Welsh Public Service' - a more collaborative way of working, aiming to break down the artificial barriers between teams, departments and organisations and work in a way that echoes the Act.

There is not yet a comprehensive approach to bringing the brightest and the best from all levels of government and public service, the private sector and third sector together, to find innovative solutions to current or future challenges.

The emergency response to COVID-19 has displayed some positive approaches to multisector working to solve immediate problems. This working should continue beyond the crisis to identify innovative solutions to some of the intractable challenges public services face now and will face in the future.

A long-term vision for the public services of 2050 in Wales is needed, taking into account future trends, potential scenarios and setting out how public services can respond to these in a way which will best meet each of our national well-being goals.

### Instilling a culture of tackling the impossible

The United Arab Emirates have established a 'Ministry of Possibilities', the world's first virtual ministry to apply design-thinking and experimentation to develop proactive and disruptive solutions to tackle critical issues. The Ministry brings together the 'brightest and best' from national and local government teams, private and voluntary sectors to consider radical changes in government systems, adopt new innovative models and work in ways that take calculated risks.







More needs to be done by Government to demonstrate a cross-government, coherent and evidence-based approach to prevention.

Further work needs to be done across Welsh Government to ensure every department understands and is using the agreed definition for prevention and preventative spend.

#### **Definition of prevention**

"Prevention is working in partnership to coproduce the best outcomes possible, utilising the strengths and assets people and places have to contribute.

Breaking down into four levels, each level can reduce demand for the next:

- Primary prevention Building resilience creating the conditions in which problems do not arise in the future. A universal approach.
- Secondary prevention Targeting action towards areas where there is a high risk of a problem occurring. A targeted approach, which cements the principles of progressive universalism.\*\*
- Tertiary prevention Intervening once there is a problem, to stop it getting worse and prevent it reoccurring in the future. An intervention approach.
- Acute spending Spending, which acts to manage the impact of a strongly negative situation but does little or nothing to prevent problems occurring in the future. A remedial approach.
- \*\*Progressive universalism is a determination to provide support for all, giving everyone and everything a voice and vested interest, but recognises more support will be required by those people or areas with greater needs."

Despite a number of programmes, which have prevention as a core principle, it is not clear how preventative approaches are being applied consistently across government or within departments. There is a case for establishing a Minister for Prevention who would be responsible for this process, alongside specific spending (through a topslice of budgets). This would not remove the duty of all Ministers to demonstrate how they are applying the definition of prevention in their own portfolios, but would drive coherent action in the most significant cross-cutting areas.

#### **Steps to Prevention**

- 1. Setting a long-term vision for each of these areas, including analysis of future trends.
- 2. Collaborating and involving others to work out the problems they need to prevent and whether they fall into primary, secondary or tertiary prevention and using evidence to identify what the best preventative interventions are.
- 3. Assessing those interventions to identify how they could prevent and maximise contribution to other well-being objectives.
- 4. Shifting funding across Government and beyond in line with these identified best value interventions.





### Integration

It is encouraging to see Welsh Government taking a more integrated approach in some areas. For example:

 The Whole School Approach to emotional support. It demonstrates integration, with funding from the 'health' budget being invested in another area of government ('education', in this case) to prevent mental health problems from occurring. It is an example of investment in primary prevention that illustrates collaboration between departments.

### Foundational Economy & Community wealth building

Over the last 12 months, Welsh Government has had an increased focus on supporting Wales' foundational economy – industries and firms, which locally deliver basic goods and services to support our everyday needs, the homes we live in, the energy we use, the food we eat, and the care we receive. Estimates suggest they account for four in ten jobs and £1 in every three we spend.

Wales is the first country in the world to adopt the foundational economy approach at a national level – they launched a £4.5 million challenge fund in 2019 to support 52 innovative projects across Wales, to spread and scale best practice, and a focus on how Public Service Boards can maximise the social value of procurement through maximising local spend as has been achieved in Manchester and Preston.

### Welsh Government finance and budgeting structures based on main expenditure groups, linked to individual ministerial portfolios, are not integrated.

Traditional, siloed structures in Welsh Government (and other public bodies) are not designed to enable an integrated approach to decision-making, including financial decision-making. In Welsh Government, the way Main Expenditure Groups are still organised in terms of Ministerial portfolios (for example, 'Education', 'Health and Social Services') means it is challenging for collaborative decisions to be made. These challenges of integration and collaboration within government mean narrow policies, measures and funding criteria can filter down to public bodies, which makes applying the five ways of working locally very difficult.

### Welsh Government continues to complicate an already complex landscape.

Welsh Government continue to introduce new guidance, policy, legislation and reviews that overlook the Act and create new layers of complexity and governance. For example – several local boards or groups and more recently, another set of new committees known as 'regional collaborative committees' have been proposed in the Local Government Bill.

This displays a lack of integrated thinking and suggests that the Cabinet needs more robust mechanisms for join-up and seeing the bigger picture. This causes confusion, duplication, wasted resources and frustration on the part of public bodies as they try to meet their well-being objectives while dealing with conflicting demands from the government.



### **Chapter 3 - Progress against the well-being goals**

This chapter looks at progress against the seven national well-being goals for Wales. The goals represent a common vision for the future of Wales – what public services need to be collectively aspiring to.

My analysis of progress is based mainly on two key pieces of work: the journeys published as part of the Art of the Possible programme and my first round of statutory monitoring and assessing.

The Art of the Possible programme sought to explain and explore the practical implications for public services, on their journey to maximising their contribution to the well-being goals. The areas in the journeys where I suggest public bodies should focus change also form the basis of the challenges and opportunities as set out in each of the chapters on the seven well-being goals.

My statutory monitoring and assessing in 2018-19 allowed me to examine (among other things) the objectives and steps published by the public bodies to understand how they reflected (or not) the definition of each of the seven well-being goals; and whether they considered their contribution to one or more of the goals.

Each section follows a consistent format for each goal, starting with an expanded vision of what success would look like, and examples from across the world where change is already happening. There is duplication across this chapter, in the vision and with many of the ideas and opportunities proposed. This is deliberate - the goals are interconnected, and I have purposefully sought to draw out the links between issues or to cross reference information contained in other chapters.

#### **Prosperous**

An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.

#### Resilient

A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).



#### Healthier

A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.

### More Equal

A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).

#### **Globally Responsible**

A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

### Vibrant Culture and Thriving Welsh Language

A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.

### **Cohesive Communities**

Attractive, viable, safe and well-connected communities.



### **Overall Picture**

Overall, progress towards the wellbeing goals by public bodies is mixed; there is positive action being taken on all of the goals, but only in places and in pockets of good practice

with examples highlighted throughout the chapter.

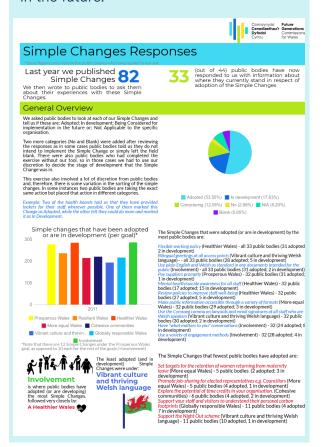
### Some goals are less understood, and clarity is lacking on how public bodies are meeting them.

This is particularly true of 'A Prosperous Wales', 'A Resilient Wales' and 'A Globally Responsible Wales'. There is a tendency to rely on the title of the goals, neglecting the full extent of their legal definitions. For example, a public body's corporate plan/annual report may state 'This objective is about raising educational attainment and therefore, meets a prosperous Wales', without exploring the connections between the full definition of that goal (for example skills fit for the future, a low carbon society, fair and decent work), other goals and how they could integrate areas of work and maximise their contribution to wellbeing. Use of language associated with the goals also continues to be a problem. For example, Welsh Government's latest Annual Report (2019-20) is titled 'a more prosperous, equal and greener Wales', which can be confusing and undermine the framework as set out in the Act. (Please see Chapter 2 for more information).

However, when I compare earlier corporate plans with more recent annual reports of public bodies, the general understanding of the goals and their meaning is improving. Health boards, for example, are setting objectives and steps (and taking action) relating to 'A Resilient Wales', and more public bodies are exploring what they can do to contribute to more of the goals.

### **Progress towards the Simple Changes**

Progress towards the goals is exemplified by the uptake of my 82 Simple Changes, the first stage of the journeys. I shared these with public bodies in November 2018 and asked for feedback. On average, 71% of the Simple Changes are already 'adopted' or 'in development' across the 33 public bodies that replied. Approximately 12% are being considered for implementation in the future.



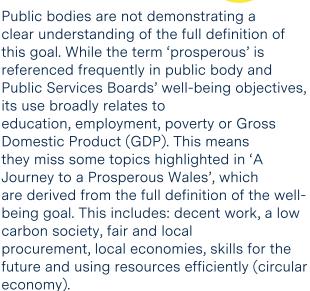
I expect public bodies and Public Services Boards to demonstrate how the Act is shaping what they do and move from adopting simple changes towards policies and plans that are more ambitious and transformational.





See each of the following sections on the well-being goals for more detail and examples but overall, with regards to each of the goals, I have found that:

### **A Prosperous Wales**



#### **A Resilient Wales**

Similarly, the well-being objectives and steps relating to the 'environment' set by many public bodies do not always reflect the true definition of the goal, which is focussed on maintaining and enhancing 'a biodiverse natural environment with healthy functioning ecosystems'. Commonly, they focus on areas such as recycling, flooding, cleanliness, fly-tipping and reducing emissions. While these are important areas, it demonstrates a lack of

progress in helping achieve nature recovery and healthy, resilient ecosystems.

More positively, it is encouraging to see the focus and attention on the natural environment from Public Services Boards in their areas. Also, some health boards and national bodies are increasingly making the connections between a healthy, natural environment and better health and wellbeing.

#### **A Healthier Wales**

There is compelling evidence that we are not investing in the best balance of services to keep people well and to enable them to live healthy and fulfilled lives.

Many well-being objectives and steps acknowledge the need to shift towards prevention and wellness, but need to go further in how they fund these interventions and transform the way they deliver services. As a result, the prevention agenda is not progressing at the scale and pace needed and is not focused on the wider determinants of health.

#### **A More Equal Wales**

Patterns of poverty have not changed significantly over generations and poverty remains a key challenge for current and future generations. Groups with protected characteristics are still disadvantaged in many areas of life including work, participation, education and health.

Key challenges include achieving more diversity in our decision-makers and our broader workforce, and ensuring that organisations in Wales are taking preventative, integrated approaches to end poverty and reduce inequalities.



### A Wales of Cohesive Communities



Public bodies and Public Services
Boards have set more well-being objectives
on the theme of 'community' than any other
topic. It is reassuring to see this focus from
public bodies on the communities they
serve.

While many good initiatives are focusing on community well-being, we now need to build on this and deliver a coherent approach to planning, resourcing and delivery of services and infrastructure within communities.

The COVID-19 crisis has shown what can be achieved when public bodies work closely with community-help initiatives in their areas, particularly concerning vulnerable and isolated people, and this should continue beyond the pandemic to help connect Wales' communities.

#### A Wales of Vibrant Culture and Thriving Welsh Language



While Wales is ahead of other countries in acknowledging the value and role that culture has to play, we still have a long way to go before our reality matches our ambitions. And while the target of a million Welsh speakers by 2050 is an ambitious policy, there are concerns that it is falling short in terms of implementation and more needs doing to join the dots with other well-being goals. Not enough public bodies have set objectives and steps in relation to this goal, and those who do are failing to integrate culture and language with their other objectives.

### A Globally Responsible Wales



Wales is unique in the world in demonstrating a comprehensive commitment to the United Nations Sustainable Development Goals, and our contribution to these has been recognised.

Objectives and steps relating to being globally responsible are varied, and public bodies are not demonstrating clear and credible accounts of their positive contributions to the world. We should all be thinking and acting in a way that is globally responsible. The starting point is having a clear understanding of the definition of the well-being goal, so that any action to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.



