



Comisiynydd
**Cenedlaethau'r
Dyfodol**
Cymru

**Future
Generations**
Commissioner
for Wales

Statutory Estimate

2020-21

Submitted to the Welsh Ministers pursuant to paragraph 19 of schedule 2 to the Well-being of Future Generations (Wales) Act 2015

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1. Estimate Basis

This estimate for the financial year 2020-21 is submitted in accordance with paragraph 19 of Schedule 2 to the Well-being of Future Generations (Wales) Act 2015 as amended by the Well-being of Future Generations (Wales) Act 2015 (Consequential Provisions) Regulations 2015. The Welsh Ministers are required to examine this estimate and lay it before the National Assembly with any modifications they think appropriate. The estimate is prepared on a resource basis and covers anticipated revenue expenditure including non-cash items. It also includes a reconciliation to the net cash requirement or grant-in-aid that I expect to receive from the Welsh Ministers.

2. My General Duty and Statutory Functions

As Future Generations Commissioner I have a formidable task. My General Duty is:

- (a) to promote the sustainable development principle, in particular to—
 - (i) act as a guardian of the ability of future generations to meet their needs, and
 - (ii) encourage public bodies to take greater account of the long-term impact of the things that they do, and
- (b) for that purpose to monitor and assess the extent to which well-being objectives set by public bodies are being met.

My statutory functions are:

- (1) The Commissioner may, in carrying out the Commissioner's general duty—
 - (a) provide advice or assistance to a public body (which includes providing advice on climate change);
 - (b) provide advice to the Auditor General for Wales on the sustainable development principle;
 - (c) provide advice or assistance to a public services board in relation to the preparation of its local well-being plan;
 - (d) provide advice or assistance to any other person who the Commissioner considers is taking (or wishes to take) steps that may contribute to the achievement of the wellbeing goals;
 - (e) encourage best practice amongst public bodies in taking steps to meet their well-being objectives in accordance with the sustainable development principle;
 - (f) promote awareness amongst public bodies of the need to take steps to meet their well-being objectives in accordance with the sustainable development principle;

(g) encourage public bodies to work with each other and with other persons if this could assist them to meet their well-being objectives;

(h) seek the advice of an advisory panel in relation to the exercise of any of the Commissioner's functions.

(2) The Commissioner may undertake research or other study into—

(a) the extent to which the well-being goals and national indicators are consistent with the sustainable development principle,

(b) the extent to which the sustainable development principle is taken into account in the national indicators,

(c) the sustainable development principle itself (including how it is applied to setting and meeting objectives), and

(d) anything related to any of those things that impacts upon the economic, social, environmental and cultural well-being of Wales (or any part of Wales).

3. FGC Operational Landscape and Financial Position as at 30 September 2019

I have known from the outset that my historic funding levels were based on a Regulatory Impact Assessment when the Commissioner's duties were not as extensive as those above.

An underspend from the year one budget (resulting largely from the delay in recruiting staff to my office) cushioned operations in years two and three. In 2019-20 this lack of funding has started to bite and I have had to make some difficult resourcing decisions. The reality is I am spending marginally more year on year just on basic office costs and staff costs: Allowing for increased pension costs, a modest pay award in line with Welsh Government levels and annual incremental increases to pay rates accounts for £35k increase each year. This eats into my flat-lined funding and leaves me with a shrinking pot from which to maintain the level of support and advice and other services Public Bodies and Ministers have come to expect from my office year on year.

Pressures of meeting statutory duties to monitor and assess around 350 well-being objectives have been significant and were clearly underestimated when establishing my office. Some public bodies including the Government have asked to work with me to develop a more tailored approach to this area of my work which is desirable but impossible within my current budget position.

It is clear that as we are now moving beyond the development of assessments and plans into implementation and there is a significant need for support for public bodies, PSBs and specific sectors and industries to ensure that there is not an implementation gap. I cannot see this support being provided by Government and my current level of funding request is not sufficient to meet this need.

In real terms I can do less while expectations and demands for support and advice grows. To illustrate the trend in financial terms:

- My 2018-19 Statement of Comprehensive Net Expenditure shows expenditure for the year of £1.690 million, an 18 per cent increase on 2017-18 (£1.433 million to 31.3.18).
- My general fund balance as at 31 March 2019 dropped 58 per cent to £291,000 (£501,000 at 31.3.18).
- As at 30 September 2019 I am forecasting a further 11 per cent increase in expenditure (£1.875m) for 2019-20 which will be funded from my general fund balance £0.292m, £1.564m grant in aid and £0.177m income generated from other sources.
- I am forecasting a further 35 per cent drop in my general fund balance at 31 March 2020 to £188,000 so my cushion from a year 1 underspend is almost gone.
- My policy has been to retain a reasonable level of reserves to allow for any unplanned, urgent and important matters brought to my attention. This prudent approach may be in jeopardy without further funding from 2020-21 onwards.

I highlighted last year that my office is the lowest funded of all the Commissioners with a significantly larger remit. My budget for 2019-20 was £83,000 less than the Children's Commissioner and £1.591m less than the Welsh Language Commissioner.

4 My Funding Request 2020-21

I have prepared my 2020-21 Estimate based on an indicative flat lined funding level of £1,509m.

I would like to request parity on an ongoing basis at least in line with the Children's Commissioner which would increase my funding to £1,592m (based on 2019-20 funding information). I summarised above the current and future operational challenges I face and the historic reasons are set out fully in my 2019-20 estimate submission. I do not consider this level of funding sufficient to properly meet expectations in the discharge of my statutory duties and adequately support cultural change in public bodies who tell me they would like my office to deliver:

- A trusted single point of contact for each of them within the FGC Office to provide advice on specific issues
- a service which facilitates sharing of good practice
- Additional and more sector specific frameworks or guidance
- Provision of WBFG training to organisations and partnerships
- Advice and support around how they monitor and report progress under the Act

- Services which facilitate learning events around priority areas and secure global representation
- More intensive support and challenge to help public bodies think through particular policies or issues through the lens of the WCFG Act
- Work with WAO and other audit bodies to ensure approach to audit supports rather than restricts progress under the Act

In addition to this I am also proposing five options to fund a range of resourcing support, advice and assistance:

Option 1 Enhanced level of support and advice for Welsh Government civil servants leading on the cultural change required to embed the principles of the Well-being of Future Generations Act.

To date, my office has provided significant support on transport, planning, health planning, Welsh Government finance and decarbonisation as well as undertaking directly a huge engagement programme where we have reached over 8,000 new people. However, the cultural change needed requires much more than awareness raising.

In the last year the vast majority of the requests for advice we have received have come from Government. My office has tried to provide assistance wherever possible but this is increasingly becoming unsustainable. Over the last year we have been asked to provide advice through meetings, workshops, participation on Ministerial Advisory Boards and through many other means on the following issues:

It is clear that whilst the support from the Welsh Government team working on culture and the team working on Future Generations Act implementation is valued both these teams rely on input from my office to deliver the change they are working towards. I welcome this partnership working but the need for support from my office and internal civil service teams is significantly outweighed by the resources available to provide it. This is reflected both in terms of the advice and support that has been requested and the challenges the Government encountered in responding to reporting on progress this year. My monitoring and assessing work this year has shown significant challenges in implementation within Government and without additional support for change I believe the Government will struggle to meet its statutory duties in the Act.

An additional £70k would mean my office could provide dedicated support to Welsh Government drawing on skills and expertise across my office to deliver tailored advice and support for Government as well as working to develop a tailored approach to assessing progress. In order for this to be adequately developed and embedded this would need to be at least a two-year commitment. If successful I and my team would work with government officials to agree the parameters for support and advice work for 2020-21 and 2021-22.

Option 2 Reputation enhancement for Wales to the wider world

In the last year I was pleased to be able to work with the Government to enhance Wales' reputation to the world and to help to deliver the Voluntary National Review to the United Nations and a Welsh Supplementary Report. This has generated significant reputational benefits as well as making an impact in a number of countries who following the advice and input of my office are adopting elements of the Well-being of Future Generations Act in the legislative or policy development in their countries.

You can find a full account of my international work [here](#).

United Arab Emirates – Building on our visit to the World Government Summit in Dubai in February, my office has maintained relationships with H.E. Ohood al Roumi, Minister of State for Happiness and Wellbeing. I have also met with the Minister during my visit to the OECD (October) and the UN (July). The Minister of Happiness and Wellbeing said, “Wales is a prominent contributor to, and a leading nation in the field of wellbeing, it has been one of the numerous examples used” in developing the UAE Wellbeing Strategy 2030. The Strategy includes references such as ‘cohesive communities living together’, ‘prosperous nation of opportunities’, ‘sustainable living and way of life to protect national resources’ and ‘vibrant cultural landscape reflecting national identity and diversity.’ Our ongoing engagement with the UAE has helped shape this strategy. We are also supporting Welsh Government’s international team to ensure a Welsh presence at the EXPO 2020, which is being held in Dubai in October 2020.

South Korea - In September 2019, I delivered a key-note to the National Assembly Institute for Futures, where I also signed a Memorandum of Understanding between our organisations. This will develop long-term and foresight thinking, with opportunities to share and explore future collaboration. I believe public bodies in Wales will benefit from this increase in futures capacity building.

UK and Gibraltar - Over the year, I have supported Lord John Bird’s campaign to pass a Well-being of Future Generations Act for the UK. You can find more information about the campaign [here](#). Lord Bird said in the **Big Issue**: *“I graduated towards the idea of taking the Welsh example, and the pioneering idea of their Well-being of Future Generations Act, and trying to make it work across every region; starting with a Future Generations Commissioner for the UK, and then hopefully having it replicated in other parts of the country.” He adds, “... I believe what you are doing in Wales is one of the most profound changes that has ever been made. I want to help the (Well-being of) Future Generations Act to go all over the place. I want it up there. I want it up there in Scotland, I want our friends in Ireland to be doing it, I want our friends in France, and Italy, and Germany doing it because we owe it everybody, wherever they come from. The work that is being done here (in Wales), by the Commissioner down here is gold dust. It has to be propagated about and it has to go mainstream. Our UK Future Generations Bill is inspired by Sophie Howe, the Welsh are pioneers, and we're proud to follow in their footsteps.”*

I have also supported [Daniela Tilbury](#)'s (Future Generations Commissioner for Gibraltar) campaign to introduce a Well-being of Future Generations Act in Gibraltar.

[United Nations](#) - I was invited to speak at the UN High-Level Political Forum during the [Economic and Social Council](#) high-level segment meeting to discuss our approach to sustainable development and future generations. During this session, several UN representatives praised the Well-being of Future Generations Act and thanked us for being present. "I am especially pleased to see a representative from Wales here today. Because my questions pertain to the connection between the national level planning and what's happening at the national and regional level and I wanted to hear a bit more from your experiences about transparency between national planning and regional and local actors and feedback groups," (US UN Representative)

During this visit we also met with the UN Special Envoy on Climate Change, who was very interested in the legislation and my office are seeking a follow up meeting with him in the new year. He agreed that Wales can provide a legal framework that others in the world could follow.

[OECD](#) - I recently spoke at the [OECD conference](#) on measuring well-being and policy action. Other speakers included Grant Robertson (Minister of Finance, New Zealand) and Gary Gillespie (Chief Economist, Scottish Government). The Welsh approach was commended by several speakers including Jeffrey Sachs (Former advisor to 3 UN Secretary Generals) who said, "If you want to look at who is doing the good stuff, look at the smaller countries."

[One Young World](#) – In October, I spoke at the One Young World Summit where I had the opportunity to discuss the Well-being of Future Generations and the need for other countries to adopt similar legislation. The global forum for young leaders draws representation from over 190 countries and speakers like J.K. Rowling, Sir Richard Branson, Mary Robinson and Ellie Goulding. I was pleased to be able to partner with 10 other organizations in Wales to send the [first Welsh delegation](#) to One Young World this year. We also arranged a [roundtable](#) with Lord Bird to launch his campaign for a UK Future Generations Act.

I have also advised the Sustainable Development Office at Environment and Climate Change Canada on their revised Federal Sustainable Development Strategy (FSDS), met with the Legislative Assembly of Western Australia's Committee on the Commissioner for Children and Young People, supported the [Open SDGclub.Berlin](#) and their call to action at the UN HLPF. Following my visit to the World Government Summit, my office was asked to contribute to an international paper on 'Wellbeing and the SDGs' where the Welsh approach was highlighted as a leading example. This was presented to the UN in September. I have also supported the work of the InterAction Council in pushing countries in the world to declare a climate emergency and to act. You can find a copy of their manifesto which we helped shaped [here](#). My office has built a strong network of international experts who are assisting in the development of my first Future Generations Report, which will draw on international best practice and innovation.

In the coming year the 5th Anniversary of the Act will be celebrated, and the Government's new International Strategy will be finalised, which is likely to include a focus on the role that Wales can provide in terms of the thought leadership shown by the Well-being of Future Generations Act. Furthermore, 2020 marks the 70th Anniversary of the United Nations and 10 years until the end of Agenda 2030 (the campaign around the Sustainable Development Goals). It will also include COP26, which takes place in Glasgow. This is likely to require an ongoing contribution from my office which is currently not resourced.

£70k would allow me to dedicate resource to support and advise government in this increasingly high-profile area. If successful I and my team would work with government officials to agree the parameters for support and advice work for 2020-21.

International Articles and Media:

Safeguarding future generations: how Wales is leading the way on climate justice:

<https://theelders.org/news/safeguarding-future-generations-how-wales-leading-way-climate-justice>

Meet the world's first 'minister for future generations':

<https://www.theguardian.com/world/2019/mar/02/meet-the-worlds-first-future-generations-commissioner>

Reasons to be Cheerful: Back to the Future – Representing the coming generations:

<https://podcasts.apple.com/gb/podcast/106-back-to-the-future-representing-the-coming-generations/id1287081706?i=1000451689457>

The World's First Minister for Future Generations:

<https://www.positive.news/uk/the-worlds-first-minister-for-future-generations/>

BBC Future:

<https://www.bbc.com/future/article/20190705-bbc-future-at-hay-festival-how-to-think-longer-term>

Sir Jerry Mateparae: <https://youtu.be/kq7Iriy1LaM>

Jonathon Boston: <https://youtu.be/NBfnTIDjPRM>

Peter McKinley: <https://youtu.be/CX339C7jpHI>

Daniella Tilbury: <https://youtu.be/wrGpAAJzvqo>

Option 3 Meet 'the ask' from Public bodies for more in-depth advice and support

Further development of the live lab concept which provides intensive support to a public body to apply the lens of the Act to reforming a service or policy.

A "Live Lab" is a safe space for public bodies to take a creative approach to solving complex problems using the lens of the Act to test ways of delivering significant improvements in policy design, service delivery and well-being. Labs are co-designed to develop insight into issues, resulting in action and involving continuous learning which will be shared across Wales.

My Office is currently using a live lab approach in two areas – in Cwm Taf PSB where we are working with them in an in-depth way to consider '**what**' they need to do to meet their well-being objective on delivering 'the right services at the right time'. The first phase of the Live Lab has been completed and feedback has been very positive.

The second Live Lab is working with the Welsh Government Housing Department focusing more on **'how'** they implement a series of policy recommendations (the Affordable Housing Review and Decarbonisation of housing as well as commitments around delivering 20k affordable homes) using the Future Generations Act.

There is an increasing demand for this type of intensive support and I believe that it would help to address the implementation gap which currently exists.

£85k would allow me to dedicate resource to accelerate the development of this intensive support tool for Public Bodies. If successful I and my team would work with government officials to agree the parameters for support and advice work in this area for 2020-21.

Option 4 Training to properly put the Act into practice in Transport

Over the last year I have undertaken a significant amount of work with Government and others on reforming transport and land use planning. Whilst the new WeITAG guidance embeds the Future Generations Act my review of several WeITAG cases has demonstrated that the guidance is not being used as intended and there is little support or challenge in the system to ensure that the criteria is being followed. This highlights yet another implementation gap which is currently not being addressed.

£70k would allow me to provide intensive support for transport officials in Government and other Public Bodies alongside work with consultancies to turn the dial on this and to make sure that the Government's own guidance and aspirations for modal shift are being realised.

If successful I and my team would work with government officials to agree the parameters for support and advice work for 2020-21.

Option 5 Support on the Act in practice and upskilling for Planning Officials

A major overhaul of our approach to planning in Wales is underway. There is a step change in how we approach planning decisions and Welsh Ministers have identified an implementation gap that needs to be filled to ensure the hearts and minds of those implementing the process are on board. There is also ministerial calling for better guidance on the Act and training for those involved in the process so that the complexities and costs later down the decision-making line can be avoided. See extract from questions to the Minister for Housing and Local Government 9 October this year:

Extract from Questions to the Minister for Housing and Local Government, 09 October 2019

4. Hefin David (Caerphilly) How does planning policy for new housing take into account the provisions of the Well-being of Future Generations (Wales) Act 2015?

The Minister said National Planning Policy had been revised to reflect the Act and put placemaking at the heart of the planning system and focuses on creating sustainable places positively contributing to wellbeing

Hefin David AM said the Future Generations Commissioner recently attended a the PSB Annual Conference in Caerphilly and praised work at Lansbury park and emphasised maintaining access to green spaces for residents. He asked if she agreed that building new expensive houses on green spaces near communities jeopardised this and was hallmark of unsustainable development in contradiction to the WFG Act

The Minister said in general she agreed with the Commissioner about the importance of access to green spaces for all communities to enhance wellbeing which is currently reflected in planning policy and needs to be reflected in decisions of planning committees and inspectorate.

Nick Ramsay AM said last week a planning application for 111 new houses in his constituency which had been approved by the Local Authorities before being called in by the Welsh Government, was subsequently rejected by Welsh Government on grounds of contradicting WFG Act. He said the legislation is having an increasing impact on planning and asked for better guidance on the Act and offer training for those involved in the process so that the complexities and costs later down the line could be avoided.

The Minister said the Economy Minister and herself attended a meeting of the House Building Federation today where they undertook to work together with the leads for planning and highways in the WLGA to exactly that. She said this was a new planning policy introduced by Lesley Griffiths AM as she left the portfolio and was step change in the way they look at planning but they need to ensure the hearts and minds of those implementing the process are on board.

Llyr Gruffydd AM asked whether the WFG Act should be considered as material consideration by planning committees when making decisions on applications and that LDPs produced prior to the Act shouldn't be given more weight than requirements of the Act in decisions made by committees today.

The Minister said Planning Policy Wales set that out and should be taken into account in decisions.

6. Lynne Neagle (Torfaen) What discussions has the Minister had with the Minister for Health and Social Services about improving joint working between the housing and health sectors?

The Minister said she met regularly with the Minister and said joint working was essential to a healthier Wales

Lynne Neagle AM said constituents that come to her with housing problems almost invariably have health issues and therefore its vital health boards work with housing providers to meet the needs of communities, which can be patchy and not necessarily focused on early intervention.

She asked her to discuss this with the Health Minister to ensure all LHBs are proactively supporting housing needs of communities

The Minister said they did this regularly and recently facilitated improved joint working between health and housing by making representatives of the housing sector statutory members of the RPBs and they have the Integrated Care Fund which is now coming into its own with innovative proposals.

£70k would allow me to provide intensive support for Government, planning officials in other public bodies on the implementation of PPW 10 / supporting the Place Making Agenda and work with RCTPI to support the upskill of the profession to address the knowledge and understanding gap. If successful I and my team would work with government officials to agree the parameters for support and advice work for 2020-21.

6 My Annual Estimate 2020-21

The table below shows how my 2020-21 funding would be allocated

| | Estimate 2020-21 £000 |
|--|---|
| Salary Costs | 1,179 |
| Accommodation | 97 |
| Office expenses | 31 |
| Training and recruitment | 35 |
| Travel and subsistence | 36 |
| Internal and external audit | 30 |
| Communication | 51 |
| IT | 50 |
| Project costs | 153 |
| Contingency | 30 |
| Total revenue expenditure | 1,692 |
| | |
| Less Non-cash movement | -8 |
| | |
| Less underspend b/f from previous year | -175 |
| Net cash requirement | 1,509 |
| | |
| <i>Net cash requirement if parity with Children's Commissioner granted (additional £83k @2019-20 funding level would be used for salary, training and recruitment costs)</i> | 1,592 |
| | Additional Services Estimate £ |
| Option 1 Enhanced level of support and advice for Welsh Government civil servants | 70,000 |
| Option 2 Reputation enhancement for Wales to the wider world | 70,000 |
| Option 3 Meet 'the ask' from Public bodies for more in-depth advice and support | 85,000 |
| Option 4 Training to properly put the Act into practice in Transport | 70,000 |
| Option 5 Training on the Act in practice for Planning Officials | 70,000 |

Notes to table:

Salary costs

This cost covers the full cost of employing or seconding staff including employer's NI and pension costs. It also covers my own salary costs (as determined by the Welsh Ministers) and the cost of remuneration for the Audit and Risk Assurance Committee.

Accommodation and office expenses

Accommodation and office expenses include expenditure on rent, rates, repairs and maintenance, security, utilities, stationery and insurance. This year my accommodation costs have increased by x percent. This is as a result of the Welsh Government's decision to secure a short term lease when I took up post.

IT cost (revenue)

The ongoing revenue costs associated with IT are monthly service and support costs for enabling a secure data service for all staff users and non capital IT equipment.

Communications

Costs are for website hosting and maintenance, translation and events and workshops associated with stakeholder engagement.

Project costs

For in year specialist advice and assistance needed to exercise my General Duty.

Contingency

A contingency of £30,000 for general operational purposes and for unplanned work has been included in the estimate. Such additional costs might be associated with for example additional temporary staff resources and securing advice and assistance for unforeseen events.

Non-cash movement

This relates to those costs where there is a charge to the expenditure account but no cash payment e.g. movement on creditors and debtors, as well as depreciation and amortisation charges.

Net cash requirement

This is the cash that I will need to draw from the Welsh Ministers to meet my expected costs for 2020-21.

Sophie Howe

Future Generations Commissioner for Wales

October 2019