

Management response form

Audited body	Welsh Government
Audit name	<u>No time to lose: Lessons from our work under the Well-being of Future Generations Act</u>
Issue date	April 2025

Ref	Recommendation	Management response	Completion date	Responsible officer (title)
		Relevant commentary on the planned actions in response to the recommendations	Completion date for planned actions	
R1	<p>In the context of:</p> <ul style="list-style-type: none"> our recommendation in 2020; the Commissioner’s latest recommendation on post-legislative review in 2025; and the Senedd Equality and Social Justice Committee’s planned inquiry into post-legislative scrutiny of the Act; <p>the Welsh Government should now clearly set out a scope and timetable for its own post-</p>	<p>Accept in Principle</p> <p>The Welsh Government recognises the call for a post-legislative evaluation of the Well-being of Future Generations (Wales) Act 2015 (“the Act”) and the call for this in both the Auditor General’s and the Future Generations Commissioner’s reports.</p> <p>We also acknowledge the recent Senedd Equality and Social Justice Committee’s inquiry into a post-legislative scrutiny of the Act. The Cabinet Secretary for Social Justice, Trefnydd and Chief Whip, Jane Hutt, is giving oral evidence at to the inquiry on 1 December and an Evidence Paper</p>	<p>Overall completion date for planned actions [note: not for any commitment to an evaluation] – June 2026 (see dates below)</p>	<p>Overall Responsible Officer: Deputy Director for Sustainable Futures, Welsh Government</p>

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	<p>legislative evaluation and any changes to the Act.</p> <p>Work undertaken by the Welsh Government in relation to recommendations 2 to 4, and the wider issues raised by this report, should also feed into evaluation and scrutiny.</p>	<p>from the Welsh Government will be submitted as evidence alongside this.</p> <p>Following the findings and recommendations from this inquiry, which we expect over the winter of 2026, and internal considerations on the design and costings of an evaluation, the Welsh Government will consider the call within this recommendation further.</p> <p>The Act is a unique piece of legislation globally and acts as a framework piece of legislation which impacts every aspect of Welsh public sector policy design and implementation. As such the evaluation must be equally unique to assess any potential changes to the Act.</p> <p>Due to current timescales, and the fact that this Government cannot commit future Governments to action, no post-legislative evaluation will be decided upon nor agreed by Welsh Government until after the election in May 2026.</p>		

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		<p>However, following the ESJ Committee’s inquiry findings officials in the Welsh Government will begin determining the possible options for scope and design of a future post-legislative evaluation of the Act for future consideration. These options will consider the inclusion of budgetary cycles (recommendation 2) and reporting requirements for public bodies (recommendation 4) as recommended by the report.</p> <p>It is appropriate to not assume the decision of any new Government and that any new Minister will be in favour of the delivery of the evaluation. It will be for the Minister of the time to make this decision.</p> <p><u>Planned Actions</u></p> <ul style="list-style-type: none"> • Cabinet Secretary delivers evidence paper and oral evidence to the ESJ Committee’s post-legislative inquiry into the Act. 	01/12/2025	

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		<ul style="list-style-type: none"> • Ahead of the election in May 2026 Welsh Government officials will determine high-level options and costings for any future post-legislative evaluation of the Act. Other considerations will also be considered such as drafting changes to the WFG Act. • If appropriate, the new Minister will decide on any future post-legislative evaluation of the Act. 	June 2026 N/A – Timelines reliant on next Government.	
R2	The Welsh Government faces its own constraints in setting longer-term budgets due to UK budget and political cycles. However, public bodies continue to describe the negative impact of	Accept in Principle This action already forms part of the Welsh Spending Review (“WSR”) and is an issue that Welsh Government consider annually as part of the Welsh Government Budget setting process.	N/A	Overall Responsible Officer: Deputy Director for Budget +

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	<p>annual settlements, late funding notifications, and in-year allocations.</p> <p>The Welsh Government should work with public bodies to explore and agree what can reasonably be done to minimise funding uncertainties and aid their medium and longer-term planning where possible.</p>	<p>We agree in principle that Welsh Government should work to minimise funding uncertainties however this must be subject to the specific constraints in which we operate. The timing of UK Fiscal events, the UK Government election cycle and the Senedd election cycle all have significant impact on our ability to deliver multiyear settlements.</p> <p>While the Welsh Government published a one-year budget on 14 October, this does not limit ability to plan for the longer term. The WSR is being developed as a strategic tool to support medium- to longer-term fiscal planning and a shift towards more preventative approaches. Once embedded, it will become a core part of the budget process and will provide a valuable foundation for an incoming Welsh Government to build longer-term fiscal strategy.</p>		<p>Government Business.</p>

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		<p>We are already exploring opportunities to engage with public bodies, including plans for a workshop with Local Government in the autumn to discuss options for increasing the revenue base.</p> <p>The UK Government’s two-year rolling review of its Spending Review offers improved visibility and greater certainty for budget planning in Wales. The WSR will also provide a valuable foundation for an incoming Welsh Government to build longer-term fiscal strategy.</p> <p>No further actions are to be taken at present.</p>		
R3	The Commissioner has recommended that the Welsh Government ringfences funding	Reject Recommendation	N/A	Overall Responsible Officer: Deputy

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	<p>for prevention, which increases over time. This reflects calls from several organisations at a UK level. The Welsh Government should also explore other, complementary, ways of encouraging investment in prevention. This should include working with public bodies to:</p> <ul style="list-style-type: none"> strengthen the understanding of the levels of investment in prevention and its impact; build on work to embed prevention in the budget process, considering, for example, opportunities to bring funding together across 	<p>There is a longstanding principle that the Welsh Government tries to avoid hypothecating funding as this can reduce the ability of institutions to manage their own budgets in line with their responsibilities. For example, local government partners have repeatedly made the case for funding to be moved towards the revenue support grant specifically so that funding is not ring-fenced and enables them to make the best decisions for their specific locality.</p> <p>Moreover, it is very challenging to effectively and equitably isolate funding for prevention and early intervention without undermining the broader approach to prevention. There needs to be a balance between the immediate provision of services and being able to plan long term to prevent the need for those services to be accessed.</p>		<p>Director for Budget + Government Business.</p>

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	<p>different parts of the system to support prevention;</p> <ul style="list-style-type: none"> • incentivise and protect preventative spend at a local level; and • learn from others beyond Wales, for example, taking account of work that CIPFA is undertaking on understanding preventative spend. 	<p>Other forms of preventative spending are being considered and the WSR is exploring how preventative approaches can reduce long-term demand on public services and deliver better outcome for people in Wales. Cross-government collaboration is central to this work, with clear opportunities for more joined-up planning, decision-making and resource alignment to tackle root causes rather than symptoms. This approach supports a shift away from reactive spending, promoting sustainability and resilience across public spending.</p> <p>The WSR is informed by global best practice, drawing on insights from organisations such as the OECD and the Wales Centre for Public Policy to enable a medium- to long-term approach to fiscal and budgetary policy making in Wales.</p>		

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R4	<p>The Welsh Government should work with public bodies to take a fresh look at the assessment of performance and impact under the Act. This work should consider:</p> <ul style="list-style-type: none"> • how best to measure the impact public bodies are having and their contribution towards the well-being of Wales; and • how assessment of performance and impact can promote the aims of the Act and reinforce the need to work preventatively and collaborate. 	<p>Accept in Principle</p> <p>The Welsh Government agrees that the current assessment process for impact under the Act for public bodies and Public Services Boards (“PSBs”) needs to be reviewed and possibly amended.</p> <p>There are many ways the Welsh Government and other organisations are currently assisting public bodies with their assessments of impact under the Act, and more widely on delivery under the Act through training, Hwb Dyfodol and current governance arrangements.</p> <p>For Public Services Boards the next iteration of wellbeing assessments are being published by May 2027. The Welsh Government, working with partners across the national and local public sector landscape including the Office of</p>		Overall Responsible Officer: Deputy Director for Sustainable Futures, Welsh Government

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		<p>Future Generations Commissioner and Public Health Wales, has been working to improve and streamline this assessment process both for PSBs and for public bodies. This includes delivering a bespoke and interactive session for PSB coordinators on the development of their wellbeing assessments, including interactive discussions on the outputs of the Wellbeing of Wales Report 2025 and the Wales Index of Multiple Deprivation 2025 (“WIMD”) results, updating PSB non-statutory guidance and the promotion of collaboration across and within PSBs.</p> <p>As a public body the Welsh Government have a commitment in Well-being of Future Generations Continuous Learning and Improvement Plan 2023-2025 (“WFG CLIP”) to ‘continue to embed the Well-being of Future Generations agenda into the Welsh Governments Performance Framework’. A new annual approach to Performance Management of the Welsh</p>		

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		<p>Government Civil Service is currently in development. This will continue to report on the embedding of the five ways of working among Welsh Government staff, but does not cover performance of other Public Bodies.</p> <p><u>Planned Actions</u></p> <p>Following this recommendation the Welsh Government is committing to:</p> <ul style="list-style-type: none"> • Work with PSBs and relevant public bodies to explore amending the technical aspects of multiple “Shared Purpose: Shared Future statutory guidance to streamline and simplify the requirements on assessments. • Determine whether further guidance is required to provide guidance on the use of data and evidence for public bodies. 	<p>September 2026</p> <p>September 2026</p>	

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		<p>Future Generations Act” manual to all public body partners.</p> <ul style="list-style-type: none"> Establishing clear communication mechanisms for linking the national wellbeing indicators with the wellbeing objectives and their assessments of public bodies. This has started already with promotion of the Wellbeing of Wales Report 2025 at the PSB Coordinators Meeting but will become more formalised following the review of national wellbeing indicators in the new Senedd term. Working with the OFGC and various experts to explore the current research into measuring the impact of wellbeing policies on wellbeing. This work is in early development (for example with Swansea University working with the Neath Port Talbot PSB) 	<p>Throughout 2026</p> <p>N/A – Dependent on external bodies</p>	

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		but may lead to efficiencies and benefits towards this recommendation.		