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Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: LF CS 0063 15

Alun Ffred Jones
Chair
Environment and Sustainability Committee
National Assembly for Wales
Cardiff Bay
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27 January 2015

Dear Alun

Well-being of Future Generations (Wales) Bill - Statutory Guidance

In the Stage 1 Committee Report, the Environment & Sustainability Committee made a number of recommendations in relation to the statutory guidance that will be published under the Well-being of Future Generations (Wales) Bill. I am writing to outline to the Committee the matters I propose to be addressed in the statutory guidance required under the Bill. This builds on the Policy Intent Statement issued alongside the Bill at introduction.

Annex 1 provides an overview of what is intended to be included in guidance, and in doing so responds to recommendations 5, 7, 12, 15 and 22.

I want to ensure that we involve those public bodies that will be subject to the duty in the development of the guidance; this will both draw on their expertise and give them the opportunity to consider together the opportunities the Bill brings. To begin this process ahead of formal consultation, I intend to publish a 'discussion document' on the statutory guidance. This document will set out the intended content of the guidance, ask stakeholders what type of guidance they think works best, and ask for evidence and case studies in relation to key elements of the Bill's architecture. Stakeholders will be encouraged to hold discussions about this document for a period of three months (February to April 2015). We will be using existing networks to engage stakeholders on this work.

To support this process, I have asked Peter Davies (Commissioner for Sustainable Futures) to chair a Technical Advisory Group which will provide focussed and practical input into the development of the guidance. The membership will be drawn primarily from the public bodies that will be subject to the Bill. I feel that this group will allow us to make the most of the considerable expertise that already exists across public bodies.

I hope that this overview of the intended content of the guidance is helpful and responds to the Committee's specific recommendations in relation to statutory guidance.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Carl Sargeant'.

Carl Sargeant AC / AM
Y Gweinidog Cyfoeth Naturiol
Minister for Natural Resources

Annex 1

Statement of intent – the matters to be included in statutory guidance on the Well-being of Future Generations (Wales) Bill

The statutory guidance must help and guide the public bodies listed in the Well-being of Future Generations (Wales) Bill in implementing the duties in the Bill. It is intended to include examples of best practice within the guidance.

Contributing to the Well-being Goals

A key element of the guidance will need to explain how public bodies must contribute to the achievement of the well-being goals. It is intended that this includes the following matters:

- *Understanding the role public bodies play* - The well-being goals express the Wales we want to see in the future; there is a role for the guidance to explain the relevance of the well-being goals to the specified public bodies and to help them to understand how they could contribute to the achievement of the well-being goals.
- *Setting well-being objectives* - The Bill requires specified public bodies to set and publish well-being objectives that are designed to maximise their contribution to achieving the well-being goals. It is intended that the guidance will include the process of setting well-being objectives, how evidence should be taken account of in setting well-being objectives and the information to be contained in the statement. The guidance will make clear that the well-being objectives must be core to the central plan of each organisation, for example, its corporate or business plan.
- *Addressing all the well-being goals* - As stated in recommendation 15, a key issue that has been discussed during the development of the Bill is how specified public bodies should address conflict or tension between the well-being goals. It is intended that guidance will be provided on this matter, in particular in terms of applying the governance approaches to assist with setting well-being objectives to maximise the contribution of a public body to the achievement of the well-being goals.
- *Understanding the key challenges that underpin the well-being goals* - The well-being goals respond to identified long term, sustainability challenges that Wales faces. Understanding these will be important to achieving the well-being goals, therefore the guidance will include advice on issues such as environmental limits, tackling poverty, health inequalities, and climate change.
- *Delivering with partners* - There is a role for the guidance to explain how the well-being objectives, and steps to be taken by specified public bodies, should influence those organisations that deliver services on their behalf. (Recommendation 12).

Making sustainable development the core principle

There will be a role for the guidance to explain how specified public bodies must work differently in order to contribute to the achievement of the well-being goals and to leave a sustainable legacy for future generations. It is intended that this includes the following matters:

- *Better ways of working* - The Bill sets out five ways in which public bodies should work differently currently known as 'governance approaches' (long term, integration, preventative approach, collaboration, involvement). There will be a role for the guidance to explain what these governance approaches mean for organisations,

illustrated with examples of good practice and how evidence underpins all of them. It is also intended that the guidance will explain when the governance approaches should be applied, both in relation to public bodies and to Public Services Boards.

- *Reporting on progress* - The Bill requires specified public bodies to report annually on the progress they have made in setting well-being objectives. It is intended that guidance is provided on what a public body must report on and how it could do this.
- *Recommendations for improvement* - The Bill gives the Commissioner for Future Generations the power to make recommendations to the Welsh Ministers and those public bodies listed in the Bill. It is intended that the guidance will include how a public body should respond to a recommendation and in what circumstances they would be exempt from responding. (Recommendation 22)

Public Services Boards

Guidance will be needed to set out the details of the establishment and operation of Public Services Boards; it is intended that this includes the following content:

- The Bill requires that the members of a Public Services Board undertake an Assessment of Local Well-being before preparing a Local Well-being Plan. It is intended that guidance will be provided on both of these processes, including an explanation of the links between organisational objectives and those outlined in a Local Well-being Plan.
- Public Services Boards will put in place new reporting and scrutiny arrangements in relation to Local Well-being Plans. There will be a role for guidance to explain these arrangements.
- The Bill requires the Welsh Ministers to issue guidance to those Community Councils that are subject to the duty in section 39 of the Bill to take all reasonable steps towards meeting the objectives included in the local well-being plan applying in their area. This guidance would help explain the steps such a Community Council must take towards meeting the objectives included in the local well-being plan.

The discussion document will also suggest a number of questions to enable stakeholders to directly input into the drafting of the guidance. These will include questions about what specific guidance is needed in relation to the areas set out above and whether there are examples of good practice in relation to those areas. To ensure that the guidance is set in the context to which specified public bodies will be operating it will be important that it is kept up to date. This will include explaining links with other legislation and government activities, such as the Environment Bill and the Local Government (Wales) Measure 2009. (Recommendation 7)