



Llywodraeth Cymru
Welsh Government

WELL-BEING OF FUTURE GENERATIONS (WALES) BILL

Policy intent for regulations, directions and
guidance

July 2014

WELL-BEING OF FUTURE GENERATIONS (WALES) BILL 2014 POLICY INTENT FOR SUBORDINATE LEGISLATION, DIRECTIONS AND GUIDANCE

This document provides an indication of the current policy intention for the subordinate legislation, directions and guidance that the Welsh Ministers are empowered or required to make under the provisions of the Well-being of Future Generations (Wales) Bill ('the Bill'). It has been published in order to assist the responsible Committee during the scrutiny of the Bill and should be read in conjunction with the Explanatory Memorandum and Explanatory Notes.

The key purposes of the Bill are:

To strengthen existing governance arrangements for improving the well-being of Wales in order to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs (the sustainable development principle). It identifies well-being goals which specified public authorities are to seek to achieve in order to improve the well-being of Wales both now and in the future;

To set out how those authorities are to show that they are working towards the well-being goals. It also, through the introduction of national indicators, ensures that the difference being made to the well-being of Wales will be evaluated and measured;

To establish a Future Generations Commissioner for Wales to be an advocate for future generations who will advise and support Welsh public bodies in carrying out their duties under the Bill;

To put Local Service Boards (to be known as Public Services Boards) and well-being plans on a statutory basis and simplify current requirements as regards integrated community planning;

Apart from some technical provisions, the Bill will be commenced by Order. A diagram outlining the intended timelines for the implementation of the framework set by the Bill is at page 9. It should be noted that there are likely to be changes in the local government sector as a result of the public service reform agenda, including the report of the Commission on Public Service Governance and Delivery. Therefore some of these timelines might be subject to change.

Section	Description	Policy intention
Wellbeing Goals		
6 (3)	The Welsh Ministers have the power to add, remove or amend the well-being goals provided for in the Bill.	<p>The well-being goals are set out on the face of the Bill and it is intended that, once established in law, they will only be added to, removed or amended if there is a significant change or prioritisation of the long-term generational (sustainability) challenges arising in the future for Wales.</p> <p>The ‘Future Trends’ Report published by the Welsh Ministers and ‘Future Generations Report’ and any recommendations published by the Commissioner for Future Generations will be drawn on to judge whether amendments to the well-being goals are needed. There will also be consultation with the Commissioner, the other public bodies listed in the Bill and more generally, as required by Section 6(4) of the Bill, before the regulations to amend the goals are made.</p>
Guidance on the SD Duty		
15	The Welsh Ministers are under a duty to issue guidance to the other public bodies listed in the Bill about the exercise of functions under Part 2 of the Bill	<p>It is planned that the guidance will provide further detail covering:</p> <ol style="list-style-type: none"> 1) The well-being goals, namely: <ul style="list-style-type: none"> • interpretation of the goals; • the interaction and relationships across the goals and between the goals and the activities of the bodies; 2) How public bodies comply with the duty in respect of the process for setting their well-being objectives and preparing the ‘statement’ required to support the objectives; 3) Application of the sustainable development principle and the five governance approaches by public bodies when setting and achieving their well-being objectives. 4) The approach public bodies should adopt when preparing the annual report on their progress against their well-being objectives; 5) The purpose of the national indicators and how public bodies can utilise these indicators when setting their well-being objectives and reporting annually on their progress against those objectives.
Future Generations Report		
21 (8)	The Welsh Ministers can amend the	The reporting period is set out on the face of the Bill, and is linked to the

	definition of the 'reporting period' in which the Future Generations Report must be prepared and published.	Assembly electoral cycle. If the length of the electoral cycle changes in the future, there might be a need to change the reporting period as otherwise it would be too short or too long.
Future Generations Commissioner		
20(2)	The Welsh Ministers can issue guidance to other public bodies about how to respond to recommendations made by the Future Generations Commissioner.	<p>The policy intention is that this guidance will cover the process and potential means for responding to recommendations made by the Commissioner.</p> <p>The guidance is likely to cover:</p> <ul style="list-style-type: none"> Why a response is needed and how it will support the work of the Commissioner and the wider aims of the Bill; Who must respond to the Commissioner's recommendation, including any approval arrangements; The way that any response should be conveyed to the Commissioner; When a response should be issued to the Commissioner; The type of information that should be contained within that response; and What are the consequences if public bodies do not respond or the response provided is considered unsatisfactory.
Schedule 2, paragraph (12)(2)(a)	The Welsh Ministers can specify what interests are considered to be 'registrable interests' and must therefore be declared by the Future Generations Commissioner of Wales in their register of interests.	The policy intention is that these Regulations will be made around the time of the appointment of the first Commissioner under the Bill. The interests specified will be consistent with those prescribed for the Welsh Language Commissioner in SI 2012/753.
Schedule 2, paragraph 19 (1)(b)	The Welsh Ministers can issue directions, with the consent of the Treasury, about how the Commissioner's accounts should be prepared	The Bill makes the Commissioner the accounting officer for the office of the Commissioner, and therefore answerable for the propriety and regularity of the public finances of that office. The Welsh Ministers issue periodic Accounts Directions to relevant Accounting Officers specifying the requirements in relation to their annual accounts, covering their form and content, and the methods and principles according to which they are to be prepared. In issuing the directions, the Welsh Ministers seek to ensure that good practice is followed.
Public Services Boards		
31(1)	The Bill gives the Welsh Ministers the power to amend the list of statutory members, invited participants or other partners of	The members, invitees and partners are listed on the face of the Bill. It is intended that, once established in law, this power would generally only be used to change the list if there is a significant change of circumstance,

	Public Service Boards.	<p>such as the creation of new statutory bodies that have a role in improving the well-being of communities, in the future. It could also be changed if there was change in the title or description of a listed body.</p> <p>There will be consultation with the members of the relevant PSB and with any person whom it is proposed to add to the list before any regulations under this section are made.</p>
33(1)	The Welsh Ministers can refer matters relating to Public Services Boards to the relevant local authority overview and scrutiny committee for consideration.	<p>It is considered essential that the Welsh Ministers have a role in monitoring the work of the Public Services Boards (PSBs), in particular, the quality of the assessments of local well-being and well-being plans that are produced, and that there is a mechanism in place for them to seek to secure improvement in the well-being plans where the Welsh Ministers consider them not to be up to standard.</p> <p>The power to refer matters to the overview and scrutiny committee will ensure that the integrity of local government scrutiny is maintained. PSBs will be scrutinised by their own local government scrutiny committee. This is to ensure that concerns over matters including poor performance of PSBs, whether isolated incidents or more long-running issues are dealt with at a local level, rather than being prescribed by the Welsh Ministers. If the Welsh Ministers are aware of such matters, they can refer such matters to a scrutiny committee which will then provide a report to the Welsh Ministers. This will represent clear accountability for PSB members that has thus far been sporadic in relation to Local Service Boards.</p>
46(2) 47(2)	The Welsh Ministers can issue directions requiring two or more Public Services Boards to merge or collaborate if this is considered beneficial to improving the economic, social or environmental well-being of the Boards' areas.	<p>These powers would be used in limited circumstances where issues such as operational efficiency, economies of scale, and circumstances where the need to match boundaries with another service provider mean that a merger/collaboration would be the best way of delivering services for the area.</p> <p>For example, the joint boundaries of the Rhondda Cynon Taff and Merthyr Local Service Board (LSB) areas are coterminous with those of Cwm Taf Local Health Board (LHB). Therefore, for important matters relating to health and social care, the two LSBs have determined to work together with the LHB, as the LHB does not take account of the boundaries of the two principal council areas when planning its provision. A similar</p>

		arrangement is also now being established in Cardiff and the Vale for the same reasons.
49 (1)	The Welsh Ministers can set indicators and standards in relation to measuring the performance of Public Services Boards.	The policy intention is that this power would only be used if there is a need to ensure that data on performance in relation to specific processes or activities in specific areas relating to integrated community planning can be collected and monitored. This might be needed in order to add further consistency to the way performance is measured across the public sector. There will be consultation with the members of the relevant PSB or those persons that the Welsh Ministers consider to represent those members and with any person the Welsh Ministers feel it is appropriate to consult.
50	The Welsh Ministers can issue guidance to Public Services Boards about the exercise of functions under Part 4 of the Bill	It is policy intention to publish the guidance prior to the duties relating to Public Services Boards being brought into force. It is proposed that a consultation be undertaken on the draft guidance prior to its publication. It is intended to use this guidance to ensure Public Services Boards are provided with the necessary support and direction to implement the provisions of Part 4 of the Bill in a consistent and robust manner. It is planned that the guidance will provide further detail about the practical arrangements for preparing the assessments of local well-being and local well-being plan and the areas to be covered in the assessment and plan..
Local Well-being Plans		
35(5)(a)	This power will give the Welsh Ministers the ability to determine the communities that comprise the area of a Public Services Board	The main considerations for determining communities may vary significantly from place to place. There can be considerable variation between different parts of the area of a Public Services Board, for instance, between urban and rural areas. The policy intention is that communities that comprise the area of a board are to be determined in accordance with regulations made by the Welsh Ministers or, if no such regulations have been made, by the Public Services Boards.
36(3)(h)	This power will give the Welsh Ministers the ability to prescribe other reviews or assessments (beyond those prescribed on the face of the Bill) which a Public Services Board must take into account in preparing its assessment of well-being.	The reviews and assessments that must be taken into account are listed on the face of the Bill and it is intended that additional requirements will only be prescribed if there is a subsequent change in the law in relation to the preparation of assessments such as the creation of a new statutory assessment.
39(3)	The Welsh Ministers can amend the	The threshold is set out on the face of the Bill and reflects an existing

	threshold for community councils to become subject to a duty to take all reasonable steps towards meeting the well-being objectives included in the local well-being plan for its area.	threshold in respect of community councils, as provided for in regulations made under section 39 of the Public Audit (Wales) Act 2004. At the time of introduction these were the Account and Audit (Wales) Regulations 2005 as amended by the Account and Audit (Wales) (Amendment) Regulations 2010. It is intended that this regulation making power would generally only be used to amend the threshold in the Bill should the relevant provisions in the regulations under the Public Audit (Wales) Act 2004 be amended. However, the threshold may also be amended to reflect changes to the community council sector that may result from the work resulting from Commission on Public Service Governance and Delivery. There will be consultation with the Future Generations Commissioner, the community councils that would become subject to this duty if the threshold is changed and any other appropriate persons before the regulations are made.
39(7)	The Welsh Ministers are under a duty to issue guidance to those community councils who are subject to the duty to take all reasonable steps towards meeting the objectives contained in the relevant local well-being plan.	It is planned that the guidance will provide further detail covering: 1) The role community councils can undertake in contributing to the well-being plan of the Public Services Board for their area; 2) The approach community councils should adopt when preparing the annual report on their progress against the well-being plan.
43(2)	The Welsh Ministers can direct a Public Services Board to review its local well-being plan	It is anticipated that the annual reviews undertaken to produce the progress reports will be sufficient to monitor the effectiveness of each Public Services Board and its well-being plan, and the service delivery arrangements made thereunder. However, exceptional circumstances might arise during the life-time of a plan, for example, significant changes in the political or administrative structure of a statutory member or external factors such as a severe economic crisis which may require a wholesale review of the plan. The Welsh Ministers must publish their reasons for giving any direction under this section.
Public Bodies		
51 (1)	The Welsh Ministers can amend the list of Welsh public bodies specified in the Bill.	The organisations that will be subject to the provisions of Parts 1 and 2 of the Bill are defined as 'public bodies' for the purposes of the Bill and listed

		<p>on the face of the Bill.</p> <p>These public bodies were selected by assessing those organisations in Wales who undertake functions of a public nature which relate to devolved matters against a set of policy criteria. This power would be used where new organisations (i.e. a new Welsh Government Sponsored Bodies) were established which met the criteria to be a public body for the purposes of the Bill. The power would also be used to remove an organisation from the list of public bodies if that organisation was abolished.</p> <p>There will be consultation with the Future Generations Commissioner, any person to be added to the list and any other appropriate persons before the regulations are made.</p>
General		
52 (1)	The Welsh Ministers can make supplementary, incidental, consequential, transitional or saving provisions in order to give full effect to a provision of the Bill	This power would only be used for such matters as making changes to other legislation needed in consequence of the provisions of this Bill, or to deal with unforeseen details arising out of the implementation of the new system. Transitional, saving and consequential elements are designed to cater for the process of moving from one regime to another, so that the process is as “seamless” as possible and that the new law works.
55(3)	This provision enables the Welsh Ministers to bring the provisions of the Bill into force.	The policy intention is that there will be a small number of commencement orders. The intended implementation timetable for the Bill is set out in the table on page 9

