

Jane Hutt AS/MS
Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice



Llywodraeth Cymru
Welsh Government

7 March 2022

Dear Jenny

Thank you for your letter of 15 February regarding the review of public bodies subject to the Well-being of Future Generations (Wales) Act 2015, the resourcing of the Future Generations Commissioner for Wales, and the Welsh Government's implementation of the Act.

I am pleased and encouraged by the level of interest and appetite for the Act's legislative framework to be extended to other public bodies – this illustrates the importance of the Act in changing how public services work together to deliver a more sustainable Wales, as defined through the seven well-being goals. Since the Act was passed into law, the public sector landscape in Wales has changed and it is right that we assess whether additional public bodies warrant designation to be subject to the Act. The decision to conduct a review has been informed by the work of the Auditor General for Wales in their report, *So, what's different? Findings from the Auditor General's Sustainable Development Principle Examinations (May 2020)* and the Public Accounts Committee (5th Senedd) report, *Delivering for Future Generations – the story so far (March 2021)*.

The public bodies currently subject to the Act were identified according to a set of four criteria which we will apply again as part of the review. I have provided the detail of these criteria in Annex A, which are also detailed in the Explanatory Memorandum for the Well-being of Future Generations (Wales) Bill. The Commissioner's estimate of additional public bodies outlined at the Equality and Social Justice Committee on 7 February was based on a long list of bodies that consists of those highlighted by the Auditor General for Wales in his 2020 report, as well as those suggested by some stakeholders in the consultation on the draft Social Partnership and Public Procurement (Wales) Bill in 2021. Based on our initial assessment, many of the public bodies identified in this list will not satisfy the established criteria, and we estimate that there will be fewer than ten additional public bodies subject to the Act following the review.

In extending the list of public bodies subject to the Act, we will engage with all affected parties to understand the likely implications. We will consult on the changes to the list of bodies subject to the Act, and intend to conclude this work by the summer. We are in

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

discussions with the Commissioner's office on the financial implications on her office in monitoring and supporting additional public bodies.

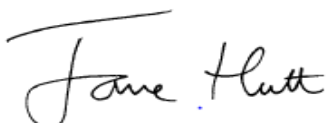
My officials and I also continue to have open dialogue with the Commissioner on the level of Government funding provided to her office. As you are aware, given the significant pressures on Welsh Government budgets in 2022-23, I was only able to allocate a flat-lined revenue budget for Commissioners within my portfolio. I understand this will cause financial pressures for those Commissioners over the year ahead, but we are eager to jointly explore alternative options to alleviate these pressures. As outlined in my letter to the Commissioner on 14 February, I have agreed a temporary increase to the level of financial reserves the Commissioner can carry over into 2022-23. This decision has been welcomed by the Commissioner and will provide greater short-term certainty while enabling joint discussions on longer-term funding to continue.

With regards to the Commissioner's concerns about the role of the Act within Government, Welsh Ministers receive advice from civil servants to inform the decisions we take, the policies we develop, and the laws we propose. All advice to Ministers takes account of relevant legislative and policy matters, including the Well-being of Future Generations Act. It is important to note that the well-being duty placed on Welsh Ministers and public bodies subject to the Act does not dictate the decision that they must reach in any given situation. Instead, it sets out the factors – such as the sustainable development principle – that need to be taken into account in the delivery of well-being objectives. In January 2021, the former Permanent Secretary provided a supporting paper to the Public Accounts Committee's (5th Senedd) inquiry into the barriers to the successful implementation of the Act, which outlined how the Act has changed the way that the Welsh Government works.

Welsh Ministers are steadfast in our commitment to act in accordance with the Act. Publishing our well-being objectives as part of the Programme for Government demonstrates the central role of the Act in how we will deliver a stronger, greener and fairer Wales. The objectives have been set in accordance with the sustainable development principle and formalise our contribution to Wales' seven well-being goals. Progress towards these objectives and the associated steps are kept under review through our Annual Report.

I hope this information provides clarity on the steps we are taking to ensure the Well-being of Future Generations (Wales) Act 2015 continues to shape how Government and public bodies work in pursuit of a sustainable Wales. I am copying this letter to the Future Generations Commissioner for Wales.

Yours,

A handwritten signature in black ink that reads "Jane Hutt". The signature is written in a cursive, flowing style.

Jane Hutt AS/MS

Y Gweinidog Cyfiawnder Cymdeithasol

Minister for Social Justice

Annex A

Public authorities subject to the Well-being of Future Generations (Wales) Act

The public authorities that are subject to the provisions of the Well-being of Future Generations (Wales) Act were identified following consideration of a set of criteria.

This criteria was set out in paragraph 61 of the Well-being of Future Generations (Wales) Bill's [explanatory memorandum](#) as follows:

- **Funding:** The authority is over 50% public funded;
- **Impact on Well-being:** The authority undertakes functions or activities that impact on the economic, social and environmental well-being of Wales or their local area;
- **Functions:** The authority has strategic functions;
- **Auditable:** The authority is an 'auditable public authority' as defined in Schedule 7 of the GOWA 2006.

Welsh Ministers may, by regulations, amend the meaning of public body by adding or removing a person from the list, or amending the description of such a person (as provided for in section 52 of the Act).