

Report

Cabinet



Part 1

Date: March 2016

Item No: Insert item number here

Subject Wellbeing of Future Generations (Wales) Act 2015

Purpose To provide an update on the requirements of the Wellbeing of Future Generations (Wales) Act 2015, progress to date by Newport City Council and the implementation of a work programme. To agree to dissolve the Local Service Board and establish a statutory Public Services Board.

Author Will Godfrey, Chief Executive

Ward All

Summary The Wellbeing of Future Generations (Wales) Act became law in Wales on 29th April 2015. The Act is about improving the social, economic, environmental and cultural wellbeing of Wales. It will make the public bodies listed in the Act think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. Welsh Government will shortly issue statutory guidance 'Shared Purpose: Shared Future' to help public bodies respond to the duties and powers they now have under the Act. Part 4 of the Act establishes a public services board for each local authority area in Wales.

Proposal To note progress of the Wellbeing of Future Generations Act, agree the draft work programme, and agree to establish a Public Services Board.

Action by Chief Executive

Timetable Immediate

This report was prepared after consultation with:

- Chief Executive
- Strategic Directors (People and Place)
- Head of People and Business Change
- Chief Education Officer
- Cabinet Member for People and Business Change
- Heads of Service

Introduction

The Wellbeing of Future Generations (Wales) Act

The Wellbeing of Future Generations (Wales) Act (FGA) became law in Wales on 29th April 2015. The Act is about improving the social, economic, environmental and cultural wellbeing of Wales. It will make the public bodies listed in the Act think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. To do this they must set and publish wellbeing objectives.

The Act puts in place seven wellbeing goals:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

The Act puts in place a 'sustainable development principle' which tells organisations how to go about meeting their duty under the Act. Public bodies need to make sure that when making their decisions they take into account the impact they could have on people living their lives in Wales in the future. There are 5 things that public bodies need to think about to show that they have applied the sustainable development principle:

- Long term
- Prevention
- Integration
- Collaboration
- Involvement

The Act establishes a statutory Future Generations Commissioner for Wales. This role is to act as a guardian for the interests of future generations in Wales, and to support the public bodies listed in the Act to work towards achieving the wellbeing goals.

The Act also establishes Public Services Boards (PSBs) for each local authority area in Wales. These will replace existing Local Service Boards (LSBs) and will be statutory. The PSB will be responsible for publishing an assessment of local wellbeing and a Local Wellbeing plan

Further information about the Act is available on the Welsh Government [website](#).

Progress

Early Adopters Programme

Newport City Council was one of 11 local authorities participating in the Early Adopters Programme, as agreed by Cabinet. Under a WLGA Framework contract, PWC and Netherwood Sustainable Futures were commissioned to undertake customised pieces of work with each authority to assist in their preparations for meeting the requirements of the Act. The programme finished in November 2015. The following work has been undertaken in Newport:

- (i) Development of ward-based future scenarios to engage members and officers and improve understanding of how long terms trends will impact on communities
- (ii) Building understanding and requirements of the Act into the work of the Council's business improvement / transformation team

- (iii) Building understanding and requirements of the Act into the work of the Council's Partnership and Policy team
- (iv) A facilitated workshop with the Scrutiny Improvement Group with an introduction to the Act and its objectives, explore the requirements and implications of the Act

Lessons learned:

- Localising trends and impacts over time can help to make the long term trends appear more real and less 'high level'
- Data are available to develop 2050 scenarios at ward level if the right officers and data sources are engaged
- Practical exercises can help challenge transformation plans, testing if they have been based on the principles in the Act
- Short term pressures remain a key driver and short term needs must be factored into longer term planning

Guidance & Consultation

The Welsh Government issued for consultation draft statutory guidance for public bodies on 7th September 2015. The main purpose of the guidance is to help public bodies to respond to the duties and powers they now have under the Act. Newport City Council submitted a response, as agreed by Cabinet in October 2015.

The Welsh Government is also consulting with stakeholders on the development of the all Wales National Indicators required under the Act. Newport City Council submitted a response to this consultation in January 2016.

Pan Gwent developments

Newport City Council is involved in the Gwent wide Strategic Wellbeing Assessment group. This is exploring ways in which the wellbeing assessment process can be streamlined and economies of scale identified. Whilst this should lead to more effective processes in relation to a number of wellbeing indicators it will not remove the statutory responsibility of Newport City Council to produce a local wellbeing assessment. So, both the local and regional approach needs to be developed together.

Implications for Newport City Council

The guidance on the Act is clear – it requires public bodies to maximise their contribution to improving the wellbeing of Wales. The Act provides a framework for better decision making by ensuring public bodies take account of the **long term**, focus on **prevention**, take an **integrated** and **collaborative** approach, and **involve** people in policy making and planning and delivery of services.

The Act places a duty on the public sector to:

- Adopt the Sustainable Development Principle
- Work towards 7 national wellbeing goals
- Focus work on future generations
- Take a central role in the establishment and scrutiny of a Public Services Board (PSB)
- Take a central role in the development of a Wellbeing Plan based on a long term needs assessment
- Respond to a new accountability framework including reporting and review by the Auditor General Wales

(i) Newport City Council

The Act has implications for how the local authority will work in future and Part 2 of the Act places an individual wellbeing duty on public bodies. Key areas where change needs to happen include:

- Corporate Planning
- Risk Management
- Workforce Planning
- Performance Management
- Financial Planning
- Procurement
- Assets

The following are key themes to consider:

- Strategic Focus and coherence – developing and linking strategy for the long term is likely to remain a real challenge. Clear guidance is needed to achieve the shift towards longer term time horizons. The Wellbeing Plan, to be developed by the Public Services Board (PSB), should be the strategic framework for the public sector. Other plans and strategies, internal and external, should be linked to it. For example, the Social Services and Wellbeing Act and the Local Development Plan (NB. Welsh Government will issue a briefing note to explain the link between the WFG Act and the SSW Act).
- Governance arrangements – existing authority and corporate governance arrangements need to better reflect future generations and the sustainable development principle. This may involve adapting both authority and corporate governance arrangements including constitutional changes, changes to terms of reference for Committees and Overview & Scrutiny, the executive and partnerships.
- Council operating model – there is a need to alter existing corporate management arrangements to better reflect future generations and the sustainable development principle. This may include changes to corporate plans, risk management, assessment and appraisal, service planning, overview and scrutiny, finance, audit, performance management, and external audit. Existing systems can be readily adapted to accommodate any changes and refocus of principles and timescales. There will be a requirement to produce a Future Trends Report and annual reports.
- The ‘day job’ – tools and techniques can be used to build capacity of officers, members and partners to think about the long term wellbeing and how their work contributes to the requirements of the Act. Resources are available from the Early Adopters programme and work has already started on this as part of this programme.
- Strategic change programmes/business improvement – the sustainable development principle and long term wellbeing criteria should be used throughout current change initiatives and service re-design. The Fairness and Equality Impact Assessment can be broadened to include the 7 wellbeing goals and 5 ways of working.
- Partnership working – changes to partnership working will require new governance arrangements and strategic and decision making frameworks. The sustainable development principle, the wellbeing goals and the ways of working will need to be embedded in the new structure, terms of reference and any partnership agreements. This work is being led by the Local Service Board (LSB) and PSB development group.
- Engaging LSB and PSB partners – analysis of the impact of the Act needs to go beyond the Council. We need to understand how engaged partners are in the process and how they will be

approaching the requirements of the Act. LSB partners need to be involved in capacity building to ensure there is understanding and strategic coherence within the PSB.

- Local Government Reform – the Council will need to explore how we respond to any changes in local government while at the same time meeting the requirements of the Act and managing changes to service delivery.

(ii) One Newport Local Service Board

The Act has implications for how the LSB will work in future and Section 36 of the Act sets out the collective wellbeing duty on Public Services Boards (PSBs). The following are key themes to consider:

- Strategy – a Wellbeing Plan must be in place by April 2018 and should be the strategic framework for the public sector with a much broader focus on the wellbeing goals. The PSB must consider how an overarching Plan can replace elements of the existing policy framework, the links between the Wellbeing Plan and existing and future plans and strategies, and how the Plan and Council policies and strategies relate to other partner plans
- Governance – as with the local authority, governance arrangements of the PSB need to better reflect future generations and the sustainable development principle. The PSB needs to ensure the right bodies and individuals are represented on the board and fully engaged. In addition, the role of the local authority scrutiny function is important in overseeing and challenging the work of the PSB in relation to the Act. Capacity building is required to enable local authorities to perform this function.
- Operating models – there will be a strategic shift in the way the PSB operates compared to current approaches in LSBs. Both individual bodies within the partnership and the PSB itself will need to change the way it works to reflect the aims of the Act. There needs to be recognition that the sustainable development principle must be applied consistently and meaningfully to strategic decision making within the partnership.

The work on the transition from an LSB to a PSB is being undertaken by a PSB Development Group. Capacity building is required with all LSB partners to ensure they understand the requirements and implications of the Act in relation to their current agendas and to foster joint working at the PSB level.

Establishing a Public Services Board (PSB)

Each local authority area in Wales must establish a Public Services Board (PSB). The PSB will replace the current arrangements in place for Local Service Boards (LSB).

The members of each Board are:

- a) the local authority
- b) the Local Health Board for an area
- c) the Welsh fire and rescue authority for an area
- d) the Natural Resources body for Wales

A public services board for a local authority area must invite the following persons to participate in the activity of the board:

- a) the Welsh Ministers
- b) the chief constable of the police for a police area
- c) the police and crime commissioner for a police area
- d) a person required by arrangements under section 3(2) of the Offender Management Act 2007 to provide probation services in relation to the local authority area
- e) at least one body representing relevant voluntary organisations

The public service board will be required to engage with other key partners in the area who have an interest in the wellbeing of the area, or who deliver important public services. They are named in the Act as 'other partners'. The Board could invite any of these partners to participate more fully in its activity as an invited participant. It is for each board to consider what other bodies, if any, it wishes to invite to participate in its work and to what extent.

Each PSB must publish its assessment of local wellbeing at least 12 months before it publishes its local wellbeing plan. The first local wellbeing plan must be published no later than 12 months following the first local government ordinary election following commencement of Part 4 of the Act. This means the Assessment of Local Wellbeing must be completed by April 2017 and the first local Wellbeing Plan in place by April 2018 (to coincide with the election cycle). The board must then publish a local wellbeing plan no later than 12 months after each subsequent ordinary election.

Work Programme - Communication and Information

The following draft work programme will enable the Council to begin to meet the requirements of the Act from April 2016. Future progress reports will be presented to Cabinet as required.

Action		Date by	Lead
WFG Act Briefing Sessions: Suggest holding a series of initial briefing sessions as follows:			
Business Improvement Team	Workshop	6 th May 2015	Early Adopters
Policy and Partnership Team	Workshop	18 th November 2015	Early Adopters
Scrutiny Improvement Group	Workshop	18 th November 2015	Early Adopters
Leader	One hour session	January 2016	Partnership & Policy Manager
Cabinet Member	Briefing	January 2016	Partnership & Policy Manager
Chief Executive, Will Godfrey	One hour session	January 2016	Partnership & Policy Team
Head of People and Business Change, Debra Wood-Lawson	One hour session	January 2016	Partnership & Policy Team
Senior Leadership Team	Meeting	January 2016	Partnership & Policy Team
Corporate Management Team	Meeting	February 2016	Partnership & Policy Team
Council Members	Workshop	February / March 2016	Partnership & Policy Team
Scrutiny Members	Workshop	February / March 2016	Partnership & Policy Team
Head of Service (as agreed)	One hour session	February / March 2016	Partnership & Policy Team
Service Area senior management team meetings	Meeting	February / March 2016	Partnership & Policy Team
Senior Management Forum	Forum	March 2016	Partnership & Policy Team
Team meetings (as required)	Meeting	April 2016	Partnership & Policy Team
Training sessions	Training	April 2016	Partnership & Policy Team
Community Council members	Meeting	April 2016	Partnership & Policy Team

Public Services Board:			
Establish Public Services Board (PSB)		April 2016	Partnership & Policy Team
Agree Terms of Reference and membership of PSB		April 2016	PSB
Assessment of local Wellbeing			
Establish working group		April 2016	Partnership & Policy Team
Agree national and local indicators		May 2016	Working group
Undertake series of consultation and engagement		From April 2016	Customer Insight Engagement Group / Scrutiny
Gather and analyse information		November 2016	Working group
Public consultation on the Wellbeing Assessment		January 2017	Partnership & Policy Team
PSB to agree Wellbeing Assessment		March 2017	Partnership Manager
PSB to publish the Wellbeing Assessment		April 2017	PSB
Copy of the Wellbeing Assessment must be sent to Welsh Ministers, the Commissioner, the Auditor General for Wales, and the Scrutiny Committee		April 2017	PSB
Wellbeing Plan:			
Draft a local Wellbeing Plan		September 2017	PSB
12 week consultation on the Wellbeing Plan		January 2018	PSB
PSB to agree the Wellbeing Plan		February 2018	PSB
PSB statutory member organisations to agree the Wellbeing Plan		March 2018	Members organisations
Annual report on the Wellbeing Plan		March 2019	PSB

Information and updates will be communicated through the following internal channels:

- Staff bulletins and newsletters
- Intranet updates
- Staff Forums
- Team meetings

Early Adopters Programme resource and materials are available on the WLGA website at <http://www.wlga.gov.uk/well-being-of-future-generations-act-early-adopter-resources-and-materials/>

Financial Summary

There are no direct costs or financial implications to the authority arising from this report.

Any implications as a result of implementation of the FGA will be subject to a separate report(s).

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Not properly preparing for the implications of the Act	Medium	Low	Work programme to be developed and implemented, with regular briefings across the organisation. Cabinet and Council will receive update reports as implementation of the Act progresses and will respond to any further consultation accordingly. The Council is a statutory member of the PSB and will be involved in the implementation of the Act.	Chief Executive

Links to Council Policies and Priorities

The Wellbeing of Future Generations Act is about improving the social, economic, environmental and cultural wellbeing of Wales. The Act will have a significant impact on all Council policies and priorities. The main purpose of the statutory guidance is to help public bodies to respond to the duties and powers they now have under the Act. This will enable the Council to use this information to inform and align all Council policies and priorities.

Options Available

The options available are:

1. To note progress of the implementation of the Wellbeing of Future Generations Act
2. To agree the draft work programme
3. To make amendments to the draft work programme
4. To agree to dissolve the Local Service Board (LSB) and establish a Public Services Board (PSB) by 1st April 2016

Preferred Option and Why

Options 1, 2 and 4 are the preferred options. The Wellbeing of Future Generations (Wales) Act places a duty on public bodies to improve wellbeing in accordance with the sustainable development principle. The progress to date and the future work programme will assist with this requirement. The Act also states each local authority area must have a Public Services Board (PSB).

Comments of Chief Financial Officer

There are no financial implications arising from this report itself, though as noted in the report, there will be significant changes in how and what Local Councils do in the future, much of it at early stages of developments.

There may be costs associated with compliance with the Act here once the new arrangements and implications for Local Councils have been developed and this will, no doubt, be an on-going, iterative process. Any costs from these will be reflected in projects and the Councils' MTFP at that time, as needed.

Comments of Monitoring Officer

The Wellbeing of Future Generations (Wales) Act imposes a statutory duty on the Council to work with key partners to improve the social, economic, environmental and cultural well-being of future generations by establishing plans and strategies for delivering the national well-being goals set out in the legislation, in accordance with the sustainable development principle. Good progress has been made in preparing for the implementation of the legislation, through the early adopters programme. The legislation also requires the Council to take a central role in the establishment of the new statutory Public Services Boards, to replace the existing LSB as from April 2016, and to put in place robust governance and scrutiny arrangements.

Staffing Implications: Comments of Head of People and Business Change

There are no staffing implications. The Council must respond to the duties and powers they now have under the Act. The work programme sets out how the Council will work towards implementing the requirements of the Act. This will enable the Council to use this information to inform and align all Council policies and priorities. Work has already started on the transition from a Local Service Board to a Public Services Board as outlined in the guidance and support for this is provided by the Partnership and Policy Team.

Comments of Deputy Leader (as Chair of Local Service Board)

The Wellbeing of Future Generations Act creates a statutory partnership to replace the Local Service Board. As Chair of the current Local Service Board I am supportive of the approach outlined within the report. A Public Services Board Development Group has developed terms of reference for the new Public Services Board and I am content with the progress being made.

Comments of Cabinet Member for People and Business Change

The Wellbeing of Future Generations Act is a wide ranging piece of legislation that has the potential to significantly affect the way we plan and deliver services and how we engage with individuals and communities within Newport. Ensuring that the decisions we take today don't have an adverse effect on future generations to come is a challenge, particularly as long term planning has been made more difficult in these days of diminishing resources. However, I feel that the work planned will put us in a good position to ensure we make the necessary changes to the way we work.

Local issues

No impact on individual wards.

Scrutiny Committees

Not applicable.

Equalities Impact Assessment

The proposal does not require a Fairness and Equalities Impact Assessment.

Children and Families (Wales) Measure

Not applicable.

Consultation

Not applicable.

Background Papers

Dated: 10th February 2016