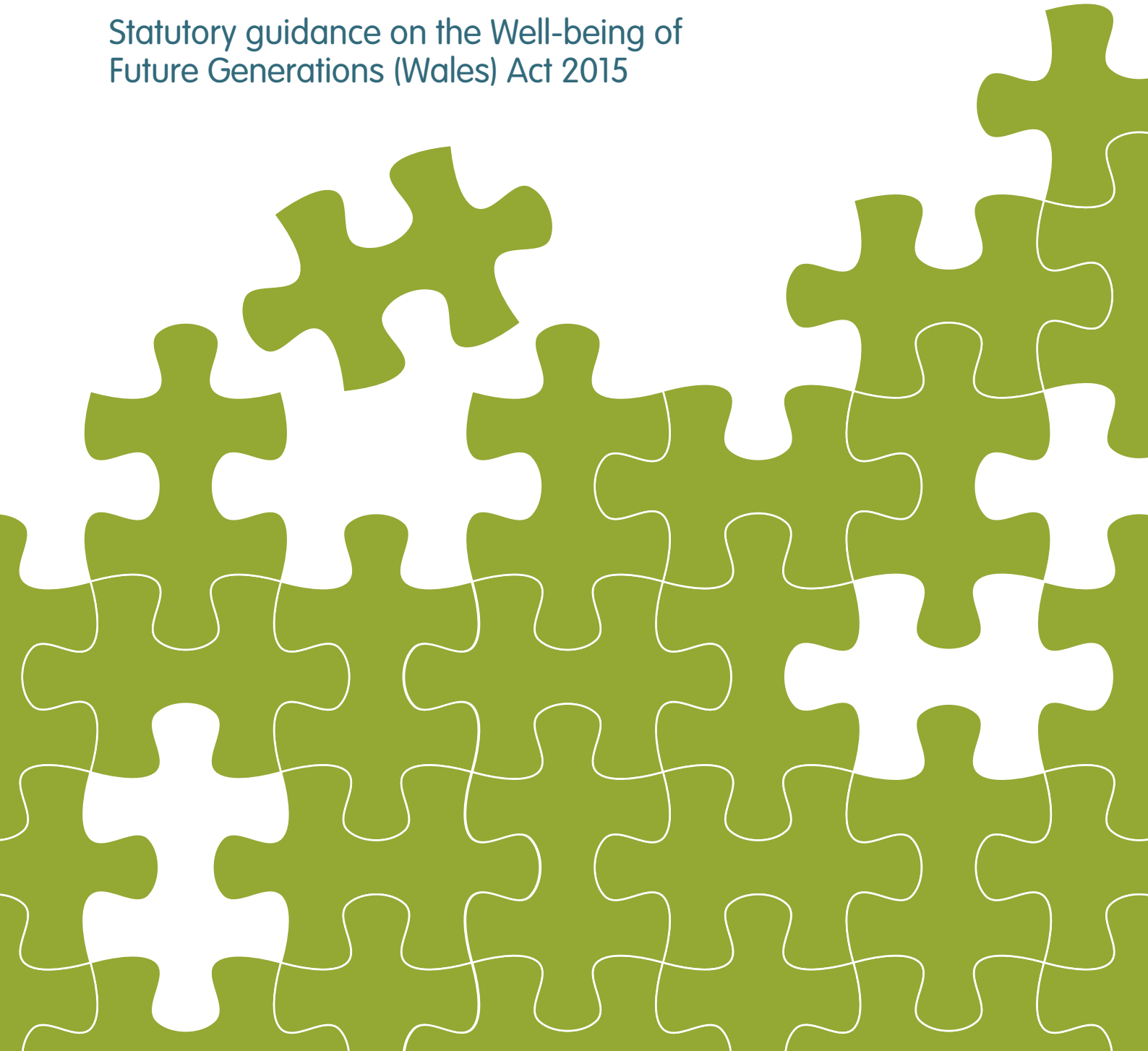
SPSF 1:
Core guidance

Llywodraeth Cymru
Welsh Government

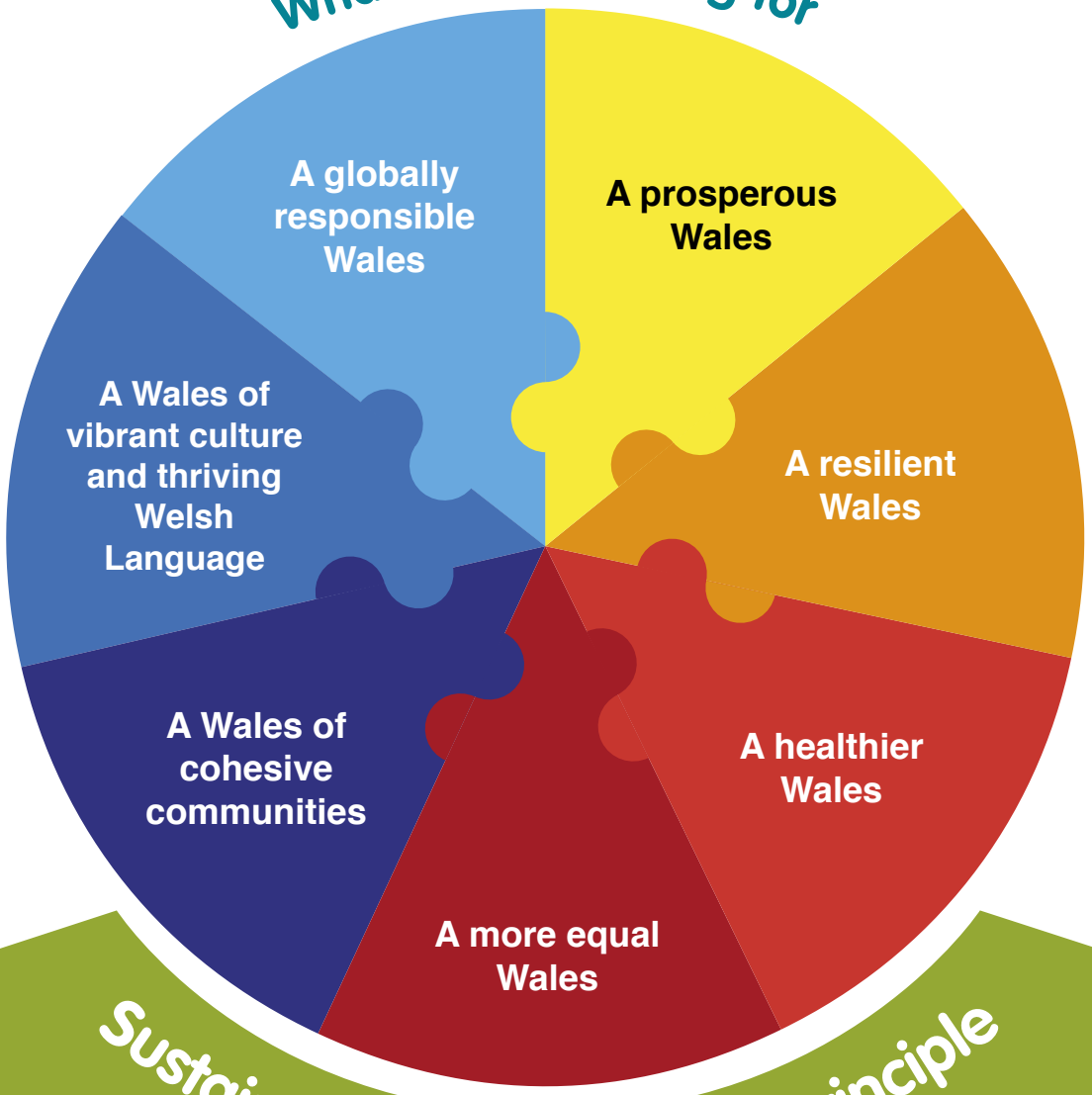
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Shared Purpose: Shared Future

Statutory guidance on the Well-being of Future Generations (Wales) Act 2015



Well-being Goals
What we are aiming for



Sustainable Development Principle
How we will deliver



Long Term



Prevention



Integration



Collaboration



Involvement

This guidance is issued under sections 14, 22(2) and 51(1) of the Well-being of Future Generations (Wales) Act 2015.

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

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1. Introduction

1.1 Shared purpose

1. The Well-being of Future Generations (Wales) Act 2015 ('the Act')[1] gives a legally-binding common purpose – the seven well-being goals – for national government, local government, local health boards and other specified public bodies. It details the ways in which specified public bodies must work, and work together to improve the well-being of Wales.

2. The Act provides for better decision-making by ensuring that those public bodies take account of the long-term, help to prevent problems occurring or getting worse, take an integrated and collaborative approach, and considers and involves people of all ages. This supports existing commitments such as the Welsh language, equalities and the UN Convention on the Rights of the Child.

3. Together, the seven well-being goals and five ways of working provided by the Act are designed to support and deliver a public service that meets the needs of the present without compromising the ability of future generations to meet their own needs.

4. This statutory guidance is for public bodies specified in the Act who must take this guidance into account when fulfilling their legal duties under the Act. This guidance aims to assist you in taking action, and communicating the contribution made to the seven well-being goals whilst also helping to identify innovative and shared solutions to some of the most pressing challenges our communities face. Where you are under a legal requirement to do something the guidance will often use the term 'must', so that you are clear that the action(s) has to be done in order to comply with the Act. The guidance will also highlight areas which are considered best practice, and where actions are encouraged.

5. Achieving the well-being goals needs effective leadership in public bodies to drive action across Wales. To support this we have developed a common set of One Welsh Public Service values and behaviours which were launched at the Public Service Summit in November 2015. The leadership challenge for each of use, regardless of where we sit in an organisation, is to work in a way that improves economic, social, environmental and cultural well-being to help us create a Wales that we want to live in now and in the future. It is a way of thinking and behaving – developing a shared future where we can all work together with a shared purpose. Further information on the One Welsh Public Service can be found through Academi Wales[2].

1.2 Who is this guidance for

6. This guidance is part of a package of guidance for those "public bodies" listed in section 6(1) of the Act. The specified public bodies are:

- Local Authorities;
- Local Health Boards;
- Public Health Wales NHS Trust;
- Velindre NHS Trust;
- National Park Authorities;
- Fire and Rescue Authorities;
- Natural Resources Body for Wales (Natural Resources Wales);
- the Higher Education Funding Council for Wales;
- the Arts Council of Wales;
- the Sports Council for Wales (Sport Wales);
- the National Library of Wales;
- the National Museum of Wales (National Museum Wales);
- the Welsh Ministers.

7. Those community councils which meet the criteria under section 40 of the Act are under a separate duty: to take all reasonable steps in their areas towards meeting the local objectives set by public services boards, in the local well-being plans for their areas. Separate guidance has been prepared for the community councils to which the duty in section 40 of the Act applies and can be found at SPSF 4, but they will also find this guidance of use.

8. In order to be user friendly this guidance has been drafted in a way that is designed to assist officials in all public bodies subject to the act.

9. The guidance will help you navigate the key parts of the 'architecture' of the Act (see Diagram 1 below), explaining where you fit in and how the parts of the Act work together to drive positive actions for the well-being of the whole of Wales. The package of guidance is made up of the following:

SPSF1 – Core Guidance

This contains guidance to public bodies and public services boards on key definitions, how to carry out sustainable development, understanding the well-being goals, applying the sustainable development principle, an explanation of the individual duties (public bodies and public services boards) and collective duties, how public bodies fit into the architecture of the Act, and where the key changes in organisations are expected to be seen.

SPSF 2 – Guidance on the individual role public bodies have

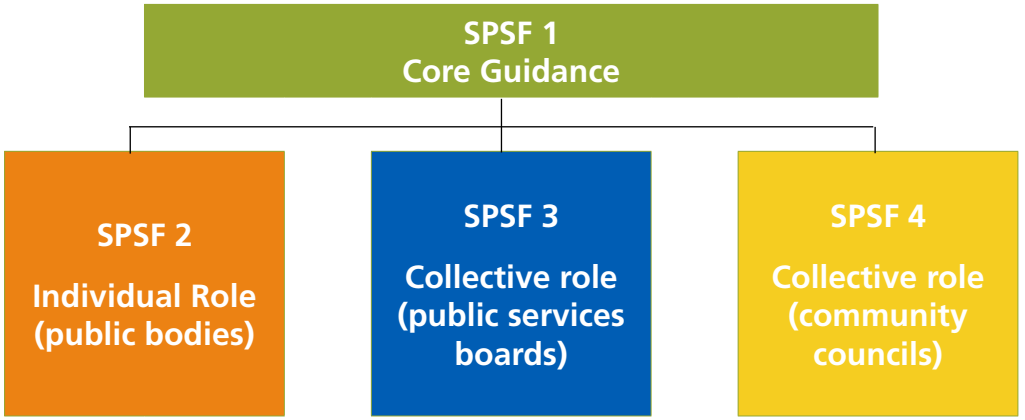
This contains guidance for all public bodies covered by the Act to help public bodies set well-being objectives, publish a well-being statement, review well-being objectives and report on progress.

SPSF 3 – Guidance on the collective role through public services boards

This contains guidance for public services boards about the exercise of their functions, including preparation of an assessment of local well-being and a local well-being plan.

SPS4 – Guidance for community councils on taking reasonable steps to contribute to the local well-being plan

This document contains specific guidance for those community and town councils which meet the criteria set out in the Act to comply with their duty to take all reasonable steps towards meeting the local objectives in the local well-being plan that has effect in its area.



1.3 Role of the Welsh Ministers

10. The Welsh Ministers are listed as one of the public bodies subject to the Act. They are therefore under the same well-being duty as the other specified public bodies. They also have other responsibilities under the Act, namely the duty to publish national indicators and milestones, and to publish a periodic Future Trends Report, which will provide evidence of progress and future pressures to assist decision makers.

2. The fundamentals

2.1 Sustainable Development

11. This section will help you familiarise yourself with the fundamentals of the Act and understand the opportunities and responsibilities you have in maximising your contribution to achieving each of the seven well-being goals.

12. The Act requires you to carry out sustainable development. Section 2 of the Act defines this as:

> "sustainable development" means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals.

13. Therefore sustainable development is a way of doing things rather than an end in itself. The Act makes it the core principle that guides how a public body operates. Carrying out sustainable development does not mean that it is an 'add-on'.

14. You must use sustainable development to shape **what** you already do, **how** you do it, and how you **communicate** (via reporting) the difference you are making to the achievement of the well-being goals. These are the three aspects of what you have to do under the Act.

The What: Well-being of Wales

15. The Act provides for a shared purpose through seven well-being goals for Wales. These well-being goals are indivisible from each other and explain what is meant by the well-being of Wales.

16. Sustainable development is the process of improving well-being. If we do not work to develop sustainably we limit our potential to improve the well-being of Wales and therefore the well-being of individuals.

17. Sustainable development is about acknowledging that there are many things that determine a person's quality of life (their well-being), and that these all can broadly be categorised as environmental, economic, social and cultural factors. These are captured in the well-being goals. This means that improving the quality of our environment, our economy and society and culture can improve the well-being of individuals and that of Wales as a whole.

18. In this way the Act provides a clear definition of sustainable development and what well-being means for Wales. In doing so, it means that a lack of clarity about these terms can no longer be used as an excuse for inaction.

19. Further guidance on the well-being goals can be found in Section 5 in this guidance.

Well-being of individuals

20. It is important to recognise the difference between the well-being of Wales, and the well-being of individuals. Sustainable development connects the environment in which we live, the economy in which we work, the society in which we enjoy and the cultures that we share, to people and their quality of life.

21. The use of the term 'well-being' in the Act and the Social Services and Well-being (Wales) Act 2014[3] ('the SS&WB Act') are complementary. The meaning of "well-being" in the SS&WB Act applies only for the purpose of that Act. "Well-being" in the SS&WB Act is defined in relation to a 'person', whereas "well-being" in the Act is in relation to our economy, society, environment and culture across Wales.

22. The SS&WB Act focuses on one sub-set of the population of Wales, namely people who need care and support, and carers who need support.

The How: The sustainable development principle

23. The sustainable development principle defined by the Act is a fundamental part of how public bodies and public services boards must now operate. You must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of

future generations to meet their own needs, **by taking account of the sustainable development principle**.

24. The principle is made up of **five ways of working** that public bodies are required to take into account when applying sustainable development. These are:

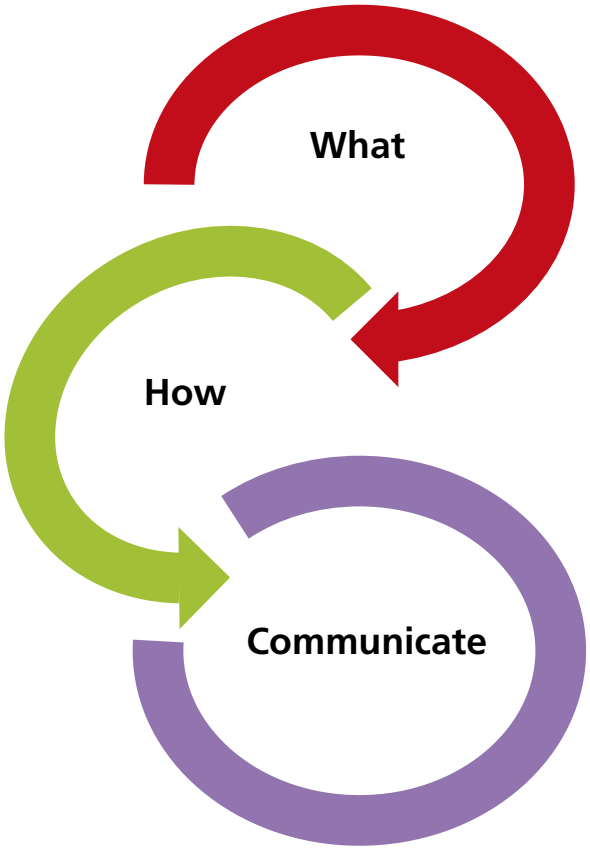
- Looking to the **long term** so that we do not compromise the ability of future generations to meet their own needs;
- Taking an **integrated** approach so that public bodies look at all the well-being goals in deciding on their well-being objectives;
- **Involving** a diversity of the population in the decisions that affect them;
- Working with others in a **collaborative** way to find shared sustainable solutions;
- Understanding the root causes of issues to **prevent** them from occurring.

25. Detailed guidance on these can be found in Section 4.

Communicating: Explaining your proposals and what you have done

26. Communicating what you propose to do and the progress you have made is required by the Act. This will also help to improve transparency and enable the involvement of the population in the decisions that affect them. Detailed guidance on this can be found in Section 8 and in SPSF 2 .

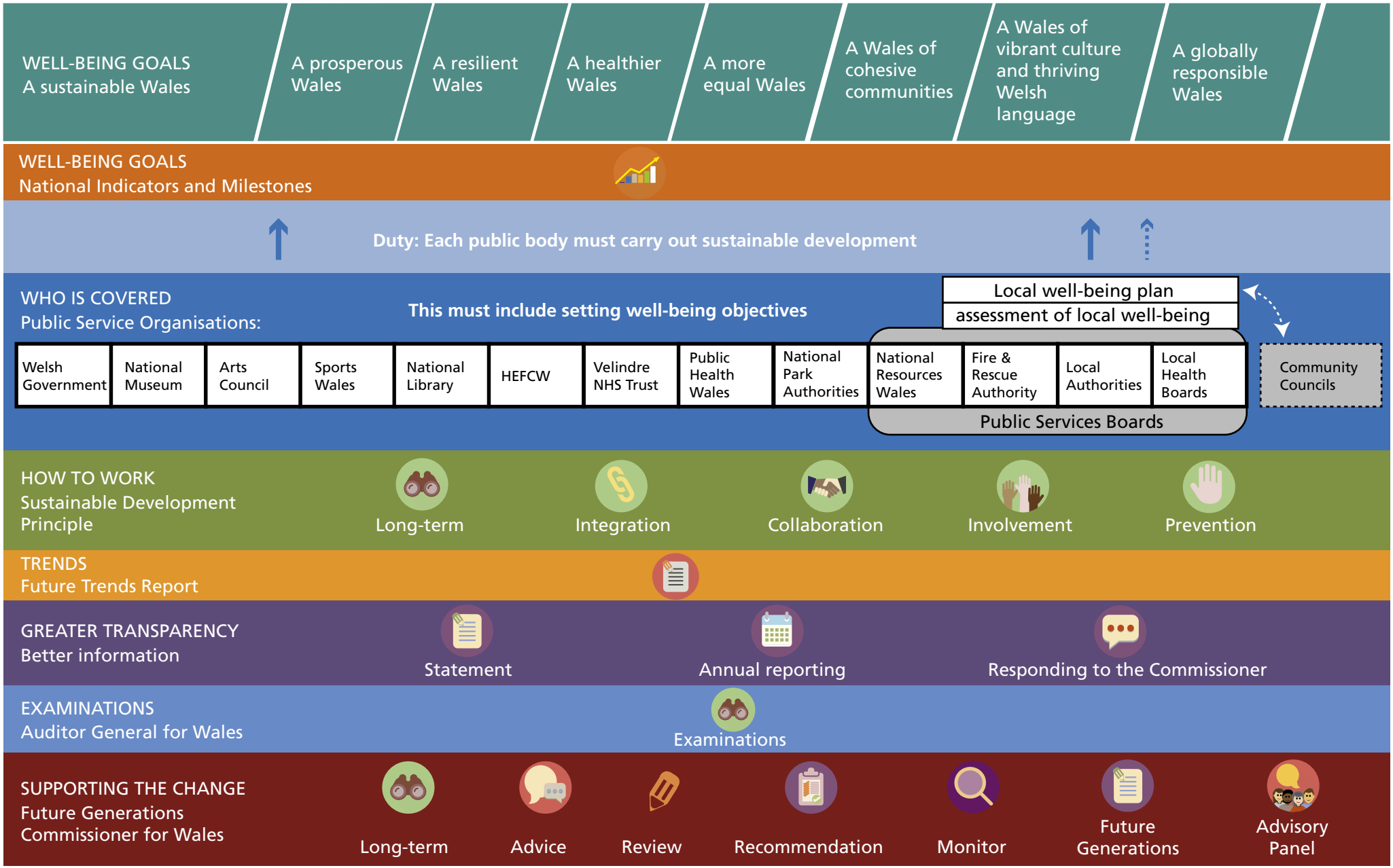
Figure 1 – Central organising principle



2.2 How do you fit?: The architecture of the Act

27. Diagram 1 provides an illustration of the main parts of the Act and how they fit together. This guidance document together with guidance documents SPSF 2, 3 and 4 will help you navigate the provisions of the Act.

Diagram 1 – The architecture of the Act



2.3 Well-being duty



Individual well-being duty on public bodies

28. Part 2 of the Act places a well-being duty on specified public bodies:

> (1) Each public body must carry out sustainable development.
>
> (2) The action a public body takes in carrying out sustainable development must include –
>
> a) setting and publishing objectives ("well-being objectives") that are designed to maximise its contribution to achieving each of the well-being goals, and
>
> b) taking all reasonable steps (in exercising functions) to meet those objectives.

29. This means that for public bodies the core duty in the Act (the well-being duty) is that you must set well-being objectives that maximise your contribution to achieving the well-being goals. In doing so, you must take all reasonable steps to meet those well-being objectives, in accordance with the sustainable development principle.

The distinction between 'objectives' and 'steps'	
Deciding on your well-being objectives – the duty to set well-being objectives.	These should be your objectives for change over the long term.
Meeting your well-being objectives – the duty to take all reasonable steps.	These will be the steps you will take to achieve your well-being objectives. These steps can be short, medium or long term actions for change. These should explain what will be done.

30. The other duties that apply to individual public bodies are outlined in the remainder of this document, with detailed guidance provided in SPSF2.

31. It is fundamentally important that the requirements of the Act are not seen as 'an additional layer' to existing activity so that sustainable development is embedded into your organisation. For example, the setting of well-being objectives should be the primary way in which you set well-being objectives; it should not take place in addition to an existing process.

32. In order for public bodies to effectively carry out sustainable development the requirements of the Act should be embedded within existing corporate processes – for example:

- The setting of well-being objectives should take place through a corporate planning process, and be reflected in a corporate plan (or equivalent);
- Reporting on progress toward meeting well-being objectives should take place through a corporate reporting process, and be reflected in an annual report (or equivalent).

Collective well-being duty on public services boards

33. Section 36 of the Act sets out the well-being duty on public services boards.

> (1) Each public services board must improve the economic, social, environmental and cultural well-being of its area by contributing to the achievement of the well-being goals.
>
> (2) A public services board's contribution to the achievement of the well-being goals must include:
>
> a) assessing the state of economic, social, environmental and cultural well-being in its area,
>
> b) setting objectives ("local objectives") that are designed to maximise its contribution within its area to achieving those well-being goals, and
>
> c) the taking of all reasonable steps by members of the board (in exercising their functions) to meet those objectives.
>
> (3) Anything a public services board does under this section must be done in accordance with the sustainable development principle.

34. This means that for each public services board the core duty in the Act (the well-being duty) is that it sets well-being objectives in its Local Well-being Plan, and these are designed to maximise the public services board's contribution within its area to achieving the well-being goals; and takes all reasonable steps, by one or more members of the board, to meet the objectives.

35. A local well-being plan can include objectives that are also the well-being objectives of a public body that is a member of the public services board.

36. The other duties that apply to public services boards are outlined in the remainder of this document, with detailed guidance provided in SPSF 3.

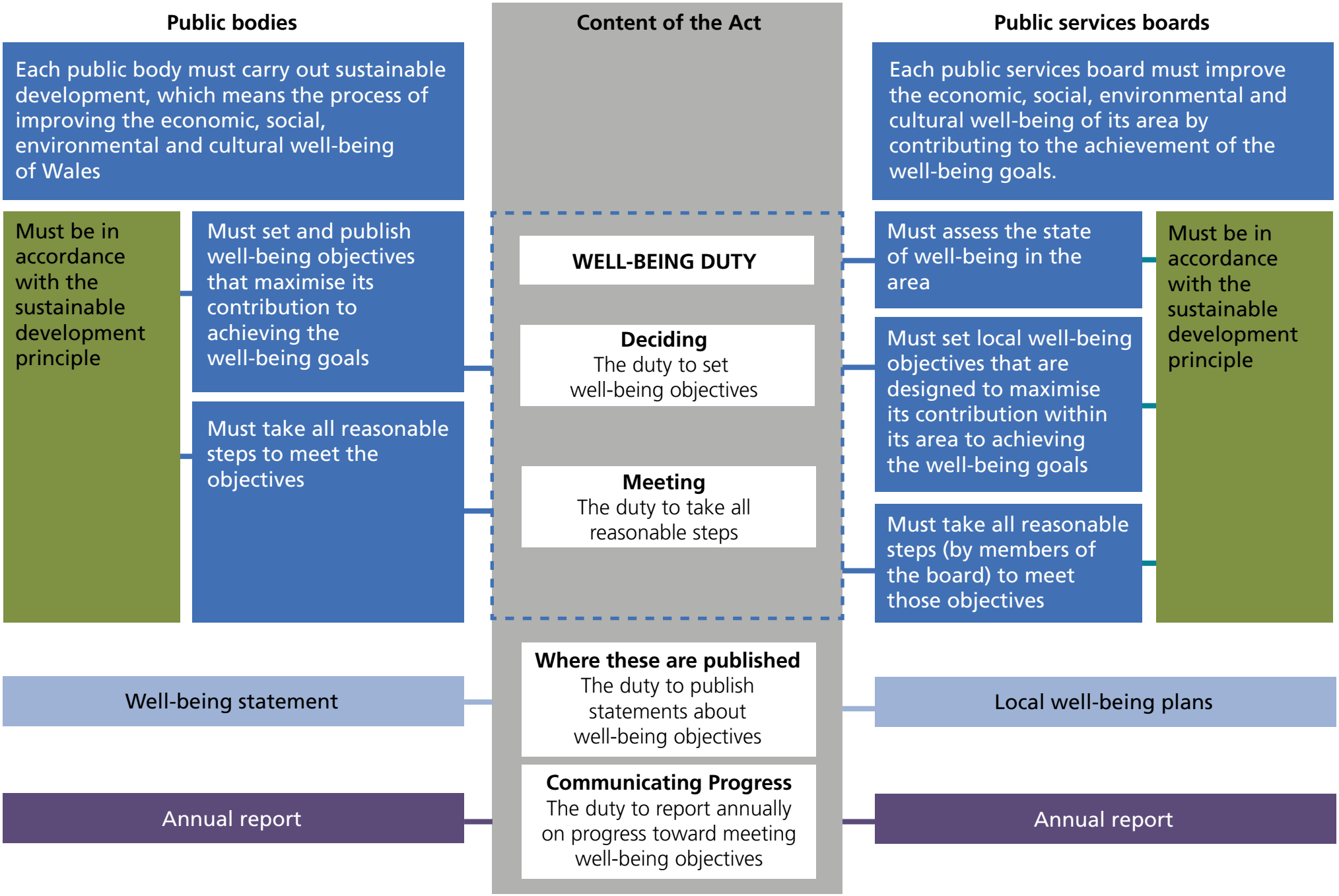
37. Diagram 2 (below) explains the main parts of the well-being duty for public bodies and for public services boards. Each of the elements of the duty is then explained in further detail in SPSF 2 (Individual role – public bodies) and SPSF 3 (Collective role – PSBs).

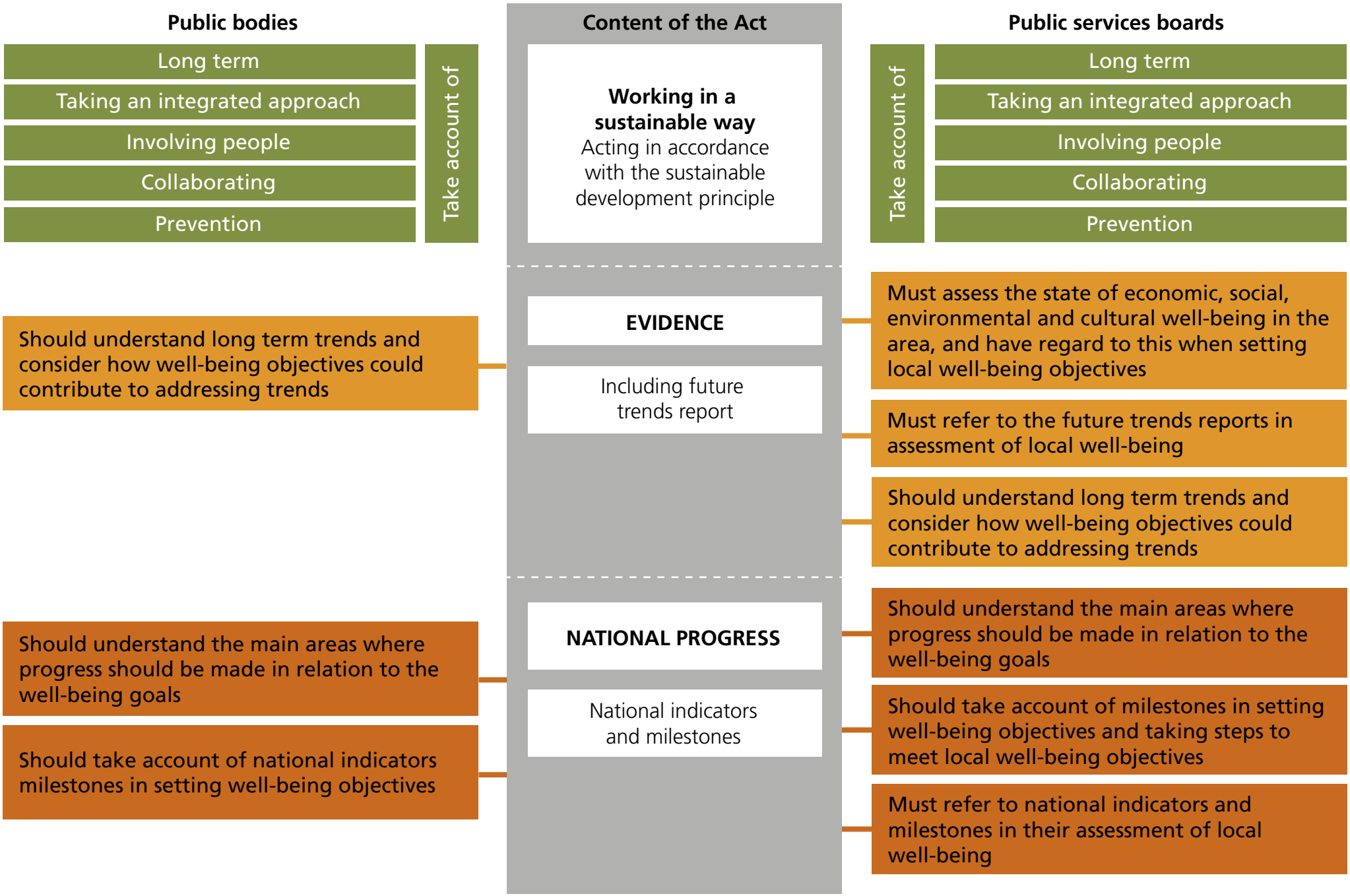
38. It also explains how the other parts of the Act relate to public bodies and to public services boards. Each of these are explained in further detail in this document and, where relevant, in in SPSF 2 (Individual role – public bodies) and SPSF 3 (Collective role – PSBs).

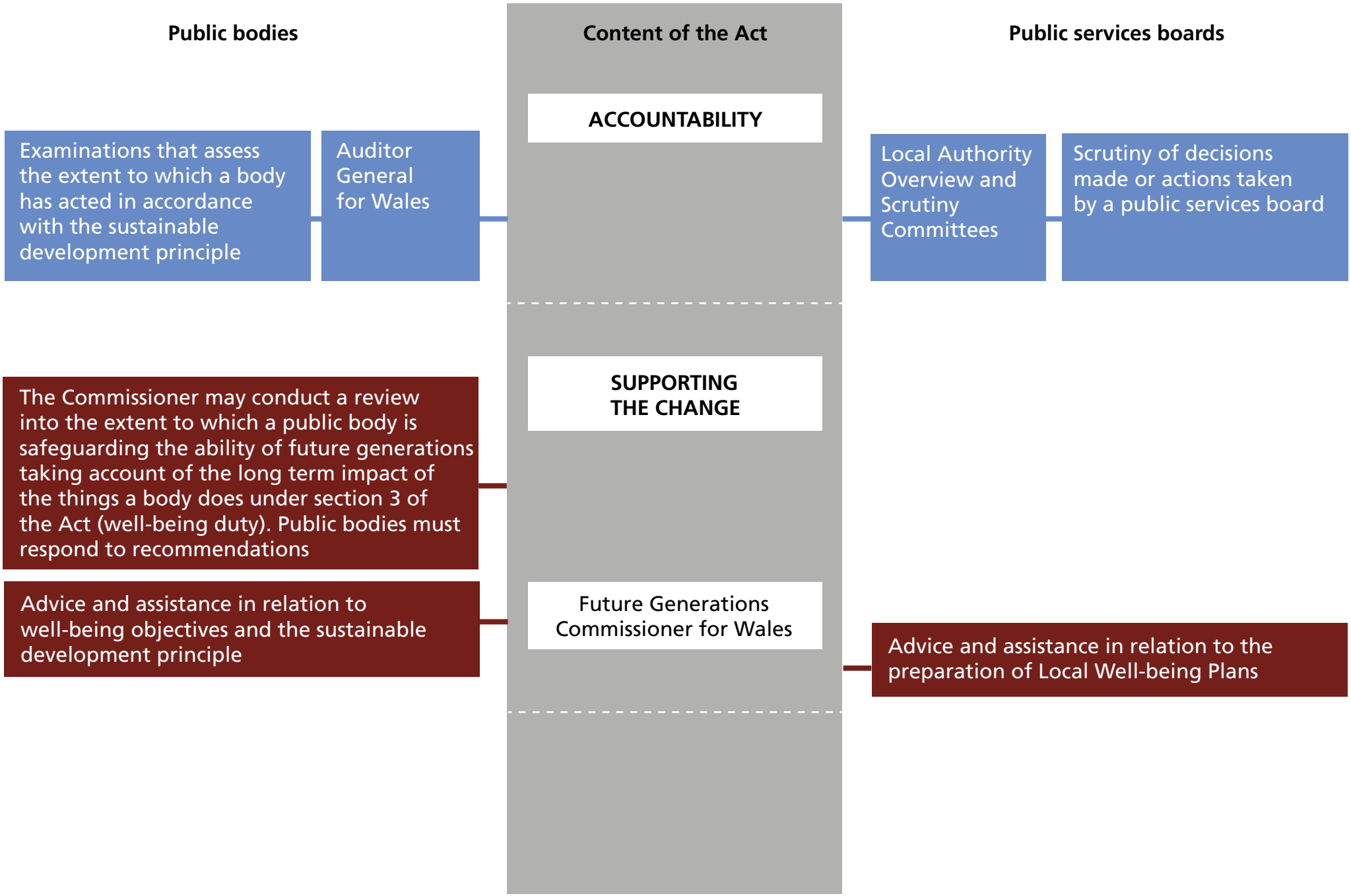
Duty on Community Councils

39. The Act places a duty on certain community and town councils to take all reasonable steps towards meeting the local objectives included in the local well-being plan that has effect in their areas. If a community or town council is subject to the duty, it must publish a report annually detailing its progress in meeting the objectives contained in the public services board's local well-being plan.

Diagram 2 – The key parts of the well-being duty for public bodies and for public services boards




Public bodies
Long term
Taking an integrated approach
Involving people
Collaborating
Prevention
Take account of
Content of the Act
Working in a sustainable way
Acting in accordance with the sustainable development principle
EVIDENCE
Including future trends report
NATIONAL PROGRESS
National indicators and milestones
Take account of
Public services boards
Long term
Taking an integrated approach
Involving people
Collaborating
Prevention
Should understand long term trends and consider how well-being objectives could contribute to addressing trends
Should understand the main areas where progress should be made in relation to the well-being goals
Should take account of national indicators milestones in setting well-being objectives
Must assess the state of economic, social, environmental and cultural well-being in the area, and have regard to this when setting local well-being objectives
Must refer to the future trends reports in assessment of local well-being
Should understand long term trends and consider how well-being objectives could contribute to addressing trends
Should understand the main areas where progress should be made in relation to the well-being goals
Should take account of milestones in setting well-being objectives and taking steps to meet local well-being objectives
Must refer to national indicators and milestones in their assessment of local well-being


Public bodies
Content of the Act
Public services boards
ACCOUNTABILITY
Examinations that assess the extent to which a body has acted in accordance with the sustainable development principle
Auditor General for Wales
Local Authority Overview and Scrutiny Committees
Scrutiny of decisions made or actions taken by a public services board
SUPPORTING THE CHANGE
The Commissioner may conduct a review into the extent to which a public body is safeguarding the ability of future generations taking account of the long term impact of the things a body does under section 3 of the Act (well-being duty). Public bodies must respond to recommendations
Advice and assistance in relation to well-being objectives and the sustainable development principle
Future Generations Commissioner for Wales
Advice and assistance in relation to the preparation of Local Well-being Plans

2.4 How the individual and collective duties work together

40. Some public bodies will be under both the individual well-being duty to set well-being objectives and a duty to set local well-being objectives in their role as part of a public services board. They are distinct, but complementary duties, which mean that public bodies are required to think both about what they can achieve themselves and what the collective well-being objectives for their area, together with the steps they can take to contribute to them.

41. These individual and shared well-being objectives, and the steps which are proposed to be taken, do not need to be different – a public services board's plan may include well-being objectives which are also well-being objectives published under Part 2 by a member of the board.

Timing

- Public bodies set their individual well-being objectives no later than the beginning of the financial year following commencement of section 9(2) (a) of the Act, namely no later than 31 March 2017.
- Public services boards publish local well-being plans setting out their local objectives and steps no later than one year after an ordinary local government election, the next one being in May 2017.

42. The Act does not prescribe the nature and type of the well-being objectives set and there may be instances where some well-being objectives set by public bodies may be included in the local well-being plan for the board they are part of, if all the statutory members of that board agree.

43. Whether the objectives are set out in corporate plans or a local well-being plan public bodies must be clear about the steps they intend to take, and to be accountable for their action.

44. The intention of both the individual and collective well-being duties is not that:

- public bodies or public services boards set the well-being objectives that are the easiest for them to meet;
- public bodies or public services boards "retrofit" their existing well-being objectives to meet the requirements of the Act.

45. In both instances the well-being duty should be seen as an opportunity to review and re-think priorities to maximise the contribution towards the achievement of the well-being goals.

46. Public bodies are reminded that under the Act they are required to review their well-being objectives when preparing their annual report (Section 13) and. This opportunity to review well-being objectives will enable public bodies to align theirs well-being objectives with those of the public services board, if a public body so wishes. In addition they have the power (under section 9(5)) to review and revise their well-being objectives at any point. Further guidance on reviewing well-being objectives can be found in SPSF2 and SPSF3.

3. The change needed

3.1 Where the change needs to happen

47. Applying the five ways of working (the sustainable development principle) and considering how you can contribute to all seven of the well-being goals will require action across your organisation.

48. Taking an outcome based approach is one of the ways that public bodies can adapt their business processes in line with the Act. It is about how you plan and track delivery, in the context of population level outcomes rather than organisational (performance) level outputs.

49. Listed below is a core set of activities that are common to the corporate governance of public bodies. Applying the requirements of the Act to these activities is likely to most effectively secure the type of change required.

Corporate planning

50. Public bodies should ensure that corporate planning (and corporate plans where relevant) become the mechanism for the setting of well-being objectives. Well-being objectives must not be an 'add-on' to what drives your organisation.

51. It may be helpful for you to consider where you are in the 'cycle' of your corporate planning processes (including the implementation phase). The right balance should be struck between dealing with short term pressures in the context of your priorities for the long term.

52. Depending on the role of your organisation in relation to public services boards, it may be helpful to consider how your corporate planning process links to the process of developing local well-being plans.

Financial planning

53. Section 7 of the Act requires (amongst other things) the publication of a statement detailing how a public body proposes to ensure that resources are allocated annually for the purpose of taking such steps to meet the well-being objectives. Further information on this is available in SPSF2.

54. Applying the five ways of working to your financial planning will address the tendency for short-term priorities and administrative process to overtake long-term interests. It is expected that financial planning will take account of the five ways of working within the sustainable development principle, particularly in terms of delivering for the long term and facilitating preventative actions.

Workforce planning (people)

55. The cultural change envisaged by the Act, will be supported by a workforce with the right skills and support, who will be instrumental for the transformation expected.

56. Ensuring your workforce is fully engaged in this change, in order to adapt to the changing needs of our society, will be a critical success factor. It may be helpful for you to consider how your approaches to leadership and learning and development take account of the five ways of working.

57. It is important for people throughout public bodies to be aware of the well-being goals, the ways of working and the well-being duty so that it becomes part of how they deliver their work. This may include:

- Board members – in how they set the long term priorities for the organisation, review performance and ensure good governance of the organisation.
- Senior managers – in how they oversee the design, delivery, quality and effectiveness of the organisation's functions.
- Equality and diversity champions – in how they raise awareness and build capacity.

- Human resources staff – in how they build the ways of working into employment policies and procedures.
- Policy makers – in how they use the well-being goals to frame their thinking and the ways of working to guide the policy making process.
- Communications staff – in how they ensure that the well-being goals and the actions of the public body are communicated.
- Procurement staff – in how they build the well-being goals and ways of working into the organisation's relationship with suppliers.

Procurement

58. The role of procurement will be an important part of how a public body allocates resources under the Act. It is expected that public bodies comply with their existing legal obligations in relation to procurement and that they also apply the Wales Procurement Policy Statement[4]. This policy adopts the Sustainable Procurement Task Force's definition of sustainable procurement:

> "the process whereby organisations meet their needs for good, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generation benefits to the organisation, but also to society and the economy, whilst minimising damage to the environment".

59. This sets out the procurement practices and the specific actions expected of every public sector organisation in Wales.

60. Your approach to procurement could also be an opportunity to encourage other organisations to contribute to the well-being goals.

Assets

61. The Act will enable public bodies to strengthen arrangements for the effective management of their assets. In terms of the management of physical assets and facilities this should mean that that they can be used for the benefit of our communities; enabling them to be used over the long-term with safeguards in place for their retention at the community level.

62. There should also be consideration of developing your other assets including the skills and experience of the people in your organisation (see above).

Risk management

63. There will be long term risks that will affect both the delivery of your services but also the communities you are enabling to improve. Use the well-being goals and five ways of working to frame what risks you may be subject to in the short, medium and long term, and together with the steps you will take to ensure they are well managed.

Performance management

64. The well-being objectives should frame the ways that a public body contributes to the well-being goals and the role of performance management is to enable progress to be tracked, analysed, and communicated (via reporting). Tools and frameworks will need to be adapted by public bodies to measure the extent that this is happening.

Summary

65. You could apply each of the five ways of working to these seven core organisational activities, to ensure that the sustainable development principle frames how you work. You may wish to look at these as part of any ongoing review, or carry out a new review to see if these are 'fit for purpose'. The learning from the Welsh Local Government Association's Early Adopters programme has shown how the use of a 'diagnostic' tool has enabled Local Authorities to identify the opportunities for corporate change.

4. Working in a sustainable way

4.1 Looking to the long term

What is the requirement?

66. Section 5 of the Act states:

> A public body must take account of …
>
> (a) The importance of balancing short term needs with the need to safeguard the ability to meet long term needs, especially where things done to meet short term needs may have detrimental long term effect.

Why we need to work in this way

67. The intended effect of the long term requirement is that you are aware of, and address, the well-being of current and future generations whilst addressing the needs of the people you currently serve.

68. The Act does not prescribe the time period meant by long term because this will depend on the context within which a decision is being made. A useful reference point is that a generation is considered to be about 25 years. It is therefore expected that public bodies and public services boards will look at least 10 years ahead, although best practice would be to look 25 years ahead. In some contexts it will be longer.

69. It is worth noting that there are different understandings of long term in relation to different issues. For example, in relation to the sustainable management of natural resources taking account of the short, medium and long term consequences of action needs to consider time lags and feedback times for ecosystems to respond to any interventions[5].

70. There may have been some weaknesses in how organisations have taken account of the long term in the past, including:

- Priority setting that only focuses on the short term (3-5 years ahead);
- Consideration of issues that only relate to immediate (short term) risks;
- Reluctance to consider the long term due to uncertainty about organisational resources and/or future trends.

How it can be done

How to take account of the long term

Approaches that public bodies and public services boards should take as part of responding to the Act include:

✓ Corporate planning

Whilst you will still need to take action in the short term, ensure that these also take account of the medium and long term.

A key challenge may be uncertainty about financial resources available in the long term. Consider taking account of your likely financial resources when considering your priorities for the long term.

✓ Evidence and understanding

Ensure that you understand the potential long term effects of your decisions (positive effects and detrimental effects).

The Future Trends Report will be a useful source of information to help you understand the long term drivers affecting the well-being of Wales and the communities you serve.

✓ Risk management and preparing for the future

In looking to the future public bodies have to deal with uncertainty. This involves understanding present needs, considering future needs and how these will change what you do. Ensure that your approach to risk management includes long term risks and challenges.

You could use the well-being goals to frame discussion of what risks you could face in the short, medium and long term.

✓ Service planning

Consider the long term role of the services you provide as well as what they deliver for your current service users.

4.2 Taking an integrated approach

What is the requirement?

71. Section 5 of the Act states:

> A public body must take account of …
>
> (b) The need to take an integrated approach, by considering how –
>
> i. The body's well-being objectives may impact upon each of the well-being goals;
>
> ii. The body's well-being objectives may impact upon each other or upon other public bodies' objectives, in particular where steps taken by the body may contribute to meeting one objective but may be detrimental to meeting another.

72. You will need to be able to demonstrate that you have considered the three distinct parts to an integrated approach.

- Impact on ALL the well-being goals – The first concerns how the well-being objectives you set impact upon each of the well-being goals. Section 5 provides further guidance on this, but you must show that all the seven well-being goals have been considered.
- The second concerns whether you can show that the well-being objectives you are setting make sense as a complete set. If potential conflicts are identified, you should seek to resolve, manage and mitigate them.
- The third part of taking an integrated approach concerns how the well-being objectives you set and steps you then take may impact upon the well-being objectives of another organisation.

73. It will be for you to decide how to justify that the above parts of this way of working have been dealt with.

Why we need to work in this way

74. The purpose of taking an integrated approach is to ensure that you recognise the interdependence that exists between the seven well-being goals and on your well-being objectives. Only an approach that makes the connections between, and effectively integrates economic, social, environmental and cultural challenges, will maximise each public body's contribution to achieving the well-being goals. This can also identify opportunities to simplify arrangements.

75. There may have been some weaknesses in how organisations have failed to take an integrated approach to date which can result in:

- Silo working – focusing on specific issues without awareness of their connections with other issues.
- One part of an organisation making decisions which considers the impacts that negatively impact on another area of the organisation or wider public sector.
- Looking at impacts separately and at different times (in particular when carrying out impact assessments).

76. Integrated thinking will support an integrated approach to impacts and reporting (see section 8 below).

How it can be done

Approaches that public bodies and public services boards should take as part of responding to the Act include:

✓ Evidence and understanding

Undertake the exercise outlined in Table 1 in Section 5.2 to understand your current and potential contribution to the seven well-being goals.

✓ Corporate planning

Consider how your well-being objectives impact on one another and on the well-being objectives of other organisations.

✓ Governance

Ensure that your governance structures enable different parts of the organisation to work together on setting well-being objectives and taking all reasonable steps to meet well-being objectives.

✓ Impact assessments

If you are required to undertake any impact assessments (either statutory or non-statutory) you should look to integrate these with consideration of your contribution to the well-being goals. This will be particularly important in understanding whether the steps you are going to take to deliver your well-being objectives do not conflict with one another and therefore limit the achievement of your objectives.

✓ Performance management

Consider how performance management could reflect the contribution being made to all of the well-being goals.

✓ Integrated reporting

The Act provides opportunities to find better ways to communicate the steps you have taken and your contribution to the well-being goals.

Integration + Collaboration

Having arrangements in place so that bodies are able to discuss and assess whether there is an implication, or opportunities arising from your prioritisation process (objective setting). Having this in place at the earliest opportunity is encouraged. This does not necessarily have to be new arrangements if discussions between public bodies are already in place.

4.3 Involving people



What is the requirement?

77. Section 5 of the Act states:

> A public body must take account of …
>
> (b) the importance of involving other persons with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of –
>
> i. Wales (where the body exercises functions in relation to the whole of Wales), or;
>
> ii. The part of Wales in relation to which the body exercises functions.

Why we need to work in this way

78. Effective involvement of people and communities is at the heart of improving well-being currently and in the future. It recognises the importance of involving people in decisions that affect them. This builds on the Citizen-Centred Governance Principles, National Principles for Public engagement and the National Participation Standards for Children and Young People. Within the existing legislative context, for the most part, there are already specific provisions for community and citizen engagement and consultation on certain activities carried out by organisations.

79. The Act is clear that you must ensure that the people you involve reflect the diversity of the population that you serve. This entails involving the people and communities whose well-being you are seeking to improve. The sustainable development principle recognises both the needs of current and future generations. Future generations should not be interpreted as covering one part of the population from the outset; it means the people born and living at the same time and includes Children and Young People, and Older People. Data on demography, population and protected characteristics will enable you to understand the diversity of the population, as well as other related data.

How it can be done

80. It is vital to factor people's needs, ensuring the engagement is meaningful and effective. As a result there is considerable variety in how public bodies work with communities across Wales. It would therefore be unhelpful to prescribe one particular model of involvement. Whilst it is not a requirement under the Act, the Welsh Ministers would strongly encourage public bodies to apply:

A. The National Principles for Public Engagement[6].

B. The National Participation Standards for Children and Young People[7].

Approaches that public bodies and public services boards should take as part of responding to the Act include:

✓ **Evidence and understanding**

Understand the diversity of the population you serve. At the local level this could be addressed through the assessment of local well-being, please see SPSF 3.

✓ **Corporate planning**

Provide opportunities for a diverse range of people and communities to influence decisions about priorities (well-being objectives).

✓ **Service planning and delivery**

Involve people and communities in decisions which may change the services you provide to them.

✓ **Management of assets**

Involve people and communities in decisions about the management of assets, so they can be used for the benefit of communities.

81. Setting and achieving your well-being objectives can be a multi-stakeholder process, involving civil society, business, and representatives from academia and science. An inclusive approach to achieving the well-being goals is strongly encouraged, in particular by involving children, young people and older people. Structured stakeholder discussions can assist in the development of the well-being objectives and decisions on what steps to take so that there is an iterative dialogue and consensus building with stakeholders.

Civil society organisations	Non-governmental organisations, volunteer organisations, faith-based organisations, social movements and community-based organisations.
Business	Business leaders, chambers of commerce and industry, cooperatives and unions.
Academic institutions	Universities, technical institutions, research centres etc.
Public bodies	Bodies subject to the Act, other public bodies, including 'invited participants'
People	Children and young people, and older people. Persons with protected characteristics Protected groups.

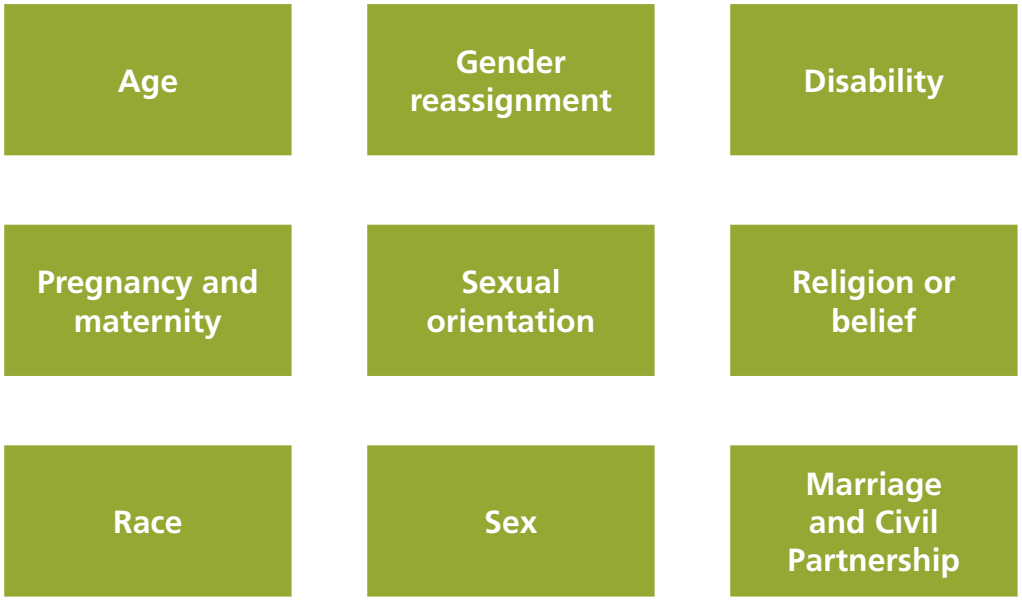
Diversity of the population

82. You are required to take account of the importance of involving persons with an interest in achieving the well-being goals and importance of ensuring those persons reflect the diversity of the population in the area in which you exercise your functions.

83. You should consider the profile of the people you serve (at whichever level is appropriate), identifying relevant sections and representative groups. To do this, you should be able to collect or draw on diversity data to analyse whether the people you involve reflect the area.

Persons with protected characteristics

84. Under the Equality Act 2010 there are 9 protected groups. These are:



85. Under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011, specified authorities are required to involve people who it considers represent the interests of one or more of the protected groups. It may also involve or consult other people as it considered appropriate.

86. In your well-being statement and annual report you may outline how these groups have been involved in the setting of, and achievement of well-being objectives. Consideration can be given to addressing the barriers that people may experience. You are encouraged to build on your actions under these duties when taking into account the importance of involving people.

Planning your involvement (well-being statement)

87. An important success factor for sustainable development is to obtain greater consensus and strengthen community involvement in both deciding on priorities, and on delivery. The Act therefore provides the opportunity to rethink how people are involved.

88. Within the well-being statement, you are required to explain how you propose to involve other persons with an interest in achieving the well-being goals and ensure that those persons reflect the diversity of the population. The content of the statement should include the following:

A. How and when will people be involved?

B. What will they be involved in?

C. Who will be involved?

D. What resources are needed to deliver the involvement?

E. How will feedback be given to people who were involved?

89. There is no single right answer to these questions. Your approach must reflect your local circumstances (including Welsh Language), the limits of the resources you have, and what action to involve people can achieve. It will be important to manage expectations. When explaining how you will involve people consideration should be given to how this information can assist people and communities to be involved. It should be clear to people how and when they can be involved.

90. Establishing stakeholder groups, panels or other forums for discussions can be one way of achieving structured discussions, as well as opportunities to engage directly with the people affected by decisions. Use of a control group to test public views can provide a more representative view.

4.4 Collaborating with others



What is the requirement?

91. Section 5 of the Act states:

> A public body must take account of …
>
> (d) How acting in collaboration with any other person (or how different parts of the body acting together) could assist the body to meet its well-being objectives, or assist another body to meet its objectives.

Why we need to work in this way

92. No single organisation is accountable for improving the economic, social, environmental and cultural well-being of Wales.

93. The purpose of taking a collaborative approach is to recognise the different roles that public bodies play in tackling long-term challenges, and to ensure actions by public bodies are complimentary therefore maximising their collective impact.

94. Whilst the Act establishes public services boards as a statutory mechanism for collaboration on a local authority level, public bodies are also expected to find opportunities to collaborate directly with one another, in addition to any involvement with public services boards.

95. Collaboration with other organisations (particularly in the private and third sectors) may also help you contribute to the well-being goals. You should consider how the arrangements you put in place with these organisations could encourage them to contribute to the goals and take account of the five ways of working. For example, if you are procuring a service from another organisation, there could be opportunities to build in consideration of the well-being goals or ways of working into specifications and contracts.

96. There may have been some weaknesses in how organisations have collaborated in the past, including:

- Making decisions to address challenges, without consideration of whether any other organisation faces the same challenges.
- Missed opportunities to work with others for greater effect.
- Decisions being made in different parts of a single organisation that independently try to address the same challenges.
- Collaborating with single sectors.

How it can be done

Approaches that public bodies and PSBs should take as part of responding to the Act include:

✓ **Evidence and understanding**

Understand the roles of other public bodies in contributing to the achievement of the well-being goals (their well-being objectives).

Use this knowledge to ensure that collaboration takes place when there is a clear need to address the same challenge or prevent well-being objectives acting against one another.

✓ **Service planning and delivery**

Consider when services could be delivered in collaboration with another public body, in order to address a shared challenge.

✓ **Workforce planning and governance**

Consider how your organisation could be structured and governed in order to enable different parts of the organisation to work together on setting well-being objectives and taking all reasonable steps to meet well-being objectives.

Collaboration + Involvement =

There is a particularly strong link between working collaboratively and involving people. It may be helpful to consider this link when planning opportunities to collaborate with or involve organisations, communities and people.

4.5 Prevention

What is the requirement?

97. Section 5 of the Act states:

> A public body must take account of …
>
> (e) How deploying resources to prevent problems occurring, or getting worse may contribute to meeting the body's well-being objectives, or another body's objectives.

Why we need to work in this way

98. Understanding the underlying causes of the problems people and communities face can help us find different solutions, intervene early and prevent problems from getting worse or arising in the future. But this is not just about addressing problems – it is about finding enabling solutions and early interventions at the right time to make progress in achieving the well-being goals.

99. Through seeking to take action earlier, rather than wait for crisis trigger points to be reached, public bodies can for example support people to prevent a significant deterioration in their well-being.

100. Weaknesses in how decisions have been made in the past include:

- Decisions only react to problems and challenges that currently exist, and do not consider the causes of these problems.
- Problems and challenges have been viewed in isolation.
- Governance structures may have not enabled innovative or new approaches to be taken, including preventative approaches.

How it can be done

Approaches that public bodies and public services boards should take as part of responding to the Act include:

✓ **Evidence and understanding**

Understand the 'cause and effect' of problems and challenges that your organisations faces, and how these link to the roles of other public bodies.

✓ **Corporate planning**

Through the process of setting your well-being objectives consider how your well-being objectives can be focused on preventing problems from occurring or getting worse, as well as reacting to problems.

This may mean you have to think about what to stop doing in order to move from a reactive to a preventative approach.

✓ **Financial planning**

Ensure that financial planning includes consideration of when investment could support preventative action ('preventative spend').

✓ **Governance**

Ensure that governance structures enable and support new, innovative approaches such as the piloting of preventative approaches.

Prevention + Integration =

Collaboration and sharing of resources across sectors can enable joint preventative approaches to be taken. Your understanding of the 'cause and effect' of problems is clearly linked to taking an integrated approach.

5. Understanding the well-being goals

5.1 Aiming for the well-being goals

101. Section 4 of the Act sets out the seven well-being goals that you are expected to maximise your contribution to achieving. For ease of reference we have repeated the well-being goals below.

102. They provide clarity about the shared purpose of public bodies and provide a focus for the work of public bodies on outcomes and delivery for the long term well-being of Wales.

Goal	Description of the goal
A prosperous Wales	An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.
A resilient Wales	A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).
A healthier Wales	A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.
A more equal Wales	A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).
A Wales of cohesive communities	Attractive, viable, safe and well-connected communities.
A Wales of vibrant culture and thriving Welsh language	A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.
A globally responsible Wales	A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

103. Progress towards the achievement of the well-being goals will be measured through the publication of national indicators and milestones. These are not indicators to measure the performance of individual public bodies, but progress towards achieving the well-being goals at a national level.

5.2 Understanding your contribution to the well-being goals

What do the well-being goals mean?

104. Public bodies subject to the provisions of the Act do not exist in isolation. You are part of the wider economic, social, environmental and cultural fabric of Wales and through the Act have a shared purpose to contribute to the well-being goals.

105. Collectively, the well-being goals provide for a national set of well-being outcomes for public bodies to contribute to achieving. Under the Act you are required to maximise your contribution to achieving each of the well-being goals through the setting of well-being objectives.

106. There is no single public body that is accountable for the achievement of all the well-being goals. This is about collective accountability of each public bodies (and public services boards) contribution to the achievement of the well-being goals. Further advice on accountability can be found in section 9.

107. In many cases the well-being goals and the descriptions under them have existing mechanisms for action, for example under existing legislation such as the Climate Change Act 2008, which requires public bodies to look at climate change resilience, or the Equality Act 2010. In addition, there are policy approaches such as tackling poverty, health in all policies or the natural resource management approach which also help to explain further what the descriptions mean in practice. This guidance does not seek to repeat or re-interpret these explanations but show how they are drawn together by the well-being goals and the requirements in the Act.

108. Within the public service the use of outcome based working has been promoted so that public bodies focus more on outcomes and the quality of delivery, rather than just the amount of activity being delivered.

Contributing to the well-being goals

109. The Act does not define what contribution you should make. This is for you to determine.

110. The process of setting of well-being objectives will be the primary means by which an individual public body understands what that contribution is. You are best placed to understand your contribution to making Wales and the communities you serve more sustainable.

111. You will be expected to demonstrate that you have understood your contribution. The well-being statement will be the means by which you communicate how you have designed these well-being objectives to maximise your contribution. The table below provides guidance on how this can be done.

Table 1: Understanding your contribution

Public bodies and public services boards are expected to show that you have:	
A	**Identified the functions that you exercise that can best contribute to all of the seven well-being goals** What is our purpose and what are our current functions and duties?
B	**Understood your current contribution** Where do we currently make a contribution? Are there well-being goals that we contribute more to, than others?
C	**Understood your potential contribution** What more could we do? What could we do differently to make a better contribution? Are there things we should do less of, or stop doing?

D	**Identified the opportunities for maximising your contribution (making a greater contribution)** How do we turn our potential contribution into action through the well-being objectives we set and the steps we take? What could we do that would enable others to contribute more?

How the well-being goals work together

112. The well-being goals must be considered as an integrated set of seven. This ensures that the fundamental relationship between improving the economic, social, environmental and cultural well-being of Wales is recognised. Where there are perceived conflicts between the well-being goals, the application of the sustainable development principle will be taken into account and thereby help you find the most appropriate solution.

113. For practical purposes public bodies may consider looking at each well-being goal in turn to identify how their well-being objectives can contribute. This does not mean looking at the well-being goals in isolation.

114. Bodies may use different techniques or existing tools to understand how the well-being goals work together. A useful way of understanding the integrated nature of the well-being goals is to look at the well-being goals through a particular lens to see what the connections are, and identify the contribution that can be made. This could include:

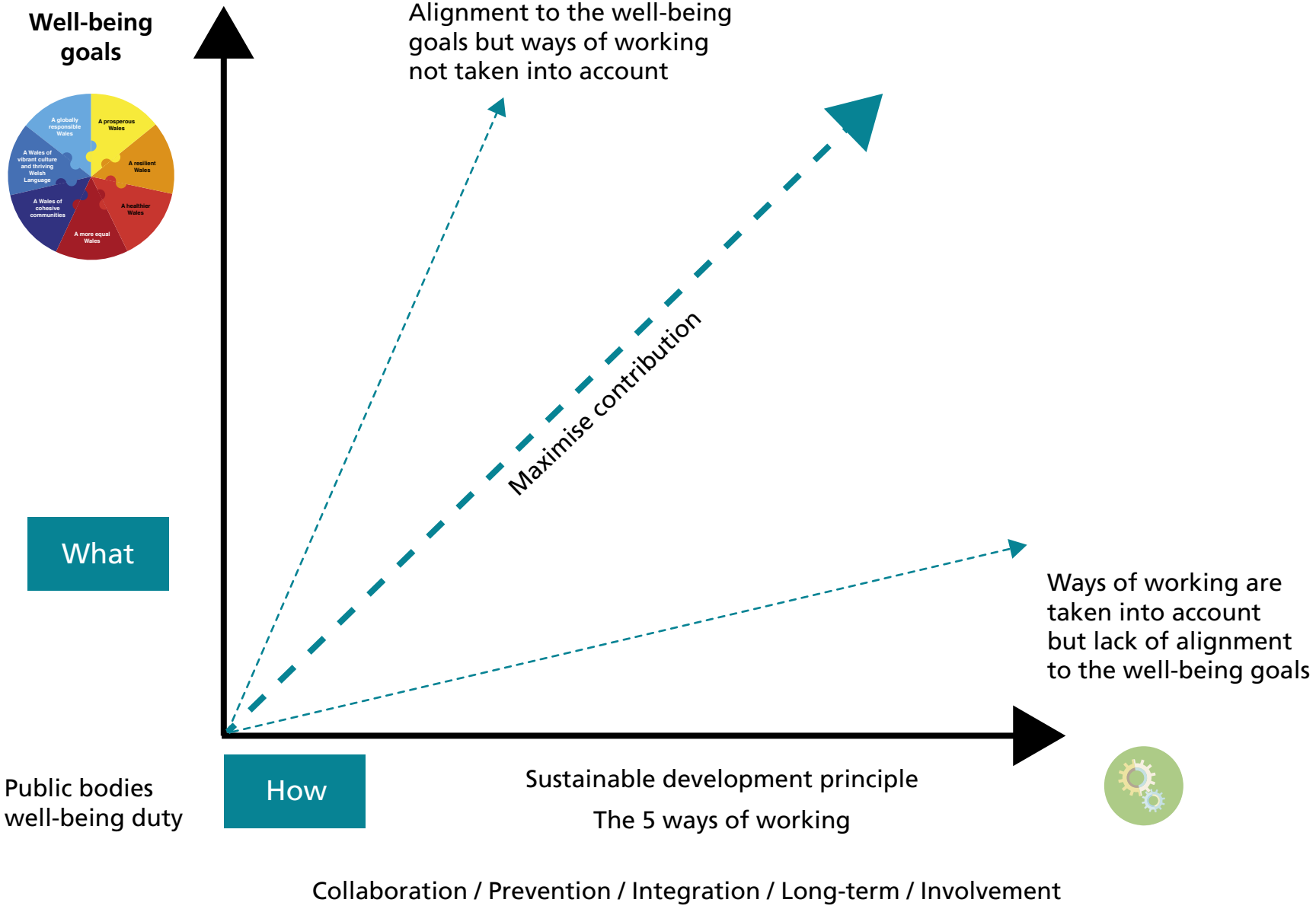
- **(A) Public bodies** – All public bodies subject to the Act can contribute to the well-being goals in different ways.
- **(B) Places** – Taking a place-based or community-based approach to the well-being goals can help understand where the opportunities are and where well-being objectives or actions focus on a particular community. Each place/community will have different economic, social, environmental and cultural aspects to them that are captured through the well-being goals.
- **(C) People** – Taking a people-based approach can help understand how populations and sub-populations can contribute to the well-being goals, this can mean an inclusive approach looking at the support a person needs, or a group of people need and the economic, social, environmental and cultural factors that will affect their individual well-being, The overall aim of this approach is good planning leading to positive changes in people's lives, now and in the future.
- **(D) Challenges** – The overarching challenges Wales faces will have to be tackled in order to work towards achieving the well-being goals. For example:
  - **Poverty** – Applying the well-being goals can help tackle poverty as it helps you identify where the main determinants of poverty exist, how they work together and what opportunities there might be.
  - **Health inequalities** – There are many determinants of health that derive from our environment, society and economy. This includes poor air quality, nutrition, access to green space and income. The well-being goals can be used to understand these connections and find sustainable solutions.
  - **Climate change** – To contribute to the achievement of the well-being goals, tackling the causes of, and dealing with the effects of climate change must be considered[8]. Reporting authorities under the Climate Change Act for example are required to have regard to guidance issued by Welsh Ministers, which can help organisations build climate resilience across their organisation.

How to maximise your contribution

115. Public bodies must apply the five ways of working in the sustainable development principle to maximise their contribution to the achievement of the well-being goals. This is illustrated in Diagram 3.

116. Public bodies that make every effort to take into account all the five ways of working will be able to confidently communicate through their well-being statement. They will also be able to report on how they have complied with the duty and the contribution they are making.

Diagram 3 – A guide to maximising your contribution



Making a positive contribution to global well-being

117. One of the new responsibilities the Act provides is to help Wales become more globally responsible. This is important in the context of the new United Nations Sustainable Development Goals and the emphasis on national and sub-national action. The 'Transforming our World: The 2030 agenda for sustainable development' that was agreed at the UN Summit in September 2015 sets out 17 goals and 169 targets for action for "people, planet, prosperity, peace and partnership"[9].

118. The Welsh Government and public bodies subject to the well-being duty operate within a UK, EU and international context, and therefore have a direct and indirect role in supporting and contributing to international obligations.

119. Goal 7 recognises that in an inter-connected world what we do in Wales can have positive and adverse impacts outside of Wales. Collectively Wales can also make a positive contribution to the achievement of the United Nations Sustainable Development Goals particularly in delivering the obligations between now and 2015-2030.

120. Taking an integrated approach to the well-being goals will also recognise that there will be actions taken by public bodies to contribute to the well-being goals that also have a positive contribution outside of Wales. Mapping these through the process of setting well-being objectives is advised.

121. The integrated nature of the well-being goals is also important as for many of the well-being goals there will inevitably be indirect benefits for global well-being. Action on climate change benefits both people and communities in Wales, whilst also contributing to the wider global effort to tackle the causes of climate change and reduce its effects.

What are the positive impacts on global efforts?

122. To provide clarity on the key matters that public bodies should take account of it is suggested that bodies may wish to focus their attention on two areas:

- **Decarbonisation** – This means reducing energy demand, increasing energy efficiency and the use of clean energy. Opportunities include sources deriving from the assets and infrastructure of public bodies.

  Support is available through Resource Efficient Wales on using Resources (energy, materials and water) more efficiently.

- **Sustainable consumption and production** – Through the procurement of products and services. This means looking at the way in which you procure goods and services to reduce global impact, whilst also increasing the local benefits. This includes areas such as waste, food,and the sustainable management of natural resources.

6. The role of evidence



123. Dealing effectively with the challenges of the 21st century and maximising the opportunities this brings means having robust and reliable evidence available to guide policies, actions and interventions. Collaborative work to gather and share evidence is an important part of the change needed.

124. You are encouraged to look at your evidence capacity and capability, and to collaborate with other organisations to share relevant data and evidence.

125. The Act provides for new national and local evidence, which public bodies are strongly encouraged to consider. These are:

A. Understanding the future – The Future Trends Report

126. This evidence will present of likely future trends in the economic, social, environmental and cultural well-being of Wales. The Welsh Ministers are required to publish this report within the 12 months following a National Assembly for Wales election. The Future Trends Report will be available on the Welsh Government website when published.

127. Public bodies are encouraged to use this to assist in discharging their well-being duty. Public services boards must refer to the Future Trends Report when preparing their local well-being assessment to the extent it is relevant to the assessment of well-being in their areas (See SPSF3).

B. Tracking the progress of Wales – National indicators

National Indicators

128. The national indicators have an important role in helping to measure the progress made towards achieving the well-being goals by Wales as a whole. There will be a report published every year by the Welsh Ministers on progress made in Wales in achieving the seven well-being goals, using the national indicators. This is called the 'Annual Well-being Report'.

129. The annual well-being report will not only present our progress towards achieving the well-being goals for the whole population, but by including additional analysis it will measure progress, where appropriate for some indicators, for different groups. This will help us to better understand how outcomes differ for different groups of the population.

130. The national indicators will also have a specific role as they must be referred to by public services boards in Wales when they are analysing the state of economic, social, environmental and cultural well-being in their areas.

131. The annual well-being report must also be taken into account by the Future Generations Commissioner for Wales when they prepare and publish their 'Future Generations Report'.

132. The national indicators and milestones once published can help public bodies understand further the nature of the change expected in achieving the well-being goals. National indicators may be measured qualitatively or quantitatively against a particular outcome and may also be collected in a way that allows for them to be disaggregated to any part of Wales.

133. The national indicators will not measure the performance of individual public bodies or public services boards. There are other arrangements by which the performance of public bodies is assessed.

134. The national indicators should be considered as useful evidence to assist public bodies in understanding the main areas where progress should be made in relation to the well-being goals. However the national indicators are not the only source of evidence that public bodies should use and they should also consider a range of other evidence, including local or national data sources.

Milestones

135. Milestones are set within the context of the agreed national indicators. They are designed to assist in measuring whether progress is being made. They will be accompanied by criteria in order to determine whether the milestone has been achieved, and the date by which the milestone is to be achieved.

136. Where milestones have been set by Welsh Ministers public bodies and public services boards are encouraged to consider in particular whether their objectives and steps can contribute to the achievement of the milestone.

137. As with the national indicators the milestones will be set at the population level to relate to the whole of Wales. They will not be milestones for a specific public body. Information on the national indicators and milestones can be found here www.gov.wales.

C. Assessments of local well-being

138. Each public services board is required to prepare and publish an assessment of the state of economic, social, environmental and cultural well-being in its area. Each assessment must refer to the national indicators and milestones.

139. Further guidance on these assessments is provided in SPSF3: Collective role – public services boards. Whilst there is no duty on public bodies to refer to the assessments of local well-being, the evidence contained in the assessment will be valuable for public bodies in setting and achieving their well-being objectives.

D. Other evidence

140. Other sources of evidence should be drawn on where possible. This includes:

- Those assessments a public services board must take into account when preparing their assessment (see SPSF4).
- **The Welsh Report of the Climate Change Risk Assessment** – It is important to build the evidence base around climate change, to help ensure that Wales builds resilience and takes a planned response to the impacts of climate change that we cannot avoid. The Welsh Report presents a national assessment of potential risks and opportunities from climate change facing Wales from now until the rest of this century. It has been produced as part of the UK Climate Change Risk Assessment (CCRA) pursuant to the Climate Change Act 2008. The threats and opportunities for Wales cover key themes such as Buildings and infrastructure; health and Well-being; business; agriculture and forestry; and the natural environment. The findings are presented in terms of the range of potential magnitude of the risk, how magnitude varies over time and the overall confidence in the findings of the assessment. The CCRA is updated every 5 years to reflect the update in evidence and changes in risks.
- **Planning Survey** – Under S.61 of the Planning and Compulsory Purchase Act 2004 requires the local planning authority to keep under review the matters which may be expected to affect the development of their area or the planning of its development. These matters include areas such as economic, social and environmental characteristics, population, transport, and communications.

- **Strategic Equality Plan** – Under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 duties are placed on listed public bodies to review and publish Strategic Equality Plans and Equality Objectives. In doing so due regard must be given to relevant information which may come from a variety of sources including engagement and the outcomes of equality impact assessments. This information should be drawn on by public bodies in fulfilling their requirements under the Act where relevant.

141. The above is not an exhaustive list and public bodies should draw on any relevant information they think would assist in identifying well-being objectives, and taking reasonable steps.

How to use evidence

Approaches that public bodies and public services boards should take as part of responding to the Act include:

✓ Long term trends

You should consider evidence of the long term trends for Wales and for your communities in planning priorities and making decisions.

You could use techniques that generate future scenarios or plausible descriptions of the risks, challenges and opportunities the area or population may face in the future.

✓ Collaboration

Public bodies should collaborate to share evidence on long term trends, including through developing agreements on data sharing.

✓ Financial planning

Ensure that financial planning includes consideration of when investment could support preventative action ('preventative spend').

✓ Integration

Ensure that the data and evidence you gather reflects the relationships and interdependencies between economic, social, environmental and cultural well-being (i.e. that it does not focus too much on a single area).

You should consider how linking different data sets together might help highlight evidence about the inter-relationships between interventions or the impact on particular groups of people. Where there are gaps in the evidence available to you, you should look at opportunities for identifying new data.

✓ Prevention

Ensure that you collect evidence that understands the root causes of issues and where efficiency gains can be realised.

✓ Involvement

You should use the views of people as part of your involvement to getter a better understanding of what is needed, and what may work.

7. Common pitfalls and shared opportunities

142. Successful 'sustainable' public bodies will embrace the opportunities afforded by the Act and will avoid the following common pitfalls in understanding the Act.

Common pitfalls

- **"There is a hierarchy of well-being goals"** – Only looking at one or two of the well-being goals, or interpreting a single goal as being of greater significance. This must be avoided. Public bodies must consider all seven of the well-being goals [See section 5 of this guidance to help you understand the contribution you can make]. It is important to understand that this is not about balancing impacts; it is working towards about win-win solutions and identifying the multiple benefits where they exist.
- **"I only contribute to one of the well-being goals"** – Each public body has been identified because they contribute to all of the well-being goals. All public bodies under the Act are well-placed to take forward action on the social, economic, environmental and cultural determinants of individual health and well-being.
- **"I can justify current action using the five ways of working"** – The most effective public bodies will use the five ways of working to shape what you do, rather than justify what you have decided in the past. This means a focus up front and throughout the policy or decision cycle. Many public bodies will have experience of policy related impact assessments which you can draw on and integrate with this process. This must not be a 'tick-box' approach.
- **"We added sustainable development on to our list of impact assessments"** – Public bodies that view sustainable development as an 'add-on' will fail to demonstrate how they have complied with the duty to 'carry out sustainable development'. Taking this view will lead to a tick box approach and add additional burden to the body.
- **"This is about the environment"** – Public bodies that understand that this is not just about the environment, or just the economy or society, and that it is about understanding the often complex, but real world interconnections between our environment, our economy, our society and culture.

Shared opportunities

143. The Act provides opportunities for you to bring together actions and commitments from other legislation and programmes.

144. It provides an opportunity for public bodies to consider how other supporting duties can be discharged in a more integrated way. It does not remove or amend existing statutory duties and in exercising your functions under the Act public bodies will have to ensure that you are meeting your respective duties.

8. Transparency

145. Effective transparency is one key part of improving the delivery of public bodies. The Act changes the nature of transparency by requiring you to communicate and explain:

- how and why your well-being objectives are chosen (well-being objectives);
- why decisions were taken (taking all reasonable steps to meet objectives);
- what difference this has made (reporting).

Communicating individual public bodies' well-being objectives (Well-being Statement)

146. Section 7 of the Act requires that when publishing well-being objectives, a public body must also publish a well-being statement. This should explain why you consider that meeting the well-being objectives will contribute to the achievement of the well-being goals and how the sustainable development principle has been applied amongst other matters. Further guidance is available in SPSF 2 for public bodies.

147. The purpose of the well-being statement is to clearly set out what well-being objectives have been set by a public body and how the body will meet them.

148. The Act does not prescribe the format of the well-being statement. it is important that the requirements of the Act are not seen as 'an additional layer' to existing activity. Therefore the well-being statement should not be a stand-alone document; it could be incorporated into a core planning document such as a corporate plan. You are encouraged to look for opportunities to integrate this with other statutory or non-statutory arrangements. Further guidance is available in SPSF 2.

Communicating collective priorities (Local well-being plan)

149. Each public services board must prepare and publish a local well-being plan setting out its local objectives and the steps it proposes to take to meet them.

150. The local well-being plan will set out how the board intends to improve the economic, social, environmental and cultural well-being of its area by setting local objectives which will maximise the contribution made by the board to achieving the well-being goals in its area. Further guidance is available in SPSF 3 for public services boards.

Communicating progress (Annual reporting)

151. Section 13 of the Act requires individual public bodies to publish an annual report of the progress you have made in meeting your well-being objectives.

152. It is important for this reporting requirement not to be undertaken in isolation from other reporting activities. Therefore it should be part of an existing annual report, and/or include financial and non-financial information.

153. Integrated Reporting is an approach that can help public bodies to discharge the duty to report annually on progress. As an approach it encourages organisations to report and communicate how their strategy, governance and performance lead to the creation of value over the short, medium and long term. The Welsh Government and other public bodies are participating in an Integrated Reporting pilot in Wales to understand the opportunities from reporting in a more integrated way.

154. Also in taking an integrated approach public bodies should look at opportunities to integrate the way in which they report existing duties.

155. Section 45 of the Act requires public services boards to prepare and publish an annual report of the steps they have taken since the publication of the board's most recent local well-being plan to meet the objectives set out in the plan.

156. Annual reports include both the progress being made and also a vehicle for organisations to communicate how decisions have been made that deliver on the well-being objectives. Further advice on this is contained in SPSF2 and SPSF3.

9. Accountability

157. Accountability for the delivery of the shared purpose and requirements of the Act rests with those public bodies subject to the Act. In addition, the Act strengthens accountability through new arrangements and changes to existing methods of review or scrutiny. The accountability arrangements ensure that there will be consequences for non-compliance by public bodies.

158. As shown by Diagram 2 there are three key elements of the accountability arrangements set out in the Act: The accountability arrangements set out above ensure that there will be consequences for non-compliance by public bodies.

159. In relation to public bodies, the accountability arrangements are focused on the Future Generations Commissioner for Wales and the Auditor General for Wales.

160. In relation to public services boards, the accountability arrangements are focused on Local Authority Overview and Scrutiny Committees.

The role of the Future Generations Commissioner for Wales ('the Commissioner')

161. The general duty of the Future Generations Commissioner for Wales is to promote the sustainable development principle (the five ways of working), in particular to act as a guardian of the ability of future generations to meet their needs, and encourage public bodies to take greater account of the long-term impact of the things that they do. To do this the Commissioner can monitor and assess the extent to which well-being objectives set by public bodies are being met. Details of how the Commissioner will work with public services boards can be found in SPSF3.

162. The Commissioner may also provide advice or assistance to a public body, encourage best practice, promote awareness and encourage public bodies to work with each other and other persons if this could assist them to meet their well-being objectives.

Reviews by the Future Generations Commissioner for Wales

163. Section 20 of the Act gives the Future Generations Commissioner the power to conduct a review into how public bodies are safeguarding the ability of future generations to meet their needs through the well-being duty.

164. In conducting a review, the Commissioner may review:

- the steps the body has taken or proposes to take to meet its well-being objectives;
- the extent to which the body is meeting its well-being objectives;
- whether a body has set well-being objectives and taken steps to meet them in accordance with the sustainable development principle.

165. Following a review the Commissioner can make recommendations to the public body about:

- The steps the body has taken or proposes to take to meet its well-being objectives;
- How to set well-being objectives or take steps to meet them in accordance with the sustainable development principle.

166. Public bodies must take all reasonable steps to follow the course of action set out in a recommendation made to it by the Commissioner. However further detail on responding to the Commissioner is included in SPSF2.

Examinations by the Auditor General for Wales

167. Section 15 of the Act gives the Auditor General for Wales the power to examine public bodies, to assess the extent to which a body has acted in accordance with the Sustainable Development Principle when:

- Setting well-being objectives;
- Taking steps to meet those well-being objectives.

168. The Auditor General for Wales also has a duty to examine each public body at least once in a five year period (term of Government). It is up to the Auditor General for Wales as to when he/she undertake an examination in this regard, provided that he/she presents their reports on the examinations to the National Assembly for Wales a year and a day before each ordinary Assembly election.

169. It is not the role of the Welsh Ministers or this guidance to set out how the Auditor General should use and apply his powers and duties.

170. The Auditor General does not have a statutory role in relation to the accountability of public services boards.

Local Authority Overview and Scrutiny Committees

171. Section 35 of the Act requires local authorities to ensure that their Overview and Scrutiny Committees have the power to scrutinise decisions made, or other action taken, by the public services board for the local authority area in the exercise of its functions.

172. The Overview and Scrutiny Committees will not have a role in relation to the accountability of individual public bodies (apart from the Local Authority itself). The role of the Overview and Scrutiny Committees designated to scrutinise decisions made or actions taken by the public services board, will be focused on the shared well-being objectives included in public services boards' Local Well-being Plans, rather than the individual well-being objectives of a public body.

173. Further information on the role of the Overview and Scrutiny Committee is provided in SPSF3.

10. References and useful links

Useful links

The Well-being of Future Generations (Wales) Act 2015
www.legislation.gov.uk/anaw/2015/2/contents

Welsh Government pages on the Act
www.gov.wales/topics/people-and-communities/people/future-generations-act/?lang=en

Future Generations Commissioner for Wales
www.futuregenerations.wales/

The Wales We Want
www.thewaleswewant.co.uk

United Nations Sustainable Development Goals
www.sustainabledevelopment.un.org/post2015

Auditor General for Wales
www.audit.wales/about-us/auditor-general-wales

References

1 Well-being of Future Generations (Wales) Act 2015
www.legislation.gov.uk/anaw/2015/2/contents

2 Academi Wales
www.academiwales.org.uk/

3 The Social Services and Well-being (Wales) Act 2014
www.legislation.gov.uk/anaw/2014/4/contents

4 Natural Resources Policy Statement, Welsh Government, 2015
www.gov.wales/docs/desh/publications/150914-natural-resources-policy-statement-en.pdf

5 Transforming our world: the 2030 Agenda for Sustainable Development", adopted by the General Assembly of the United Nations by resolution A/Res/70/1 of 25 September 2015.
www.sustainabledevelopment.un.org/post2015/transformingourworld

6 National Principles for Public Engagement
www.participationcymru.org.uk/national-principles

7 The National Participation Standards for Children and Young People
www.gov.wales/topics/people-and-communities/people/children-and-young-people

8 UK Climate Change Risk Assessment
www.gov.uk/government/publications/uk-climate-change-risk-assessment-government-report

9 Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011
www.legislation.gov.uk/wsi/2011/1064/contents/made