

So, what's different?

Findings from the Auditor General's Sustainable
Development Principle Examinations

May 2020



I have prepared this report under section 15 of the Well-being of Future Generations (Wales) Act 2015.

My examination team was led by Catryn Holzinger and directed by Mike Usher.

Adrian Crompton
Auditor General for Wales
Audit Wales
24 Cathedral Road
Cardiff
CF11 9LJ

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Auditor General's Foreword

When we began the work that underpins this report, none of us imagined that we would today be engaged in an effort to tackle the biggest crisis in most our lifetimes.

For all of us – as individuals, communities and public bodies – the world is suddenly a very different place. The global pandemic has affected and is affecting all of us. The last few months have been frightening, stressful, pressured and distressing. But every day we have been comforted and uplifted by the stories of ingenuity, commitment and bravery of public sector workers. We are all proud and eternally grateful for their efforts.

For some time to come, the focus will be on responding to the crisis. Further down the line, there will be an opportunity to pause and reflect. Innovation is often born out of crisis and I am sure there will be much that public bodies will have learned in their response to Covid-19. I am determined that Audit Wales supports that learning process and that we work with public bodies to capture and draw out those lessons.

The evidence for this report was gathered in a different time. It does not cover emergency planning or the response to Covid-19. This report summarises the findings from our examinations of 44 public bodies under the Well-being of Future Generations (Wales) Act 2015 in the first reporting period, from 2015-2020.

It would be tempting to dismiss the Act as irrelevant in the face of such a crisis. But the best public sector leaders will recognise that the ways of working it sets out – planning for the long term, preventing problems, working with and listening to others and taking a broader perspective – are sound principles for dealing with whatever challenges the future might hold. On that basis, I hope this report provides some insights that can help public bodies develop their foresight and resilience.

In these early years, our main objective has been to add value by helping public bodies learn and improve. We worked with public bodies, the Future Generations Commissioner and other stakeholders to understand how we could best do that. We co-designed a methodology that focuses on ways of working and on behaviours. It promotes self-reflection. It aims to help bodies learn and develop their own actions in response to our findings. The sustainable development principle is not something that can be uniformly applied or audited. So, we have listened, tried to understand context and to appreciate differences. We have learned so much that we can carry forward into our future work.

Overall, we have found that public bodies can demonstrate that they are applying the sustainable development principle. But it is also clear that they must improve how they apply each of the five ways of working if they are going to affect genuine cultural change – the very essence of the Act. In the next five-year reporting period, public bodies across Wales will need to work together in taking a more system-wide approach to improving well-being if they are to take their work to the next level.

I understand it may be some time before all of the 44 bodies are able to consider and respond to these findings. It may also be some time before Members of the Senedd, civic society and others can be part of a conversation about what we have found. When appropriate, the Commissioner and I will create the time and space to explore the findings and recommendations.



Adrian Crompton

Auditor General for Wales



What you'll find in this report

- 1 This report sets out the main findings from the Auditor General for Wales's (the Auditor General) sustainable development principle examinations, carried out under the Well-being of Future Generations (Wales) Act 2015 (the Act).
- 2 During 2018-19 and 2019-20, we carried out 71 examinations across the 44 Welsh public bodies named under the Act.¹ We published reports on each examination, which can be viewed on our [website](#).²
- 3 This report provides an overview of what we looked for, what we found and what we will expect to see in future. It also draws on other relevant findings across the breadth of our audit work.
- 4 The Future Generations Commissioner for Wales (the Commissioner) has also published a report today, the **Future Generations Report**. Together, these reports describe how public bodies in Wales are applying the Act and improving well-being across Wales.³

-
- 1 The 44 public bodies named under the Act are Welsh Ministers (the Welsh Government), Local Authorities, Local Health Boards, Public Health Wales NHS Trust, Velindre NHS Trust, National Park Authorities, Fire and Rescue Authorities, Natural Resources Wales, the Higher Education Funding Council for Wales, the Arts Council of Wales, Sport Wales, the National Library of Wales and the National Museums and Galleries of Wales.
 - 2 The Auditor General must examine each public body at least once in a five-year period and report on the examinations to the Senedd before each Senedd election.
 - 3 The Commissioner must publish a Future Generations Report 12 months before a Senedd election giving her assessment of the improvements public bodies should make to set and meet well-being objectives in accordance with the sustainable development principle.

Exhibit 1 – key concepts for this report⁴

The Well-being Duty requires...

...public bodies to carry out sustainable development. As part of this, they must set well-being objectives and take all reasonable steps to meet them.

Sustainable development is...

'...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.'

Well-being goals

More Equal

Healthier

Resilient

Prosperous

Globally Responsible

Vibrant Culture and
Thriving Welsh Language

Cohesive Communities

The sustainable development principle is defined as acting 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.'

To do this, they must take account of the 'five ways of working'.



Long-term



Prevention



Integration



Collaboration



Involvement

The **Auditor General** must examine public bodies and assess the extent to which they have acted in accordance with the sustainable development principle when a) setting well-being objectives, and b) taking steps to meet those objectives.

The **Future Generation's Commissioner** must promote the sustainable development principle.

This includes monitoring and assessing the extent to which public bodies are meeting their well-being objectives.

⁴ For more information see **Well-being of Future Generations (Wales) Act 2015** and **Shared Purpose: Shared Future Statutory Guidance on the Well-being of Future Generations (Wales) Act 2015 (2016)**.

◀ What we've done and why

Exhibit 2 – audit for future generations: What we've done and why

The duty 1

We must assess the extent to which 44 public bodies have acted in accordance with the sustainable development principle when **setting well-being objectives** and **taking steps to meet them**



The conversation 3

We ran a consultation with the public sector and wider stakeholders

We ran engagement sessions with staff and stakeholders

We worked closely with the Commissioner and her team

We ran a programme of nine pilots to help us co-create and test audit methods



The challenge 2

Assessing 'ways of working'

44 bodies, that are very different!

Understanding how the sustainable development principle fits with value for money

Coordinating with and complementing the Commissioner's work



The ask from stakeholders 4

'You need to look beyond strategic planning and corporate arrangements and include a focus on more operational issues'

'You need to focus ways of working and take account of behaviours, rather than focusing on processes and arrangements'

'You should engage with a range of people – including partners and citizens'

'You need to work with the Commissioner so that you set consistent expectations and coordinate your activity'

'You need to avoid a focus on compliance and consistency'



Our commitment

5

Focus on the ‘five ways of working’

Focus on ‘how’ organisations are working, as well as ‘what’ they are doing

Help public bodies to self-reflect and explore what they could do differently

Capture narrative and seek the views of a cross-section of staff and stakeholders

Give early feedback

Encourage public bodies to develop their own actions in response to our findings



The delivery

6

We conducted 71 examinations in 2018-19 and 2019-20 at all 44 bodies

We looked at steps they were taking to meeting their well-being objectives

We looked at a diverse range of steps, including health and social care, economy and regeneration, healthy lifestyles, waste management, employment and skills

We published reports, which included actions the bodies committed to take in response to our findings

We have summarised the findings in this report, to be laid before the Senedd



The future

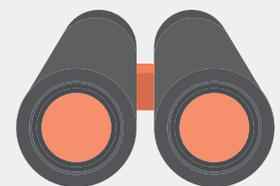
7

We are asking for and will respond to feedback from public bodies

We will integrate our sustainable development principle and value for money work

We will do more joint working with the Commissioner

We will continue to apply the sustainable development principle in the way we carry out our work



Our focus for the first reporting period, 2015-2020

- 5 This first reporting period under the 2015 Act has been unique. Public bodies (excluding Welsh Ministers) were required to publish their first well-being objectives part way through, by April 2017.⁵ They then needed some time and space to start delivering against those objectives. This meant that the time available for carrying out our examinations was shorter than it will be in future reporting periods.
- 6 We appreciate that applying the Act well, and doing that consistently, is difficult. Public bodies are still learning, and so we have aimed to strike a careful balance between support and constructive challenge in this first reporting period.
- 7 We have made sure that we covered the elements required by law, while being mindful of the total amount of audit work and the load this could place on public bodies. We therefore built our picture of how public bodies are applying the Act by carrying out some specific examinations, as well as gathering useful information from other audit work. In the first reporting period we have:
 - published an initial [report](#) **Reflecting on year one: How Have Public Bodies Responded to the Well-being of Future Generations (Wales) Act 2015?** which explored how public bodies were beginning to apply the Act and how they developed their first set of well-being objectives;
 - asked public bodies how they are embedding the Act more generally to help inform our overall understanding and the planning of future work;
 - gathered relevant information through our local and national studies; and
 - undertaken detailed examinations of how the sustainable development principle has been applied in relation to specific activities ('steps').
- 8 Our detailed examinations covered a variety of themes including health and social care, economy and regeneration, healthy lifestyles, waste management, employment and skills. **Exhibit 3** provides an overview of these themes. This has meant we have been able to report practical findings that provide insight and support service improvements.
- 9 This report gives an overview of the diverse findings, important themes and main learning points from those examinations, each of which contained our conclusions on how public bodies were applying the sustainable development principle.

5 Welsh Ministers were required to publish their well-being objectives six months after the Assembly election

Exhibit 3 – themes we examined across the 44 public bodies

The steps we examined covered...		
Digital	Natural environment	Schools & Youth Services
Public involvement	Health & social care	Leisure services
Antisocial behaviour	Service transformation	Healthy lifestyles
Partnership working	Housing	Arts & culture
Waste and recycling	Tackling poverty	Employment & skills
Strategic planning	Children & families	Economy & regeneration

Working with the Future Generations Commissioner

- 10 The Commissioner must (among other things) ‘monitor and assess’ the extent to which public bodies are meeting their well-being objectives. This is closely related to what the Auditor General must do. In broad terms, the Auditor General must look at the way public bodies have **planned and carried out** their work, while the Commissioner must look at what they have **achieved**.
- 11 The Commissioner’s **Future Generations Report** must summarise the work she has undertaken and set out the improvements that public bodies need to make so that they can better apply the sustainable development principle.
- 12 We have worked closely with the Commissioner’s office while developing our two statutory reports. The findings in this report have helped to inform the recommendations the Commissioner has made in her report.
- 13 This report contains two recommendations; one to the Welsh Government and one to the Senedd (see **page 50**), but does not include a separate set of recommendations to the 44 public bodies. Our individual reports to each body identified areas for improvement, which they developed an action plan in response to. Setting another set of recommendations in this report would risk ‘recommendation overload’. As the Commissioner has set recommendations in her report, this means there is a single set of national recommendations for public bodies to focus on. This fits with the Auditor General’s and Commissioner’s previous commitments to set clear and consistent expectations of public bodies.



The implementation challenge: Is it getting easier?

- 14 Our year one report **Reflecting on year one: How Have Public Bodies Responded to the Well-being of Future Generations (Wales) Act 2015?** highlighted several constraints that make it difficult for public bodies to fully embed the Act and maximise its potential across their work. These included short-term funding, legislative and governance complexity and performance reporting (see **Exhibit 4**). These constraints provide important context to our findings on how public bodies are applying the sustainable development principle.
- 15 It is also reasonable to assume that if the constraints set out in **Exhibit 4** can be addressed, public bodies are likely to make more rapid progress in applying the Act. This is perhaps even more important, in the context of the major, complex challenges they will face in the next reporting period (see **page 48**). **If we want to see a greater rate of progress and increase public bodies' capacity to deal with the prevailing challenges, then these barriers need to be addressed.** The Welsh Government, the Commissioner and the Auditor General all need to play their part in helping to create the conditions for change.

- 16 The Welsh Government itself has multiple roles to play. Clearly, it is responsible for the legislation, issuing guidance and supporting its implementation. It is also itself bound by the legislation as one of the 44 bodies. In addition, it has a wider leadership role, which would include modelling the behaviours it expects from others, demonstrating how the Act can be applied and communicating that clearly. This means that the Welsh Government has a responsibility not only to address the barriers that are in its direct control, but also to help other public bodies implement the Act. This is particularly challenging for the Welsh Government, as it requires a comprehensive approach to applying the Act so that new policy, legislation and funding reflect the sustainable development principle (see **Exhibit 4**), and to do all of this ahead of other bodies. The leadership role should also include considering how it interacts with other public bodies and how it can best support the changes it wants to see.⁷ However, the Commissioner has criticised the resourcing and support the Welsh Government has put in place. In essence, to help other bodies to get it right, the Welsh Government must itself get it right.
- 17 The Commissioner and Auditor General can help by focusing on the right things, setting consistent expectations and not over-burdening public bodies with monitoring requirements. Both also have a role in promoting good practice and supporting learning and improvement. Our two offices have worked together closely to try to achieve this, but we recognise more can be done. We will continue to strengthen the co-ordination of our work in the next period.
- 18 Audit Wales' examination methodology was designed to respond to the concerns and requests from public bodies and other stakeholders. We restate our own commitment to ensuring our approach helps drive the right behaviours and supports, rather than impedes, progress.

“ The Welsh Government has not sufficiently resourced the implementation of the Well-being of Future Generations (Wales) Act in terms of leadership development, support for transformational change and delivering the infrastructure required by the Act; both within their own organisation and the organisations they sponsor.

Future Generations
Commissioner for Wales⁶

6 Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019

7 See also our summary and supplementary reports on **The Well-being of Young People**, September 2019.

Exhibit 4 – barriers to progress, as identified by public bodies in 2017 and how things have changed since

Then...	...Now
<p>Public bodies were clear that short term funding hampers their ability to plan effectively over the long term. Some sponsored bodies stated that the annual remit letter poses the same challenge. Linked to this, public bodies cited a lack of flexibility over how grant funding can be spent and disproportionate monitoring requirements as inhibiting long term planning and a focus on outcomes.</p>	<p>Short term funding and late notifications remain a reality. There are some examples of grants being merged and flexibility being increased. The Commissioner is recommending that, starting with Welsh Government, financial planning should move to a model of well-being budgets and remit letters to national bodies should be reformed so that they are set in a longer-term context.⁸</p>
<p>Some bodies described the challenge of legislative complexity and the difficulty of joining-up statutory requirements in practice. Specifically, they referred to the need to find a practical means of meeting the requirements of the Act whilst also meeting the requirements of the Social Services and Well-being (Wales) Act 2014, the Environment (Wales) Act 2016 or planning policy and legislation.</p>	<p>This remains a practical challenge. Our national studies have identified references to and consideration of the Well-being of Future Generations Act as part of the development of national policy. However, we have seen examples of policy, guidance and legislation making only marginal or unclear references to the Act.</p>
<p>There were some concerns about existing national reporting requirements and a focus on indicators, which were considered to detract from a focus on long term outcomes and preventative benefits. A few bodies expressed concerns that audit and regulatory requirements could drive a focus on compliance with a process, rather than promoting the spirit of the Act.</p>	<p>There have been some changes in national reporting requirements for local authorities, who are no longer required to report on national performance measures. However, national performance measures in health are based on the performance of acute services. The Commissioner is considering undertaking a review to explore this.</p>
<p>Public bodies highlighted some challenges that need to be overcome if Public Services Boards are to be as effective as intended. These included; the complexity of the partnership governance environment, some potentially influential partners not being engaged, different levels of commitment and different ways of working.</p>	<p>The debate on partnership governance in Wales continues, informed by various published reviews since devolution in 1999. The Local Government and Elections (Wales) Bill potentially adds to an already complex and crowded partnership environment by creating statutory Joint Committees.</p>

8 Future Generations Commissioner for Wales, **Future Generations Report**, May 2020.

What we found

This section covers

- **Setting the first well-being objectives:** Our findings on how public bodies set their first well-being objectives, taken from our 2018 [report Reflecting on year one: How Have Public Bodies Responded to the Well-being of Future Generations \(Wales\) Act 2015?](#)
- **Taking steps to meet well-being objectives:** An overview of our findings on how public bodies have taken steps to meet their well-being objectives, based on the examinations we undertook in 2018-19 and 2019-20.

Setting the first well-being objectives: Findings from our 2018 report

- 19 We explored how public bodies had set their first well-being objectives in our 2018 report. We found that most public bodies had set their first objectives in 2017 and were able to provide some examples of how they applied the five ways of working as part of that process.

Challenges

- 20 We reported in 2018 that publishing well-being objectives had posed some difficulties for public bodies. The Act prescribed a challenging planning timetable and, of course, none of the 44 bodies was starting with a blank sheet. Some were required to publish their first well-being objectives mid-way through an existing planning cycle. Local authorities, fire and rescue authorities and national park authorities had to meet the requirements of the Local Government (Wales) Measure 2009, but the Act also required them to publish well-being objectives shortly before the local elections. Individual bodies were required to publish their objectives before Public Services Boards (PSBs) and this was also highlighted as a barrier to integration by some.

- 21 Public bodies took different approaches to aligning or integrating their well-being objectives with existing strategies and corporate objectives. Our 2018 report identified that in 2017 most public bodies had developed well-being objectives that either added to or replaced their previous corporate objectives. A few chose not to set well-being objectives by the statutory deadline and others said that they intended to revise them soon after setting them.
- 22 Where public bodies had not integrated their well-being and corporate objectives, it was sometimes unclear how their various objectives related to each other, or fitted with their corporate planning processes, performance measures and budget setting. This was despite clear guidance that corporate planning (and corporate plans where relevant) should be the mechanism for setting well-being objectives.⁹

Applying the sustainable development principle

- 23 For our 2018 report, we asked public bodies how their process for setting well-being objectives had differed from how they had set corporate objectives in the past. Most told us it had been different, but often failed to give a detailed explanation of ‘how’ or give examples of how they had used all of the five ways of working. Where they did give examples, these tended to relate to collaboration, involvement or integration.
- 24 Most local authorities said that they had drawn on work they had done in **collaboration** through the PSBs to help them develop their well-being objectives. They described how they had used the PSBs’ well-being assessment as part of their evidence base, as did some health bodies.¹⁰
- 25 Most local authorities made reference to how they had engaged the public in developing their well-being objectives. It was not always clear how this differed from engagement and consultation they had undertaken in the past and made the shift to **‘involvement’**. Some described how they had drawn on the engagement undertaken by the PSB as part of the development of the well-being assessment. However, our recent **Review of Public Services Boards** [report](#) found that:

‘Whilst engagement activity has been time consuming and extensive it has nonetheless tended to follow traditional approaches focused on informing rather than involving people and consequently falls short of meeting the new expectations of the Act.’¹¹

9 Welsh Government **‘Shared Purpose: Shared Future’ – statutory guidance on the Well-being of Future Generations (Wales) Act 2015**, 2016

10 PSBs are required to prepare and publish an assessment of well-being under section 37 of the Act.

11 Auditor General for Wales, [Review of Public Services Boards](#), October 2019

- 26 Most health bodies said they had engaged internal and external stakeholders as part of the process of developing their well-being objectives, though few referred to engaging the public (beyond drawing on the results of any engagement included in the well-being assessment). A few said they intended to undertake greater involvement when they revised their well-being objectives.
- 27 Similarly, the Welsh Government and sponsored bodies tended to involve staff and stakeholders in the development of their well-being objectives and some stated that they had involved a wider circle than they had in previous years. However, only a few of these bodies directly involved the public in developing their well-being objectives, though others went on to launch large-scale public engagement processes.
- 28 Some public bodies said that they had taken a more **'integrated'** approach by involving people from different backgrounds and disciplines, who had helped them think more broadly about their work. While public bodies may feel that they have improved the process, this did not necessarily result in objectives that reflected all the aspects of well-being. The Commissioner found that:
- 'Overwhelmingly, objectives have a focus on improving the economic and social well-being of localities, with little emphasis on the environment or culture.'¹²
- 29 We received limited information on how public bodies had considered the **long term** when setting their well-being objectives. There was even less information on **prevention**. Some of this had been drawn from well-being assessments, though the Commissioner also highlighted weaknesses in the information those assessments included on long-term trends. There were, however, references to preventative activities in plans. These included references to delivering the Social Services and Well-being (Wales) Act 2014. Notably, fire and rescue authorities emphasised that prevention is a well-established and successful way of working for them and gave examples, such as work with health and police partners on falls prevention and home fire safety.

12 Future Generations Commissioner for Wales, **Well-being in Wales: The journey so far**, May 2018.

-
- 30 While public bodies may have felt they applied the five ways of working, it was not always clear how the process was different or what changed as a result. The Commissioner's analysis also highlighted that:
- 'At the moment, public bodies are committing to well-being objectives that largely resemble the corporate objectives they would have set prior to 2017.'¹³
- 31 In our recent work, we identified the need for a few public bodies to clarify how they were going to deliver and monitor progress towards their well-being objectives. This included two public bodies that had set well-being objectives without setting out the steps they would take to meet them. As this is necessary for them to meet their statutory obligations, we reported it to those bodies.
- 32 We will conduct further work on the setting of well-being objectives in the next reporting period and we will be looking to see full and meaningful consideration of all five ways of working.

Taking steps to meet well-being objectives

The following sections set out findings from our examinations of specific steps that public bodies are taking to meet their well-being objectives, and how they applied the five ways of working. They also include some references to our other published reports. There are some case studies from Wales which are designed to illustrate effective application of the five ways of working. There are also some case studies from beyond Wales, which we hope are helpful resources.

Long-term



Why it's important: Planning for the long term is at the heart of the Act. If public bodies do not look ahead and balance what they need to achieve today with what they and future generations need to achieve in the future, they risk reducing well-being and increasing costs over the long term.

The expectation¹⁴

Public bodies must...

Take account 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.

Public bodies could demonstrate this by...¹⁵

- Having a clear understanding of 'long term', in the context of the Act.
- Designing actions to deliver well-being objectives and contributing to long-term vision.
- Designing actions to deliver short or medium-term benefits, balanced with long-term impact.
- Designing actions based on a deep understanding of current and future needs, trends and pressures.
- Having a comprehensive understanding of current and future risks and opportunities.
- Allocating resources to ensure long-term, as well as short-term, benefits.
- Focusing on delivering outcomes and, where this is long term, identifying milestone steps.
- Being open to new ways of doing things which could help deliver benefits over the longer term.
- Valuing intelligence and pursuing evidence-based approaches.

¹⁴ Expectations are set out in section 5 of the Act and associated statutory guidance.

¹⁵ These 'positive indicators' were developed through our pilot work with public bodies.

What we found: Our work identified many examples where public bodies had thought about what they want to achieve over the long term. In the next reporting period, public bodies will need to undertake more sophisticated planning for the future, informed by a rounded understanding of both current needs and future trends and supported by appropriate measures of progress and impact.

Understanding the present and the future

- 33 Clearly, public bodies can't predict the future with complete certainty. But we do expect to see them thinking about the future and engaging with uncertainty. That means better understanding needs, risks and opportunities as they are now and exploring how they could play out over the long term. It means being clearer about what they want the future to look like and what they can do to get there. There are a number of tools that can help them do this.
- 34 Linked to this, the definition of long term under the Act goes beyond simply 'thinking about the future'. It requires public bodies to think about balancing what they want and need to achieve now, with what they or future generations will want or need to achieve over the long term.
- 35 We found that many public bodies had a reasonable understanding of current needs and demand pressures. Some were also able to describe how demand and other pressures were likely to change over time. They were using performance data, the results of consultations and local research, such as population needs assessments and well-being assessments, to help them understand the needs of people and places.¹⁶
- 36 While some public bodies could describe some of the likely changes in demand and the factors that might affect it, we found limited examples of forecasting and scenario planning. We identified opportunities for public bodies to think about how wider intelligence and trends might impact on what they were seeking to achieve. They need to think about the connections between social, economic, environmental and cultural trends, rather than focusing only on those that are most obviously and directly related. They also need to ensure they update their trend analyses, as appropriate.¹⁷

¹⁶ Regional Partnership Boards are required to produce a Population Needs Assessment under the Social Services and Well-being Act.

¹⁷ See also Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019.

- 37 The Commissioner previously highlighted weaknesses in well-being assessments because they:

‘... did not meaningfully consider the long-term, future trends or multigenerational policy challenges’ and ‘implicit messages from the data needed further exploration to better understand the causes and effects of key issues and trends’.¹⁸

If well-being assessments are to be an important source of evidence for public bodies to continually draw upon, then PSBs will need to strengthen their information on future trends. The Welsh Government’s forthcoming Future Trends report should provide a valuable source of information for public bodies across Wales. Inevitably, all public bodies will need to reconsider medium and long-term trends as they begin responding to the aftermath of the global pandemic.

Case study – Gwent Futures Report

In March 2018, Ash Futures published its horizon scanning report for the Gwent area Public Services Boards (PSBs). It described the global and local trends and what they might mean for the people, business and the environment of Gwent over the next 10 to 20 years.

They used the ‘three horizons model’, which explores external factors in a) the present b) the less near future and c) the medium to long term. Whilst this work recognises the inherent unpredictability of the future, it also provides a helpful baseline from which to ask questions.

For more information on the Gwent Futures Report please follow this [link](#)

18 Future Generations Commissioner for Wales, **Well-being in Wales: Planning today for a better tomorrow**, 2017.

Planning for the future

- 38 We found a few notable examples of public bodies setting out and working towards a genuinely long-term vision, looking 10 or more years ahead. This should help guide the actions and decisions they take in the short and medium term. The Commissioner also notes that well-being objectives tend to be long term.¹⁹ We also saw a few examples of public bodies appraising the risk and benefits of projects over the very long term, for example 40 to 60 years.
- 39 More typically, we saw public bodies were planning to deliver activities over the short and medium term. But this didn't mean they weren't thinking further ahead. We found many examples of public bodies thinking about what they wanted to achieve over the long term, though we highlighted that some of those activities were disadvantaged by the lack of a clear long-term vision, actions, resources and measures. Overall, we saw more evidence of long-term thinking than long-term planning.
- 40 We also highlighted opportunities for public bodies to work together more to plan for the future. This would help them explore interconnected issues and work towards shared, long-term outcomes that tackle the root causes of problems.
- 41 Some public bodies were clear about how they would measure progress and impact over the long term. This was often not the case and we challenged many public bodies to think about how they could do this. We understand this can be difficult; different partners are involved in delivery, outcomes can be difficult to measure and it can be resource intensive. Nevertheless, it is important to be clear about what they want to achieve over the long term and whether they are on track to achieve it (see also '**prevention**').

Natural Resources Wales (NRW) is facilitating the development of a shared vision for the natural environment in Wales to 2050. NRW will monitor the natural environment in Wales through its State of Natural Resources Reports (SoNaRR) looking at Wales as a whole, together with medium-term performance measures and short-term annual targets to monitor NRW's own contribution.

[View the report here.](#)

A view from the auditor

It's positive to see that public bodies are thinking about what they need to do to improve well-being over the long term. To make that a reality, they need to be clear about what they want to achieve, how they will deliver, resource and measure it and over what time horizon. We want to see evidence of long-term thinking that is informed and supported by long-term planning.

Investing for the future

- 42 Public bodies need to think about the resources they need to deliver improvements in well-being over the long term. They need to think about how risks and opportunities could shape their investment decisions, as well as the impact that using resources now is likely to have on the resources that are available in future. This means thinking about financial sustainability and value over the long term and how costs might be avoided by taking preventative action.
- 43 We saw many public bodies investing for the medium and long term by building capacity, developing specific expertise and investing core or grant funding. We saw that public bodies were often redesigning services so that they would better meet need and be financially sustainable over the medium to long term. However, where public bodies were relying on grant funding there were concerns about long-term sustainability and development of 'exit strategies' (see also '**prevention**').
- 44 Many public bodies are grant funders, as well as grant recipients. We found a few examples of public bodies working to give the organisations they fund more certainty or encourage them to plan for the long term.

Things for public bodies to think about...

- Developing a more sophisticated understanding of the different factors that will shape the future and what this might mean.
- Being clear about what they want to achieve over the long term and how they will measure progress and impact.
- Investing resources to deliver well-being over the long term.



Prevention



Why it's important: Prevention is about protecting the well-being of people and places by building capacity, stopping problems from occurring or worsening. It's also about using resources in a smarter way and, ultimately, delivering better value as well as better well-being.

The expectation

Public bodies must...

Take account of 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.

Public bodies could demonstrate this by...

- Seeking to understand root causes of problems so that negative cycles and intergenerational challenges can be tackled.
- Seeing challenges from a system-wide perspective, recognising and valuing long-term benefits they can deliver for people and places.
- Allocating resources to preventative action likely to contribute to better outcomes and use of resources even where this may limit the ability to meet some short-term needs.
- Having decision-making and accountability arrangements that recognise the value of preventative action and accept short-term reductions in performance and resources in the pursuit of improved outcomes and use of resources.

What we found: Public bodies are thinking preventatively, but are sometimes missing opportunities to deliver and measure system-wide preventative benefits.

Thinking preventatively

- 45 We examined some activities that had been designed with prevention in mind. For example, projects to reduce ecosystem decline, improve health and well-being and ensure that children have the best start in life.

- 46 We also examined activities where prevention was not the foremost consideration but could still help to deliver wider preventative benefits. For example, town centre regeneration could be designed to improve the local economy, but could also promote active travel, improve air quality and improve health and well-being. In these cases, public bodies were often aware of the potential wider benefits, but they were not always planning to deliver or measure them.
- 47 We found that public bodies were sometimes missing opportunities to identify preventative benefits and to make the connections between their work and the outcomes that other bodies were seeking to achieve. Prevention cannot be the responsibility of one service or organisation and may require innovative thinking that connects different parts of the system. For example, actions undertaken by leisure or culture services could reduce demand for social care and health. Public bodies will need to integrate different agendas and work with a broader range of partners to deliver wider preventative benefits. This will enable them to focus their efforts far upstream so they can undertake ‘primary’ prevention.²⁰

²⁰ The Commissioner has agreed a definition of prevention with the Welsh Government that is based on four tiers; primary prevention, secondary prevention, tertiary prevention and acute spending. See the **Future Generations Report** for further information.

Understanding the root causes of problems

- 48 Some bodies were able to describe the reasons that certain problems were occurring or getting worse. For example, the connection between physical activity and health and mental health or the importance of early years and outcomes later in life. Public bodies often drew on national research for this, combined with local data and a few commissioned their own research.
- 49 We did identify several opportunities for public bodies to deepen their understanding of the root causes of problems. They need to understand the reasons behind an issue and how it might have developed over time, in some cases over multiple generations.
- 50 We know that comprehensive analysis of root causes can be technically challenging and time-consuming and might not always be feasible. However, public bodies can delve into root causes by working with partners, service users and the public to understand the factors affecting people's lives, ask why they are choosing not to take part in an activity or service or why interventions have not been successful. They can gather information that helps them interpret research in their local context. Understanding root causes, and having a common understanding, is important if public bodies are going to work together in a system-wide approach to prevention.

Investing in prevention

- 51 We found many examples of public bodies investing in prevention; often through leveraging external funding and making smarter use of existing resources. They were accessing grant funding, drawing funding streams together and adapting roles and responsibilities to help deliver preventative benefits.²¹

The Higher Education Funding Council for Wales' 'Learning Analytics Cymru' project will collect and analyse retrospective and real-time student data to help improve student support and learning outcomes. The analysis of learning patterns will also provide anonymised nationwide insights into:

- a) what causes different educational outcomes for students;
- b) the success or otherwise of student support interventions; and
- c) tracking improvements in learning and teaching on individual programmes.

View the report [here](#).

21 For information on the shift towards preventative delivery in adult social care, please see our report **The 'Front Door' to Adult Social Care**, September 2019.

- 52 Public bodies were often proactively seeking grant funding to help make a shift to more preventative models and deliver long-term, preventative benefits. But they often lacked a plan for sustaining the work when the funding had ended.
- 53 One source of funding for health and social care is the Integrated Care Fund; many of the projects focus on prevention and earlier intervention. Our [report](#) on the fund found that while there has been a clear expectation from the Welsh Government that effective projects should be mainstreamed into core budgets, funding pressures have made that difficult. Many have effectively become core services and regional partners may have to make some difficult decisions to disinvest from some services.²²
- 54 Public bodies find it difficult to redirect core resources to deliver new, preventative delivery models. Reasons include rising demand pressures, core funding constraints and performance monitoring that focuses on outputs. However, they need to consider how best to sustain or mainstream activities that are likely to help manage demand over the long term. Over time, public bodies will need to make a more extensive and fundamental shift to preventative working that connects different parts of their organisations and their partners. We will explore this further in future work, including through our planned thematic review of ‘prevention’ across local government in 2020-21.



A view from the auditor

Examining investment in prevention is an important way for us to understand whether and how public bodies are delivering value for money in the present and over the longer term. Our future examinations will explore whether they understand cost and benefits over time and whether these are informing the difficult choices they will inevitably face.

Measuring prevention

- 55 We saw that some public bodies had developed, or were developing, ways of measuring prevention. This included measuring the wider impact, such as in Cardiff where targets have been set to measure interventions to address poor air quality (for further information see [page 46](#)). It also included measuring the difference a service has made to individuals (see ‘**Connect**’ case study below).

56 For most of the steps we reviewed, public bodies had not identified a way of measuring the impact of prevention. This is difficult, but public bodies should consider how best to measure impacts on individuals, and how their efforts add up to overall improvements in well-being. This would help build the evidence base for preventative work, inform decisions about resources and strengthen the case for external funding, particularly when wider benefits are being delivered. This also needs to be a collective endeavour; public bodies can only really plan for and measure the impact of prevention across the delivery system. Benefits delivered by one partner may reduce demand for another. This underlines the importance of linking prevention with integration.

57 Furthermore, to work preventatively and improve well-being, public bodies need to understand what well-being means to individuals. This underlines the importance of linking involvement with prevention.²³

Working with key partners and using data, Mid and West Wales Fire and Rescue Authority's Arson Reduction Team spent time understanding the unique nature of the arson problem in the area. This included understanding the cyclical pattern of incidents, identifying the key community leaders, a lack of trust in emergency services, and a cultural acceptance of arson attacks as 'the norm'.

Things for public bodies to think about...

- Taking opportunities to work with others to deliver a broader prevention agenda.
- Measuring the impact of prevention.
- Investing in prevention and making sure that preventative benefits can be sustained.
- Exploring with the Welsh Government how preventative spend could best be supported and incentivised.



²³ See also our summary and supplementary reports on **The Well-being of Young People**, September 2019.

Case study – Oldham warm homes

The Warm Homes Oldham scheme was set up by Oldham Council, NHS Oldham Clinical Commissioning Group and Oldham Housing Investment Partnership (OHIP) in 2013. It offers advice, support and energy saving measures to residents in fuel poverty.

Sheffield Hallam University have evaluated this programme, considering savings to the NHS as well as wider economic benefits, using self-reported health outcomes. An investment of £250,000 per year from Oldham CCG resulted in a monetary benefit from an increase of Quality Adjusted Life Years (QALYs) of between £399,000 and £793,000 depending on the method used. The study reported £178,000 of extra GDP due to higher employment rates, £37,700 of extra GDP due to reductions in sickness absence, and £137,300 of reductions in benefits claims.

Source: Ashden Consulting, [A toolkit for city regions and local authorities: Chapter 2 Health and Well-being.](#)

Case study – New Connect: Weight Management Service for Children and Young People, Aneurin Bevan University Health Board

In May 2019, the Health Board launched ‘Connect’, a new Gwent-wide team of health care professionals working together to support children, young people and their families, to improve their physical and emotional health and to treat the complications of obesity. It was developed as a partnership between physical and mental health services.

The service was designed with a long-term, preventative focus. Staff worked collaboratively to identify the cost of obesity, as well as to estimate the current and future demand for the specialist service, service capacity and required resources both finance and workforce. They evaluated the resources used to provide care for children and young people with obesity to identify how much could be reinvested in the new service.

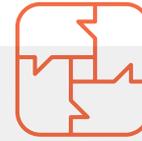
The Health Board worked with a range of partners to map services and resources for tackling obesity, for example in relation to physical activity and access to healthy affordable food choices. Connect is helping to shape a whole-systems approach to tackling childhood obesity. For example, Connect is linking with Health Visiting teams implementing the Healthy Child Wales Programme and the School Health Nursing Service, which undertakes the childhood measurement programme.

An outcomes framework was developed alongside, to inform service delivery and improvements, to monitor clinical outcomes and to understand the impact and experience of children and their families. Measures include specially developed patient (child) reported outcome measures, patient (child) experience measures and quality of life measures.

Developing a new service (the first in Wales) required trust, risk-taking and support from senior leaders within the organisation to commit resources where outcomes may not be evident in the short term.

View the report [here](#).

Integration



Why it's important: Integration requires public bodies to take a different perspective; one that considers social, economic, environmental and cultural well-being in combination. Thinking in an integrated way will help public bodies balance different factors, identify a broader range of benefits and work in a more co-ordinated way. It should also facilitate preventative work.

The expectation

Public bodies must...

Consider how the body's well-being objectives may impact on each other, on other public bodies' well-being objectives and on the well-being goals.

Public bodies could demonstrate this by...

- Everyone understanding their contribution to delivering the vision and well-being objectives.
- Everyone understanding what different parts of the organisation do and seeking opportunities to work across organisational and public sector boundaries.
- Everyone recognising that achieving the vision and objectives depends on working together.
- Having an open culture where information is shared.
- Gaining a well-developed understanding of how the well-being objectives and steps to meet them impact on other public sector bodies.
- Proactively working across organisational boundaries to maximise their contribution across the well-being goals and minimise negative impacts.
- Having governance structures, processes and behaviours that support this.

What we found: Public bodies can often describe connections between their objectives, their partners' objectives and the national goals. However, there are further opportunities for integration to add value and help deliver wider benefits.

Making the links

- 58 Public bodies were often able to describe some of the connections between their work and the national goals or, in more general terms, how they might improve social, economic, environmental or cultural well-being.²⁴ Many public bodies had formally documented the contributions and connections (see **paragraphs 65 and 66**).
- 59 We also found many public bodies aligning activity to other public bodies' plans and PSBs' well-being plans. We found good examples of joined-up planning with partners, often based on a good understanding of their objectives in related areas of activity. However, there were many other examples where we highlighted the need to develop or strengthen these links or to extend the range of organisations and issues public bodies were considering.
- 60 Many public bodies told us how what they were doing was helping to deliver their own well-being objectives. They could describe how those activities related to different parts of their business and we found some good examples of cross-organisational working. For example, Newport Council recognised that their city centre regeneration required a whole-system approach, linking environment, community safety and health and well-being. This demonstrated the council's consideration of impact on a number of different objectives.
- 61 Departments (in the same organisation) and partner organisations were often making important connections in areas where there is a clear need for integration; for example, health and social care, social care and housing, education and leisure. However, we also identified many examples where internal integration could be strengthened. There are opportunities for public bodies to challenge themselves to make the less typical connections and think more systematically about the range of potential positive and negative impacts on their own and their partners' well-being objectives.²⁵

24 See also our report, **The Effectiveness of Local Planning Authorities in Wales**, June 2019.

25 See also Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019.

Case study – Sport Wales: understanding sport and well-being

Sport Wales commissioned the Sport Industry Research Centre (SIRC) at Sheffield Hallam University to conduct research on the overall impact that sport has on well-being. The research explored the value (or social return on investment) that sport has to the nation and the contribution that it can make towards health, crime, education, social cohesion and overall well-being.

Read our report [here](#).

Understanding and valuing integration

- 62 Integration is central to the Act. Public bodies will need to take it seriously if they want to use the Act to add value to their work.
- 63 It has a unique focus under the Act. It requires public bodies to think about social, economic, environmental and cultural well-being in combination. Public bodies that work in this way will take a wider view and ensure coherence between their own activities and the work of others. Integration is a precursor to effective collaboration and can facilitate a system-wide response, which enables public bodies to work preventatively. Ultimately, it enables them to deliver a broader range of benefits for people and places.
- 64 We found that ‘integration’ is still sometimes misunderstood as being ‘service integration’ or ‘joint working’ between organisations. This is partly a result of the language used in the Social Services and Wellbeing (Wales) Act 2014.
- 65 It is important that public bodies properly consider and can demonstrate integration. We highlighted opportunities for public bodies to more clearly and explicitly show these links.

- 66 However, there is a risk that integration can be approached as a bureaucratic exercise, mainly focused on showing the links between steps and well-being objectives or the national goals. Retrofitting or cosmetic alignment of objectives and actions is both a missed opportunity and a waste of time.



A view from the auditor

With integration, seeing the links is important but we need to ask the ‘so what?’ question. Clear links between strategic documents are good to see, but what practical differences do they make, how are they shaping the thinking and what is going to be different as a result?

Case study – Nottingham Good Food Partnership: improving health and cutting the carbon footprint of food

The Nottingham Good Food Partnership is part funded by Nottingham City Council. It is a growing coalition of over 50 member organisations working together to transform the sustainability of Nottingham’s local food system.

As part of the Sustainable Food Cities (SFC) Network, the Partnership aims to improve the health and well-being of all and to create a more connected, resilient and sustainable Nottingham.

It is addressing several key issues including:

- promoting the importance of healthy and sustainable food to the diverse local communities;
- working towards a circular food economy;
- radically reducing the ecological footprint of the food system; and
- aiming for zero edible food waste.

Source: Ashden Consulting, [A toolkit for city regions and local authorities: Chapter 2 Health and Well-being](#)

Case study – Building a greener and fairer Scotland

The Scottish Government has set up a ‘Just Transition Commission’ to advise Ministers on how ‘just transition principles’ can be applied to climate change action in Scotland. The aim is to help ensure that climate targets can be met, whilst also considering the economic and social impacts of climate action:

‘The imperative of a just transition is that Governments design policies in a way that ensures the benefits of climate change action are shared widely, while the costs do not unfairly burden those least able to pay, or whose livelihoods are directly or indirectly at risk as the economy shifts and changes.’

The Commission’s interim report can be viewed [here](#). It will share its final recommendations with the Scottish Ministers by January 2021.

Things for public bodies to think about...

- Being clear about what integration means and how they can use it to add value to their work.
- Challenging themselves to expand their thinking so that they better understand how they can take every opportunity to improve the social, economic, environmental and cultural well-being of Wales.



Collaboration



Why it's important: Collaboration is a longstanding feature of policy and service delivery in Wales. Thinking about collaboration alongside the other ways of working helps define why it's important and what it can achieve. By working together public bodies can have a wider impact, tackle the root causes of problems and prevent them from occurring in future.

The expectation

Public bodies must...

Take account of how collaborating with others could assist the body to meet its well-being objectives, or assist another body to meet its objectives.

Public bodies could demonstrate this by...

- Focusing on place, community and outcomes not organisational boundaries.
- Understanding partners' objectives and their responsibilities, which helps to drive collaborative activity.
- Having positive and mature relationships with stakeholders, where information is shared in an open and transparent way.
- Recognising and valuing the contributions that all partners can make.
- Seeking to establish shared processes and ways of working, where appropriate.

What we found: There are many positive examples of collaboration, but we identified opportunities for public bodies to work with a broader range of partners to increase impact. They could also continue to strengthen their collaborations by reviewing their effectiveness and applying the learning.

Working with the right partners

67 We found many examples of public bodies working with key partners to deliver shared outcomes. In some cases, this was an extensive range of partners, often co-ordinated through the PSBs and in some cases with regional partners through the Regional Partnership Boards (RPBs) or city region and growth deals. However, we did identify valuable opportunities for public bodies to work with different partners (both internal and external) to increase and broaden their impact (see also 'integration' and 'prevention').

- 68 We identified a good degree of trust, mutual respect and shared understanding between partners for many of the examples we reviewed. These public bodies described how they valued their partners and recognised the need to work with others to deliver better outcomes.
- 69 We saw examples of joined-up delivery, including through shared processes, co-located and multi-agency teams and multi-agency steering groups. However, we found some instances where under-developed processes were getting in the way. Examples include unclear roles and arrangements, lack of common vision and data sharing challenges.
- 70 A significant amount of partnership working is coordinated through the PSBs. However, our **‘Review of Public Services Boards’ report** found that inconsistent attendance and a sense among some third sector representatives that the agenda is owned by the local authority were seen to reduce effectiveness and collective ownership. The review also found that PSBs invite a wide range of organisations to participate but there were opportunities to involve other partners, including from the private sector and faith groups.²⁶



A view from the auditor

We have continued to look at arrangements – they will always be important – but effective collaboration relies on **relationships** and **trust**. We’ve explored both in these examinations and we’ll continue do so in future work.

Resourcing collaboration

- 71 This report has already set out some of the challenges associated with grant funding (see **‘prevention’**). Our review of PSBs highlighted that resources and capacity are key risks and PSBs feel there is a need for a dedicated PSB funding stream.²⁷
- 72 RPBs can access funding through the Integrated Care Fund. Our 2019 **report** on the fund found that it has ‘helped bring organisations together to plan and deliver services’. However, it also found that short-term funding horizons hampered regional delivery.²⁸

26 Auditor General for Wales, Review of Public Services Boards, October 2019.

27 Ibid.

28 Auditor General for Wales, **Integrated Care Fund**, July 2019.

- 73 The disparity in resourcing these two related partnerships has also been identified as an issue by the Commissioner, who reported that it has:

‘...meant that the attention of Health Board staff is often diverted from the work of Public Services Boards to Regional Partnership Boards, where the scope of improving well-being is more limited’.²⁹

This is due to the PSB having broader representation and the potential to influence the wider determinants of health.³⁰

- 74 Some public bodies can also struggle with the capacity to work in partnership, both at a strategic and operational level. Our ‘year one’ report highlighted the difficulties that smaller bodies and national bodies face when engaging with PSBs.

Assessing the impact and effectiveness of collaboration

- 75 We found that some public bodies needed to ensure they could assess the impact of an activity and progress towards well-being objectives. However, the challenges of measuring long-term, preventative impacts that have already been outlined clearly also relate to measuring the impact of collaborative activities.
- 76 We also highlighted opportunities for public bodies to assess the effectiveness of their collaborative activity. We saw a few examples of public bodies doing this through citizen stories, scrutiny and formal evaluation. Public bodies need to understand whether their collaborations are delivering what was originally intended, whether they are still fit for purpose and how they can strengthen partnership working in future.
- 77 Our review of PSBs found that scrutiny arrangements were ‘too inconsistent and variable’, and that ‘despite some positive and effective work to embed and make scrutiny truly effective, more work is required to ensure a consistent level of performance and impact’.³¹
- 78 Similarly, our report on the Integrated Care Fund found that ‘despite some positive examples, the overall impact of the fund on improving outcomes for services users remains unclear’.³²

29 Future Generations Commissioner for Wales, **Progress towards the Well-being of Future Generations Act**, October 2019.

30 Future Generations Commissioner for Wales, **Future Generations Report**, May 2020.

31 Ibid.

32 Ibid.

Case study – North Powys Well-Being Programme, Powys County Council and Powys Teaching Health Board

The North Powys Wellbeing Programme (NPWBP) is focused on the development of a new integrated delivery model in North Powys. It brings partners together across health, social care and the third sector with linkages to education, housing, leisure, police and ambulance services.

The scope of the NPWBP includes working with local communities to co-design, test and deliver a new integrated model to a rural population. The programme has taken a robust and innovative approach to gathering and visualising Health and Social Care data. An example of this is the Well-being Information bank, and the North Powys Population Assessment which is available online [here](#). The intention is to use the visualised data to help engage stakeholders and citizens in the development of the NPWBP.

View the report [here](#).

Case study – Greater Manchester Combined Authority (GMCA): Cost Benefit Analysis Tool for Partnerships

The GMCA is made up of ten local authorities and the Mayor of Greater Manchester, who work with other partners, and serve a city region of 2.8 million people. The GMCA has also had a series of ‘devolution deals’, giving the region more powers and control of budgets.

The GMCA sought to develop a rigorous means of understanding how benefits – whether to the public, the public purse, the planet or the wider economy – are likely to be accrued by different organisations and communities. The GMCA worked with New Economy to produce its ‘Partnerships Cost Benefit Analysis’ (CBA) model, which helps them consider the value for money offered by different interventions that might otherwise be difficult to compare. It quantifies economic benefits and social benefits, including improved health and well-being. It helps inform decisions by showing how money flows between organisations that invest and those that accrue the benefits.

The CBA model has been used by different sectors and applied to different issues. For more information follow this [link](#).

Things for public bodies to think about...

- Working with the appropriate range of partners to ensure they can deliver a wider range of benefits, including system-wide approaches to prevention.
- Assessing the effectiveness of collaboration, determining whether it is delivering intended outcomes and using the learning to help them improve.
- The Welsh Government should consider how it can better incentivise and enable public bodies (including via funding flows) to work together to deliver national strategic priorities.³³



³³ See also recommendation 3 in our Review of Public Services Boards report.

Involvement



Why it's important: Involvement can help public bodies understand what people might need and want now and in the future; how they can effectively tackle the root causes of problems; and how they can identify opportunities to deliver a broader range of benefits.

The expectation

Public bodies must...

Take account of the importance of involving people with an interest in achieving the well-being goals and ensuring they reflect the diversity of the population.

Public bodies could demonstrate this by...

- Understanding who needs to be involved, and why.
- Reflecting on how well the needs and challenges facing those people are currently understood.
- Working co-productively with stakeholders to design and deliver.
- Seeing views of stakeholders as vital information to help deliver better outcomes.
- Ensuring the full diversity of stakeholders is represented and that they are able to take part.
- Having mature and trusting relationships with its stakeholders.
- Sharing with stakeholders in an open and transparent way.
- Ensuring stakeholders understand the impact of their contribution.
- Seeking feedback from key stakeholders which is used to help learn and improve.

What we found: Public bodies are often not creating opportunities for citizens to be involved from the early stages of design through to evaluation and they need to do more to involve the full diversity of the population.

Involvement: What and when?

- 79 The definition of involvement in the Act and guidance challenges public bodies to go further by ‘involving people in decisions that affect them’.³⁴ This suggests an open, iterative and shared process – a progression from seeking more narrowly defined information at a set point in time. It suggests that public bodies should speak to people early and look for opportunities to involve them in delivery through to evaluation.
- 80 We found many examples of public bodies seeking the views of the public and stakeholders to help inform their activities. These examples were often consultation and engagement exercises, aimed at gathering views on specific issues as part of the process of designing a given activity. Public bodies were speaking to established forums and networks to engage with specific groups. In some cases, they were drawing on the expertise of others to help them connect with the public, recognising that they were not always best placed to do it themselves.
- 81 We found some examples of bodies involving the public early, working with them to shape the design of new services or buildings. Taken one step further, public bodies could consider how they involve people in ‘problem definition’, i.e. what they are trying to solve and why. This could help them better understand the root causes of problems and help identify preventative solutions that improve well-being. Early involvement can also help to deliver better value for money by ensuring public bodies design services that people want and need and that they get it right first time.

Conwy County Borough Council has worked with families to design family centres.

Families have helped shape the concept of the family centre; the location of centres and the services they offer; and the way centres measure outcomes.

View the report [here](#).

34 Welsh Government ‘Shared Purpose: Shared Future’ – statutory guidance on the Well-being of Future Generations (Wales) Act 2015, 2016.

- 82 Some public bodies are using the language of ‘co-production’, which is a more radical approach to working with others, characterised by sharing power and responsibility.³⁵ We examined some steps where people and community groups were directly involved with delivering solutions. We saw a few notable examples in NHS bodies, where patients and former patients share their experiences to inform others or champion certain issues. There were other examples of public bodies recruiting volunteers and working with community groups.
- 83 We saw a few examples where public bodies were working directly with individuals to involve them in decisions about their well-being and the services they receive, often taking a ‘strengths-based’ approach. This included ‘what matters’ conversations undertaken as part of work under the Social Services and Well-being (Wales) Act 2014.³⁶ Our report **The ‘Front Door’ to Adult Social Care** also found that local authorities are making good progress.

‘...and there has been a positive change in focus to strengths-based assessments, ‘what matters’ conversations and citizens have voice, choice and control’.³⁷

- 84 We found a few examples of public bodies seeking and responding to views on a routine basis. This included creating opportunities for ‘real time’ feedback, often using digital technology. However, we also challenged bodies to consider how they could continually seek and respond to the views of service users and communities. Public bodies should make sure that people who use their services can comment and contribute to their ongoing improvement.

Hywel Dda Health Board’s Education Programmes for Patients (EPP) offers educational opportunities for people to implement changes to improve their health and wellbeing particularly those living with a long-term/chronic condition and that of their families. Staff and volunteers work together to deliver the programme. Volunteers are recruited to provide their personal perspective; for example, in relation to mental health, disability, substance misuse, and gender identity.

35 The Coproduction Network for Wales defines **co-production** as:

‘... an asset-based approach to public services that enables people providing and people receiving services to share power and responsibility, and to work together in equal, reciprocal and caring relationships. It creates opportunities for people to access support when they need it, and to contribute to social change.’

36 ‘The 2014 Act and its Codes require practitioners to work with individuals as equals – sharing power and esteem by co-producing the ‘what matters’ conversation’. Social Care Wales.

37 Auditor General for Wales, **The ‘Front Door’ to Adult Social Care**, September 2019.

- 85 Overall, we sense that most public bodies are still consulting and engaging more often than involving. Similarly, our review of PSBs found that they have ‘tended to follow traditional approaches focused on informing rather than involving’.³⁸
- 86 The definition may be more stretching, but there has been a longstanding drive to encourage a more responsive, citizen-centred public service in Wales. Existing legislative requirements, alongside the Citizen-Centred Governance Principles, National Principles for Public Engagement and the National Participation Standards for Children and Young People should have provided a good foundation for public bodies to carry out ‘involvement’. However, findings from our examinations and other reviews, and from work conducted by the Commissioner show that there remains more to do.
- 87 Public bodies and PSBs need to consider how they make the shift to a more open, responsive and inclusive way of working with others. The level of actual involvement will vary, but the Act requires public bodies to challenge themselves to look for opportunities to involve others throughout design and delivery.

Involvement: Who?

- 88 We challenged many public bodies to involve a broader range of people in design and delivery. We highlighted some instances where certain stakeholders who could add value had not yet been involved. We also identified opportunities for public bodies to go beyond involving partner organisations, community groups or even current service users and speak directly to the public, or those who might use a service or facility in future.
- 89 We found many examples where public bodies needed to do more to involve the full diversity of the population. They need to think about how they can best involve vulnerable people and those with different protected characteristics, recognising that decisions and activities will impact different people differently.³⁹ To do this they need to understand the make-up of their populations, use appropriate methods and build sufficient time into the process.
- 90 Public bodies have opportunities to connect involvement to their equality duties, which include engagement and carrying out equality impact assessments. This would help ensure they are listening to different voices and reflecting them in their decisions.

38 Auditor General for Wales, [Review of Public Services Boards](#), October 2019.

39 The Equality Act 2010 sets out nine protected characteristics; age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

- 91 Public bodies should also ensure they review the effectiveness of their involvement activity. They could review the rate and diversity of responses and ask for feedback on the quality of the process to help learn lessons for the future. The numbers of people involved might be an important measure, but public bodies should also review the outcomes of involvement. This could include the impact and people's experience of the process.

Case study – Cardiff Council: Working with others to develop the 'big ideas' for sustainable travel

In March 2018 the council launched its Green Paper on Transport and Clean Air containing 18 'big ideas' for the future of transport in the city. These ideas included a wide range of initiatives such as; the 'Future of the Metro and buses', 'Clean Air Zones', a 'comprehensive cycle super-highway and primary cycle route network' and 'autonomous vehicles'. One of the main drivers for this work was research from the local public health team that clearly showed that investment in sustainable and active travel has both short and long-term preventative benefits on the environment and on health and well-being.

These are potentially big changes, which could be unpopular with some, so the council wanted to engage its citizens in helping to prioritise the initiatives. In early 2018 it undertook an extensive, independent and well-resourced consultation process. This included a survey which received over 3,500 responses, face-to-face conversations with seldom-heard groups and sessions as part of geography lessons in secondary schools. The results have directly informed the Transport and Clean Air White Paper published in 2019.

For more information on Cardiff's approach to sustainable travel and clean air service please follow this [link](#) to the council's Green Paper.

View the report [here](#).

Case study – Amgueddfa Cymru: Involving others in the future of St. Fagans

Amgueddfa Cymru set up ‘participatory forums’ and other collaborative ways of working to involve people in redeveloping St. Fagans National Museum of History. The forums have given a large number of people, from different backgrounds, the opportunity to genuinely shape work at the museum.

This approach won the ‘Art Fund Museum of the Year Award’ in 2019 and was described by the chair of judges as ‘a monument to modern museum democracy... a major development project involving the direct participation of hundreds of thousands of visitors and volunteers, putting the arts of making and building into fresh contexts’.

View the report [here](#).

Things for public bodies to think about...

- Involving others throughout planning and decision-making, from the early stages of defining problems through to delivering and evaluating the solutions.
- Creating opportunities for people who are likely to be affected to be involved. This means current and potential service users and the full diversity of the population.
- Asking for feedback, learning and improving involvement.



So, what's next?

What's next for public bodies?

The challenges ahead

- 92 The Act is intended to bring about changes in culture and practice that will help public bodies address the major challenges facing Wales, both now and over the long term. Findings from our 2018 report suggest that most public bodies recognise that the Act should indeed be central to what they do, and that it can help them in designing and delivering more sustainable services and better outcomes.⁴⁰
- 93 This initial 2015-2020 reporting period has been a time of very considerable change, during which a combination of significant economic, political and social factors have affected trends, strategies and plans. New issues and challenges – some foreseen, and others unexpected – have appeared or have risen in prominence. One constant factor has been the rising demand pressures on public services, despite some recent easing of the public finance austerity that began in 2008. For Wales in 2020, grappling with the immediate and unprecedented emergency pressures of the COVID-19 pandemic, the challenges and problems facing public services are complex and immense.
- 94 **Exhibit 5** looks ahead at the next reporting period (2020-2025), giving an overview of four of the major challenges that those leading Welsh public services will have to address.
- 95 In the next reporting period, we will expect to see public bodies using the framework of the Act to address these and other challenges. When we look at the setting of well-being objectives, we will expect these key trends to have been considered. When developing our audit work programmes, we will consider the significance of activities and the contribution they make to meeting well-being objectives.

40 Auditor General for Wales **Reflecting on Year One: How Have Public Bodies Responded to the Well-being of Future Generations (Wales) Act 2015?** May 2018.

Exhibit 5 – four defining challenges for Welsh public services from 2020-25

The impact of the COVID-19 pandemic

The Covid-19 crisis response is necessarily focused on saving lives and putting in place measures to reduce the immediate economic impacts on businesses and individuals.



The wider implications of the crisis are extremely complex and are likely to have wide-ranging and long-lasting consequences, particularly for the most vulnerable.

Public bodies already appear likely to come through this period with even stronger collaborative relationships, having supported each other with dedication and ingenuity in the face of the crisis. This should stand them in good stead to tackle the medium and longer-term impacts. The framework of the Act can help build the foresight and resilience that can ensure bodies are well-placed to plan for and respond to emergencies.

Tackling inequality

Inequality continues to be a particularly important issue in Wales. There remains a 'stark gap between the experiences and opportunities of different people, particularly people born into poverty, disabled people, and some ethnic minority groups in Wales'.⁴²



Evidence shows that health inequalities have continued to grow.⁴³ Homelessness has risen dramatically since 2015-16, despite spend on homelessness increasing. Public bodies will need to do even more to improve well-being for disadvantaged groups, against a challenging social and economic backdrop as Wales grapples with the medium and longer-term effects of the COVID-19 emergency.

Climate change and biodiversity loss

Climate change is increasingly a defining issue in public and political debate, as countries across the world struggle to meet their commitments to reduce carbon emissions. The Welsh Ministers and 11 local authorities have declared a 'climate emergency', and the Welsh Government has stated its ambition for the Welsh public sector to be carbon neutral by 2030.



We depend on biodiversity in a number of ways, including regulating the climate and reducing the impact of natural hazards, such as the devastating flooding experienced in South Wales in February 2020. But biodiversity is declining faster than ever before and the World Economic Forum included major biodiversity loss and ecosystem collapse as one of its top three global risks in 2020.⁴¹

A key challenge will be how the Welsh Government and other public bodies can ensure a fair transition to a low carbon economy, and how they can protect the most disadvantaged from the effects of climate change and biodiversity loss.

The UK's departure from the European Union

The UK's departure from the European Union is an historic event and one that will have a very significant impact across the entire public sector, including here in Wales.



Whilst negotiations on the nature of the UK's future relationship with the European Union continue, much remains uncertain. However, the risks of 'no-deal' appear considerable and, whatever the eventual outcome, the immediate, medium and longer-term effects will all need to be carefully managed.⁴⁴

When considered in combination with the still-developing impacts of the COVID-19 pandemic and the resultant pressures on public services and economies across the globe, it is clear that the UK's new trading status will pose a wide range of new challenges, risks and opportunities.

41 ['Top risks are environmental, but ignore economics and they'll be harder to fix'](#), World Economic Forum 15 January 2020.

42 Equality and Human Rights Commission, **Is Wales Fairer?** 2018.

43 Public Health Wales, **Life Expectancy and Mortality in Wales**, 2020.

44 Auditor General for Wales, **Preparations in Wales for a 'no-deal' Brexit**, February 2019.

What's next for the Well-being of Future Generations Act?

- 96 Public services are changing. The Local Government and Elections (Wales) Bill proposes significant changes in governance, including a general power of competence for local authorities and the establishment of joint committees. These changes will sit within an already complex system of local and regional partnerships, which span different sectors and geographies. Public bodies are operating in a complex environment, seeking to navigate these arrangements to address multifaceted problems.
- 97 The Well-being of Future Generations Act has the potential to provide a common purpose and consistent culture, to simplify some of this complexity. However, five years on from its enactment, we have learned a lot about the Act and its practical workings.
- 98 Public bodies will need to use the Act when addressing the major challenges outlined in **Exhibit 5**. To do so effectively, the barriers to successful implementation described in this, and the Commissioner's, report will need to be overcome. Early consideration of how this can be achieved, by the Senedd and the Welsh Government after the next election, would help Wales remain at the forefront of actions to improve well-being and maintain its reputation as a global leader on sustainable development.

Recommendation 1

The Auditor General therefore recommends that:

- The **Senedd** and the **Welsh Government** should give post-legislative consideration to the Act to explore:
 - a. how the barriers to successful implementation described in this report, and that of the Commissioner, can be overcome; and
 - b. how Wales can remain at the forefront of actions to improve well-being.

- 99 The public sector landscape has also changed since the original designation of the 44 bodies under the Act, and the schedule of designation could usefully be revisited. The Act requires a collective and co-ordinated effort across the public sector. However;
- several new public bodies have been established since 2015 but have not been designated under the Act;⁴⁵ and
 - other pre-existing bodies (such as the Wales Ambulance Service NHS Trust) may also warrant designation.

Recommendation 2

The Auditor General therefore recommends that:

- The **Welsh Government** considers whether additional public bodies should be designated by Order to be subject to the Act.

What's next for our audit approach?

- 100 We are continuing to involve and collaborate to ensure our examination methodology adds value. We will soon be seeking feedback on the approach taken so far.
- 101 We will have discussions with stakeholders, including the Commissioner, to help inform the strategic direction of our work under the Act from 2020-2025. We intend to invite views on our proposals through a formal consultation, which will launch at an appropriate point later in 2020.

45 The new bodies include: Health Education and Improvement Wales, Social Care Wales and the Welsh Revenue Authority.



Appendix

1 Examination methodology

1 Examination methodology

- The evidence base for this report is drawn from a wide range of sources, including relevant value for money examinations undertaken and published by the Auditor General in the period 2015-2020:
 - [The Effectiveness of Local Planning Authorities in Wales](#), June 2019
 - [The 'Front Door' to Adult Social Care](#), September 2019
 - [Integrated Care Fund](#), July 2019
 - [Preparations in Wales for a 'no-deal' Brexit](#), February 2019
 - [Reflecting on Year One: How Have Public Bodies Responded to the Well-being of Future Generations \(Wales\) Act 2015?](#), May 2018
 - [Review of Public Services Boards](#), October 2019
 - [The Well-being of Young People](#), September 2019
- However, the bulk of the evidence is derived from the specific examinations that we conducted at all 44 public bodies named in the Act:

Our examinations of the 44 public bodies

- We undertook a total of 71 examinations across the 44 public bodies. In local government, fire and rescue authorities and national parks we carried out examinations in both 2018-19 and 2019-20 as part of our programmes of audit work. At the other bodies we carried out an examination in either 2018-19 or 2019-20.
- For each of these examinations, we selected a single 'step' that the body was taking to meet its well-being objectives. At the Welsh Government itself, we examined three separate steps to ensure appropriate coverage of its main delivery groups.
- In considering the extent to which bodies acted in accordance with the sustainable development principle in taking steps to meet their well-being objectives, we also sought to understand the corporate context in which 'steps' are being taken. This information will also help inform our future planning.

Method

The table below describes our core activities for each examination:

Activity	Description
Planning	In discussion with each public body, we identified an appropriate 'step' for detailed examination.
Fieldwork scoping workshop	<p>We ran a structured workshop at the beginning of our fieldwork to understand:</p> <ul style="list-style-type: none"> • why key officers/members/other stakeholders involved in designing and delivering the step/activity did so in the way that they did. • what they felt they achieved and what they learned. Specifically, considering how they had applied the five ways of working. <p>The output from this workshop was a narrative informed by attendees' contributions, which formed an important part of our audit evidence.</p>
Document reviews	We reviewed documents relevant to the delivery of the selected step.
Interviews	We conducted interviews and focus groups to seek the views of a wide cross-section of staff and other stakeholders.
Feedback and response workshop	We ran a workshop where we shared our findings to promote discussion and encourage the body to reflect on what we found, then develop its own improvement actions in response.
Summary report	<p>These reports included:</p> <ul style="list-style-type: none"> • a summary of the key findings from the examination grouped under each of the five ways of working; and • the actions the body decided upon in response to our findings, agreed at the Feedback and Response workshop. <p>We reserved the right to make proposals for improvement in addition to the action identified by the body.</p>

Main examination questions

The table below sets out the main questions we sought to answer in undertaking this examination, and these centred on the 'five ways of working':

To what extent has the body acted in accordance with the sustainable development principle when taking the step?

- 1 To what extent has the body considered how the step will meet short-term and long-term need?

- 2 To what extent has the body considered how the step will prevent problems from occurring or getting worse?

- 3 To what extent has the body considered the need to take an integrated approach in delivering the step?

- 4 To what extent has the body taken account of the need to collaborate in delivering the step?

- 5 To what extent has the body taken account of the need to involve the right people and ensure those people represent the diversity of the population?

Reporting on the examinations

- The findings from each examination were set out in a report. These reports also included the bodies' actions in response to our findings.
- This report provides an overview of the diverse findings, important themes and main learning points from those examinations. It does not set out definitive conclusions on the performance of each body, sector or of the 44 public bodies as a whole.



Audit Wales

24 Cathedral Road

Cardiff

CF11 9LJ

Tel: 029 2032 0500

Textphone: 029 2032 0660

We welcome telephone calls in
Welsh and English.

E-mail: info@audit.wales

Website: www.audit.wales