



Fit For the Future? The Well-being of Future Generations Act ten years on

Response to the Equality and Social Justice Committee report (March 2026)

In March 2026, the Equality and Social Justice Committee published its report on its inquiry into post-legislative scrutiny of the Well-being of Future Generations (Wales) Act 2015. The report includes 8 recommendations. This is the Welsh Government's initial response to the first part of 2 recommendations for the current Welsh Government.

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1. Introduction

Over the past decade, the Act has changed how Wales's public sector prioritises the well-being of both people and the planet. In the same period, we have seen the Act evolve in scope, interpretation and implementation. This has been demonstrated by the addition of new bodies such as the Corporate Joint Committees in 2021 and eight public bodies in 2024. It has been demonstrated through the delivery of well-being objectives and well-being plans across public bodies and Public Services Boards ("PSBs"). In addition, it has been demonstrated through the impact of successive policies and legislation developed through the lens of the Act. While we may not fully understand the Act's long-term impact for years to come, we already see transformative changes in how Wales approaches sustainable development and continues to monitor these through our well-being milestones.

The Act was specifically designed with key accountability mechanisms embedded in the legislation and the past year has highlighted the strength and robustness of these mechanisms. The Future Generations Commissioner's Future Generations Report 2025 has already begun to direct changes in the implementation of the Act across the Welsh public sector, and I was able to respond positively to most of the recommendations in a [Written Statement](#).

The Auditor General's statutory report, issued under section 15 of the Act, reported on the results of the examinations carried out on public bodies for the purposes of assessing the extent to which a body has acted in accordance with the sustainable development principle. Following this report, the Welsh Government has committed to reviewing the guidance underpinning the Act, especially in relation to public bodies and PSBs.

I thank the members of the Equality and Social Justice Committee for their report and all those who provided such thoughtful and challenging evidence during the process of the post-legislative scrutiny. This report into the Act is an essential scrutiny element in exploring the how far the Act is achieving its objectives, actions to improve its effectiveness and whether it represents value for money. We knew when the Act was commenced that it would require long-term, systemic change and I am pleased this has happened across many parts of the public sector in Wales. However, this report has highlighted the amount of work still needed and it is right that the current Welsh Government and the next Welsh Government reflect on its conclusions and seek to implement the required changes where appropriate.

I have set out my response to the report's individual recommendations for the current Welsh Government below.

2. Response to the 8 recommendations

All Recommendations

The responses to recommendations 1, 2, 3, 5, 6 and 7, as well as the second part of recommendations 4 and 8, are for the next Welsh Government to respond to.

Recommendation 5, on strengthening scrutiny of the work of PSBs alongside action to improve the openness and transparency of PSB meetings, will be considered by the core members of the Strengthening PSBs Progress Group ahead of the response by the next Welsh Government.

Recommendation 4, Part 1

The Committee recommends that:

The current Welsh Government should set out a detailed timeline and scope of the work it has commenced to review structures and the alignment between existing partnerships and their functions. The next Welsh Government should take forward a comprehensive review and ensure that the

process:

- is undertaken at pace, building on the extensive evidence that already exists that supports the case for change;
- maintains a clear focus on simplification, consolidation, and coherence, ensuring these are not undermined by vested interests or other priorities;
- is conducted in a timely fashion and completed within the first year of next Senedd term (therefore no later than June 2027).

Response (to the bold element of the recommendation only): Accept

Previous Reviews of Partnerships Landscape

Welsh Government has committed to better understand and align the work of these structures to streamline some partnerships and regional governance arrangements. There have been two recent major reviews of regional partnerships in Wales. The first was published in July 2020 - [Review of Strategic Partnerships](#). This review was the result of joint working between the Welsh Government, Welsh Local Government Association and Welsh NHS Confederation to solve a mutual problem identified as 'simplifying complexities in Welsh public services working together'. The scope of this review was to seek ways of simplifying and aligning the partnership landscape, working where possible within the current policy and leadership structures.

The most recent review of the partnership landscape was published in January 2024 - [Keeping regional partnership working under review with local partners](#). This review engaged the strategic partnerships themselves to test progress since the 2020 review, as well as reflect on opportunities and barriers to simplifying partnerships, and how to accelerate progress.

The findings from the 2023/24 engagement exercise with strategic partnerships showed progress since the 2020 review and there was evidence of partnerships making use of flexibilities to organise themselves differently where it makes sense locally to do so. There was also recognition that there is more to do, and indications that some areas might need more support for this, but that there is generally sufficient maturity within partnerships and regional governance arrangements to make the right decisions for their areas on the best footprint and alignment. Similarly with the 2020 review, there was no call during this exercise for Welsh Government to lead or legislate for structural change. Instead, there was broad continued support for the principle that:

“Any changes should be locally led, driven by what works best and based on local priorities and existing relationships.”

It was agreed that as the representatives of local leadership, the Partnership Council for Wales, will take collective responsibility for the effectiveness and efficiency of regional partnership working and oversee future reviews of the partnership landscape.

Current Work – 2026 to May 2027

The Welsh Government is currently progressing work to understand where expectations on PSBs and other partnerships, such as Regional Partnership Boards (“RPBs”), intersect. By clarifying duties, improving alignment and reducing duplication, this programme of work is intended to ease reporting pressures and enhance the ability of PSBs and other partnerships to deliver improved well-being outcomes in line with the sustainable development principle and maximise their contribution to the 7 well-being goals.

Over 2026 and 2027 the Strengthening PSBs Programme, the joint PSB–RPB non-statutory guidance, the National Assessment & Advice Group, and the upcoming PSB funding/support listening exercise are providing a coherent programme of work aimed at improving alignment, reducing duplication and strengthening the sustainability of Wales's partnership landscape. These actions support clearer expectations, more consistent assessment practice and better conditions for effective partnership delivery. The current work aligns with the deadlines for PSB well-being assessments which must be published by May 2027. However, the conclusions in the Committee's report will inform the future

work programme of the Welsh Government on PSBs and the wider partnerships landscape.

Strengthening PSBs: National Progress Group and Action Plan

Following evidence from evaluations such as [Shaping Places for Well-being in Wales](#) and Co-production Network Cymru's [Project Dewi](#), the Welsh Government established a Strengthening PSBs Progress Group with representatives from PSBs, Welsh Government, the Future Generations Commissioner's Office, Public Health Wales and the Co-production Network Cymru.

The Group has identified three priority areas for national support:

- Co-produced monitoring and evaluation guidance to help PSBs demonstrate systems change and the application of the five ways of working.
- Improving visibility and communications, including tools to help PSBs articulate their purpose and impact within a complex partnership landscape.
- Creating shared learning spaces to strengthen relationships and improve collaborative working between partners and across PSBs.

Joint (non-statutory) Guidance for PSB & RPB Assessments

To support coherent and proportionate statutory assessments, under section 37 of the Act for PSBs and the Social Services and Well-being (Wales) Act 2014 for RPBs, Welsh Government is developing a single non statutory guidance document for PSBs and RPBs. This guidance is for PSBs and RPBs only and does not apply to the wider partnerships landscape (such as Area Planning Boards). The appropriateness of joint guidance for the wider partnership landscape is a decision for the next Welsh Government.

The PSB and RPB assessment guidance will:

- Set out the statutory landscape for both assessment duties;
- explain areas where alignment between PSBs well-being assessments and RPBs population needs assessments is appropriate and where distinct responsibilities must remain;
- support either separate assessments or a single combined assessment where appropriate;
- provide practical advice on shared evidence, coordinated engagement, futures thinking and proportionate analysis; and
- include templates such as regional data catalogues, engagement plans and scenario planning prompts.

Publication of the non-statutory guidance is planned for late spring 2026 to support well-being assessments due in May 2027.

National Assessment & Advice Group

A National Assessment and Advice Group is being convened to provide consistent, authoritative national advice and support during the 2026–27 PSB well-being assessment cycle.

Membership includes PSB and RPB lead officials, Welsh Government Knowledge and Analytical Services officials, and representatives from the Office of the Future Generations Commissioner, Public Health Wales, Natural Resources Wales, Hwb Dyfodol (Welsh Futures Hub) and Audit Wales.

The Group will help refine the guidance, coordinate national support, and ensure consistency in expectations and advice across Wales throughout the next 12 months.

Listening Exercise on PSB Funding and Support

The Welsh Government have committed to a listening exercise with PSBs during the financial year 2026-2027. This is an opportunity to explore future support and potential future funding models for Welsh Government funding of PSBs. Officials will undertake the listening exercise with PSBs in the coming months. This responds directly to challenges raised by PSBs, including capacity constraints, duplication across partnership structures and the need for clearer, more sustainable support. The exercise will inform options for future resourcing and help ensure expectations across the partnership landscape remain proportionate and achievable.

The listening exercise will incorporate Conclusion 4 of the Committee's report.

Timeline Overview

- Autumn 2025: Strengthening PSBs Progress Group established.
- December 2025: Agreement to progress work on the development of non-statutory guidance.
- January–March 2026: Draft non-statutory guidance issued; National Assessment & Advice Group convened.
- April 2026: PSB, RPB and wider sector feedback on Non-Statutory Guidance window closes.
- Late spring 2026: Publication of non-statutory guidance; continued Strengthening PSBs Progress group activity.

- Spring–Summer 2026: National support offered; aligned assessment planning.
- 2026–27: Evidence gathering, analysis and drafting of both PSB and RPB assessments.
- May 2027: Statutory deadline for publication of PSB well-being assessments and RPB population needs assessments.

Financial Implications: The financial implications are through the programme funding of two posts in the Sustainable Futures Division in the Welsh Government, estimated to cost £93,030.26 for the financial year 2026-27. To continue to progress the programme outlined above this resource would need to continue to be funded.

Recommendation 8, Part 1

The Committee recommends that:

In the short term the current Welsh Government must find a solution to the accountancy issue which prevents the Commissioner from carrying over reserves in order to fund s20 reviews. In the longer-term the next Welsh Government should consider amending the Act to pass on responsibility for appointing and financing the Commissioner directly to the Senedd. Taking into account the timetable for appointment of the next Future Generations Commissioner, and to enable these arrangements to apply to the next postholder, the aim should be to complete the necessary statutory changes by the end of 2028/early 2029

Response (to the bold element of the recommendation only): Reject

The Welsh Government recognises the importance of ensuring that the Future Generations Commissioner (“the Commissioner”) can undertake section 20 reviews effectively and with appropriate financial certainty. As provided in our evidence paper to the Committee, previous s20 reviews by the Commissioner have led to the implementation of changes in the Welsh Government on procurement and internal processes. However, it is important to clarify that the issue raised by the Committee is not an accountancy barrier. The ability to “carry over” reserves or cash balances does not in itself provide the Commissioner with additional spending power in future years.

Under established Welsh Government financial principles, retaining cash or reserves does not automatically confer budget cover, which is required before expenditure can be incurred. This is set out clearly in Welsh Government guidance.

Budget cover is allocated annually through the Welsh Government's budgeting process. Any additional spending, whether for s20 reviews or wider statutory functions, would therefore require explicit budget provision rather than changes to accounting rules on reserves.

Short term operational flexibility

The Welsh Government has already taken steps to ensure that the Commissioner has sufficient financial flexibility to respond quickly to statutory duties. In recognition of the unique operational demands placed on the Commissioner, the standard year end cash tolerance that applies to Arm's Length Bodies (normally 2% of income) has been increased to 5% for all Commissioners in Wales. This enhancement already supports the Commissioner in managing unpredictable investigative demands, including the initiation of s20 reviews.

In the immediate term, the Welsh Government can continue to support the Commissioner through:

- Granting a higher cash tolerance (already in place at 5%);
- ensuring timely Grant in Aid drawdowns aligned to forecast investigative work;
- providing additional in year budget cover where justified and affordable; and
- working with the Commissioner to improve financial planning for upcoming s20 reviews.

None of these require changes to accounting standards or reserve carrying rules.

Long term legislative considerations

The Committee's wider recommendation, that responsibility for appointing and financing the Commissioner should transfer directly to the Senedd, with statutory changes completed by 2028-2029, is a matter for consideration by the next Welsh Government.

However, any changes in this regard would require primary legislation. This is fundamentally a policy question, rather than a financial or accountancy one. Should the next Welsh Government choose to explore this proposal, detailed consideration would be required of:

- the governance and accountability arrangements associated with a direct Senedd funded model;
- implications for future budget setting and multi-year financial planning; and
- the potential impact on the Commissioner's independence, operational remit, and relationship with Welsh Government.

Welsh Government officials would support Ministers in exploring these issues should they wish to bring forward legislative changes in the next Senedd term.

Financial Implications: The total resource budget for the Future Generations Commissioner for financial year 2026-2027 is £1,784,000. The Commissioner has a year-end cash tolerance of 5% which will apply for the financial year. Accepting this recommendation would have wider financial implications which would need to be considered further.