



Comisiynydd
**Cenedlaethau'r
Dyfodol**
Cymru

**Future
Generations**
Commissioner
for Wales

Future Generations Commissioner for Wales

Annual Report 2022-2023

Acting today for a better tomorrow.



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Foreword

Derek Walker

Future Generations Commissioner for Wales



In March 2023, I was pleased to take up the position as the new Future Generations Commissioner for Wales. I'm proud to be building on the significant achievements that my predecessor, Sophie Howe, and the team have achieved since 2016, and I will seek to increase that momentum and to accelerate progress. There is no time to pause.

I have begun my term by involving people, including those who lead and work within public bodies, to set my work programme for 2023-2030 and beyond. I want to listen and to understand people's priorities in order to decide on what my own future focus should be.

I acknowledge how challenging recent years have been. I am keen to focus the resources of my office on what matters most in helping public bodies and other organisations tackle these difficult issues through the lens of the Act. I would like to hear peoples' experiences of working with the office and what really makes the biggest impact in terms of the support that my team can provide.

“As I start my term as the new Commissioner, I have set out an ambition for Wales to put the well-being of our people and planet first.

I want people to arrive here in Wales and it feel like a breath of fresh air, feel that there's something unique about this country.

I want everyone in Wales to feel the benefits of the Act in their day-to-day and feel like the Well-being of Future Generations Act is working hard for them, and for everyone.”

Since starting my role as the second ever Future Generations Commissioner for Wales on Dydd Gwyl Dewi (1st March 2023), I have been building on the momentum created by my predecessor, Sophie Howe, and the energy of the movement of people working hard to improve life in Wales and its future.

Selected by a cross-party Senedd panel, my role provides advice and support to government and public bodies to take a longer-term view on policy decisions, and to protect and promote the needs of future generations.

The Well-being of Future Generations Act is pioneering, and a lot has been achieved in a short space of time, but I intend to increase the pace in turning that ambition into action that people can see in their lives every day.

I was previously the CEO of Cwmpas, the UK's largest co-operative development agency, where I worked to support people and communities to create jobs and strengthen communities, and changed the organisation's focus to development that meets the needs of current generations without compromising the needs of future generations.

I have also previously worked as Head of External Affairs at the Big Lottery Fund (Wales), as Head of Policy and Campaigns at the Wales TUC and was the first employee of Stonewall Cymru.

“Now is not the time to be pausing – the need for transformational change is urgent and the issues of today – like the cost of living, nature and climate emergencies – require decisive intervention.

The green shoots of change to improve lives now and in the future are happening across Wales but we need more and they need to be more widescale.”



Key achievements 2022-23

In 2016, we published strategic performance measures that allowed us, and those who want to scrutinise our work, to see how the Office is influencing the journey toward a more sustainable Wales. They are designed to show how deeply and at what level we have helped bring change.

- **Frame debate** and get issues on the agenda.
- **Encourage** commitments from ministers, Government and others.
- **Secure procedural change** in how public bodies go about things.
- **Affect** policy content and commitments.
- **Influence** practical behaviour change in others.

This year, at a glance, as this annual report demonstrates, we have had the following impact:

- **Framed debate and got issues on the agenda** with our work on Equalities in a Future Wales; climate and nature emergencies, the creation of a National Nature Service; climate budgeting; national budgeting; Universal Basic Income; cost of living crisis response; with our engagement with the media nationally and internationally promoting the sustainable development principle and the need to protect future generations.
- **Encouraged commitments from ministers, Government and others** with our work on housing, decarbonisation and climate change; national budgeting; Basic Income; cost of living crisis response.

- **Helped secured procedural change in how public bodies go about things** with our work on Equalities in a Future Wales; Social Partnership and Public Procurement Bill; section 20 review in Welsh Government; our advice to PSBs on their draft objectives and plans; our joint work with the Auditor General for Wales on the implementation of the Act; the inspiration we gave to the United Nations culminating in their commitment to create a Special Envoy for Future Generations.

- **Affected policy content and commitments** with our work on decarbonisation and climate change; procurement; contents of well-being assessments, objectives and plans; COVID-19 recovery plans.

- **Influenced practical behaviour change** in others with our work on Equalities in a Future Wales; advice and assistance to public bodies and Public Services Boards generally and on long-term thinking, futures technics and procurement; correspondence; the Future Generations Changemaker 100 list; my campaign to demonstrate the impact of the Act; and my work with the private sector and international partners.

You can find detail of these impacts throughout this report.

For more information on impact over the past seven years, please see the end of the report or click [here](#).



Duties of the Commissioner

The Well-being of Future Generations Act requires decisions in Wales to be made in a way which meets today's needs without compromising the ability of future generations to meet their own. Bringing this level of change to people's lives and changing behaviours is complex, takes time and is a real organisational and human challenge.

The general duty of the Future Generations Commissioner for Wales is to promote the sustainable development principle.

This often means being a coach and a critical friend for public bodies, Public Services Boards and anyone who can help contribute to the achievement of the national well-being goals.

It also involves both supporting and challenging public bodies so that they embrace their duty and improve all aspects of economic, social, environmental and cultural well-being for the whole population of Wales.



What does the duty include?

The general duties of a Future Generations Commissioner (section 18) are to:

“Promote the sustainable development principle, in particular to act as a guardian of the ability of future generations to meet their needs and encourage public bodies to take greater account of the long-term impact of the things they do.”

“Monitor and assess the extent to which well-being objectives set by public bodies are being met.”

To carry out the general duty, the Commissioner has a range of specific **functions and powers**:

- *Section 19 (a)* Power - Provide advice or assistance to public bodies (which includes providing advice on climate change).
- *Section 19 (b)* Power - Provide advice to the Auditor General Wales on the Sustainable Development principle.
- *Section 19 (c)* Power - Provide advice to a Public Services Board in relation to the preparation of its local well-being plan.
- *Section 19 (d)* Power - Provide any other advice or assistance to any other person who the Commissioner considers is taking steps that may contribute to the achievement of the Well-being Goals.
- *Section 19 (e)* Power - Encourage best practice in public bodies in taking steps to meet their well-being objectives in accordance with the Sustainable Development principle.
- *Section 19 (f)* Power - Promote awareness amongst public bodies of the need to take steps to meet their well-being objectives in accordance with the Sustainable Development principle.
- *Section 19 (g)* Power - Encourage public bodies to work with each other and with other persons if this could assist them to meet their well-being objectives.
- *Section 19 (h)* Power - Seek the advice of an advisory panel in relation to the exercise of the Commissioner's functions.
- *Section 20 to 22* - Power to conduct reviews and to make recommendations. I also have a duty to provide advice to Public Services Boards on their well-being assessments and draft plans and powers to receive copies of reports and to be consulted on different occasions.

During the term of the first Future Generations Commissioner (2016 – 2023), these functions and powers were distilled into four Strategic Purposes:

Purpose 1

Highlighting and acting upon the big issues and challenges facing future generations.

Purpose 2

Supporting and challenging public bodies to use the Well-being of Future Generations Act.

Purpose 3

Building and being part of a movement for change around the Act.

Purpose 4

Walking the talk – being the change that we want to see in others.

My annual report contains:

- a Performance Report as an account of what we have used this funding for – to work on our four strategic purposes, the things we have done, the progress we have made, the outputs and impact;
- the financial statements show a breakdown of expenditure, year on year the bulk is on paying our people and costs associated with premises;
- and the Accountability Report which explain the corporate governance arrangements for my office and how I have used the available resources to meet my aims and discharge my statutory functions.

Purpose 1

Highlighted and acted upon the key issues and challenges facing future generations.

Our focus in 2022-2023 was to:

- Shape national policy on subjects like the inequalities, climate change and the Welsh Government budget.
- Call for action on immediate concerns like cost-of-living crisis.
- Give expert evidence to Senedd committees on well-being and sustainable development.
- Review how Welsh Government is implementing the Act and provide recommendations for improvements.



Ymgodi o'r Gaeaf | Emerging from Winter

Phase 2 this year, [Communities and Climate Change in a Future Wales](#), looked at the consequences of climate change on equalities and looked at co-designing solutions with communities. It put communities' voices centre-stage – especially under-represented people in Wales such as social renters, disabled groups, rural and farming communities and Black and Minority Ethnic women and refugees.



[Communities and Climate Change in a Future Wales Storybook](#)



[Communities and Climate Change in a Future Wales Methodology Report](#)



Shaped national policy

Inequalities in a future Wales

Understanding inequalities in a future Wales has been a focus for our team for a number of years. [Phase 1 in 2021](#), analysed the impact to existing inequalities as a result of changes we're seeing in the world of work, climate change and demographic change.



As a result of this work Public Health Wales and the Office for Future Generations Commissioner together delivered a Masterclass to 48 attendees in Wrexham, took part in Wales Climate Week Conference where 917 viewers tuned in on day 2, and delivered an involvement in long-term thinking session for Co-production Network Wales.

One of our key messages was that Government and public bodies should put the voices of Wales' most under-represented communities at the heart of decisions around how we tackle the climate and nature emergencies. Otherwise, we risk deepening existing inequalities in the future. It also helped identify policies that mattered most to the people in all communities.

“It's so inspiring...people are so connected to stories...I think that helps people connect with issues that they would otherwise find quite challenging. And what's interesting is how this session has taken us from theory, to practice and back to reflection. It's been a really, really worthwhile day.”

Helen Lucocq
Bannau Brycheiniog National Park

“Getting together to try the methodology has been great. It's never the same when you read it on a piece of paper as to when you try it out.”

Susie Ventris-Field
Wales Centre for International Affairs

This work is helping to:

- Frame the debate and increase understanding of the potential social implications of climate change on issues like inequalities.
- Secure changes in how public services go about doing things – for instance in how they involve communities in the development of the policies and programmes that affect them in the long-term.

The project piloted methods of involving people who are not usually heard but are often the worst affected by the impacts of climate change.

The project had two key objectives: to illustrate and inspire public bodies to involve communities in their long-term thinking, and to provide insight on the impact of climate change on inequalities in a future Wales.

The pilot found that telling stories and using narratives and illustrations prompted insightful conversations with communities and helped uncover hopes and concerns which otherwise may not have come to light.

Involving and understanding what the long-term future looks like from the perspective of different population groups is vital for developing policies that create a better future Wales for everyone.

Participatory futures techniques are one way in which public bodies can involve communities in thinking about the long-term.



Climate change

The impact of climate change and the need to decarbonise has been an ongoing and important part of our work over the past seven years. In that time, we have framed debate and secured commitments from ministers, Government and others on climate change from the perspective of skills, inequalities, transport infrastructure, their strategic budget, procurement and [housing retrofit](#).

Our advice has led to new policies and change on the ground – where it matters – including:

- More renewable energy on public buildings
- A major review on road building
- Sustainable fleet management
- Trees and new forests
- Green businesses growth

The review of all major road projects on environmental grounds this year, and the announcement of the creation of a publicly owned renewable energy company in Wales to develop renewable energy schemes on public land, are testament to Welsh Government's commitment.

But we need to do more. Public services need to work faster and smarter on the climate and nature emergencies. Despite great policy aspirations there is still a disappointing picture on decarbonisation, and our own research in 2022 showed that Wales lacks a joined-up approach on areas such as spending and housing.

We are meeting people across Wales who want tangible action to halt climate change and loss of our nature. We urge Welsh Government and the other public bodies under the Act to involve communities, build on the transformative local examples, such as Morriston Hospital's solar farm, which projects energy savings of up to £1m, to increase our ambition nationally.

Homes fit for the Future: the Retrofit Challenge

The current target is for Wales to generate 70% of its electricity consumption from renewable energy by 2030 and our energy grid must be decarbonised by at least 60% if we are to meet household decarbonisation goals.



[Homes fit for the Future: the Retrofit Challenge report](#)

Programmes focused on social housing and fuel poor households are not at the scale needed - by a long way. We need the next iteration of Warm Homes to scale-up and reach those in need, removing a lot of the barriers that existed in the last round (e.g. the requirement to be in receipt of means-tested benefit). The Welsh Government's Optimised Retrofit Programme, which is exploring the most effective ways of retrofitting properties in the social housing sector, must now rapidly share its learnings to all housing tenures.

We have called for a package of support to be made available to all homeowners and landlords in Wales using the levers available to Welsh Government through a combination of grants and low-interest loans administered by the Development Bank of Wales. This could stimulate action, demand and help build the supply chain. We don't have time to wait to insulate and decarbonise our housing stock – over 80% of which is privately owned and a significant proportion of it is older housing.



“ *The Homes Fit for the Future report prompted Nesta to approach the Development Bank of Wales about partnership opportunities. The research report will help inform decisions about their green home finance product for homeowners in Wales. In particular our large scale behavioural randomised control trial showed a clear effect from a government backed finance vehicle, showed which products were likely to be more popular, and highlighted the crucial role of good quality advice and support. We have been sharing the learning more widely outside Wales with other finance providers.* **”**

Andy Regan
Nesta



We are consistently helping to frame the debate on some of the biggest policy drivers of our time such as the economy, transport and housing in a context of decarbonisation and net zero.

- This has included setting the context for the day at the Wales Centre for Public Policy's Decarbonising the Welsh Economy conference.
- Speaking to UK audiences on the influence that the Act has on Wales' transport policy to the Transport Planners Association in London.
- Providing evidence to the Senedd on housing and decarbonisation.
- Setting the context for the Wales Developers Conference alongside colleagues from Cardiff City Region.
- We advocated for the development of Nature Service Wales which has this year received funding and we have made links with New Zealand's Jobs for Nature programme which has synergies with our ambition in Wales.
- We are continuing to develop our relationships with academic institutions right across Wales to benefit from their insight and expertise as we develop our evidence base for action on decarbonisation, nature recovery and a just transition.





Welsh Government budget

This is the fourth year that we have given evidence to the Senedd's Finance Committee to support its work scrutinizing the Welsh Government's Budget. This has been a longitudinal piece of work for our team. For some years, our primary focus was to establish how the Welsh Government funded decarbonisation and secondly, how it is shifting spend from reactive to a preventative spend model.

Our team has challenged Welsh Government on a Budget Improvement Plan with a focus on how the budget spend being proposed is in line with its [Well-being Objectives](#).

As a result of our advice, while there is still room for improvement in all of these areas, the Well-being of Future Generations Act is beginning to help shape one of the most significant public sector decision-making processes in Wales.

Collaborating with the New Economics Foundation, our findings for decarbonisation spend in the 2023/24 budget concluded:

- A shift in the budget towards actions to support climate change and decarbonisation.
- 4.4% increase in funding specifically on primary decarbonisation activity against a 1.8% increase in the budget overall.
- £20m capital grant to help local authorities decarbonise their buildings.
- Progress in transport, but here carbon impact assessments have been used better.
- Progress in social housing, new Welsh Housing Quality Standard (WHQS) which will aim to bring all social housing stock as close as feasible to EPC A standards within a decade.
- Welsh Development Quality Requirements (WDQR 2021) requires all new homes built with Welsh Government support grant to exceed building regs standard including achieving EPC A.

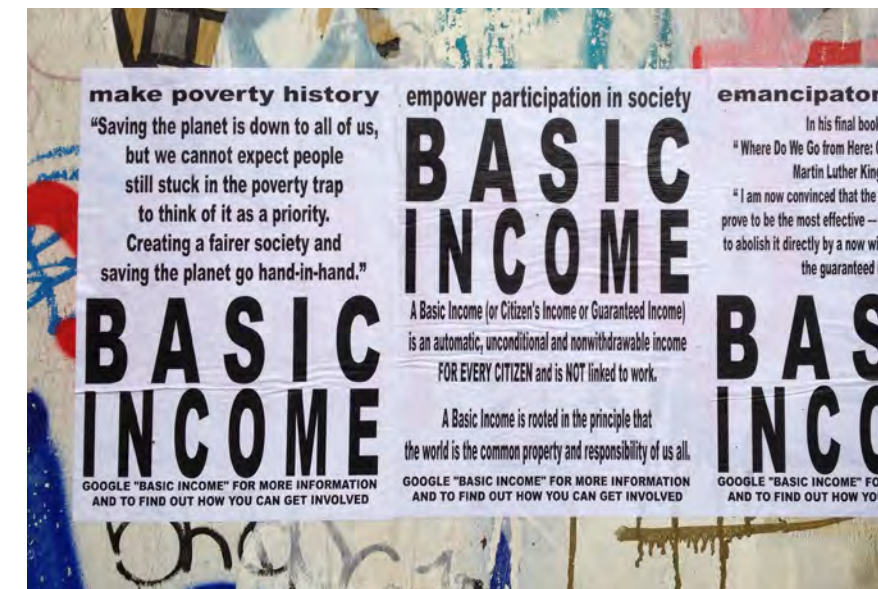
Universal Basic Income:

A [Universal Basic Income](#) (UBI) has an important role to play in mitigating negative impacts from such shifts in the economy as those that will come from decarbonising heavy industry. Given the high proportion of jobs in Wales in sectors such as construction and manufacturing (which are usually carbon-intensive jobs), it is crucial the transition to net zero is socially just as well as swift.

We welcomed the announcement by Welsh Government to fund a care leavers' basic income pilot, building on the advocacy alongside grassroots community organisations for a Universal Basic Income pilot in Wales.

We contributed to a Senedd Members' briefing on the need to halt coal mine expansion in Wales at which we made the case for UBI for workers in this industry.

Following this, we were pleased to support Jane Dodds MS's motion (NNDM8028) calling for an expansion of the current care leavers' basic income pilot to workers in carbon-intensive industries. If rolled-out, it could provide income for those retraining into green jobs as well as security for those who have lost jobs. Exploration of a net zero pilot and a future UBI for Wales was included in our recent Cost of Living: Now and in the future (2022) report.



[A Future Fit for Wales: a basic income for all report](#)





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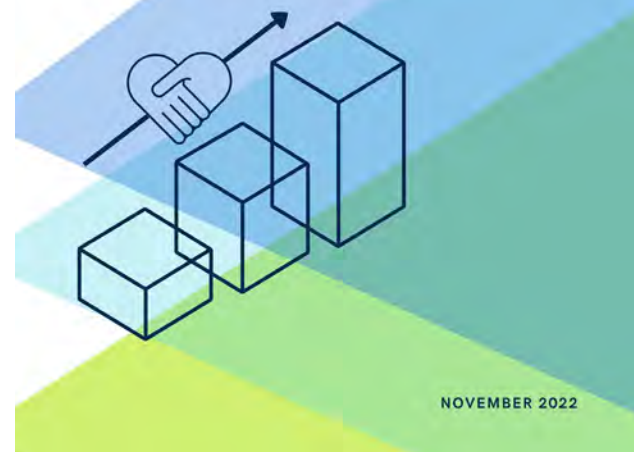
Called for action on immediate concerns

The cost-of-living crisis:

In September 2022, we advised Welsh Government and public bodies on how they could respond to the cost-of-living crisis. '[Cost of Living: Now and in the Future](#)' identified five policy ideas where Government could help families tackle the cost-of-living pressures in the short and medium term, as well as achieving multiple, long-term benefits to Wales' well-being goals.



Cost of Living: Now and in the Future



[Cost of Living: Now and in the Future report](#)

This was an important piece of work; we are living in challenging times where the pressures and demands to help communities weather a storm are at the forefront of everyone's minds. Current interventions to prevent crises getting worse are important; but our actions, must also prevent them resurfacing again in the future.

How have public services responded:

- Local Authorities like Newport, Cardiff, Monmouthshire and Swansea are trialing the idea of free or heavily reduced fared transport.
- Flintshire County Council have introduced 22 Warm Hubs with access to fridges, microwaves and foodbank meals.
- Natural Resources Wales are working with Bentyg Library of Things and WCVA to help people borrow things and support each other during this crisis.
- Swansea Council are providing grants to other third sector organisations like Mumbles Community Council to set up warm hubs.

Welsh Government support includes:

- Increasing the Winter Fuel Support Scheme payment to £200, widening eligibility criteria, and introducing a further £200 payment to be made later this year.
- A council tax rebate of £150 for households living in homes in council tax bands A-D, and all households receiving support through the Council Tax Reduction Scheme.
- Free School Meals over school holidays and to all primary school pupils.

We recommended...	... to help tackle the following problems:
An extension of free public transport starting with people under 25.	<ul style="list-style-type: none"> 50% of household's face transport poverty in 20 of Wales' local authorities. 1 in 4 young people said travel costs were a barrier to attending job interviews. 2 in 5 young people said poor public transport is a barrier to getting a decent job.
An expanded housing retrofit programme.	<ul style="list-style-type: none"> Homes in Wales are responsible for 27% of all energy consumed in Wales and 15% of demand-side Co2e. 115,000 households (8%) are living in severe fuel poverty, spending over 20% of their income to keep warm.
A long-term national food strategy.	<ul style="list-style-type: none"> The number of households cutting back on food for children has doubled since November 2021. In Wales last year, one food parcel was provided to children in Wales 'every 10 minutes' by food banks – up by 70% since 2015. There was a 11.6% increase in grocery prices for the month of August 2022, the highest level since 2008, according to research firm Kantar.
A long-term vision for every home in Wales to be self-sufficient for its energy and heat needs.	<ul style="list-style-type: none"> Renewable energy can be much cheaper than fossil fuels. Nesta has found that air source heat pumps are the best currently available replacement for fossil fuel heating systems. Welsh Government has committed to 1 gigawatt (GW) of renewable energy capacity in Wales to be locally owned by 2030.
Long term financial planning to roll out the basic income pilot. (Based on model 1' from my report 'A Future Fit for Wales: a basic income for all.'	<ul style="list-style-type: none"> Overall poverty rates in Wales would decrease by 50%. Child poverty would decrease by 64%, bringing it to a rate of under 10% in Wales. Pensioner poverty in Wales would decrease by 61%.



Given expert evidence to Senedd committees

We have provided evidence to five Senedd Committees this year.

1. Equalities and Social Justice Committee.

In June 2022, we provided [evidence](#) on the Social Partnership and Public Procurement Bill. We welcomed the deepening of the Act in relation to fair work and for procurement - one of the corporate areas of change in the Statutory Guidance.

We welcomed the connections in the Bill to our review findings and recommendations around the importance of strengthening leadership; contract management; and the introduction of mandatory reporting which will help progress our recommendations, for example. However, we also stressed that the new duties need to be integrated under the existing duties of the Well-being of Future Generations Act, rather than creating a whole new system and complicating an already complex landscape; and asked for reassurance about how the new requirements will fit in practice with the Act, the sector and the work of our office. We emphasised the need for consolidated advice and streamlining reporting requirements between the Bill and the Well-being Act for public bodies.

We supported the ambition for the Bill to make public procurement a strategic function, giving more leverage to support the decarbonisation agenda and contribution to the well-being objectives of public bodies under the Well-being Act. This chimed with findings from our Section 20 Procurement Review.

2. Petitions Committee. A month later in July 2022 we gave [evidence](#) on a shorter working week and called for public sector trials of this approach.

3. Finance Committee, September 2022 and January 2023. We provided briefings on climate budgeting – a process of looking at the net impact of the Welsh Government's budget on the climate and nature emergencies. All spending decisions will have both good and bad impacts so it's important that we understand how major spending decisions like the Welsh Government's budget will help us on our pathway to net zero.

In January, we gave [evidence](#) on the findings of our budget scrutiny work.

4. Climate Change, Environment and Infrastructure Committee. In October 2022, we gave [evidence](#) on approaches to decarbonising houses which are privately owned or are privately rented – by far the largest and most challenging housing tenure to decarbonise. The ongoing cost-of-living crisis coupled with these unprecedented energy price increases only highlight the importance of ensuring we have an energy efficient housing stock, and we reduce our reliance on fossil fuels as soon as possible.

5. Equalities and Social Justice Committee, December 2022. Our [annual scrutiny](#) by the Senedd was held on the same day that we launched the findings of our Section 20 Review into how Welsh Government are implementing the Act.

Reviewed how Welsh Government is implementing the Act and provided recommendations for improvements

Leadership from the Welsh Government is particularly important because they are a major public body covered by the Act and because whether or not they demonstrate the principles of the Act has a significant impact on what other public bodies do.

In 2022, we used our Section 20 powers to review [how Welsh Government are implementing the Act](#). This meant formally interviewing a range of people from Welsh Government, looking at their documentation and reviewing their processes, policies and decisions. In line with the ways of working, we worked collaboratively with Welsh Government meaning that we were able to address some of the issues we found immediately, rather than having to wait until the end of the process.



[Government fit for future generations - Section 20 Review findings video](#)



[Section 20 Review Findings](#)

The review was guided by a [Steering Group](#), comprised of individuals with experience of government (both Welsh and UK), academia, and skills and apprenticeships policy. They advised us on all elements of the review at a strategic level and give comments on documentation. We would like to thank the organisations and individuals that contributed to this.

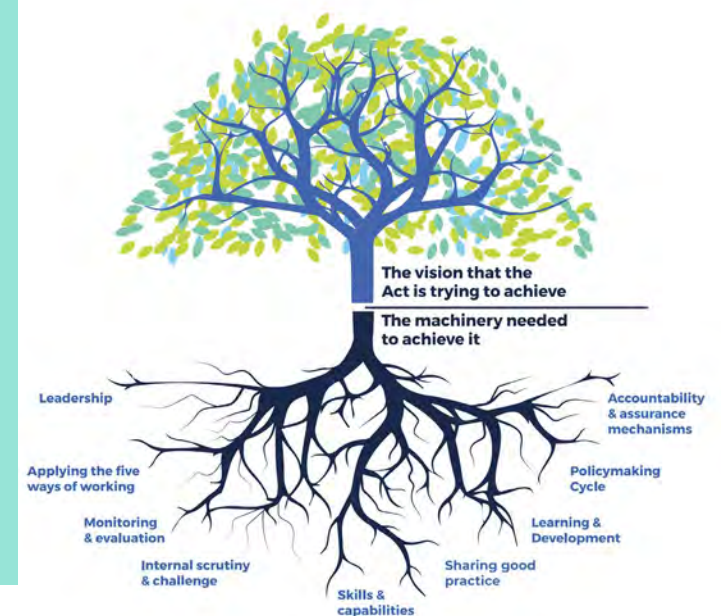
Our overarching findings were that:

- The Act and the extent to which it has been embedded in the DNA of Welsh public policy development and delivery continues to be world leading.
- The reach of the Act, enthusiasm and commitment for what it aims to achieve has extended beyond those organisations that are covered by the legislation.
- Its success to date has resulted more from leadership and commitment than embedded processes.
- Clear leadership, continual communication and constant review will be needed for Welsh Government to move successfully to the next phase of implementation.

We worked with stakeholders to develop a [Maturity Matrix](#), to help us assess the progress of Welsh Government to date and offer a tool for all organisations interested in applying the well-being goals to assess where they are on their journey towards sustainability and find practical advice on the next steps they can take. We hope that other public bodies and organisations both inside and outside of Wales will be encouraged to develop their own commitments to sustainable development.

Since its publication, we have shared the matrix with colleagues in the OECD at an event in France and received positive reactions with potential for it to be referenced and used in the OECD's upcoming materials. We have undertaken our own staff workshops to identify ways to live and breathe the advice we provide in the outputs.

For the findings of the Section 20 Report, my full recommendations for Welsh Government and the executive summary, visit our website [here](#).





What has happened since?

Whilst it is too soon to really understand the impact that the Review will have, the Welsh Government have accepted our recommendation and have published their [Continuous Learning and Improvement Plan](#). We will continue to collaborate and are meeting quarterly with Government keep the focus on next steps and progress.

Some of the changes that we will be wanting to see include:

Embedding the Act in People and Culture

- Improving communication on the Act internally and externally and link it to broader political and organisational narrative.
- Increasing support for corporate teams to understand and apply the Act in practice and ensure sustainability is embedded in the seven corporate areas of change in the Statutory Guidance.
- Clarifying the level or awareness and understanding of the Act according to job role and profession; and including a mandatory training element (such as 'Policymaking in the Welsh context' but adapted to different professions).
- Improving knowledge and use of some ways of working like prevention and long-term
- Improving opportunities for building capacity in futures thinking in government and better communicate the long-term impacts of policies along with the short-term.

Embedding the Act in Processes

- Reviewing and testing how well different tools and accountability mechanisms are achieving their ambition and helping to deliver the Act in practice. Some of these tools are:
- Consistent and more integrated reviewing and evaluation of policy needed to understand cumulative impacts on sustainability.
- Reviewing and clarifying the expectations of the Welsh Government Board Champion with a clear remit set in the Terms of Reference of the Board.

Embedding the Act in Public Sector Leadership

- Considering how to support Public Services Boards to achieve their ambitious purpose – e.g., review funding arrangements and current guidance to members to encourage more joint-up work and active participation.
- Co-producing policies with the people who will be implementing them to ensure challenges to implementation are addressed at the design stage.
- Supporting teams working with the private and voluntary sectors to better promote the Act and encourage others to use it.
- Finding ways to underline the value of the long-term in policy discussions, for example around budget and in consultations.

The responses from the First Minister and the Permanent Secretary are also encouraging:

“The publication of this Section 20 review report by the Future Generations Commissioner for Wales provides a timely and welcome opportunity for us to take stock, reflect on what we have achieved so far, and to help us seize new opportunities in the years ahead.”

Mark Drakeford,
MS, First Minister October 2020

“The Well-being of Future Generations Act affects all our work. We continue to further our understanding of what the Act means in practice (including unlearning some of our old ways and further embedding those that are effective).

We will embed our response to the review through our Continuous Learning and Improvement Plan. This plan will be central to my WG2025 change initiative and will allow us to communicate more effectively the progress we have made and our plans for future improvements.”

Dr Andrew Goodall CBE,
Permanent Secretary of the Welsh Government



Mark Drakeford, MS, First Minister for Wales



Future Generations Report 2020 Recommendations

Producing a Future Generations Report is a statutory duty which must be done every five years, a year before a Senedd election. We have continued to track how the recommendations we made in the 2020 report have been implemented by Welsh Government, to build a picture of where they have been most active and where, as an office, we might focus future efforts.



59% of recommendations implemented.

51% of recommendations to public bodies including Welsh Government.

65% of specific recommendations to Welsh Government.

There are of the report where most recommendations have been taken forward is in **decarbonisation (93%)** with the least progress on the recommendations relating to **Adverse Childhood Experiences (24%)**.

This is a positive result, with some areas for improvement.

Recommendations in the Future Generations Report 2020

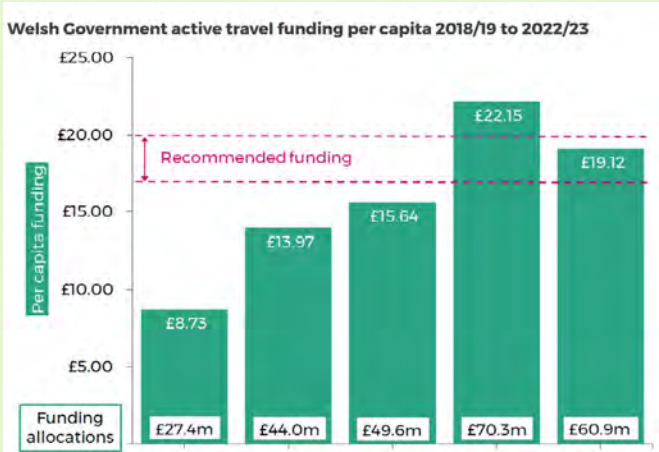
Action taken

Transport:

Welsh Government should “**set a national target for modal shift** to enable people to adopt low carbon modes of travel over the next decade.”

THEY DID.

- Welsh Government then **set new target of 45% of journeys by sustainable modes by 2040**.
- £800m of new rolling stock for our railways and ensure that 95% of train journeys are on new trains by 2024.
- Modal shift at the heart of Llwybr Newydd Transport Strategy (2021).**



Cohesive Communities:

Welsh Government should “**Set standards** to ensure people can **access biodiverse green spaces within 300 metres of their home**.”

THEY DID...BUT MORE WORK NEEDED.

- Welsh Government Programme for Govt **commitment to create more community green space** in town centres, and to expand arrangements to **create or significantly enhance green spaces**.
- Review of Evidence on Socio-economic Advantage and Disadvantage and Inequalities of Outcome **now recognises lack of access to green space as an indicator of inequality/lower well-being**.
- Good commitments and a step forward **but now we need those standards put in place, adhered to, and to see it actually happen** (and show us!).

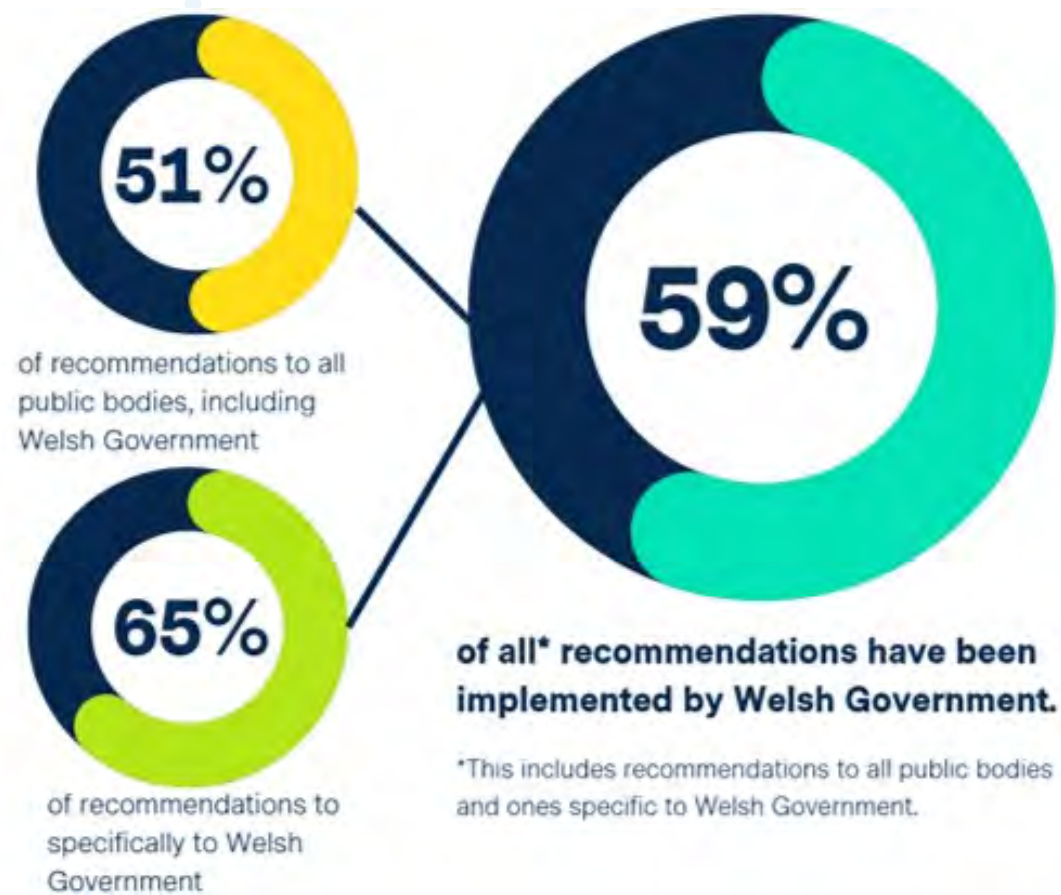
Prosperous:

Welsh Government should “**incentivise businesses to report on wider well-being**, rather than just outputs and numerical outcomes.”

THEY DID.

- In 2022, the Welsh Government revised its [Economic Contract for businesses](#), **requiring businesses that engage with Welsh Government to commit to provide fair work as well as actions across the seven well-being goals**.

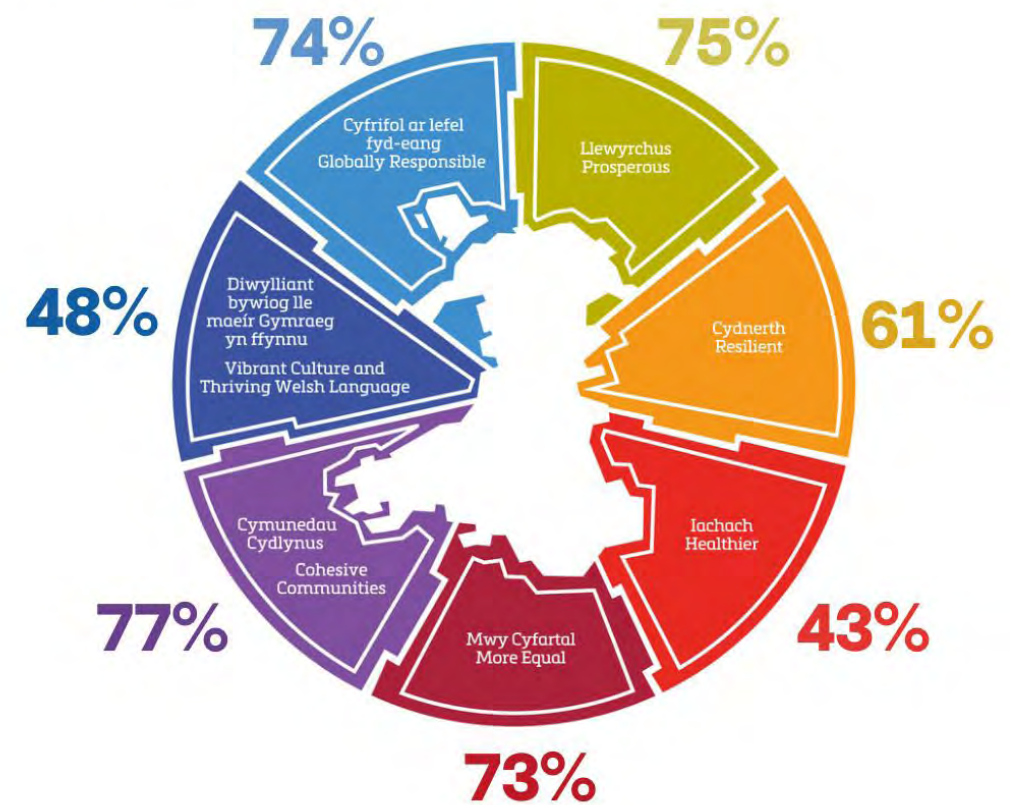
<p>Transport:</p> <p>Welsh Government should “prioritise provision of high-quality cycle facilities, encourage active travel and support people to take public transport.”</p>	<p>THEY DID... BUT MORE WORK NEEDED</p> <ul style="list-style-type: none"> Last year, e-bike pilot launched by Welsh Government in Rhyl, Swansea, Aberystwyth and Barry. Loaning e-bikes to individuals and e-cargo bikes to business and organisations. It's a step forward, but to a very small number of people. Let's roll these schemes out nationally to make real impact.
<p>Skills:</p> <p>“Welsh Government should prioritise mental health and well-being education in the delivery of the Curriculum for Wales to help nurture a generation of emotionally resilient children.”</p>	<p>THEY DID</p> <ul style="list-style-type: none"> Mental and well-being are now key components of the new Curriculum. When Minister for Education Jeremy Miles MS published Renew and Reform (June 2021), £9m had been announced to support learners' well-being and closer ties to the Mental Health service (CAMHS) in schools. Plaid-Labour Co-op Agreement: “<i>Test how community facilities run by trained third sector staff with clear referral pathways into NHS services if needed – the sanctuary model – can help support young people in crisis or with an urgent mental health or emotional wellbeing issue.</i>” and “<i>Focus on experiences and wellbeing as we reform qualifications, in line with Wales' new curriculum.</i>”



Of the recommendations relating to the Commissioner's areas of focus, Welsh Government has implemented:



Recommendations relating to the seven well-being goals:





Purpose 2

Supported and challenged public bodies to implement the Act.

One of the biggest challenges around the Act is to unpick the systems of old.

Inspirational legislation was created but most of what came before it was contradictory. Before, we prioritised cars, invested in fossil fuels, had a narrow view of what education should be and profit was our measure of success.

The Act asks us to change regulations, frameworks, and funding. Some people are unconvinced of this new way of doing things. It's not surprising. We need to undo decennia if not centuries of old practice and thinking.

This is what we relish: challenging and advising public bodies to think long-term and deliver multiple outcomes for future generations.

This year we have:

- Increased our engagement with public bodies based on a new model of support.
- Followed-up on my first Section 20 Review into procurement – this is a huge potential lever for change.
- Started to plan and prepared for eight additional bodies to come under the Act.
- Fulfilled statutory duties in relation to advising public services boards on their well-being objectives and plans.
- Worked closely with the Auditor General for Wales on our respective statutory duties.

Increased our engagement with public bodies based on a new model of support.

In 2021-22, we piloted a new model for supporting public bodies to implement the Act, to gauge appetite and expectations. All 44 of the public bodies want some form of ongoing support – be that strategic and operational.

In May, we shared our findings from the pilot and co-created next steps at a national online event with over 100 public body representatives and collaborated with other organisations including [Audit Wales](#), [Academi Wales](#), the [Welsh Local Government Association](#) and Welsh Government.

Public bodies said that they valued this way of working and wanted more events to help build connections, learn best practice and develop their approaches.

There is a wealth of good examples and intelligence on how public bodies are approaching their legislative duties, and we have already seen exciting progress. This year, we have created more opportunities for information-sharing and learning; particularly as new public bodies are added to the legislation.

We have:

- Created stronger relationship between our organisations by appointing Public Body Leads. These have been assigned on a regional basis and also cover national bodies and public services boards. This ensures organisations operating in North Wales, Mid and West Wales, South-east Wales, and Gwent have their own contact for advice and assistance.
- Helped to bring together academia and supporting organisations to co-ordinate better, identify gaps in provision, and take a more strategic and proactive approach where change is needed.
- Held national and regional workshops on procurement, involvement, long-term thinking and where future support to public bodies can be focused.
- Carried out hundreds of meetings, presentations and engagements to listen to and advise leaders and front-line staff.
- Continued to provide advice to public bodies in the issues that matter to them. This year we have responded to 246 requests for advice and support from public bodies, including Welsh Government, and Public Services Boards.
- This increased engagement from our team has helped to bring about changes in how public bodies are tackling:
 - Procurement
 - Health
 - Housing
 - Food systems
 - Adverse childhood experiences
 - Decarbonisation
 - Social value
 - Community engagement
 - Measurement frameworks

A priority of the new Future Generations Commissioner, Derek Walker, has been to meet with leaders of our public services. In just 4-6 weeks since starting his role on 1 March 2023, we have met with 20 public bodies, two public services boards and senior representatives of corporate joint committees. And more are scheduled in for Spring and Summer 2023. These have provided us with opportunities to hear first-hand from leaders of public services and have been the foundation to launch [Our Future Focus](#) - the work that will establish priorities for our team up to 2030 and beyond.



Derek Walker meeting with directors from Amgueddfa Cymru - National Museum of Wales and Clare Pillman, CEO of Natural Resources Wales, on his first day as Commissioner.



[Meet the Commissioner](#)

Feedback to us has centred on the importance of continued support of our dedicated Public Body Leads and to accelerate assistance to public bodies with the practical resources to deepen implementation of the Well-being of Future Generations Act.



Regional events

Newport, September 2022.

This gave participants a space to refresh their thinking on what good involvement means and what it can look like in practice. We heard from:

- The [Co-production Network for Wales](#)
- Our own Inclusion and Anti-racism Partner, Patience Bentu, on how service design and delivery and decision-makers can better promote the needs of those most often excluded from the conversation.
- The conversations were enlightening and galvanising; driving energy into understanding how involvement can support public bodies work each and every day.

Carmarthen, September 2022.

- We heard from The North Wales Research & Insight Partnership on how meaningful collaboration can support involvement practices across PSBs.
- Mid & West Wales Fire and Rescue Services on how involvement with suppliers had shaped their procurement practices, which meant they were able to contract small, local businesses.
- Swansea Bay University Health Board discussed the importance of using art as a means to engage with patients and improve their health outcomes.



Sam Guy and Jenny McConnell, FGC Change Maker Support and public body lead contacts

Cardiff, October 2022.

- With a focus on networking and sharing good practice, we heard from:
- Merthyr Tydfil Council how they are updating their corporate plan.
- Dr Tom Porter from Cardiff and Vale University Health Board who spoke about the Healthy Travel Charter, why it is needed and what is next now that some regions are completing the first phase.
- The North Wales Research & Insight Partnership, with Co-Production Network Wales, gave insights into their work in the region and partnership working.



Colleen Cluett, FGC Change Maker Support and public body lead contact, and Dr Tom Porter, Cardiff and Vale UHB

Wrexham, November 2022.

In collaboration with [Cwmpas](#) on procurement. There was training on the Act with a workshop on what outcomes could be delivered through procurement – a massive lever for change.

“Thanks all, great connections and learning.”

“Thank you to the FGC team for bringing us together.”

“Thank you for the meeting, it has been very beneficial and informative.”

“Great to hear examples of what has been done in other areas. Good to connect with other public bodies & like-minded people.”

“As we are currently developing our new Well-being Plan there were ideas to take away and the presentations also provoked different ways of thinking.”

“It is really good to have an event in North Wales.”

“Thank You for organising the event in Wrexham, I felt it was well planned, well executed and so fab to actually get to see people! Look forward to further such events in North Wales.”

Requests for Support

During 2022/23, we received 614 requests for our team to provide advice and support on implementing the Act. This is a 49% increase from 2021/22! 38% (236) of these came from the public bodies covered by the legislation, and 83 of these came from Welsh Government.

As recognised by the [Public Accounts Committee](#):

“...The Office has developed a positive public profile and have effectively promoted and raised awareness of the Act. They have considerable expertise in sustainable development, which underpins the support and advice they provide to public bodies and the Welsh Government.”

There is huge appetite across public sector for our input and collaboration with us across a wide range of issues.

- Natural Resources Wales on Natur a Ni, which contributed to the establishment of a Citizen's Assembly.
- Sport Wales on their corporate strategy and environmental plans.
- Arts Council for Wales on setting new well-being objectives and using the Act in their Investment Review.
- Velindre NHS Trust on social prescribing.
- Swansea Bay UHB on Social Value Key Performance Indicators.



Comisiynydd
**Cenedlaethau'r
Dyfodol**
Cymru

**Future
Generations**
Commissioner
for Wales



Primary theme in the requests we received from public bodies and PSBs (excluding Welsh Government)

“ Just a note to say a big thank you for taking the time to review this... The feedback will certainly serve to strengthen our plan. It also gives us food for thought on some key matters. **”**

Local authority

“ Hi – thank you very much for the session, Board found it a helpful introduction – and it fitted well with the following items. **”**

Sport Wales

“ “Thank you ever so much for your response. Your comments below are great and will provide for further discussion internally. **”**

“ Just a note to say a big thank you for taking the time to review this. I’ve already scanned your comments and the feedback will certainly serve to strengthen our plan. It also gives us food for thought on some key matters. **”**

“

We’re very grateful for the time you’ve spent on this, and your feedback is thought-provoking and very useful...I have incorporated your feedback into this year’s Annual Plan. We really value your input. **”**

Sport Wales

“

Thank you so much for the slides and your session yesterday, it produced some great suggestions and everyone really enjoyed.

Arts Council for Wales **”**

“

I just wanted to say a huge thank you to you and your team yesterday for such a well presented and engaging event. I have taken so much from it and have lots of ideas to share with my team. I look forward to joining in again soon. **”**

Monmouthshire County Council

Followed-up on my first Section 20 Review into procurement

The Wrexham workshop on procurement was one of the ways that we have followed-up our Section 20 [Review into procurement](#) practices with public bodies. We have continued to work with Richard Dooner, one of our Future Generations Changemaker 100 and the procurement lead from the Welsh Local Government Association.

Our monitoring and assessing work has found that there is some evidence that 73% of Welsh Government specific actions in our section 20 report are being implemented. Our involvement includes:

- Advising the Well-being Impacts group which is taking steps to consolidate current toolkits, enabling a consistent approach for public bodies to report how commercial activity positively contributes to economic, social, environmental and cultural well-being
- Supporting the development of a Procurement Centre of Excellence (Cyd). There is a focus on supporting public bodies to reach Net Zero targets.
- Advising Welsh Government during their review of the Sustainable Risk Assessment toolkit for public bodies to demonstrate contribution to Wales’ National Well-being Goals and the application of the five ways of working.
- Attending a Theory of Change workshop for the Social Partnership and Public Procurement Act.

“

Thanks for your time and input earlier. Personally I found it really useful. **”**

“

When talking about Wales procurement reform, it is not just the Procurement Bill. It is much wider than that. We are talking about changes delivered through legislation, through the lens of the WFG Act. **”**





Started to plan and prepare for eight additional bodies to come under the Act

From 1 April 2024, the Well-being of Future Generations Act will also apply to bodies including but possibly not limited to:

1. The Welsh Revenue Authority
2. Qualifications Wales
3. Transport for Wales
4. Health Education and Improvement Wales
5. Social Care Wales
6. Centre for Digital Public Services
7. Digital Health Care Wales
8. Welsh Ambulance Service NHS Trust

We are working closely with Welsh Government to prepare the additional public bodies, contributing to quarterly Knowledge Exchange sessions. We have also received direct requests for our support from these organisations and have met with the CEOs and Chairs, assigned them a Public Body Lead contact, and provided initial support through sharing our resources, advice and guidance. We are also introducing a learning and development programme to further support them and other public bodies and stakeholders to implement and embed the Act. We are negotiating adequate funding for this extra-burden on my already stretched resources.

Fulfilled our statutory duties in relation to advising Public Services Boards

[Public Services Boards](#) (PSBs) were created under the Act to ensure join up of public services across local authority or regional boundaries. They are required to produce and publish well-being assessments, which assess well-being in their respective areas, and well-being plans, which set out the collective action (objectives and steps) that the PSBs propose to take to improve local well-being.

The first cycle saw PSBs publish their well-being assessments in 2017 and well-being plans in 2018. PSBs are now working through the second cycle of well-being planning, culminating in them publishing their new well-being plans by May 2023.

We have statutory duties to provide advice and assistance to public services boards as they develop their well-being assessments and plans. This gives us the unique position of maintaining a helicopter view of what's happening across Wales and allows us to foster connections and share good practice.

Stage 1 - Well-being assessments (section 38 of the Act)

- PSBs published their second well-being assessments by May 2022.
- In March 2021, we sent a joint letter to all PSBs signed by the Commissioner and Welsh Minister, setting out what we expected to see in the assessments.
- We focused on developing a 'constructive and consistent' relationship with PSBs, as recommended by the Public Accounts Committee, and by involving PSBs in our plan to support them, adapted our approach to be most helpful.
- We provided detailed advice to PSBs on draft well-being assessments between December 2021 and April 2022. This included regular meetings and individual letters sent to each PSB focussing on what was good and areas that could be further developed.
- We worked closely with key partners, contributing and influencing the support provided to PSBs, such as workshops provided by Natural Resources Wales, Public Health Wales and the Wales Centre for Public Policy on the most common and challenging themes affecting well-being in Wales.
- In June 2022, we published an overarching report assessing policy, process, good practice, current challenges and a comparison between 2017 and 2022 assessments.
- This approach was well received by PSBs.



[Well-being in Wales: what I found when responding to Public Services Boards' \(PSB\) draft assessments of well-being in 2022](#)

Stage 2 - Well-being plans: statutory advice period with the Commissioner (section 42 of the Act)

- In 2022, each PSB triggered the statutory maximum 14-week advice period on how to take steps to meet the draft local well-being objectives (between June and December 2022).
- We took an iterative approach, working with and meeting the PSBs throughout the advice period.
- Issued advice at the end of the 14 weeks, summarising the discussions and topics explored, with a strong focus on the five ways of working, but also on topics and themes.
- Approach well received by PSBs, e.g. "We have found it a more constructive process this time around and feel the approach taken has developed a stronger relationship between

ourselves and your team." Vale of Glamorgan Public Services Board.

- Continued collaboration with key partners, incorporating key messages into our advice.

Stage 3 - Well-being plans: public consultations (section 43 of the Act)

- All PSBs must publicly consult on their draft well-being plans, for a minimum of 12 weeks.
- Between January and March 2023, we provided our statutory advice to PSBs on their public consultations, building on the work we'd done with them to date.
- Final well-being plans will be published before the end of May 2023.

As every PSB is different, we have taken a bespoke approach, particularly with the introduction of Public Body Leads during this round of assessment and planning. This has ensured we maintain constructive relationships and PSBs have welcomed this approach:



What's positive is the more recent relationships with the OFGC...and something we want to see / continue going forward.



We've welcomed the relationship with the office this round of assessments/plans, and the events have been great. We're keen to see those continued going forward.



We wanted to thank you again for your help and support in developing the plan, we have found it a more constructive process this time around. We have valued your input with both the assessment and the draft plan which have benefitted from your insights. In response to your feedback, we made a number of amendments.

Vale of Glamorgan PSB

As a result, the progress that we are seeing from PSBs includes:

- Valuing the importance of collaboration.
- Exploring their added value to be more targeted.
- A better understanding of the Act.
- Integrate the big issues (environment and green space, wider determinants of health and a strong focus on tackling poverty and the cost-of-living crisis).
- Acknowledge where improvements need to be made.
- Some progress with involving people.
- Using procurement as a lever.
- Taking a more preventive approach.

Wrexham and Flintshire Public Services Board are showing real ambition in what they want to achieve in their area, embracing the five ways of working fully. They have identified what they see as the 'PSB magic' to taking a whole system approach, a commitment to testing ideas, challenging impacts,

undoing blockages and enabling co-production with our communities. They have shared honest reflection about their first well-being plan (2018) and that they will now focus on a smaller number of measurable actions that lead to a bigger impact for their communities. They also highlighted how the accelerated pace of working during the pandemic showed that where systems change is possible and necessary, the PSB can be the strategic body to make this happen.

Through conversations and working alongside PSBs, we have collectively identified that some areas where PSBs need to improve are:

- Leadership
- Frustrations over funding – RPB vs PSB mainly
- Measuring impact and success
- The role of culture in well-being
- Global responsibility
- Long-term thinking
- The Welsh language
- Equality and diversity

Collaboration with the Welsh Government's Strategic Partnerships Division is critical to this work as it helps ensure clarity and join-up in our respective messaging. We also work closely with Public Health Wales, the Welsh Language Commissioner, Co-Production Network Wales (as they currently have funding to deliver PSB support), Natural Resources Wales and the Wales Centre for Public Policy. We have advised PSBs on issues identified in their well-being assessments including poverty, health inequality, climate/nature emergencies and community well-being. Pooling our collective ideas and resources is essential to deliver a comprehensive and coordinated approach.

Worked closely with the Auditor General for Wales on our respective statutory duties

We have worked closely with the Auditor General for Wales on areas of joint interest in seeking to reduce duplication and present a co-ordinated and common approach to public bodies. For example, we shared intelligence relating to the progress public bodies in the context of the sustainable development principle on areas such as decarbonisation, asset management and COVID-recovery plans; contributed to Good Practice Exchange events, such as "Responding to the Climate Emergency in Wales" and Audit Wales were involved as observers in our Section 20 Review Steering Group into how Welsh Government are implementing the Act. This, in particular, provided co-ordination to the Auditor General's examination into how Welsh Government had set their well-being objectives. We meet regularly with auditors to share knowledge and assess progress on how public bodies are setting and seeking to meet their well-being objectives.

Extraordinary people working in public services that my team and I have been inspired by over the last seven years and who feature in our [Future Generations Changemaker 100](#).

Paul Matthews (CEO) and Hazel Clatworthy, Monmouthshire County Council

Paul is an inspirational and progressive chief executive. Hazel drives environmental well-being projects in her sustainability policy role and with the Sustainable Development Co-ordinators Cymru+.

Rae Baker and Fen Turner, Natural Resources Wales

Fen and Rae are enthusiastic champions of the Act and help bring the Act to life from an environmental perspective.

Amanda Davies, Swansea Bay University Health Board

Amanda developed the Bed Poverty Relief Scheme that supplied thousands of surplus emergency beds from the COVID-19 pandemic to homes where people were experiencing bed poverty. In 2022, she established the largest community-supported agricultural farm on health board premises at Morriston Hospital, in the UK.

Councillors Dan De'Ath and Caro Wild, cabinet leads at Cardiff Council

Caro is a passionate advocate for active travel, leading our capital's efforts to reduce car use and increase walking and cycling. He has led the council to some brave decisions and ambitious commitments to sustainable travel. Dan, as Cabinet Member for Transport and Strategic Planning (and Cardiff's first Black Lord Mayor), has continued Caro's pioneering work and also championed engaging more people with democracy.

Helen Goddard Section Head of Culture, Libraries and Information, Conwy County Borough Council

Helen is dedicated to ensuring cultural well-being is reflected in the Conwy County Borough Council's approach and decisions. She has demonstrated the importance of celebrating heritage and culture when putting in place measures to reduce regional inequalities, including isolation and deprivation.

Pedr ap Iliwyd, National Library of Wales

As Chief Executive and Librarian of the National Library of Wales in Aberystwyth, Pedr is a big believer in embedding sustainable development at the core of the library's actions. Pedr continues toward his vision of 'A Library for Wales and the World', looking to inspire meaningful change as he does so.

Helen Lucocq, Bannau Brycheiniog National Park Authority





Helen was the ideas-person and driving force behind the Authority adopting the doughnut model as a way of making decisions. She has developed the approach the park authority is taking to its Local Development Plan, to create '20-minute neighbourhoods' and is involving communities in the design of their future places through the Shape my Beacons toolkit.

David Anderson Director General, Amgueddfa Cymru

Before he retired in 2023 as Amgueddfa Cymru - Museum Wales' Director General, David was dedicated to ensuring that cultural well-being is at the heart of policymaking. He spearheaded pioneering projects including involving young people and communities in all aspects of the Museum's Strategy 2030, and developing skills and creativity, one of their well-being objectives.

Richard Dooner, Welsh Local Government Association

Richard has championed the role procurement can play in delivering outcomes that improve well-being and has worked closely with members of my team on my Section 20 Review into procurement in public bodies.

There are many more of these exceptional Change Makers recognised in our list published in 2023. You can find more information in our next chapter.

Town and community councils

Town and community councils with a turnover of more than £200,000 per year for three consecutive years have to, under [Part 4](#) of the Act, take all reasonable steps towards meeting the local objectives included in the local well-being plan that has effect in their area.

According to [One Voice Wales](#) – their national membership body – this part of the Act now applies to over 80 local councils, increasing from 50 in just seven years.

This year we partnered with One Voice Wales to explore innovation at the grassroots. We found that a lot of good work is going on around issues including climate change, community cohesion and reducing loneliness and more support is needed to scale this up and share learning.

Case-studies from the following councils can be found on our [website](#):

- [Amroth](#) and [Saundersfoot Community Council](#)
- [Chepstow Town Council](#)
- [Criccieth Town Council](#)
- [Gwersyllt Community Council](#)
- [Magor with Undy Town Council](#)
- [Mold Town Council](#)
- [Pembrey and Burry Town Council](#)
- [Pennard Community Council](#)

“

Thanks again for your work on this. We put a lot of effort into the planning and implementation of these projects and to know that they are appreciated locally and further afield gives us great momentum for the next project!”

Chepstow Town Council

We're always so energised by the stories we hear and the incredible work we see. More examples of case studies we collated are on our [website](#).

There is still more to do.

Our findings from our Section 20 Review 2020 and Future Generations Report 2020 still apply:

We still believe that Government continues to have an often overly optimistic view of what it takes to implement the ambitious policies they develop. It can be said that sometimes a policy is published without a fully developed plan for adequate funding of implementation, including delivery capability, awareness raising, training and robust monitoring. Public bodies and Public Services Boards often tell

us that expectations are unrealistic, particularly the case where the new policy demands cultural change and/or there is a lack of explicit reference of how public bodies should integrate or cease existing practice with new requirements.

We have seen this 'gap' firsthand in the implementation of WelTAG 17, Planning Policy Wales 11, the NHS Planning Framework, and the Active Travel Act.

This is something which will need to be monitored and which we will continue to flag.





Purpose 3

A Growing Movement of Change

It is very easy to point to the 'big wins' of the Act - the headline grabbing changes. But what we think is more effective for cultural transformation are the small things (that are actually really big things). We also recognise that our office cannot act alone. We need to use the five ways of working and collaboration is key to help us seek to resolve the big challenges facing our current and future generations.

We're talking about the movement for real change within our communities and business. Every conversation at a primary school or a food bank, at a community garden or business, can be as meaningful as an address to the United Nations or a keynote speech at a corporate event. These are the conversations that can make a local difference, sow seeds for the future, and that can create a network of well-being roots in our very soil.

These small moments build to become a powerful force for change from the core.

Recognised the work of 100 Future Generations Changemakers

We recently helped to tell the stories of some of the guardians of future generations who have challenged our old way of doing things: teachers, local leaders, school children, businesses, poets, medics and activists.

Our [Future Generations Changemaker 100](#) list was launched on 24 January 2023 to recognise some of the people helping to create a Wales that is healthier, more equal, environmentally resilient, globally responsible, prosperous, with cohesive communities and vibrant culture and thriving Welsh language following the Act.

This is just a fraction of the hundreds and thousands of people who are implementing the Act, creating change and inspiring us.

An event was held at the Wales Millennium Centre which included creative performances, talks from 'human libraries', reflections from Wales' First Minister and more. It brought together 190 people face-to-face with a further 100 online, to connect and share learning. The event was bilingual, live streamed with live captioning.

We encouraged attendees to write the name of their own Changemakers, those who inspire them and hang it on our **Future Generations Chair** to keep growing the network. Created as a symbol of voices not present but who should have a seat at the table, the Future Generations Chair was part of COP26 in Glasgow and will be moved to the Welsh Government's Cabinet Office at Cathays Park as a reminder to decision-makers to keep future generations in mind.

Instead of printing off certificates, we worked with [The Carbon Community](#) in Llandovery to plant 100 trees – one for each Changemaker – with tags and stakes bearing their name.

Changemakers, we thank you. We take inspiration from you, and we hope you take inspiration from others across Wales.



[Wales is full of Changemakers](#)



[Mae Cymru llawn o Ysgogwyr Newid](#)



Members of our Future Generations Leadership Academy who were recognised as one of our Future Generations Changemaker 100





Presenters and suppliers at the event were drawn from the Future Generations Changemaker 100 list: **Graeme Farrow**, Creative Director of Wales Millennium Centre provided the welcome and introduced **Radnor Primary School's** choir, who sang incredible renditions of Yma of Hyd and We Need to Build a Better Future. MC-ing the day were my Lead Changemaker, Jacob Ellis and Future Generations Leadership Academy Graduate, **Jia Wei Lee**.

Catering was provided by **Bigmoose** and **Boss and Brew Academy**.

Kicking-off the afternoon, **Taylor Edmonds**, our Poet in Residence 2021-22, performed Emerging from Winter – an incredible poem which she co-created with the Llanrwst Flood Action group with **Samatha Egelstaff** and was originally performed by Ysgol Bro Gwydir, a primary school in Llanrwst.

We also had a presentation from **Paul Gilhooley**, from the Scottish Government on how they are taking forward their own future generations' approaches and how policies and legislation inspired by long-term thinking are growing worldwide.

Keen to involve future leaders, alumni from my **Future Generations Leadership Academy** were keynote listeners for the day and were invited to join a discussion moderated by **Bleddyn Harris** on their reflections for the day and going forward.

We were also lucky enough to receive a speech from **Mark Drakeford MS, First Minister for Wales** on the legacy of the Act and its impact so far including how decisions made today are taken through the lens of the well-being goals and how they will affect our future generations.



Natalie Hodgkinson, Boss and Brew Academy



Jia Wei Lee, Future Generations Leadership Academy Alumni





**Taylor Edmonds, Future Generations
Commissioner Poet in Residence 2021-22**



Indo Zwingina



Radnor Primary School

Inspired by Copenhagen's Human Library concept which hosts personal conversations designed to challenge prejudice and the status quo, we asked a variety of Changemakers from different sectors, regions and backgrounds to speak about their work and experiences in 10 'human library workshops':

- **Amanda Davies**, Swansea Bay University Health Board
- **Dr Stacey Harries** and **Yasmina Hamdaoui**, Ysbyty Gwynedd Green Health Alliance
- **Dafydd Gruffydd**, Menter Môn
- **Indo Zwingina**, Trefforest community climate change project
- **Natalie Hodgkinson**, Boss & Brew Academy
- **Louis Mertens** and **Judith Musker Turner**, Future Generations Leaders Academy
- **Marten Lewis**, Bluestone National Park Resort
- **Kat, Emily, Fidelia** and **Amber**, The Democracy Box Co-creators and facilitated by **Yvonne Murphy** of Omidaze Productions.
- **Ffion Mitchell**, Marine Conservation Society and Future Generations Leadership Academy alumnae (online)
- **Meleri Davies**, Partneriaeth Ogwen (online)

Built the case for business to align to the Well-being of Future Generations Act

Business plays a vital role in the transition to a well-being and sustainable economy. Businesses are innovators, employers, suppliers, purchasers, and community members. And they have the potential to be one of the most effective actor and advocates for change in Wales.

There is real momentum growing within the private sector to align voluntarily its actions and investments with the well-being goals, for example, this year the private sector was the second largest sector requesting support from our team.

This year we've:

- Developed a landscape analysis of the ways in which business are contributing to the Act, which revealed:
 - o Large companies in Wales are taking steps to align their corporate strategies to the well-being goals.
 - o Business Networks are supportive of the Act but require tools to mobilise their business members, particularly Small and Medium sized Enterprises (SMEs).
 - o A number of Welsh Government initiatives to mobilise business around the well-being goals are having an impact in supporting businesses to act in support of the well-being goals, but there are opportunities to strengthen the Welsh Government's Economic Contract, Development Bank of Wales, Business Wales and other economic strategies to mobilise businesses behind the Act. For example, through ensuring a consistency in the advice, finance and technical support offered by these programmes to business.
- In response to the request from businesses of all sizes, and business networks, for more guidance on how to support the well-being goals, we have designed new tools for business on the Act and working with partners to promote the Act to business. This includes:
 - o Establishing a partnership with the Welsh Government SMART Innovation team on the development of its Future Proofing Toolkit for Small and Medium Enterprises (SMEs).
 - o Commissioning Cynnal Cymru - Sustain Wales to produce a tool to support large companies in Wales to identify and report how they are currently supporting the Well-being of Future Generations Act, and to identify how else they can do. Ten large companies in Wales have expressed their interest in using the tool – which we hope to roll out in the next financial year.
- Continued my strategic partnership with Business in The Community Cymru (BiTC) to support their members to further align their actions and investments to the Well-being of Future Generations Act.



- Engaged with the Confederation of British Industry (CBI) Wales, Federation of Small Business (FSB) Wales and Business Council Wales to identify how we can work with business networks to promote the Act – all of whom agreed there needs to be a regular convening of business networks around the Well-being of Future Generations Act to share and promote good practice.

- Amongst this work, there are useful findings to support public bodies, in particular my Section 20 Review into how Welsh Government are implementing the Act.

As a result:

- We've increased awareness of the crucial role that business can play to deliver against the Act within the private sector.
- Encouraged practical action by business through the development of the first dedicated tools for business on the well-being goals.
- Developed analysis to support the Welsh Government to further mobilise the private sector.

Extraordinary business-leaders that my team and I have been inspired by over the last seven years and who feature in our [Future Generations Changemaker 100 list](#):

Sarah Bowles and Hywel Woolf, South Wales Industrial Cluster (SWIC)

SWIC is a decarbonisation challenge deployment project with partners from the industrial, energy, law, academic, public utilities, and academic sectors, working to reduce emissions but without sacrificing the jobs which are so important to the area. The project is looking at hydrogen supply, carbon capture usage and storage and CO2 shipping, which would create an entirely new industry for the region.

Sarah Dickens, Economics Correspondent, BBC Wales

A longstanding and experienced BBC journalist, Sarah became the first to be appointed as Economics correspondent. She has been reporting on the economy in the context of the climate emergency and has been part of the BBC Wales' cost of living team.

Dafydd Gruffydd, Managing Director, Menter Môn

Dafydd has worked for Mentor Môn for 25 years. He has driven projects focusing on culture and language, farming, and more recently has been part of the team that has developed the 'Morlais', tidal energy project located off the coast of Holyhead.

Julie-Ann Haines, Chief Executive Officer, Principality Building Society

The first female to lead Wales' Principality Building Society as CEO, Julie-Ann has committed the Principality to delivering net zero and to be a forerunner in the private sector in reporting against the Welsh well-being goals.

Marten Lewis, Director of Sustainability, Bluestone National Park Resort

Marten has aligned Bluestone to the Well-being of Future Generations Act's goals. He's led the reduction of scope 1 and 2 carbon emissions by 90%, increased waste reduction and recycling, and moved Bluestone to a circular economy operating model. Bluestone's suppliers are encouraged to improve their own commitments to the Act. He has earned numerous awards and recognition in Pembrokeshire and beyond.

Rob Poyer, Director, NappiCycle

Rob is the founder of NappiCycle, which processes 800,000 nappies every week, diverting 100% of the waste from these from landfill. Their treatment system recovers

cellulose and plastics from nappy and incontinence waste which can be turned into commercial products like fibre boards, acoustic panelling and even road resurfacing material.

Edward Morgan, Group Corporate Social Responsibility and Training Manager, Castell Howell Foods

Edward has been employed by Castell Howell since 2001 and leads on the corporate social responsibility for the group's seven food manufacturing units and six distribution depots. He has helped to ensure that the company takes its commitment to the Well-being of Future Generations Act seriously, championing local producers, reducing waste and working on an ambitious net zero action plan.



Marten Lewis, Director of Sustainability, Bluestone National Park Resort



Rob Poyer, Director, NappiCycle

Delivered a second cohort of our Future Generations Leadership Academy

What is the Academy?

We created the Future Generations Leadership Academy as a pilot in 2019 to support young people aged between 18 – 30 years of age, who will be our future leaders and offer them opportunities to learn and enhance their leadership skills in Wales today and in the future.



We recruited a diverse set of young leaders in the second year of the pilot, this year:

- Female (18); Male (11); non-binary (1); Prefer not to say (2).
- Participants spoke a total of 13 different languages, including 10 participants who identified as Welsh speakers.
- Diversity of participants' backgrounds included individuals who identified as White English, White Welsh, White British; Black African; Asian or Asian British; Bangladeshi; Filipino; Sri Lankan Tamil; Chinese; Indian; Pakistani; with 28% participants identifying as Black or Ethnic Minority.
- 15 participants reported that neither of their parents had attended University.
- All participants, apart from those who attended school outside the UK, were educated at UK state run or state funded schools.
- 10 identified as LGBTQ+, including representation from the trans community.
- 3 identified as being a disabled person and 5 others who identified as having additional needs or vulnerabilities.
- There was also representation of care leavers and individuals with caring responsibilities including caring responsibilities for a child or children and an adult; caring responsibilities for a child or children; and caring responsibilities for an adult.

We are constantly blown away by the innovation and refreshing outlook shown by the participants of our Future Generations Leadership Academy, and we have taken inspiration from their stories.

32 participants completed the programme this year, graduating in June 2022. They are already champions of future generations - there is no need to persuade them. What we need to do is harness their power, their voices and their kindness, listen, and act on what they are telling us.

Once participants graduate from the academy they join the Alumni Network, where our team continues to facilitate leadership development opportunities and knowledge of the Act to members. This year our alumni network was invited to join the recruitment process for the new Future Generations Commissioner for Wales.

Our sponsors were Arup, BBC, Capital Law, Costain, Cwm Taf Morgannwg University Health Board, Natural Resources Wales, Police and Crime Commissioner, Public Health Wales, Transport for Wales, University of South Wales, Wales Millennium Centre and Welsh Government. We also partnered with the Urdd, Race Alliance Wales and Disability Wales.

Our evaluation of the academy, which included both our own internal monitoring data and an independent evaluation revealed the strong impact of the programme:

- **96%** confident in their ability to explain purpose and workings of the Well-being of Future Generations Act to colleagues and their community, with **76%** experiencing an improvement in their ability to do this.
- **96%** say they are good at starting conversations with others from different backgrounds, with **72%** of the cohort experiencing an improvement in their ability to practice a More Equal Wales in their work and **96%** feeling that they understand their own privilege.
- **88%** confident in challenging traditional ways of working within their workplace and **80%** feeling able to challenge decisions that have already been made, **76%** seeing improvement in this area.
- **96%** say their network now includes people from a diverse range of different sectors

and backgrounds, with **100%** of the cohort expressing that they now feel that Leadership is "about developing others".

- **100%** of line managers stated that taking part in the Academy had supported the leadership of the participant they line managed, and they would recommend the programme to others.
- **90%** of line managers reported that their team's understanding and/or application of the Act had improved, with some saying improvement was already being seen at wider organisational level too.
- Sponsors reported that the Academy provides structure for investing in young talent and promoting diversity (an important element linked to sponsors' understanding of the Act).
- Sponsors valued the continued peer learning on the Act provided to participants through the alumni network.
- Sponsors demonstrated good practice in raising the profile of the Act internally. Steps included evaluating the progress of the organisation, strategy and key activities against the well-being goals to identify achievements and gaps.



Our evaluation also provided some key lessons on how to further improve the programme for example through improving the visibility of the Welsh language in the programme, improving the module around developing action plans and further involving sponsors in the programme.





“

The Academy has been a great opportunity to connect with other future leaders across Wales to learn and champion the Well-being of Future Generations Act.

We have the unique opportunity to not only think about future generations but make an active and practical difference now so we can build a better future for all. I hope to continue building relationships with the other participants and learn more about the mechanisms of the legislation to apply within spaces that I'm a part of.”

Nirushan Sudarsan, 22

“

The Future Generations Leadership Academy has been an incredible experience so far. Meeting everyone face-to-face was fantastic - the opportunity to take inspiration from others during networking opportunities and creating new partnerships. I loved hearing the real challenges other sectors face. I've learnt so much about how I work and my leadership style which will be invaluable for me going forward.”

Sabiha Azad, 26

“

It is exciting to see the talent, commitment and passion of the Future Generations Leadership Academy - I am inspired by the potential for these future leaders to ensure Wales's public bodies, businesses and voluntary sector organisations can help us all achieve Wales' well-being goals.”

Andrew Goodall, the Welsh Government's Permanent Secretary

A big thank-you to all our partners, without whose unwavering support the Academy would not be possible. Diolch, thanks for your help developing young leaders for a better tomorrow.

In 2023, we will plan for, and deliver, the third cohort, which will launch in September 2023. We will strengthen all aspects of Academy 3.0 including the reverse mentoring, action plans, bilingualism and delivering a hybrid and inclusive model.

Academy Alumni – growing the future generations family

50 young people have now graduated from our Future Generations Leadership Academy. In September 2022, we launched an Alumni Network as a space for them to:

- Continue to meet and collaborate with each other.
- Champion the Act in their organisations, sectors and communities.
- Challenge and advise public bodies.
- Contribute at events to represent the Future Generations Commissioner for Wales.

So far, the opportunities we have facilitated include:

- Five of our alumni developed a workshop for young leaders across the world at the One Young Summit in 2022 on the Act
- The US Embassy in the UK invited three of our alumni to their leadership programme study tour of the US
- Participated in COP26 as a speaker
- Presented on the Act to Dŵr Cymru's annual stakeholder forum

As part of our ongoing commitment to their development, next year, we will launch four trainee board opportunities for the alumni. Two trainee places will be available on our Audit, Risk and Assurance Committee (ARAC), and two more for our Statutory Advisory Panel. These opportunities will provide young people with board experience (with remuneration) and also help ensure that we incorporate the voice of young people in our decisions and governance.






Raised awareness and promoted the sustainable development principle.


This year has seen an increase in media work, with a number of my reports making international headlines.

- My team has achieved around 100 pieces of media coverage from Wales, the UK and all over the world, across podcasts, print, TV and radio. The Act and the office's work was highlighted in titles including the Outrage and Optimism and Reasons to be Cheerful podcasts, magazines such as *Big Issue* and *New Scientist*, with several interviews on Wales' political analysis programmes including *Politics Wales* and *Sharp End*.
- We have successfully promoted the sustainable development principle via regular media appearances throughout the reporting period, which included themes Well-being Wales to the World and Get in on the Act, landing articles and features on Forbes Current Climate, Vox, Times Radio, and major TV moments including German public broadcaster ZDF's profile of the office on TV series Plan B, which explores progressive approaches to solving problems; and GALWAD, a futuristic TV production framed around the Act.
- We built on high media interest in Sophie Howe's end of term and the beginning of the role for new commissioner, Derek Walker.
- Sophie shared her final reflections on the role, via the [IWA](#) to BBC Wales' Sunday Supplement.
- Derek Walker was introduced as the new commissioner in a St David's Day campaign via media and social media, including a new video format using Instagram Reels. This included a video conversation with Derek and Sabiha Azad, from the Future Generations Leadership Academy and as part of Wales.com's Random Acts of Welshness.
- Derek's first call via the media for 'urgent and transformational change was covered on the commissioner's day one by Western Mail, [Western Telegraph](#), [South Wales Arugus](#), [Golwg](#), [UK Daily News](#), [South Wales Guardian](#) and [Business News Wales](#) and was followed by a live interview on his first day, on ITV Wales, Wales at Six.

- During his first week, the office ran its first Twitterspace, which attracted 314 live listeners and Derek was interviewed by Australian radio, ABC.
 - We are currently working on raising awareness and encouraging engagement with the next phase of Derek's tenure, setting the priorities for his tenure through a project called Our Future Focus.
- We have built on the partnership work around young people with Omidaze in 2021 - 2022 by:
- Launching additional products about the Well-being of Future Generations Act, co-created by young people including three videos and a song.
 - Celebrating the Democracy Box co-creators on our Changemaker100 list, alongside Omidaze founder Yvonne Murphy.
 - Involving the co-creators in the Changemaker100 event we held in January including as performers, interviewees and as Human Books' in the 'Human Library' we ran on the day to share stories
 - Co-hosting the Talking Shop in Merthyr, contributing to facilitation and running arms-length involvement activities in the shop including Postcard from the Future.


 [Where Will We Be - OFGC & The Democracy Box - Saskia Pay & Blank Face](#)

 [The Talking Shop Cardiff & Newport 2022](#)

 [Our Future Wales - by Democracy Box young co-creator Amber Howells \(Poetry & Interpretive Dance\)](#)

Almost 3,000 people (2,830) subscribe to our [monthly newsletter](#). This year, we have involved stakeholders in co-producing content which has increased our audience reach by 135% with views increasing from 871 to 2,049. We have showcased the work of:

- [Tir Natur](#)
- [The Carbon Community](#)
- [GALWAD](#)
- [Welsh Government's Kindness Project](#)
- [Velindre and the Ray of Light Cancer Support](#)
- [Vale of Glamorgan Council and the Big Fresh Catering Company](#)
- [Cardiff Council's Sunflower Club](#)
- [WCVA and Nesta](#)
- [Youth Hostel Association](#)
- [Swansea Bay University Health Board's Surplus Bed Scheme](#)

 *I just met with my contacts at Rhondda Cynon Taf and they ended the meeting with praise for our most recent newsletter.*


They said that they would feel confident sharing that with relevant colleagues to build their understanding of how to implement the Act, especially relating the work back to the well-being goals.

FGC team member to Hollie who writes our newsletter.


Listening to people

We have pledged to listen to all those who can contribute to the realisation of the Act. While we do not have a case-work function, we seek to empower groups and individuals to use the legislation in their interactions with public bodies. From the issues that people write to us about, we can detect systemic issues which affect people's lives.

In 2022/23, I received 140 letters. The main themes were questions about the Act and our work; concerns related to land use planning (the loss of green space and nature); climate change; transport; and the lack of opportunities for citizen involvement.

 *Thank you / Diolch for taking the time to write this thoughtful and informative letter, it is greatly appreciated. I will seek out the resources and organisations referenced, which I'm sure will help.*

 *Thank you very much for your response. I appreciate your explanations of how the Act sits with public bodies. It's also very useful for my work going forward.*

 *I would like to thank you for taking the time in replying to my email; it was a most informative and comprehensive reply. I shall follow your suggestions and advice.*



“I can only imagine what the world would look like if every country had a Commissioner for Future Generations in place. It seems like such an obvious and brilliant way forward.

We of course need to replicate this role if we are to stand any chance of a safe future for our children and we wanted to try and somehow campaign for the same role to be created in Westminster.”

The issues that are flagged with us via letters from the public are being fed into Our Future Focus analysis and will help inform our approach going forward including the issues we should focus on, where we can add value and should be allocating our resources.

We have continued to build strong involvement with the voluntary and community sector including:

- Ensuring that when voluntary sector organisations get in touch to tell us about their work, ask for support in embedding the Act or suggest ways to collaborate with them, we can respond proactively. We work in an integrated way so that we are able to connect this voluntary sector involvement across our other work, for example identifying ways to work together on policy change and in our work supporting public bodies.
- Holding two roundtables with the voluntary sector in line with our Memorandum of Understanding we hold with Wales Council for Voluntary Action. These have continued to be well attended and collaborative spaces where we co-produce an agenda and identify ways to work more closely together.

- Our membership on the Volunteer Sector Leadership Group has enabled us to champion the five ways of working and has also provided a further opportunity to listen to and understand the challenges and opportunities currently faced by the voluntary sector.

A proud ambassador for Wales in the World

Wales boldly and unapologetically strives to be a Globally Responsible Nation which is why part of our work is showcasing Wales to the World and working with other countries to learn from them about similar challenges and opportunities facing Wales.

Through a specific agreement with Welsh Government, we've worked with Welsh Ministers and the Welsh Government's International Relations team to raise the profile of Wales and the Act, promote sustainable development globally and secure partnerships with international stakeholders.

Last year, we succeeded in our advocacy to the United Nations Secretary-General to adopt a future generations approach including a UN declaration for Future Generations, the creation of a [UN special Envoy for Future Generations](#) and a UN Summit for the Future. In addition, we have worked with stakeholders in a number of countries to support efforts across the world for more future generations governance arrangements.

Building on this, in 2022-2023 we have:

- Built international relations with sustainable development stakeholders in Welsh Government priority countries Canada, Ireland and Germany.
- Worked with young leaders and youth organisations in Wales, including our Future Generations Leadership Academy to showcase the Welsh approach to sustainability and acting in the interests of future generations.
- Encouraged other countries to take a future generations approach – through the Network of Institutions for Future Generations (NIFG) – and we have worked with stakeholders, ministers and parliamentarians in the UK, Scotland and Ireland on applying the lesson of the Act.



Jacob Ellis, FGC Change Maker Lead: Public Affairs and International



Moment of levity on @weallscotland stage before Wales' @Arpana_Lili asks why all 4 UK nations have world's worst records on #biodiversity decline and what are we going to do about it. Bravo. (WG will be attending #COP15 and looking to announce new 2030 targets)



2:10 PM · Nov 23, 2022 · Twitter Web App



Our @futuregenerationscymru academy folks @Arpana_Lili @lbby_Osman2001 meet @patrickharvie to discuss Scottish Govt plans for legislating for well-being of future generations. Will be fascinating to see how Scotland do it, currently exploring a commission. We've offered any help we can!



“Our vision for a UN Special Envoy for Future Generations is inspired by the progress being made in some countries, including Wales, which demonstrates that it is possible to legislate and take action to put the interest of future generations at the heart of government.”

Jayathma Wickramanayake, United Nations Secretary-General's Envoy on Youth





As a result:

- Legislative proposals for Future Generations, based on the Act in Wales have been produced in the UK, Scottish and Irish parliaments.
- We have increased membership of NIFG to representatives from 10 countries
- The future generations concept has continued to take off in other countries.
- Public bodies are learning and adopting global good practice (shared knowledge).

- Youth leadership champions the future generations agenda home and abroad.
- The United Nations continues to highlight Wales as leading global example.

Next year we will facilitate learning exchanges between Welsh public bodies with global stakeholders and at a UK well-being policy exchange event. We will continue to promote future generations governance to global multi-lateral fora, including the Network of Institutions for Future Generations (NIFG), COP28, UN stakeholders. And we will advise Welsh Government international offices on promoting the Act to the Basque Country, Catalonia, Ireland, Flanders and France.

- **Canada, September 2022.** First Nations communities from British Columbia shared their approach to well-being with Wales. Especially inspiring was the Seventh Generation Principle, which says that the decisions we make today should result in a sustainable world seven generations into the future.
- **Ireland, October 2022.** We contributed to the Furthr Festival in Dublin and met with Irish Government Ministers Simon Coveney (Minister for Foreign Affairs and Minister for Defence) and Eamon Ryan (Minister for Transport, Climate, Environment and Communications) to discuss how they might be able to legislate to protect the interests of future generations in their own country.

- **Germany, March 2022.** Wales and Baden-Württemberg have had civic and government relations going back decades. In March 2022, we visited Stuttgart, which is twinned with Cardiff, to promote the Well-being of Future Generations Act. We met with the Mayor for Social Affairs and Integration, Dr Alexandra Sussman; the State Secretary of Baden-Württemberg Dr Florian Stegmann; and Stuttgart Youth Council. Dr Stegmann visited Wales in May 2022 to continue conversations and find out more about how the ministry of Baden-Württemberg can take a future generations approach.

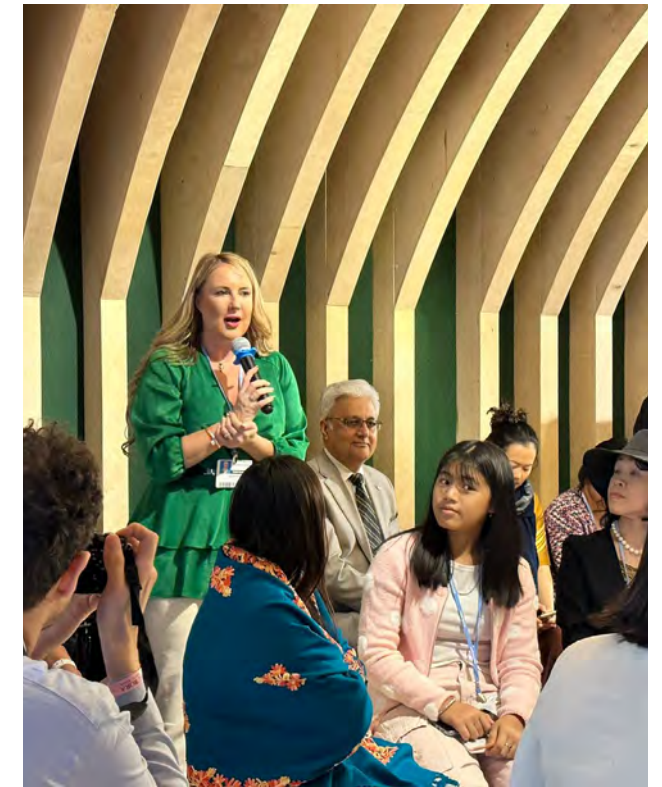
- **COP27 Egypt, November 2022.** Representing Wales, we highlighted how we do things differently as a result of the Act. An issue that was at the forefront of many peoples' minds was climate justice. Climate change is already affecting the most vulnerable, and crucially, those who have least contributed to it. For example, in East Africa, 17 million people are estimated to be facing food insecurity because of drought.

“Be inspired by this fascinating story of how Wales made into law the obligation for a country to pursue sustainable development on behalf of future generations.”

Gro Harlem Brundtland,
Former Prime Minister of Norway
and former Director General of the
World Health Organisation.

“The whole concept of future leaders and indeed legislating to ensure the well-being of future generations is something I would like to transfer directly across the Irish Sea.”

Simon Coveney,
Irish Foreign Minister



Purpose 4

Walking the Talk

Over the last seven years, we have established a solid foundation for progressive policies and supporting staff well-being in a fast-paced environment to walk the talk of the Act and seek to lead by example.

Relocating my office to [Tramshed Tech](#) in 2021, has given us an opportunity to review and reinvigorate internal policies to ensure that they reflect current practice, do not contain outdated information and maximise my own contribution to the well-being goals.



Being the change that we want to see in others

In 2022-23, we have:

- Pledged to Zero Racism Wales and continued to embed racial diversity in our work, practice and culture. Published our own [Anti-Racist Action Plan](#).
- Continued to use positive action measures for under-represented groups such as introducing a guaranteed interview scheme for ethnic minority applicants who meet the essential criteria, run targeted recruitment and improved diversity within our selection panels. Developed a 'Recruiting Great Talent' framework to further improve our approach to equity, diversity and inclusion.
- Increased the diversity of our workforce, from 24% to 30%, employing 17% of colleagues from Black, Asian and Minority Ethnic backgrounds. A total of 17 languages are spoken by my team and two team members are in the process of learning a new language, including British Sign Language.
- Invested in the development of our team by providing in-person media training and Accounting Officer financial upskilling for those in leadership positions.
- Strengthened my relationships with a wide range of third sector and community organisations, seldom heard groups, businesses and international stakeholders.
- Collaborated with Omidaze Productions, Public Health Wales, Literature Wales, Wales Arts International, Natural Resources Wales, the United Nations Foundation, Cardiff University, Eisteddfod Genedlaethol Cymru and Ynys Blastig to name a few! These partnerships enable us to amplify our joint objectives, communicate the issues facing future generations, and to value external expertise and skills. I am grateful for the support and partnership from organisations across Wales and beyond.
- We have chosen to continue embedding a shorter working week into our culture, reviewing the results of our pilot during COVID-19. We have conducted 'petite pulse' team surveys and encouraged regular, ongoing dialogue through 1:1 Cheerleader discussion to enhance our working patterns. We now have a 30-hour standard work week aspiration and advertise this model when recruiting for new vacancies. We were also pleased to appear at the Senedd Petitions Committee to champion the roll out of a 4-day week pilot within the Welsh Public sector.
- By downsizing with an office move to Tramshed Tech in 2021, we have reduced our carbon footprint using a smaller space and less energy consumption. We have started to explore personal carbon allowances and climate positive perks and will continue to consider options in line with our decarbonisation commitments. We are also in the process of developing new ways of measuring our own footprint and rolling out a programme of advanced carbon literacy education to the team. We plan to maximise the benefit of this work by using our new skills and experience to shape our advice and guidance to public bodies.
- Have aligned the bottom of our pay scales with Welsh Government minima, following a pay parity 'Alignment exercise' required of us by Welsh Government.
- Are in the process of developing transparent fair pay guidelines and committed to fully paid internships. This year, we hosted [five paid internships](#) and partnered with Cowshed PR to create a paid communications placement for those facing significant barriers to work. This opportunity was entitled 'Your Turnship' and we were delighted to provide a quality & meaningful experience to one individual.

DIM ZERO
HILIAETH RACISM
CYMRU WALES



Comisiynydd
Cenedlaethau'r
Dyfodol
Cymru

**Future
Generations
Commissioner
for Wales**

- Continue to develop our Cheerleader model – which is our performance and accountability framework and introduced Cwpan Calon –peer-to-peer weekly recognition.
- Achieved 'highly commended' status in the HR Excellence Awards for our Future Generations Leadership Academy.
- Signed the Community Jobs Compact. Employers who sign agree to pay a Living Wage, tackle under-representation of the local community in their workforce, carry out their recruitment in a way which removes bias and provide job security and development.



- Undertaken a series of internal reviews of our work programmes using Futures thinking, forecasting and learning.
- Review and strengthened my procurement policy to align it to my emerging advice to public bodies and my review into procurement practices.
- I revamped my risk register to make it more accessible and more comprehensive, aligned with best practice. I created a new summary template which has been praised by my ARAC and auditors.
- Reported against our biodiversity duties and send our report to Welsh Government at the end of 2022 as requested.



Rydym wedi cwblhau'r Siarter Teithio Llesol We've completed the Healthy Travel Charter

We've worked hard to create and maintain a workplace culture within which our team's well-being is a priority. Well-being in its widest sense is about creating the right conditions for us to thrive. We have developed a culture that aims to support the following:

- A healthy work-life balance
- Continuous professional development
- Encouraging contribution to the goals and use of the five ways of working in our working and personal life
- Time to do things that are important to our team, outside of the office and be confident in the knowledge that it's ok to switch off.
- Connectedness to our colleagues, knowing that our need to have time with others and time alone is respected.
- A space where we feel safe to show our vulnerabilities and be respected.

Our well-being practices include:



[Health and well-being](#) – presented by **Christian Servini**. We actively encourage our team to soak up the benefits of nature and get outdoors as frequently as they can. We often hold outdoor team meetings and 'Walk and talks' for one on one and collective discussions.



[Thriving Welsh language](#) – presented by **Colleen Cluett**. Many of our team are either fluent Welsh speakers or, well on their way to achieving this. An employee led 'Clwb Cymraeg' takes place every other month for colleagues to practise their language skills, conversing and presenting solely through the medium of Welsh.



[Spending wisely in line with the well-being goals](#) – presented by **Jacob Ellis and Chloe Smith** from our charity partner Bigmoose. Our office is supporting a wide range of local businesses which keeps money circulating in the local economy, supports community well-being and helps to minimise environmental impacts. Working with social enterprises and businesses with a strong social mission has helped our Office increase its impact even further. We have a long-standing relationship with bigmoose, a charity and non-profit social enterprise who are supporting people who have experienced homelessness and mental health issues, using their cafe as a meeting venue, buying their products and getting involved with their charity events.



[Sustainable and active transport](#) – presented by **Marie Brousseau Navarro and Heledd Morgan**. Our Team is encouraged to use the most cost effective and low carbon method of travel, accommodation and hospitality. We are also signatories of the Wales Healthy Travel charter which contains a series of actions that organisations publicly sign up to, to demonstrate their commitment to supporting walking, cycling, public transport, and ultra-low emission vehicle use.



[Flexible working](#) – presented by **Najma Hashi and Sam Guy**. To help us live up to our value of 'love work, get a life!', our Anywhere Anytime Working framework enables us

to have choice and flexibility at the centre. We have been early adopters of the Shorter Working Week and have implemented the equivalent of 4-day week working since the COVID pandemic with no loss of pay. This transformative way of working has seen an increase in our team wellness but has also helped us recruit and retain incredible people/ talent.



[Supporting victims of domestic abuse](#) – presented by **Sophie Howe and Wanjiku Ngotho-Mbugua of BAWSO**. We offer paid domestic abuse leave to employees (five paid days a year for urgent domestic crises or emergencies; this rises to 10 if the employee needs to leave home or access a refuge). Employees can also apply for a cash grant of up to £500, a salary advance or a loan of up to £5,000 to help pay for anything from relocation costs including rent or a deposit on a home, to essential supplies. The policy was sense-checked with Bawso; an organisation that supports Black and Asian Minority Ethnic communities that are victims of abuse and exploitation.

Our Audit and Risk Assurance Committee (ARAC) and statutory Advisory Panel

Over the past seven years, our work has been supported by [two external panels](#) to ensure good governance. In 2023, five of our six ARAC members will come to the end of their terms (see the Accountability Report below). We would like to thank them for their fantastic contribution over the years. We will be recruiting five new full ARAC Members in the summer of 2023; and three ARAC trainee places via Pathways to Board and our own Future Generations Leadership Academy alumni. There will be a further two trainee places for the alumni to join our statutory Advisory Panel.



What will we do in the next 12 months

2022/2023 was Sophie Howe's final year of a seven-year term as the first Future Generations Commissioner for Wales. As we transition from the first Commissioner to a new one, Derek Walker, we are reflecting on what has had the most impact and developing a new work programme that will take us towards 2030 and beyond.

There is much to celebrate in what we have [achieved over the last seven years](#), and much to value and continue in the way we work as a team and with others.

In the first year of the new Commissioner's term, our focus will be on:

What	How
<p>Ensuring that the Act is implemented effectively across the Welsh public sector and is the foundation of work in public bodies and public services boards.</p> <p>Enabling a growing number of leaders and staff within public bodies to understand, champion and implement the Act successfully.</p> <p>Developing strong, constructive relationships between the Commissioner's team and public bodies.</p>	Continuing to deliver a high-quality advice and assistance service to public bodies and the provision of increased support to ensure they implement their new well-being objectives.
	Introducing a new programme of learning and development opportunities to improve for public bodies' knowledge, skills and change mindsets about the Act.
	Publishing the Maturity Matrix – a tool that was developed as part of the Section 20 review but which was designed to help all organisations interested in applying the Act assess where they are on their journey towards sustainability. I hope this tool helps self-reflection on progress and provides the steps needed to implement the Act.
	Working with Public Health Wales on futures and long-term thinking , to improve our own capability, support public bodies, and learn from what other countries are doing.
	Preparing the additional public bodies that will come under the Well-being of Future Generations Act in April 2024 so that they hit the ground running.
Supporting and scrutinising Welsh Government's implementation of the Well-being of Future Generations Act, ensuring that it applies the Act throughout its policy making and processes.	Concluding our Section 20 Review into how Welsh Government are implementing the Act Improvement Plan.
	Contributing to live policy issues, identifying solutions that are future proofed and suggesting areas to prioritise.

New and existing audiences (including businesses, the voluntary sector and future leaders) are inspired by the Act and are supported to take action.

Publishing a **new toolkit for business** on implementing the Well-being of Future Generations Act working in collaboration with Business Wales. Strengthening our engagement with the Welsh business community.

Delivering the [Future Generations Leadership Academy 3.0](#), which will be launched in September 2023, as well as managing the alumni network.

Engaging with the people and organisations on the [Future Generations Changemaker 100](#) to explore how we can continue to work with them and promote their impact.

Undertaking proactive media work to create awareness about the Act and to engage people in making positive change happen.

The future generations concept continues to take off in other countries. Public bodies learn and adopt global good practice (shared knowledge). United Nations highlight Wales as leading global example.

Delivering the next phase of our [International Action Plan 2023/24](#).

Sharing global practice with public bodies to support them to implement the Act and the sustainable development principle.

Continuing to walk the talk of the Act – being the change that we want to see in others. We are seen as an exemplar employer and organisation within the Welsh public sector.

Prioritising **diversity, inclusion and anti-racism** – increasing our internal capacity in this area as part of our Race Action Plan

Increasing the use of **co-production** as an approach in our work.

Increasing use of the Welsh language in our interactions both internally and externally, including additional support for staff who want to learn Welsh language.

Measuring our organisational carbon footprint – developing internal eco-literacy and co-producing a carbon reduction plan, along with exploring our personal carbon footprints and how we can collaborate to reduce those.

Strengthening our HR and governance policies

Having sound controls and processes in place to provide **strong and robust financial reporting** –so that Welsh Government and the public can trust what we report.

Our new strategic plan addresses the main challenges facing future generations and is focused on bold and practical action.

Involving people to **co-produce a set of priorities for 2023 – 2030** and beyond. We are calling this exercise [Our Future Focus](#).



Our Future Focus

Between March and September, my team and I will be taking the opportunity to refresh our approach to what we do and set new areas of focus for our work.

We have been using futures methodologies to embed long-term thinking into how we analyse the data we already have; and involving people in a number of ways to gather their views. This work will establish priorities for our team in terms of areas of focus, and how we work in the future. It will help us take decisions on how we can most effectively allocate our time and resources to have the biggest impact for the well-being of current and future generations. This will be the beginning of an ongoing process of involvement leading up to the next Future Generations Report (2025) and beyond and will enable us to share our priorities later this year.



Where Will We Be

Lyrics and original music created by The Democracy Box young co-creators Saskia Pay and BlankFace for Omidaze Productions in partnership with the Future Generations Commissioner for Wales.

Where Will We Be? In 50 years? Will there be justice? Will there be peace?

Where Will We Be? In 50 years? Will there be justice? Will there be peace?

We need solutions, not excuses. You keep talking, but never moving. Why don't you open up your eyes and see?

We need solution, not confusion. You keep talking, never moving. Mr leader, you have the floor. So use it.

Where Will We Be? In 50 years? Will there be justice? Will there be peace?

Where will we be in 50 years from now?

Will we be thriving or burning down?

We need your action plan for change.

We need solutions, not excuses. You keep talking, but never moving. Why don't you open up your eyes and see?

We need solution, not confusion. We need an action plan for change.

Mr leader, you have the floor. So use it.

Or lose it.

Where Will We Be? In 50 years? Will there be justice? Will there be peace?

Where Will We Be? In 50 years? Will there be justice? Justice and peace?



[Where Will We Be - OFGC & The Democracy Box - Saskia Pay & Blank Face](#)



Impact and Legacy 2016 - 2023

There can be no doubt that the Well-being of Future Generations Act and the unique role of Future Generations Commissioner have had a positive impact in putting the needs of future generations issues firmly on the agenda of Welsh Government, public bodies and Public Services Boards, as well as the media and international scene; achieving financial and policy commitments from government; changing policy and processes for the better across Wales; which leads to change for the better on the ground which our communities experience.

A future fit curriculum for our children, solar panels saving a hospital £1m a year in electric bills, reviewing road building projects and hundreds of people receiving a basic income – these are just some of the changes Wales is making to improve well-being now and for the future.



[The Well-being of Future Generations Act and its impact so far...](#)

In seven short years, the Act has demanded long-term solutions to the country's biggest challenges and asked that public services collaborate and involve people in decisions. In one of its greatest achievements, the Act has helped to fundamentally change the way Wales measures success, evaluating progress based on well-being, rather than GDP, defining 'A Prosperous Wales' as one which delivers decent work and a low carbon society.

The Office has led high-profile interventions around transport, planning, education reform and climate change, challenging Welsh Government and public services to demonstrate how they are taking account of future generations. **We have not been alone working on these issues though; we're part of a much wider movement for change.**

As 2022-2023 was the final year of Sophie Howe's seven-year term, this annual report captures some of that legacy. Our own research undertaken during the Summer of 2022, reveals that there has been particular progress in **health policy, waste, transport and education**; achievements which were the focus of our campaign '[Are you in on the Act?](#)' - launched on UNESCO's World Futures Day in December 2022.

- The Act has helped create a 10-year national strategy for **healthcare**, focusing on preventative measures and a long-term vision of keeping people well. Not just treating illness but recognising the impacts of wider factors which affect our health like poverty, housing, employment, environment, and education.
- NHS Wales currently accounts for 2.6% of all Wales's greenhouse gas emissions and there is now a focus on decarbonisation. **Morriston Hospital in Swansea** has the UK's first hospital-owned 4MW solar farm will supply some of Morriston's power, cutting the electricity bill by £1m (or £500k) a year. The hospital has also agreed to turn over an area of land to a not-for-profit venture to grow a range of crops.
- The Act's role in the Welsh Government decision to cancel plans to spend all of Wales' borrowing capacity building a 13-mile stretch of **motorway** – a road which would run through environmentally sensitive wetlands – was the first 'big' moment. This U-turn was the first time the Act was utilised to backtrack in favour of a new way of doing things. It was a watershed moment in the way we think about our built environment.
- Following the decision, Wales introduced a [national transport strategy](#) which places most emphasis on active travel, as we make space for bikes and



What's changing...

The Isle of Anglesey County Council's Countryside and Area of Outstanding Natural Beauty Team, social services and Betsi Cadwaladr University Health Board have joined forces to prescribe walks as a form of natural therapy. Clients can be referred by their own local GP or through Anglesey's Community Mental Health Team.

“The positive affect that walking has on our well-being is unmistakeable. I am immensely proud of the Wellbeing of Future Generations Act and so pleased to play a small part in it.”

Wil Stewart, Holyhead Breakwater Country Park Warden.



As part of a £13 million boost to the Welsh Government's Healthy Weight: Healthy Wales Delivery Plan Wrexham County Borough Council are putting on activities like walking football, circuits, and e-biking improving physical activity levels, confidence, strength, and balance.

“The Future Generations Act has been fantastic for people's mental health and well-being, helping the people that we are able to provide these activities for.”

Sian Brierly, Activity Coordinator for Wales National Referral Scheme



Staff at Ysbyty Gwynedd have formed a Green Group to reduce their carbon footprint and pharmacists are focusing on reducing medical waste.

Click [here](#) for more information.



[Impact of the Act: A health system based on prevention rather than just treatment](#)



Yasmina Hamdaoui

What's changing...

Cardiff Council is firmly in the fast lane when it comes to active travel tackling air pollution, congestion and obesity. They aim to double the number of people who use buses in the city by 2030 by lowering fares for all customers and by using zero-emission electric buses.

“We’re inspiring people across Wales and the UK and we’re really proud that we’ve been able to commit to radical climate action.”

Cllr Dan De’Ath, Cabinet Member for Strategic Planning & Transport



Greener Grangetown improves riverside cycle footpaths cleans and greens unwelcoming concrete spaces. And works in collaboration with **Arup, Dŵr Cymru and Natural Resources Wales**. Local schools ensure that children can safely walk, scoot, or cycle encouraging children and grown-ups to get active whilst reducing pollution.

Click [here](#) for more information.



[Impact of the Act: Moving away from road building and towards sustainable travel](#)

What's changing...

The new curriculum is encouraging schools to raise awareness of climate change and lead action in their communities, which has led to the Carmarthenshire Climate Action Manifesto.

“The new curriculum is incredibly exciting, it’s an opportunity to give our future decision makers a voice and ensure they understand and respect their environment.”

Louise Morgan, Carmarthenshire Council



Ysgol Bro Banw, Ammanford

New schools are being built to zero carbon standards, co-designed by pupils as part of their learning.

Ysgol Bro Dinefwr is a rural secondary school that has started growing their own vegetables. They aim to become carbon neutral by 2030 by looking at how the school buys energy, expanding outdoor learning areas and working with local chefs to make canteen food local and sustainable.

Ysgol Bro Banw in Ammanford is making big changes to the way they tackle food waste. The school is tackling food poverty as part of the ‘Big Bocs Bwyd’ scheme. The children use waste food from their school garden to create new recipes and have opened a shop supplying low-cost healthy food for the community.

“The Future Generations Act has allowed us to put sustainability at the heart of our curriculum and allowed our pupils to become change makers.”

Lucy Lock, Year 3 Teacher
at Ysgol Bro Banw



“The Future Generations Act helps us to think about the long term. It’s made us all take a step back and ask what is truly important for our children.”

Peter Evans, Head Teacher
at Ysgol Bro Banw



Post-16 education is also changing with investment in skills and training to support growth sectors to help meet zero carbon targets and create a potential 100,000 new jobs.

Click [here](#) for more information.



[Impact of the Act: An education system based on pupils, not testing](#)

What’s changing...

On the A487 near Aberaeron, 4.3 tonnes of recycled nappies have been used to resurface stretches of road. Plans are now in place to collect nappies across 15 local authorities in Wales, from the estimated 143 million nappies are thrown away in Wales each year. This technology has been led by a Welsh business from Ammanford, **NappiCycle**.

“We’ve got to drive sustainability and be mindful of the waste that as communities, we discard. We have a duty to our future generations, to deal with this now.”

Rob Poyer, Managing Director, NappiCycle



Aber Food Surplus is taking a bite out of food waste in Aberystwyth redistributing surplus food from major supermarkets to the community, helping the with the increased cost- of-living.

“The Well-being of Future Generations Act has created an environment for our project to flourish, it has shown us that proactive behaviour is necessary and supported.”

Heather McKibble, Strategy and Impact Pioneer, Aber Food Surplus



Ceredigion's Recycling and Furniture Team (CRAFT) in Aberystwyth is finding treasures amongst the trash, reducing the amount of unnecessary waste that finds its way to landfill, keeping materials in use longer – a circular economy and encouraging zero-waste shopping in the community...

“CRAFT is really important to the community in Aberystwyth and the Act allows us to carry on doing what we're doing here, for the benefit of our future generations.”

Sharon Thomas, Director, CRAFT

Click [here](#) for more information



[Impact of the Act: Going beyond recycling and future-proofing our waste.](#)



There is still a lot more work to be done. But if you travel around Wales and talk to people about how decisions are being made, you'll see the impacts of the Well-being of Future Generations Act, largely due to a movement of change champions using this unique legislation to create a better Wales.

We have a long way to go to fully meet the ambitions of the Act but it's crucial we do, now more than ever.

We're hugely proud of what's been achieved in its short life by what we often hear described as 'common sense' law.

Accountability report

Accountability Report 2022-23

In this section, I report on key accountability requirements to Welsh Ministers along the lines of a Directors' report that is prepared by a private company.

These reporting requirements have been adapted to fit the public sector context. My accountability report includes a Corporate Governance report and a Remuneration and Staff Report. The Auditor General for Wales is responsible for reviewing my accountability report for consistency with other information in my financial statements and providing an opinion on the following disclosures within this report:

- Regularity of income and expenditure
- Disclosures on parliamentary accountability
- Remuneration and CETV disclosures for me and members of my senior leadership team
- Payments to past Directors, if relevant
- Payments for loss of office, if relevant
- Exit packages, if relevant
- Fair pay disclosures
- Analysis of staff numbers and costs

Corporate Governance Report

Information on my governance structure and who is responsible for and influences what happens in my Office is set out on [my website](#) and in my Governance Statement below. I am also required to disclose any significant interests which may conflict with our management responsibilities held by me and my management board. I have decided to include this information for all the members of my extended Senior Leadership Team (SLT). A summary register of interests for me and SLT is available to view [here](#). Any potential or actual conflicts of interest arising during the year were managed in accordance with my [conflicts of interest policy](#).

Format of the accounts

My financial statements have been prepared in accordance with Paragraph 20 to Schedule 2 of the Well-being of Future Generations (Wales) Act 2015 and any Accounts Direction issued by Welsh Ministers.

The Office of Future Generations Commissioner for Wales came into existence on 1 February 2016 with the appointment of Sophie Howe as the first Commissioner. On 1st of March 2023, Derek Walker became the second Future Generations Commissioner. Our Chief Operating and Deputy Commissioner Marie Brousseau-Navarro acted as Interim Commissioner between the 1st of February and the 28th of February 2023.

These accounts cover the period from 1 April 2022 to 31 March 2023 and reflect the assets, liabilities and resource outturn of my Office. The financial statements that follow this report have been prepared in accordance with the Government's Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM apply International Accounting Standards (IFRS) as adopted or interpreted for the public-sector context.

Funding

The Office of the Future Generations Commissioner for Wales is independent of but funded by the Welsh Government. In 2022-23, the funding allocation for my office was £1.924 million. This comprised £1.592 million baseline funding plus £32k for funding the pay parity alignment project and, with the agreement of the Minister for Social Justice, useable reserves not exceeding £300k. For 2021-22 the funding allocation was £1.802 million. The office also received income mainly from partnership activity to fund the Future Generations Leadership Academy, collaborative research projects, and honorarium for speaking at international events. Full details are in Note 8 to these Financial Statements.

Results for the period

The agreed resource limit for 2022/23 was £1.924million, which included approval for using brought forward reserves of £300k. The Statement of Comprehensive Net Expenditure for the year reports net expenditure of £1.850 million, £74k less than the agreed resource limit, which the Welsh Government has agreed can be carried forward for use in 2023-24.

Draw down via grant in aid during the year was £1.467m (this is the amount of cash drawn down from the Welsh Government), which when added to the brought forward balance of £329k, results in a £54k deficit reported in the Statement of Financial Position. My office must now not hold cash ahead of need and, as a result of this, the accounts report a deficit reserve position for the first time this year. The deficit reserve position primarily reflects the difference between the current assets and liabilities at the year end, which have not been received or paid in cash at the year end. We are able to draw down cash in the current year to enable us to pay those year-end liabilities.

Complaints

My Office has not received any complaints this year.

Disclosure of information to the auditors

So far as I am aware, there is no audit information of which the auditors are unaware, and my team have taken all the steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

During the period no remuneration was paid to my auditors for non-audit work.

Sections that have been subject to audit are clearly indicated as such.

Statement of Accounting Officer's responsibilities

Under Schedule 2 of the Well-being of Future Generations (Wales) Act 2015, Welsh Ministers have directed the Future Generations Commissioner for Wales to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Future Generations Commissioner for Wales and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

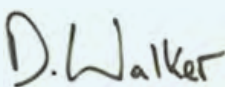
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by Welsh Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements

- Prepare the financial statements on a going concern basis
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Commissioner is the Accounting Officer for their office by virtue of paragraph 18 of Schedule 2 to the Well-being of Future Generations (Wales) Act 2015. The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Future Generations Commissioner for Wales' assets, are set out in Managing Welsh Public Money published by Welsh Government.

As Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Future Generations Commissioner auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Derek Walker
Future Generations Commissioner for Wales
21 August 2023

Annual Governance Statement

Purpose

As Accounting Officer, I have responsibility for maintaining effective governance and a sound system of internal control that supports the achievement of my policies, aims and objectives, while safeguarding the public funds and assets for which I am personally responsible.

This Governance Statement follows HM Treasury Guidance. It sets out the governance structures for my office, and the internal control and risk management procedures that have been in place during the year ended 31 March 2023 and up to the date of approval of the Annual Report and Accounts.

The systems in place as outlined in this statement are designed to manage risk to an acceptable level rather than to eliminate all risks of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. Given the ground-breaking nature of the work of my office, my predecessor Sophie Howe concluded that it is necessary to adopt a

“hungry” risk appetite for much of the outward facing work as a more traditional minimalist or cautious approach would not succeed in bringing about the beneficial change that the office was set up to achieve. This is explained further below.

Nature of my office and accountability

The Well-being of Future Generations (Wales) Act 2015 established the Future Generations Commissioner for Wales as a corporation sole. This means that all the functions (powers and duties) are vested in the office holder and there is no traditional “board” that is corporately responsible for the performance and governance of the organisation. I am independent of Ministers and subject to the 2015 Act, responsible for setting the strategic direction of my office. I am accountable to the Welsh Parliament for the actions of my office, and to its Public Accounts and Public Administration Committee in particular for matters such as the arrangements for governance, financial management and internal control.



Advisory Panel

The 2015 Act established a statutory Panel to provide the Commissioner with advice on the exercise of my functions. Within the reporting period, the members of the advisory panel were: —

- (a) **Rocio Cifuentes**, The Children’s Commissioner for Wales
- (b) **Gwenith Price**, Deputy Welsh Language Commissioner
- (c) **Heléna Herklots** CBE, Older People’s Commissioner for Wales
- (d) **Dr Frank Atherton**, Chief Medical Officer for Wales
- (e) **Sir David Henshaw**, Chair of Natural Resources Wales
- (f) **Shavanah Taj**, General Secretary of Wales TUC
- (g) **Andy Jones**, representing persons carrying on business in Wales
- (h) **Ruth Marks**, Chief Executive Officer of the Wales Council for Voluntary Action (falling under ‘such other person as the Welsh Ministers may appoint’).
- (i) **Rhian Davies**, representing Disability Wales (falling under ‘such other person as the Welsh Ministers may appoint’).
- (j) **Davinia Louise Green**, representing Stonewall Cymru (falling under ‘such other person as the Welsh Ministers may appoint’).
- (k) **Helal Uddin** representing the Ethnic Minorities and Youth Support Team (falling under ‘such other person as the Welsh Ministers may appoint’).
- (l) **Alan Morris** – the Chair of our Audit, Risk and Assurance Committee.

The Panel meets on a six-monthly basis. This year they met on 17th June and 1st November 2022. My office drew on individual members’ experience to inform the organisation’s work programme and advise on the statutory functions throughout the year.

Audit and Risk Assurance Committee

There is an Audit and Risk Assurance Committee (ARAC) to provide constructive advice and challenge on matters of governance, financial management and audit, and the arrangements for internal control – including risk identification and management. The Committee comprises:

- **Alan Morris**, retired Auditor and committed sustainable development champion who chairs the Committee.
- **Jocelyn Davies**, member of Advisory Panel to Children’s Commissioner and Chair of her ARAC; non-executive member of Welsh Revenue Authority Board and ARAC chair; member of Plaid Cymru; member of Plaid Cymru Membership, Standards and Disciplinary Panel; Chair of Plaid Cymru Audit, Risk and Compliance Committee; ambassador of Welsh Women’s Aid.
- **John Dwight**, a retired Auditor, trustee and honorary treasurer of City Hospice Cardiff and member of CIPFA Cymru-Wales Branch Executive.
- **Gareth Madge**, a former Chief Officer and Chief Legal Adviser with South Wales Police, vice chair of South Wales Police Heritage Board, trustee of Calfaria Baptist Chapel.
- **Jonathan Morgan**, trustee of the Whitchurch Community Association, sole owner and director of Insight Wales Consulting Ltd., employed by Practice Solutions Ltd to manage the Association of Directors of Social Services Business Unit.
- **Fran Targett** OBE, Vice Chair of the Wales Council for Voluntary Action; independent Chair of the Welsh Government’s National Advice Network and member of the Bevan Commission, advising Welsh Ministers on health and social care.

All are independent and do not work for the Commissioner in any executive capacity. The Chair of the Committee has provided me with an annual report in which he concludes “As a result of its work during the year and the findings of internal and external audit, the Committee can provide the Commissioner with assurance

that the governance, financial management and risk management arrangements in place are appropriate and have operated effectively during the 2022-23 financial year.”

Governance framework

The corporate governance structure has changed quite significantly as a result of the COVID 19 pandemic and homeworking in the past 3 years. Our new ways of working have become more fully embedded:

- We have a weekly team check-in which I chair on Monday mornings to improve internal communications, project management and to look after staff well-being.
- We have continued with our cheerleader structure whereby senior members of staff liaise regularly with allocated colleagues to check on their well-being, welfare, personal development and productivity. This ensures that everyone has increased one to one pastoral care and support on a regular basis and is an effective way of overseeing individual performance.
- The effectiveness of the Senior Leadership Team (SLT) has further improved with the addition of weekly thirty minute ‘sprint’ meetings. The purpose of these meetings is to monitor progress with work streams and facilitate operations across the organisation, including identifying issues and preparing reports to be considered in relation to high level decisions.
- The ARAC meets quarterly. My Corporate Hero Helen Nelson plans and supports their work, which has improved the timeliness and quality of communication between my team and the needs of the Committee.

This year, they met on:

- o 28-29th April 2022
- o 23rd June 2022
- o 13th July 2022
- o 27-28th October 2022
- o 25th January 2023

■ The Senior Leadership Team comprises:

- o Sophie Howe (until 31/01/2023) / Derek Walker (from 1st of March 2023) – Future Generations Commissioner for Wales;
- o Marie Brousseau-Navarro – Chief Operating Officer and Deputy Commissioner (interim Commissioner in February 2023);
- o Heledd Morgan - Change Maker Lead;
- o Jacob Ellis - Change Maker Lead;
- o Jonathan Tench, Changemaker Lead;
- o Louisa Neale – Changemaker Lead;
- o Lisa Pitt – Head of Finance;
- o Helen Nelson - Corporate Hero; and
- o Susan Crutcher – Solutions Architect (Minutes).

I continue to take key decisions after discussion with the Senior Leadership Team (SLT) and wider team members. I have also delegated authority to certain staff to incur financial expenditure on my behalf. Deputy Commissioner, Corporate Hero, Lead Changemaker People & Culture, Solutions Architect and Finance & Corporate Governance Officer have varying limits of delegated authority to commit to expenditure, depending on their roles and the tasks they are undertaking. In addition to this, some members have delegated authority to review and authorise payment for supplier invoices; these are Change Makers, Involvement Artist and staff members who deal with media and communication.

Internal Audit has been in place throughout the year and has delivered a full programme of work and the Audit Risk and Assurance Committee has been fully operational.

The Strategic Plan, which my predecessor published in 2017, sets out what she hoped to deliver by way of beneficial change for the people of Wales and how she intended to go about doing it in collaboration with other public bodies in Wales. It was an ambitious document that required public bodies to challenge the ways in which they work and adapt long-standing practices to achieve what was envisaged by the Welsh Government when

it decided to bring forward what is now the 2015 Act. Building on her Strategic Plan, each year, she prepared an annual Roadmap (her corporate plan) which set out a programme of work for the year ahead. This Roadmap is dynamic and is reviewed throughout the year and adapted as necessary in response to changing circumstances. Members of my team complete individual ‘Personal Roadmaps’ to detail their own contribution to the work and professional development aspirations. As a new Commissioner, I have set to have in place a new corporate plan by the autumn and I have used the same route map idea for my first 6 months in office.

Approach to risk management

The approach to risk management is consistent with the Strategic Plan and is in line with the 2015 Act and what it is intended to achieve. The risk management policy, which has been reviewed in 2022, is endorsed by the Audit, Risk and Assurance Committee, makes it clear that we want to create and maintain an environment that will allow the effective management of risk to flourish. This includes ensuring that staff are kept fully in the loop about our plans and the approach that I and risk owners will take to managing the associated risks.

The policy makes it clear that the Commissioner will not be averse to taking risks. On the contrary, to achieve the objectives in the strategic plan and deliver what is expected, it will often necessitate an open or hungry risk approach which is not the norm for most other public bodies. We have concluded that adopting such an approach for my outward facing work with other public bodies is the only realistic way of securing the change needed across the Welsh public sector. To do otherwise might well mean failing to capitalise on opportunities when they occur and will run a high risk of failure to achieve the challenging objectives that are set in the strategic plan and the expectations held by stakeholders. Similarly, as an organisation, we need to ‘walk the talk’ of the Act and be open and innovative and try new approaches to the way we work. However, such risks are not taken recklessly but managed appropriately, reviewed regularly and carefully with the aim of maximising successful delivery.

We have taken a more traditional and cautious approach to internal processes concerned with financial management, compliance with laws and regulations and security of information.

The strategic risk register identified appropriate

risks relating to the statutory duties and the role we will play in helping public bodies deliver the aims of the Act. Actions to address these risks continue to be embedded within the organisation’s operations.

In 2022, we reviewed and refreshed the strategic risk register, using as good practice the process undertaken by the Welsh Revenue Authority. The information that is shared with our ARAC is clearer and easier to communicate. Eight new strategic risks were agreed. The new strategic risk register, and reporting arrangements have been approved by ARAC. They have been praised by our ARAC, and Audit Wales even asked if they could show it as good practice.

Internal audit

The work of internal audit is one of the key assurances that I require as Accounting Officer. TIAA act as our internal auditors and they have produced the following reports during the year:

Three internal audits were conducted in 2022-23 on:

- Key Financial Controls – November 22
- Partnerships – February 23
- Human Resources – March 23

Of the three reviews, two were designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve Future Generations Commissioner for Wales’s objectives. The internal auditors were satisfied they could provide substantial assurance on The Key Financial Controls and Partnerships internal control environment (highest level of assurance), and they concluded they could provide reasonable assurance on the Human Resources internal control environment (second highest level).

A follow up audit was also undertaken in April 2023 for the 2021-22 internal audits. 8 of the 12 agreed recommendations were implemented within the agreed timeframe with the internal auditor. The 4 others were being processed and will be completed for operational reasons and new deadlines of October 2023 were set.

The Head of Internal Audit’s annual opinion is that: “TIAA is satisfied that, for the areas

reviewed during the year, the Future Generations Commissioner for Wales has reasonable and effective risk management, control and governance processes in place.

This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be obtained by the Future Generations Commissioner for Wales from its various sources of assurance.”

External Audit follow up

In 2021-22, Audit Wales recommended that the Future Generations Commissioner for Wales review and strengthen compliance with their Financial Controls and Procedures in place for procurement. In particular, that all Single Tender Actions awarded are justified and reported to the Audit and Risk Committee on a timely basis, and that all decisions and approvals to award contracts are clearly documented.

We have updated our procurement policy and created guidance to support its implementation. We now ask our potential suppliers to declare any potential risk of perceived or real conflict of interest or political bias. We record all our STAs with justification, and every STA needs to be approved by our COO and Deputy Commissioner. We agreed with our ARAC that all STAs above £5K need to be reported to them with their appropriate justification. Partnerships and novel arrangements are also reported to them.

Information Assurance

An information governance framework is in place with a suite of underpinning policies that set out the security arrangements and principals of good information governance together with the responsibilities and behaviours I expect of all those that work for me.

There have been no data breaches during the year. No personal data related incidents were formally reported to the Information Commissioner's Office during the period.

Summary of effectiveness

From the assurances provided by my team, my knowledge of the work of my office, and the reports provided by internal and external audit, I am able to report that the system of internal control in place during the year and up to the date of approval of the Annual Report and Accounts did not contain any significant weaknesses.

Looking forward

For 2023-24, I will monitor, maintain and enhance the governance and internal control arrangements to ensure they continue to meet my assurance needs and fit with a modern, agile workplace, and are appropriate in a climate and biodiversity emergency context. Where necessary I will continue to update my team structure to ensure I have the most efficient and effective arrangements to deliver the wide range of functions.

D. Walker

Derek Walker
Future Generations Commissioner for Wales
21 August 2023

Remuneration and staff report

This part of my Accountability report provides information on my remuneration policy for me and my Senior Leadership Team.

I was appointed on 1 March 2023. The the Senior Leadership Team (SLT) currently includes 8 members of the team. Involvement is important way of working and I wanted my team to feel involved in my decision making. My SLT includes myself, Marie Brousseau-Navarro – Chief Operating Officer and Deputy Commissioner; Heledd Morgan – Change Maker Lead; Jacob Ellis – Change Maker Lead; Louisa Neale – Changemaker Lead (People & Culture); Lisa Pitt – Head of Finance; Johnathan Tench – Changemaker Lead; Helen Nelson – Corporate Hero; and Susan Crutcher – Solutions Architect (Minutes).

The Welsh Ministers determine the remuneration of the Future Generations Commissioner for Wales in accordance with Schedule 2 paragraph 5 to the Well-being of Future Generations (Wales) Act 2015.

Alignment exercise

The Programme for Government committed the Welsh Government to ensure that public bodies and those receiving public funding address pay disparities amongst and between their staff. Following discussions with leadership and trade unions of Welsh Government arm's length bodies (including us), and with funding provided by the Minister for Finance and Local Government, steps were taken to ensure workers in these arm's length bodies were paid at least the same as the minimum salary for their equivalent Welsh Government grade. This meant that nine bodies received Welsh Government funding to increase the minimum salary for one or more grades in their organisations. Our office was one of these bodies.

What this meant for us was that some employees were historically underpaid compared to Welsh Government grade equivalents and so there was a project to redress this balance. A total of 8 employees were affected. As part of this exercise, we were pleased that colleagues in the lower pay grades and top of our organisation benefitted.

The following sections, which have been subjected to audit, provide details of the remuneration and pension benefits of the most senior officials within my office:

Number and analysis of senior staff costs by band (audited)

	Salary £000		Benefits in Kind (to nearest £100)		Home Working Allowance (to nearest £100)		Pension Benefits (to nearest £1,000)		Total £000	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
*Derek Walker – Future Generations Commissioner for Wales. Full time. Term started on 1st March 2023	5-10 (FTE 90-95)	0	0	0	0	0	3	0	10-15	0
Sophie Howe – Future Generations Commissioner for Wales. Full time. Term ended on 31st January 2023	75-80 (FTE 90-95)	90-95	0	0	0	3	31	37	110-115	125-130
Marie Brousseau-Navarro - Chief Operating Officer and Deputy Commissioner. Full time as of 15th April 2021 (from part time 0.8 FTE)	75-80	60-65 (FTE 60-65)	2	4	0	3	28	21	105-110	80-85
Helen Verity – Director of Finance and Governance. Part time 0.6 FTE. Employment ended on 14th June 2021	0	5-10 (FTE 60-65)	0	2	0	1	0	-3	0	0-5
Louisa Neale - Change Maker Lead. Full time. Employment started on 20th September 2021	55-60	25-30 (FTE 50-55)	1	1	0	2	23	12	80-85	35-40
*Lisa Pitt - Head of Finance. Part time 0.6 FTE. Employment started on 5th September 2022	15-20 (FTE 50-55)	0	0	0	0	0	8	0	25-30	0
Heledd Morgan - Change Maker Lead. Full time	55-60	50-55	2	2	0	3	23	22	80-85	70-75
Jacob Ellis - Change Maker Lead. Full time	55-60	50-55	2	2	0	3	22	21	80-85	70-75

*Jonathan Tench - Change Maker Lead. Full time	45-50	45-50	0	2	0	3	20		65-70	
Cathy Madge-Change Maker Lead. Part time 0.65 FTE. Employment ended on 2nd July 2021	0	10-15 (FTE 50-55)	0	1	0	1	0	3	0	10-15
Helen Nelson - Corporate Hero. Full time	55-60	50-55	2	2	0	3	23	20	80-85	70-75
Susan Crutcher - Solutions Architect. Full time	35-40	35-40	2	6	0	3	16	16	55-60	50-55

* Comparative pension benefits information for 2021-22 is not available: Jonathan Tench was an employee of the office during 2021-22 however, was not a member of the senior leadership team for any part of that year, and so comparative data is unavailable. Derek Walker and Lisa Pitt were not employees of the office in the previous year and so there is no data to disclose.

Benefits in Kind

These relate to 2 different types of payments:

- Well-being Gifts; During the last 12 months, employees could claim up to £172 towards the costs of membership of a club, an activity, a health treatment or equipment to support the activity.
- Office Trivial Benefit: A weekly recognition scheme was launched in September 2022 called Y Cwpan Calon whereby colleagues vote for outstanding contributions by their colleagues. Each week, one team member is gifted treats up to the value of £25 from a local sustainable supplier as a token of appreciation for their efforts.

Pension Benefits – Civil Service Pension Scheme (audited)

	Total Accrued Pension	Real increase in pension	CETV at 31.3.23	CETV at 31.3.22	Real increase/ (decrease) in CETV
	£000	£000	£000	£000	£000
Derek Walker – Future Generations Commissioner for Wales. Full time. Term started on 1st March 2023	0 - 5	0 - 2.5	2	0	2
Sophie Howe – Future Generations Commissioner for Wales. Full time. Term ended on 31st January 2023	15 - 20	0 - 2.5	167	140	13
Marie Brousseau-Navarro - Chief Operating Officer and Deputy Commissioner. Full time.	5 - 10	0 - 2.5	97	74	13
Louisa Neale - People and Culture Change Maker Lead. Full time.	0 - 5	0 - 2.5	20	6	9
Lisa Pitt - Head of Finance. Part time 0.6 FTE. Employment started on 5th September 2022	0 - 5	0 - 2.5	4	0	3
Heledd Morgan - Change Maker Lead. Full time	5 - 10	0 - 2.5	54	41	7
Jacob Ellis - Change Maker Lead. Full time	5 - 10	0 - 2.5	44	33	6
Jonathan Tench - Change Maker Lead, Full time	0 - 5	0 - 2.5	21	10	8
Helen Nelson - Corporate Hero, Full time	5 - 10	0 - 2.5	91	73	12
Susan Crutcher - Solutions Architect. Full time	5 - 10	0 - 2.5	63	50	8

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into **alpha** sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Gender Pay Gap

Whilst many large employers are obligated by law to report on their gender pay gap, smaller employers, like us, are not required to do so. Nevertheless, we have once again decided to voluntarily report this information as we firmly believe that gender pay analysis is an important part of achieving a more Equal Wales.

The government's gender pay gap methodology does not yet adequately address individuals who have transitioned or are transitioning, or who are non-binary and our team has considered holistically how to treat all staff for the purpose of these calculations. Our male pay data includes staff who identify as male and our female pay data includes staff who identify as female. We think that including our non-binary staff into the male or female categories in juxtaposition to their gender identity would be incorrect and so we have not taken that approach. As we currently only have a small number of staff who identify as non-binary, we have decided to omit our non-binary staff's data from our gender pay analysis. In coming to this decision, we weighed up our aspirations for full transparency and inclusivity with the rights of our non-binary staff, especially those of confidentiality and privacy. Presently as this group is small, there

is a risk that publishing data relating to our non-binary staff as a separate category could breach our obligations of confidentiality towards these staff and cause specific personal information about them, to be made public. We are committed to progress our reporting transparency and endeavor to improve on our reporting next year to ensure the highest level of inclusion of our diverse workforce.

The first table below shows the median and the mean hourly rate of pay for those in my team that I have direct control over their remuneration rates. The second table shows the median and mean hourly rate when team members from partner organisations are included. Our results show that the mean gender pay gap for this year is in favour of men by 1%. This means that for every £1.00 a female employee receives, a male receives £1.01. Whilst we employ more women than men, we have more women in lower graded roles.

The median gender pay gap is the difference in the midpoints in the hourly pay for men and women. It is regarded as a more representative figure as it is not affected by outliers i.e a handful of individuals at the top or bottom of the range. The median gender pay gap is 4%. The reason for this is that we have more female staff in lower graded roles and we also hosted a number of paid internships this year that were predominantly occupied by females.

Gender pay gap: directly employed only	2022-23		2021-22	
	Female	Male	Female	Male
Median total (£)	17.93	18.68	17.24	17.24
Mean total (£)	19.13	19.27	19.98	20.38
Gender pay gap: paid secondees included	2022-23		2021-22	
	Female	Male	Female	Male
Median total (£)	17.93	18.68	17.24	17.24
Mean total (£)	19.13	19.27	19.98	20.38

Staff Report

Staff numbers and related costs

On 31st March 2023, the Commissioner's staff complement was 30 people (whole time equivalent). Our whole Team headcount was 30 people on 31st March 2022.

Staff costs (audited)

For the year staff costs consist of;

	2022-23	2021-22
	£000	£000
Wages and Salaries	1,160	1,027
Social Security Costs	124	105
Pension Costs	295	269
Sub Total	1,579	1,401
Inward secondments and agency staff	2	22
Total Net Costs	1,581	1,423

The number of whole-time equivalent persons employed (including directors) for the period was as follows:

	1.4.22 to 31.3.23	1.4.21 to 31.3.22
	WTE	WTE
Directly Employed	28.53	26.66
Paid Seconddees	-	-
Total	28.53	26.66

There were no secondees this year.

Remuneration of Audit and Risk Assurance Committee Members

The Commissioner's Audit and Risk Assurance Committee comprises five independent members, appointed by the Commissioner. Members receive a daily allowance of £250 and the Chair receives a daily allowance of £300. In 2022-23 the following payments were made:

	1.4.22 to 31.3.23	1.4.21 to 31.3.22
	(£)	(£)
Alan Morris (Chair)	4,850	3,250
Jocelyn Davies	1,750	1,125
John Dwight	1,625	1,000
Gareth Madge	1,563	1,000
Fran Targett	1,500	1,000
Jonathan Morgan	1,125	750
Total	12,413	8,125

Staff composition

We collect workforce statistics in relation to all the protected characteristics detailed in the Equality Act 2010. We do not publish full details due to the small size of our workforce and subsequent difficulty in maintaining our obligations to protect the anonymity of sensitive personal data, but we do publish some headline data you can see below.

Workforce Gender and Pay Statistics (not subject to audit)

This table shows the configuration of our total workforce by gender, pay band, contract type and working pattern on 31st March 2023:

Pay level per year	Full time male permanent	Full time female permanent	Full time male fixed term	Full time female fixed term	Part time male permanent	Part time female fixed term	Part time male fixed term	Total
Grade 1 £22k-26k		1		1		1		3
Grade 2 £27-32k	1	3		1				5
Grade 3 £33-40k	1	2		3		1	1	8
Grade 4 £40-47k		2		1	1	1		5
Grade 5 £53-59k	1	3	1			1		6
Grade 6 £67-73k		1						1
Commissioner £95k	1							1
Internship			1					1
Total	4	12	2	6	1	4	1	30

Our Workforce Gender Statistics (not subject to audit)

This table shows 30 employees on 31st March 2023 by gender along with comparison against the previous years and latest Census Population date 2021: Wales (3,107,500).

Gender	FGCW 31/03/2023	%	FGCW 31/03/2022	%	Wales 2021	%
Male	8	27	7	24	1,521,000	49
Female	22	73	22	73	1,586,600	51
Non-binary	0	0	1	3		
Total	30		30		3,107,500	

Workforce Age Statistics (not subject to audit)

Headcount by Age on 31st March 2023

16-24	25-34	35-44	45-54	55-64	65 & Over
1	12	10	7	0	0

Workforce Leavers Statistics (not subject to audit)

There have been 10 leavers in the financial year 1st April 2022 to 31st March 2023..

- 3 people left for alternative employment
- 3 fixed term internship placements came to an end
- 3 fixed term contracts came to an end
- The first Commissioner's 7-year term ended

Workforce training and development statistics (not subject to audit)

Headcount by gender, pay band, contract type and working pattern of team members who engaged in externally delivered training opportunities during the year.

Pay level per year	Full time male permanent	Full time female permanent	Full time male fixed term	Full time female fixed term	Full time non-binary fixed term	Part time female permanent	Part time male fixed term	Totals
Grade 1 £22 - 26k						1		1
Grade 2 £27 - 32k	1	2		1				4
Grade 3 £33 - 40k	1	1		3		1	1	7
Grade 4 £40 - 47k		2		1	1	1		5
Grade 5 £53 - 59k	1	3	1			1		6
Grade 6 £67 - 73k		1						1
Commissioner £95k	1							1
Internship			1					1
Total	4	9	2	5	1	4	1	26

Twenty-six people were supported to participate in external training events from across all grades, genders and working patterns.

Other Workforce Statistics (not subject to audit)

30% of our workforce describe themselves as proficient through to intermediate Welsh language skills.

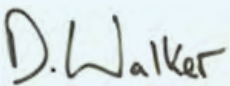
70% of our workforce describe themselves as Welsh or British, 30% of our workforce represent other diverse ethnic backgrounds.

Sickness absence data (not subject to audit)

Sickness absence figures are collected, monitored and recorded for directly employed team members. Between April 2022 and March 2023 there was an average of 30 people directly employed and the sickness absence rate was reported at 1.99% of the available hours. This equates to a total of 46.5 days of short-term sickness and 98 days of long-term sickness (absence lasting more than weeks), affecting 19 team members.

Off-payroll payments (not subject to audit)

There were no off-payroll payments in the financial year 1 April 2023 to 31 March 2023 (nil 2021-22).



Derek Walker
Future Generations Commissioner for Wales
21 August 2023

Report on the audit of the financial statements

The Certificate and Report of the Auditor General for Wales to the Senedd

Opinion on financial statements

Opinion on regularity

I certify that I have audited the financial statements of the Future Generations Commissioner for Wales for the year ended 2022-23 under paragraph 21 of schedule 2 of the Well-being of Future Generations (Wales) Act 2015.

The financial statements comprise the:

- Statement of Comprehensive Net Expenditure, Statement of the Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects the financial statements:

- give a true and fair view of the state of the Future Generations Commissioner for Wales's affairs as at 31 March 2023 and of its net expenditure for the year then ended; and
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual and Welsh Ministers' directions issued under the Well-being of Future Generations (Wales) Act 2015.

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my Certificate.

My staff and I are independent of the Future Generations Commissioner for Wales in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this Certificate.

The going concern basis of accounting for the Future Generations Commissioner for Wales is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the Annual Report but does not include the financial statements nor my auditor's report thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is

a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Welsh Ministers' directions made under the Well-being of Future Generations (Wales) Act 2015.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Welsh Ministers' directions made under the Well-being of Future Generations (Wales) Act 2015; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Although there are no legislative requirements for a Remuneration Report, the Future Generations Commissioner has prepared such a report and in my opinion, that part ordinarily required to be audited has been properly prepared in accordance with HM Treasury guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit.
- proper accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;

- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- assessing the Future Generations Commissioner for Wales's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Future Generations Commissioner for Wales will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Well-being of Future Generations (Wales) Act 2015.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Future Generations Commissioner for Wales's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Future Generations Commissioner for Wales's policies and procedures concerned with:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the

following areas: revenue recognition, posting of unusual journals and management override of controls;

- Obtaining an understanding of the Future Generations Commissioner for Wales’s framework of authority as well as other legal and regulatory frameworks that the Future Generations Commissioner for Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Future Generations Commissioner for Wales.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Risk Assurance Committee about actual and potential litigation and claims;
- reading minutes of meetings of the Future Generations Commissioner for Wales advisory Board and Audit and Risk Assurance Committee; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Future Generations Commissioner for Wales’s controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor’s responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor’s report.

Other auditor’s responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton
Auditor General for Wales

1 Capital Quarter Tyndall Street

Cardiff, CF10 4BZ

23 August 2023

The maintenance and integrity of the Future Generations Commissioner for Wales’s website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Financial statements

Statement of Comprehensive Net Expenditure for the period 01 April 2022 to 31 March 2023

		1.4.22 to 31.3.23	1.4.21 to 31.3.22
	Note	£000	£000
Expenditure:			
Administration costs:			
Staff costs	2	1,581	1,423
Other administration costs	3,4	662	767
		2,243	2,190
Income:			
Other income	8	393	333
Net Expenditure		1,850	1,857
Interest payable/receivable		-	-
Net Expenditure after interest		1,850	1,857

		1.4.22 to 31.3.23	1.4.21 to 31.3.22
	Note	£000	£000
Other Comprehensive expenditure			
Total Comprehensive Expenditure for the year period		1,850	1,857

All income and expenditure is derived from continuing operations. There are no gains or losses other than those reported in the Statement of Comprehensive Net Expenditure. The Commissioner receives funding from the Welsh Government.

The notes on pages 106 - 113 form part of these accounts

Statement of Financial Position as at 31 March 2023

			2023		2022
	Note		£000		£000
Non-current assets:					
Property, plant and equipment	4		3		2
Current assets:					
Trade and other receivables	5	15		83	
Cash and cash equivalents	6	12		441	
			27		524
Total assets			30		526
Current liabilities:					
Trade and other payables	7		(83)		(188)
Total assets less current liabilities			(53)		338
Long-term liabilities:					
Provision for dilapidations	9		(1)		(9)
Total assets less total liabilities			(54)		329
Taxpayer's equity:					
General fund			(54)		329

D. Walker

Derek Walker,
Future Generations Commissioner for Wales and Accounting Officer
21 August 2023

The notes on pages 106 - 113 form part of these accounts

Statement of Cash Flows for the period 01 April 2022 to 31 March 2023

		1.4.22 to 31.3.23	1.4.21 to 31.3.22
	Note	£000	£000
Cash flows from operating activities			
Net Expenditure		(1,850)	(1,857)
Adjustment for non-cash transactions	3,4	2	1
(Increase)/decrease in trade and other receivables	6	(68)	(50)
Increase/(decrease) in trade payables	7	(105)	71
Increase/(decrease) in provision	9	(8)	(6)
Net cash outflow from operating activities		(1,893)	(1,841)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(3)	(3)
Net cash outflow from investing activities		(3)	(3)
Net cash outflow		(1,896)	(1,844)
Cash flows from financing activities		-	-
Net Financing		1,467	1,802
Net increase/(decrease) in cash and cash equivalents	5	(429)	(42)
Cash and cash equivalents at beginning of period		441	483
Cash and cash equivalents at end of period		12	441

The notes on pages 106 - 113 form part of these accounts

Statement of Changes in Taxpayers' Equity for the period 1 April 2022 to 31 March 2023

		1.4.22 to 31.3.23	1.4.21 to 31.3.22
	Note	£000	£000
Balance as at 1st April 2022		329	384
Changes in Taxpayers' Equity 2022-23			
Funding from Welsh Government		1,467	1,802
Comprehensive net expenditure for the year		(1,850)	(1,857)
Balance at 31st March 2023		(54)	329

Refer to page 78 of the Accountability section of the Annual report for full details of our funding allocation and spending for the year.

The notes on pages 106 - 113 form part of these accounts

Notes to the accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the Government's Financial Reporting Manual (FRoM) issued by HM Treasury. The financial statements have been prepared for the twelve-month period ending 31 March 2023.

The accounting policies contained in the FRoM apply International Accounting Standards (IFRS) as adopted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commissioner for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items considered material in relation to the accounts.

My team have considered the impact of standards and interpretations which have been issued but are not yet effective and which have not been adopted early by the Commissioner. The Commissioner anticipates that the adoption of these Standards and interpretations in future periods will have no material impact on the financial statements.

The particular accounting policies adopted for my office are described below.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention as, in my opinion, the effect of the revaluation of fixed assets at their value to the organisation by reference to their current cost is considered to be immaterial.

1.2 Going Concern

Under the normal conventions applied to control income and expenditure in Managing Welsh Public Money, Grant-in-Aid may not be issued in advance of need. This has resulted in net liabilities of £54,000 at the year end, primarily because of liabilities relating to the 2022-23 financial year that are falling due in 2023-24.

In accordance with IAS 1, I have therefore had to consider the Office's ability to continue operating for the next 12 months:

- There is no intention to discontinue the service provided by the Future Generations Commissioner as evidenced by the award of funding from the Welsh Government for the next financial year coupled with the lack of legislation necessary to wind up the Future Generations Commissioner.
- There is no reason to believe that liabilities falling due in 2023-24 will not be met by Grant-in-Aid from the Welsh Government.

These financial statements have therefore been prepared on the going concern basis.

1.3 Funding

The main source of funding for my office is from the Welsh Government via an annual grant (Grant-in-Aid), which is credited to the general fund when the grant is received. Monies are also collected from fees for support, advice and assistance provided by me and my team under Commissioner's functions Section 19 a) d) of the Well-being of Future Generations (Wales) Act.

1.4 Property, plant and equipment

All non-current assets have been valued at historic cost (see 1.1 above). The minimum level for capitalisation of individual assets is £2,500. Large numbers of the same type of asset have been grouped together in determining whether they fell above or below the threshold.

1.5 Depreciation

Depreciation is provided at rates calculated to write off the value of non-current assets by equal instalments over their estimated useful lives, as follows:

- ICT Equipment 3 years
- Furniture 3 years

A full year's depreciation is charged in the year of acquisition.

1.6 Statement of Comprehensive Net Expenditure

Operating income and expenditure is that which relates directly to the operating activities of my office. It comprises charges for goods and services provided on a full cost basis. All expenditure is classed as administration expenditure.

1.7 Value Added Tax

My office is not registered for VAT. Expenditure and fixed asset purchases are accounted for VAT inclusive, as VAT is irrecoverable.

1.8 Pensions

My staff are generally covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is a defined benefit scheme. The cost of the defined benefit element of the scheme is recognised on a systematic and rational basis over the period during which it derives benefit from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

In respect of any defined contribution scheme, my office recognises the contributions payable for the year; these amounts are charged to the Statement of Comprehensive Net Expenditure in the year of payment.

1.9 Leases

My office has no finance leases relevant to IFRS16.

We enter into 6 month rolling licenses to occupy. Operating license rentals are charged to the Statement of Comprehensive Net Expenditure in equal amounts over the lease term.

1.10 Segmental reporting

My office operates in Wales and deals with issues that impact upon people in Wales. The Statement of Comprehensive Net Expenditure and associated notes reflects this one operational segment.

1.11 Staff costs

My accounts provide for short term compensated absences such as annual leave that was not taken at the year-end in line with IAS19.

1.12 Provisions

My accounts provide for legal or contractual obligations which are of uncertain timing or amounts at the balance sheet date, on the basis of best estimate of the expenditure required to settle the obligation.

1.13 Cash and cash equivalent

My office holds cash which is deposited in an account within the Government Banking Service upon receipt. My office does not hold any petty cash.

2. Staff costs

For the year staff costs consist of:

	2022-23	2021-22
	£000	£000
Wages and Salaries	1,160	1,027
Social Security Costs	124	105
Pension Costs	295	269
Sub Total	1,579	1,401
Inward secondments and agency staff	2	22
Total Net Costs	1,581	1,423

3. Other administration costs

	1.4.22 to 31.3.23		1.4.21 to 31.3.22	
	£000	£000	£000	£000
3.1 Administration costs:				
Premises	49		40	
Offices	184		207	
Training and recruitment	24		37	
Travel and Subsistence	37		21	
External auditor's remuneration	23		23	
Internal auditor's remuneration	7		11	
ICT equipment	53		66	
Project work	291		352	
		668		757
3.2 Non-cash items:				
Depreciation charge on ordinary assets	2		1	
Loss on disposal of fixed assets	-		-	
Provision for Dilapidations	(8)		9	
		(6)		10
		662		767

4. Property, plant and equipment

	ICT Equipment	Office Furniture and Equipment	Total
	£000	£000	£000
Cost			
At 1st April 2022	35	2	37
Additions	0	3	3
Disposals	-	-	-
At 31st March 2023	35	5	40
Depreciation			
At 1st April 2022	33	2	35
Charged in year	1	1	2
Disposals	-	-	-
At 31st March 2023	34	3	37
Net book value at 1st April 2022	2	-	2
Net book value at 31st March 2023	1	2	3

5. Cash and cash equivalents

	31.03.23	31.03.22
	£000	£000
Balance at 1st April 2022	441	483
Net change in cash and cash equivalent balances	(429)	(42)
Balance at 31st March 2023	12	441
All balances as at 31st March 2023 were held in an account within the Government Banking Service.		

6. Trade receivables and other current assets

	31.03.23	31.03.22
	£000	£000
Amounts falling due within one year:		
Trade and other receivables	-	64
Prepayments and accrued income	15	19
	15	83

7. Trade payables and other current liabilities

	31.03.23	31.03.22
	£000	£000
Amounts falling due within one year		
Trade payables	35	67
Accruals	47	64
Contract liability	1	57
	83	188

Note 8 has information on the contract liability.

8. Other income, contract assets and liabilities

Other income was generated from provision of advice, support and assistance and has been disclosed in accordance with the requirements of IFRS 15.

Other income

		2022-23		2021-22	
Details	Other income from	Amount (£000)	Total £000)	Amount (£000)	Total (£000)
Contribution to joint projects	Welsh Government	287	302	172	190
	Cardiff University	15		-	
	Public Health Wales	-		18	
Contribution to the Future Generations Leadership Academy	Welsh Government: Globally Responsible Nation 2021-22	33	89	18	88
	Welsh Government	9		13	
	Costain	8		4	
	Capital Law	6		3	
	Cwm Taf Morgannwg University Health Board	5		7	
	Natural Resources Wales	5		7	
	Ove Arup and Partners International Ltd	5		7	
	Transport for Wales	5		7	
	University of South Wales	4		7	
	Public Health Wales	3		5	
	BBC Home Services	3		5	
	South Wales Police and Crime Commissioner	3		5	
Outward secondments	Cardiff Council	-	-	52	52
Other miscellaneous income	Barclaycard and 3 other organisations	1	1	2	2
Honorarium	United Nations and 2 other organisations	1	1	1	1
Total (£000)		393	393	333	333

9. Provision for Dilapidation

	31.03.23	31.03.22
	£000	£000
Balance as at 1 April 2022	9	15
Use of provision	(8)	(15)
In year provision	-	9
Balance as at 31 March 2023	1	9

Provisions have been made in accordance with IAS 37. In 2021-22 my office changed location from Market Chambers to Tramshed and the provision for Market Chambers was released in 2021-22 and a new provision made for Tramshed. This was calculated with reference to square footage occupancy of the new premises. In 22-23, as we have settled into the premises it became

clear that there was little cosmetic change and no structural change required to the existing rooms as leased. The provision has therefore been reduced in the current year to reflect the dilapidation value agreed with the Landlord for small cosmetic refreshes. As the difference is immaterial, a prior year adjustment was not considered necessary.

10. Commitments under leases

The Commissioner was committed to making the following payments in respect of operating license to occupy expiring 15th of June 2023.

	2022-23		2021-22	
	£000		£000	
	Land & Buildings	Other	Land & Buildings	Other
Obligations under operating license:				
Not later than one year	10	-	10	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	10	-	10	-

The amount of the license payments recognised for this accounting period is £48,000 (£42,849 in 2021-22).

11. Financial instruments

IFRS7, Financial Instruments, requires disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the non-trading nature of my activities and the way in which my operations are financed, my Office is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS7 mainly applies. I have very limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks I face in undertaking activities.

Liquidity risk

My Office's net revenue and capital resource requirements are financed by the Welsh Government. My Office is not therefore exposed to significant liquidity risks.

My Office is not therefore exposed to significant liquidity risks.

Interest-rate risk

My Office's financial assets and liabilities are not exposed to interest-rate risks.

Foreign Currency risk

My Office's financial assets and liabilities are not exposed to foreign currency risks.

Fair values

There is no material difference between the book values and fair values of my Office's financial assets and liabilities as at 31st March 2023.

12. Capital commitments

There were no capital commitments as at 31st March 2023 (31st March 2022– nil).

13. Contingent liabilities

There were no contingent liabilities as at 31st March 2023 (31st March 2022 – nil).

14. Related party transactions

The Welsh Government is a related party. My office received its main source of funding from the Welsh Government (£1.467 million for 2022-23 and £1.802 million for 2021-22). My office also received other income of £329k together with nil expenditure from the Welsh Government in the financial year (income £203k, expenditure £1k in the previous accounting period).

In accordance with disclosures required by the FReM, my office's payroll is outsourced to the Public

Service Ombudsman for Wales (PSOW) and there have been material transactions during the period relating to the operation of payroll and pensions with the PSOW, HM Revenue and Customs and the Cabinet Office.

Note 8 provides a breakdown of income received from other organisations in connection with the work of my Office. There were no material transactions with organisations in which senior staff, or any of their family, held positions of influence.

15. Events after the reporting period

There were no events between the statement of financial position date and the date the accounts were signed that impact upon these statements.

These financial statements were approved for issue on 21 August 2023 by Derek Walker.



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Cenedlaethau'r
Dyfodol
Cymru

**Future
Generations**
Commissioner
for Wales



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