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Auditor General for Wales

# Implementing the Well-being of Future Generations Act – **Welsh Government**

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Claire Flood-page, Emma Giles, Rachel Harries and Christine Nash delivered this work, directed by Matthew Mortlock.

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# Summary report

## Why we undertook the Examination

- 1 The Well-being of Future Generations (Wales) Act 2015 (the Act) requires the Auditor General for Wales (the Auditor General) to examine public bodies to assess the extent to which they have acted in accordance with the sustainable development principle when:
  - a. setting their well-being objectives; and
  - b. taking steps to meet them.
- 2 The Act defines the sustainable development principle as acting in a manner ‘...which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs’.
- 3 The Auditor General must provide a report on his examinations to the National Assembly for Wales at least a year before each Assembly election. This means that he must publish the first such report by early May 2020, before the May 2021 Assembly election.
- 4 In May 2018, the Auditor General published a preliminary report, ‘Reflecting on Year One – How have public bodies responded to the Well-being of Future Generations Act (2015)’. He concluded that public bodies support the principle of the Act and are taking steps to change how they work.
- 5 During 2018 and 2019, the Auditor General is undertaking examinations across the 44 bodies covered by the Act to inform his 2020 report to the National Assembly. In developing our approach to this work, we engaged with a range of stakeholders and did pilot work at several bodies during 2017-18, including at the Welsh Government. We have also worked closely with the Future Generations Commissioner.
- 6 The preliminary work we undertook in 2017-18 included a consideration of how public bodies had set their well-being objectives. Our most recent work focuses on the way in which public bodies are taking steps to meet their well-being objectives.
- 7 To act in accordance with the sustainable development principle public bodies must take account of ‘five ways of working’ ([Exhibit 1](#)). We developed some indicators of these ways of working to help inform our work ([Appendix 1](#)).

### Exhibit 1: the five ways of working

The Five Ways of Working
<b>Long-term</b> The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.
<b>Prevention</b> How acting to prevent problems occurring or getting worse may help public bodies meet their objectives.
<b>Integration</b>

### The Five Ways of Working

Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.

#### **Collaboration**

Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.

#### **Involvement**

The importance of involving people with an interest in achieving the well-being goals and ensuring that those people reflect the diversity of the area which the body serves.

## Focus of the work

- 8 We examined actions the Welsh Government has taken to embed the sustainable development principle in its core business in 2018-19. Our work was high-level rather than an in-depth examination. We focused on the period since April 2018, having previously gathered evidence to inform the Auditor General's May 2018 report. At the end of 2018, the Future Generations Commissioner asked public bodies to provide evidence of their actions to meet the Act's requirements. The Welsh Government shared its response with us.
- 9 The Welsh Government published its first well-being objectives in September 2016 in 'Taking Wales Forward'<sup>1</sup>, the statement of its priorities after the 2016 Assembly election. Then, the Welsh Government committed to revising the objectives as part of a national strategy. In September 2017, it published Prosperity for All: the national strategy<sup>2</sup> with a revised list of 12 well-being objectives. They organised their objectives under four key themes for the rest of the Assembly term. The objectives are underpinned by 136 commitments. The Welsh Government also identified five priority areas which it believed offered the greatest potential to improve prosperity and well-being and need cross-government working: early years, social care, housing, mental health and skills and employability. It added a sixth priority – decarbonisation – in September 2018<sup>3</sup>.

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<sup>1</sup> Welsh Government, **Taking Wales Forward 2016-2021**, 20 September 2016

<sup>2</sup> Welsh Government, **Prosperity for All: the national strategy**, September 2017

<sup>3</sup> The 2017 National Strategy included steps associated with decarbonisation. The Welsh Government undertook a wider consultation on its approach to decarbonisation during 2018 and published its first decarbonisation strategy in March 2019 (Welsh Government, **Prosperity for Wales: A Low-Carbon Wales**, March 2019).

Exhibit 2: the Welsh Government's well-being objectives

The Welsh Government's well-being objectives			
Prosperous and Secure	Healthy and Active	Ambitious and learning	United and Connected
1. Support people and businesses to drive prosperity	4. Deliver quality health and care services fit for the future	7. Support young people to make the most of their potential	10. Build resilient communities, culture, and language
2. Tackle regional inequality and promote fair work	5. Promote good health and well-being for everyone	8. Build ambition and encourage learning for life	11. Deliver modern and connected infrastructure
3. Drive sustainable growth and combat climate change	6. Build healthier communities and better environments	9. Equip everyone with the right skills for a changing world	12. Promote and protect Wales' place in the world

10 We examined the extent to which the Welsh Government has acted in accordance with the sustainable development principle in more depth in three steps which contribute to 'Prosperity for All'. Given the breadth of the Welsh Government's responsibilities, we selected a step led by a policy division in each of its three main groups and from different priority areas:

- a) achieving 100,000 high-quality apprenticeship starts in the 2016-2021 Assembly term (Economy, Skills and Natural Resources);
- b) the Childcare Offer for Wales – 30 hours education and child-care for working parents of 3 and 4 year olds (Education and Public Services); and
- c) Healthy and Active Fund – a partnership between the Welsh Government, Sport Wales and Public Health Wales to improve mental and physical health by enabling people to adopt more healthy and active lifestyles (Health and Social Services).

11 This report summarises our findings from work we undertook between February and May 2019. We presented our findings to the Welsh Government at workshops with representatives involved in each step in June and July 2019.

## Main finding

- 12 The Welsh Government is continuing to embed the sustainable development principle in its core business. In the three steps we reviewed, it is applying the five ways of working in various ways although we identified some common opportunities for improvement.
- 13 The main body of this report summarises our findings. It provides more detail about developments in the Welsh Government's corporate arrangements and summarises some common themes from our examination of the three steps.

Appendices 2, 3 and 4 outline our findings in respect of each step. The Welsh Government's response to the findings is Appendix 5.

# Main report

## The Welsh Government has taken further action to embed the sustainable development principle in its corporate arrangements during 2018-19

### The Welsh Government renewed its senior management structure to focus and integrate work on its priority areas

- 14 In the last year, both the First Minister and the Permanent Secretary made statements emphasising the importance of the Act and the five ways of working. In August 2018, the Permanent Secretary announced a new senior management structure for the Welsh Government. From September 2018 the Senior Leadership Team was replaced with an Executive Committee. Two new sub-committees, one focusing on people and corporate services and the other, finance and governance replaced the more broadly focused Operations Committee.
- 15 The Executive Board aims to provide strategic leadership and assurance that the Welsh Government's programme for government is delivered and ensure that resources are prioritised and deployed effectively. One of its members (Director – Governance and Ethics) is the nominated Well-being of Future Generations Champion. The Welsh Government believes having a Board-level champion has helped to embed the agenda across the organisation's decision making, processes and delivery.
- 16 The changes to the leadership structure also included a new 'Prosperity for All Directors Group' to provide strategic direction to policy development in its priority areas.

### The Welsh Government established a Futures and Integrated Policy-making Division

- 17 The Welsh Government established a Futures and Integrated Policy-making Division to support colleagues across Welsh Government and strengthen policy-making capability more generally, underpinned by the Act and the five ways of working. In the first months of operation, the Division has had significant responsibility for progress reporting including preparing a contribution for the UK's Voluntary National Review 2019 of progress against the United Nations' 17 sustainable development goals<sup>4</sup>. It also led on preparing the Welsh Government's self-reflection of progress towards its well-being objectives for the Future Generations Commissioner. The Division has recently completed a comprehensive

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<sup>4</sup> HM Government, **Voluntary National Review of progress towards the Sustainable Development Goals**, June 2019

review of policy-making capability across the Welsh Government to shape future support and training.

- 18 The Division has been recruiting staff over the past year in the context of wider resourcing and workload pressures across the Welsh Government but remains deliberately small, with a currently agreed establishment of eight staff. The Division's focus is to provide support to others across the Welsh Government rather than to do the work of embedding the Act for them. The Division has developed a high level work programme and a Welsh Government-wide 'Route Map' for implementing the Act. More detailed plans are under discussion. In this work we have not examined how effectively the Division is delivering its programme.

## The Welsh Government has developed its arrangements for reporting progress as required by the Act

### The national well-being goals

- 19 The Act requires the Welsh Government to report annually on collective progress towards achieving the seven national well-being goals. It produced the second 'Well-being of Wales'<sup>5</sup> report in September 2018 with a commentary on progress on each of the 46 indicators of progress towards the goals. The third report 'Well-being of Wales 2019' was published in September 2019<sup>6</sup>.
- 20 Statistics for Wales sought feedback on the first Well-being of Wales report published in September 2017. Many of the data sources - including the National Survey for Wales – do not cover children and young people under-16. Therefore, Statistics for Wales produced a supplementary report on the well-being of children and young people<sup>7</sup> based on a wider range of sources. The Welsh Government invited feedback on the report and if there is a demand for other, more focused reports<sup>8</sup>. The Well-being of Wales 2019 report is shorter, providing an update on changes in the last year. It includes new data on new topics such as cyber bullying or new or periodic sources such as the housing condition survey. Statistics for Wales' stated intention is to produce more in-depth analysis every 4-5 years to take stock more on long-term progress.

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<sup>5</sup> Statistics for Wales / Welsh Government, **Well-being of Wales 2017-18**, September 2018.

<sup>6</sup> Statistics for Wales / Welsh Government **Well-being of Wales 2018-19**, September 2019

<sup>7</sup> Statistics for Wales / Welsh Government, **Well-being of Wales 2017-18: What do we know about the well-being of children 2017-18**, September 2018

<sup>8</sup> Welsh Government, **Well-being of Wales: response to feedback from the user survey**, June 2018

### The Welsh Government's well-being objectives

- 21 The Welsh Government, in common with all public bodies covered by the Act, is required to report annually on progress towards meeting its well-being objectives. Its second annual report was published in September 2018<sup>9</sup>. A detailed Annex outlines its view of progress towards each of the Government's 135 commitments in 'Prosperity for All' and its 16 commitments in 'Taking Wales Forward'<sup>10</sup>.

### The Welsh Government introduced an integrated impact assessment tool in July 2018 and reviewed its approach to the strategic integrated impact assessment of the draft budget

- 22 Impact assessments<sup>11</sup> help governments and decision-makers target resources on actions and understand the overall impact of a decision. The Welsh Government has recognised that its approach to impact assessments needed to evolve. The Public Policy Institute for Wales published a report commissioned by the Welsh Government in February 2016. It identified problems with impact assessments including their quality and timing, for example, there were 18 impact assessment topics, some of which overlapped<sup>12</sup>. The report recommended developing impact assessments with a clear understanding of their purpose and which integrated with the direction of the Well-being of Future Generations Act.
- 23 The Welsh Government launched a new integrated impact assessment tool in July 2018. It told us that feedback suggests the tool helpfully enables a more integrated approach but that it is quite complex, long and daunting, particularly if considered late in the decision-making process. The Welsh Government is in the process of reviewing and testing the tool, with the aim of supporting assessment of impact iteratively and throughout the policy and legislation-making process. The Welsh Government has said it will engage with external stakeholders including the statutory commissioners and members of the Budget Advisory Group for Equality during this review<sup>13</sup>.
- 24 The Welsh Government was the first UK government in to publish an equality impact assessment of its spending plans (in the 2011-12 Budget). It had published

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<sup>10</sup> Welsh Government, **Prosperity for All: Annual report**, Annex September 2018

<sup>11</sup> Impact assessments are a structured understanding of the intended and unintended consequences of governmental actions and interventions. They can be applied to legislation (primary and secondary), to significant policy developments, and (potentially) to significant investments and budgetary decisions.

<sup>12</sup> Public Policy Institute for Wales, **Reducing Complexity and Adding Value: A Strategic Approach to Impact Assessment in the Welsh Government**, February 2016

<sup>13</sup> Welsh Government, **Response to National Assembly for Wales' Children, Young People and Education Committee, Equality, Local Government and Communities Committee and Finance Committee joint report 'Assessing the impact of budget decisions'**, National Assembly for Wales Finance Committee, March 2019

an assessment of the impact on children and young people for the 2010 draft budget. Over recent years, the legal obligations on the Welsh Government to assess the impact of its policies and budget have increased<sup>14</sup>. Since 2015-16, the Welsh Government has evolved its approach to develop a Strategic Integrated Impact Assessment of the budget. It aims to consider strategic spending decisions through several lenses to understand their impact rather than producing numerous separate impact assessments. The Strategic Integrated Impact Assessment includes the impact of the budget on equalities and human rights; children's rights; the Welsh language; climate change; rural proofing; health; biodiversity; and economic development

- 25 In March 2019, the National Assembly's Finance Committee, Children, Young People and Education Committee and the Equality, Local Government and Communities Committee reported on their joint inquiry into how the Welsh Government assesses the impact of its budgetary decisions on the people of Wales<sup>15</sup>. Their report acknowledges the Welsh Government's efforts to draw lots of information into one strategic integrated impact assessment. However, it said that the Welsh Government needs to establish a shared expectation and understanding of both integrated impact assessments and the strategic integrated impact assessment of the budget and how they interact with the existing legislative landscape, not least among statutory commissioners and Assembly Members. The committees made five recommendations to improve the strategic integrated impact assessment and the new integrated impact assessment tool. The Welsh Government accepted all the recommendations either fully or in principle. It stated it would consider if and how the Future Generations Commissioner's journey trackers developed as part of her 'The Art of the Possible' programme could support the process of strategic integrated impact assessment.

## The Welsh Government and Future Generations Commissioner agreed a definition of 'prevention' which will support decision-making and analysis in future

- 26 Following its scrutiny of the Welsh Government's draft budget 2017-18, the National Assembly for Wales' Finance Committee recommended that the Welsh Government provide more supporting information at the time of future draft budgets to demonstrate how budget allocations are supporting investment in prevention<sup>16</sup>.

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<sup>14</sup> The Welsh Government has various legal obligations to assess the impact of its policies and budgets, including the Wales specific public sector equality duties under the Equality Act 2010, The Rights of Children and Young Persons (Wales) Measure 2011 and the Well-being of Future Generations (Wales) Act 2015

<sup>15</sup> National Assembly for Wales Children, Young People and Education Committee Equality, Local Government and Communities Committee, Finance Committee, **Assessing the impact of budget decisions**, March 2019

<sup>16</sup> Finance Committee **Scrutiny of the Welsh Government Draft Budget 2017-18** November 2016, Recommendation 8

The Committee reiterated this in its scrutiny of the Welsh Government's draft budget 2018-19<sup>17</sup>. During 2018-19, Welsh Government officials worked with the Office of the Future Generations Commissioner to agree a definition of prevention ahead of the publication of the draft 2019-20 budget (**Exhibit 3**). The definition is intended to aid policy and an increasing focus on preventing difficulties for people, the economy and the environment before they arise.

### Exhibit 3: definition of 'prevention'

Definition of 'prevention'
<p>Prevention is working in partnership to co-produce the best outcomes possible using the strengths and assets people and places have to contribute. Breaking down into four levels, each level can reduce demand for the next:</p> <ol style="list-style-type: none"><li>1. <b>Primary prevention (PP)</b> – building resilience – creating the conditions in which problems do not arise in the future. A universal approach.</li><li>2. <b>Secondary prevention (SP)</b> – targeting action towards areas where there is a high risk of a problem occurring. A targeted approach, which cements the principles of progressive universalism<sup>1</sup>.</li><li>3. <b>Tertiary prevention (TP)</b> – intervening once there is a problem, to stop it getting worse and prevent it reoccurring in the future. An intervention approach.</li><li>4. <b>Acute spending (AS)</b> – spending, which acts to manage the impact of a strongly negative situation but does little or nothing to prevent problems occurring in the future. A remedial approach.</li></ol> <p>Note:</p> <ol style="list-style-type: none"><li>1. Progressive universalism is a determination to provide support for all, giving everyone and everything a voice and vested interest, but recognises more support will be required by those people or areas with greater needs.</li></ol>

Source: Welsh Government, October 2018

27 The Welsh Government's detailed narrative on the 2019-20 draft budget contained an analysis of spend in the Welsh Government against the definition of prevention in selected spending areas from the main expenditure groups<sup>18</sup>. It said it will continue to work with the third sector and the Future Generations Commissioner to develop this work to support preventative spending decisions. In her evidence to the Finance Committee, the Future Generations Commissioner described this as one of the key things in the budget, saying 'I know numerous Assembly committees have been advocating for a definition of prevention for many years, and that has never been able to happen'<sup>19</sup>. The Commissioner welcomed what she

<sup>17</sup> Finance Committee **Scrutiny of the Welsh Government Draft Budget 2018-19** December 2017, Recommendation 7

<sup>18</sup> Welsh Government, **Draft Budget 2019-20 Detailed proposals**, Annex A October 2018

<sup>19</sup> National Assembly for Wales' Finance Committee ,15 November 2018 para 135

described as a genuine partnership approach with the Welsh Government and outside experts in developing the definition. However, it is early days in terms of using the definition to present or analyse the budget or to use it across Government and other public bodies<sup>20</sup>.

## The Welsh Government piloted participatory budgeting ahead of its draft budget for 2019-20

28 Participatory budgeting has attracted a lot of interest in the countries of the UK and elsewhere. In Wales, it has been used to some extent in local government and other settings. A report commissioned by the Welsh Government in 2017 concluded that, done well, it can lead to improved citizen engagement, intergenerational understanding, self-confidence among participants, and change the views of public service providers<sup>21</sup>. Initial feedback from the Welsh Government's participatory budgeting pilot suggested that people need to understand the sources of public finances in a devolved administration before being able to take part in budgeting discussions. Also, that people in Wales were more interested in their local area than whole country approaches<sup>22</sup>. The Welsh Government told us that the pilot helped them to build knowledge about the circumstances in which participatory budgeting may be effective. It is focusing on improvement to wider engagement to help improve understanding and awareness of public spending and tax. This will include exploring opportunities to use social media and improve published budget documentation to disseminate key messages simply.

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<sup>20</sup> National Assembly for Wales' Finance Committee, 15 November 2018 paras 153 and 136

<sup>21</sup> Public Policy Institute for Wales, **Participatory Budgeting: An Evidence Review**, August 2017

<sup>22</sup> Open Government Cymru, **Participatory Budgeting - Lessons from the UK & Beyond**, Webinar 27 September 2018

## In the steps we reviewed, the Welsh Government was applying the five ways of working in various ways although we identified some common opportunities for improvement

### The Welsh Government could improve its evidence of the long-term impact of the steps and build its understanding of prevention

- 29 We found that, in developing each step, the Welsh Government clearly articulated its short and long term aims. It used relevant evidence to inform policy development. For example, the 2017 strategy 'Aligning Apprenticeships to the needs of the Welsh economy' is informed by anticipated long term trends in the economy as well as in the short-term by information from current employers through the regional skills partnerships. The Healthy and Active Fund is built on an understanding of the importance of increasing physical activity and improving physical and mental health and well-being. The childcare offer clearly articulated a link between increasing the number of parents in work and raising household incomes.
- 30 The Welsh Government worked with other public bodies that have expertise to design and deliver the steps. It drew on reports from the Welsh Language Commissioner and Estyn in developing apprenticeships delivered in part or fully in Welsh and inclusive apprenticeships. It worked with Sport Wales and Public Health Wales on the Healthy and Active Fund and drew on the expertise of the childcare sector in developing its childcare offer.
- 31 The Welsh Government had allocated resources towards achieving long-term benefits and preventing harm. For example, the apprenticeship strategy involves a greater focus on priority skills areas for the Welsh Government. It is moving investment from areas that have historically received a greater proportion of funding although there have been questions raised about this approach<sup>23</sup>. As well as direct investment in the childcare offer, the Welsh Government has used apprenticeship funding to support apprenticeships in childcare at level 2 and 3. It has allocated £80 million of capital funding for childcare facilities in schools to increase 'wrap around' care. The Healthy and Active Fund is a new £5.4 million grant to support community groups and projects that enable people to live more healthy and active lives by increasing physical activity.
- 32 The Welsh Government has commissioned evaluations of the Childcare Offer and the Health and Active Funds. It is improving the data on apprenticeships. However, we identified gaps in plans for research and evaluation that may limit the Welsh

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<sup>23</sup> For example, National Assembly for Wales Economy, Infrastructure and Skills Committee, **Apprenticeships in Wales**, February 2018

Government's understanding of their long-term impact and what works in prevention. For example, previous reviews have commented on the lack of consistent data on outcomes in post-compulsory education, including work-based learning and apprenticeships<sup>24</sup>. Statistics on the number and proportion of people leaving apprenticeships having achieved the full framework level is available<sup>25</sup>. Data outlining the longer term destinations of apprentices is planned to become available from 2020. This will provide more evidence on the long-term effectiveness of apprenticeships in improving career or pay progression or maintaining employment. This information is needed to help the Government, employers and potential apprentices judge their long-term value for different people and by occupational sector.

- 33 Understanding the long-term impact of the Healthy and Active Fund will also be limited at least in part by difficulties in tracking people post-intervention as well as demonstrating causality. Attempts to do this are limited by the cost of research which can be disproportionate to the size of investment in some of the projects supported by the Fund.
- 34 There has been a lot of research and debate about the effectiveness of Government support for childcare for working parents across the UK. In Wales, a report by the Public Policy for Wales modelled the impact of childcare policies<sup>26</sup>. Alongside its offer, the Welsh Government commissioned evaluations of each the first three years of the offer. It is planning to commission a longer review to start in September 2020. The evaluation of the first year (September 2017- September 2018) has provided some early evidence that offering government funded childcare has led to positive, but not significant, impact on parents' employment. There was no evidence from year 1 that parents, particularly mothers, re-entering the labour market as a result of the offer. The evaluation will return to this key issue but evidence on the impact of the offer for children - such as improving school readiness – would be considered by a longer term review.

## Work across Government was integrated to help achieve its well-being objectives

- 35 The Welsh Government clearly stated how it believes each step contributes to the its well-being objectives. We found that officials had considered the impact of the step on other policy areas in the Welsh Government, for example in apprenticeships, officials have worked with other parts of Government to develop

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<sup>24</sup> Auditor General for Wales, **Young People not in Education, Employment or Training**, July 2014 para 3.3-3.10

<sup>25</sup> Welsh Government/Statistics for Wales **Learner Outcome Measures for Further Education, Work-based Learning and Adult Community Learning: 2017/18**, SFR 07/2019 February 2019. Learners on apprenticeship programmes must achieve a range of qualifications in order to gain the full apprenticeship 'framework'

<sup>26</sup> Gillian Paull and Xiaowei Xu, **Childcare Policy Options for Wales**, Public Policy Institute for Wales, December 2015

apprenticeships to equip people with the skills to deliver other objectives (for example, new apprenticeship frameworks for health professionals and for the childcare sector). The childcare offer clearly supports other steps outlined in 'Prosperity for All'.

- 36 The Welsh Government has articulated how the Healthy and Active Fund contributes to achieving its well-being objective of 'promoting good health and well-being for everyone'. It believes the fund is part of a broad area of work termed 'social prescribing' encompassing interventions to support well-being and help manage demand for health care. In recent months, officials across Welsh Government, NHS Wales and Public Health Wales involved in social prescribing initiatives have worked to develop a more evidence-informed and integrated approach to 'social prescribing'. This group has identified a programme approach to understanding the range of initiatives underway. The Fund contributes to theme 4 of the 'social prescribing' programme, 'developing and strengthening community assets'.
- 37 In examining the apprenticeship strategy and the Welsh Government's childcare offer, we found that there are risks of unintended consequences due to the impact of UK Government policy. For example, the UK Government announced the Apprenticeship Levy<sup>27</sup> in 2015, during the period that the Welsh Government was consulting on its Apprenticeship strategy. The Welsh Government receives a population-based share of Levy receipts since it came into operation in 2017. This amounted to £138 million in 2018-9. In contrast to England and Scotland, for Wales, levy-paying employers access apprenticeship funding in the same way as those who do not pay the levy. Evidence to its 2018 Inquiry led the Economy, Infrastructure and Skills Committee to conclude that the Levy has encouraged an increasing number of employers to look for a return on their payment<sup>28</sup> potentially displacing other employers who would have benefitted for apprenticeship support. A better understanding of the Levy's impact on employers' behaviour and attitudes towards apprenticeships would help to avoid it having a potentially detrimental long-term impact on the Welsh Government's policy aims as well as ensuring value for money.
- 38 The childcare offer is available to working parents meeting the Welsh Government's eligibility criteria. The report on the first year of the offer found that some parents found it difficult to see how the offer fitted with other support for childcare costs available through the tax and benefits system for working parents<sup>29</sup>. Some did not take up the offer because they believed they were financially better

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<sup>27</sup> The Apprenticeship Levy is paid by employers with a pay bill of more than £3 million. It represents three percent of their pay bill.

<sup>28</sup> National Assembly for Wales Economy, Infrastructure and Skills Committee, **Apprenticeship Levy: One year on**, August 2018, Conclusion 15

<sup>29</sup> There is a range of support for childcare costs available for working parents meeting various criteria including income, hours worked and age and number of children: working tax credit and child tax credit, universal credit childcare element, tax-free childcare and childcare vouchers.

off leaving their working tax credits unchanged<sup>30</sup>. There is a need for more clarity about how the offer interacts with the tax and benefits system so parents can make the right decision for their circumstances. This would also reduce any potential risk that the offer replaces other support available to parents, a risk highlighted in 2015 research.

## The Welsh Government collaborated closely with partners to deliver the steps although we identified further opportunities

- 39 In the three steps that we examined, there was clear evidence that the Welsh Government collaborated with others to design and deliver policy to meet its well-being objectives. For example, our review of apprenticeships found that the long history of delivering apprenticeships meant that officials had a good knowledge of the partners involved. Although the Welsh Government sets policy and provides funds, officials recognise that the Welsh Government is one of four essential partners along with employers, training providers and Careers Wales. Training providers commented favourably on the open relationships they had with officials although all parties recognised relationships with the Welsh Government as well as sharing good practice was complicated by the competitive tendering process for training contracts.
- 40 To deliver the childcare offer, Welsh Government officials collaborated with local authorities, representatives of childcare providers and stakeholders including the Children's Commissioner and Future Generations Commissioner to understand their issues. These discussions included setting the payment level. Partners we spoke to welcome this collaboration and said that they believed that the Welsh Government officials valued their knowledge and experience. The Welsh Government has worked with some agencies and Divisions that providing support to parents into employment such as the Childcare and Employability project supported by the European Social Fund. However, officials recognise they could do more including with Job Centres Districts<sup>31</sup> and Welsh Government support for childcare for parents in higher or further education.
- 41 To develop the Healthy and Active Fund, the Welsh Government worked with Public Health Wales which has greater understanding of the link between physical

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<sup>30</sup> Working tax credits are being replaced by universal credit. It is the UK Government's intention that everyone will be receiving universal credit by 2023. Both have an element of support for childcare costs and at the time of writing, changing childcare arrangements would be likely regarded as a change in circumstance that required an individual to start claiming universal credit instead of working tax credits.

<sup>31</sup> The UK Government introduced the Flexible Support Fund in 2011. It aimed to give Jobcentre Plus Districts greater freedom to tailor back-to-work support to individual and local need. There is no exhaustive list of the needs that may be met by the Flexible Support Fund but can include training for a job, travel to interviews, childcare, tools for work, cost of medical evidence required by a disabled person and clothing/uniforms to start work.

activity and health as well as Sport Wales which has knowledge and experience of developing community level initiatives and of what works in increasing physical activity. Sport Wales contributes £1.9 million of the £5.4 million budget. Officials from all three organisations worked very closely, making joint presentations to potential applicants as well as assessing and monitoring bids. The evaluation of the Fund plans to look at the impact of this collaboration.

## The Welsh Government has involved various stakeholders but has not in all cases engaged directly with citizens

- 42 We found evidence that the Welsh Government has sought to involve stakeholders in developing each of the steps we reviewed. In apprenticeships, there was a wide-ranging consultation prior to issuing the Government's Strategy in 2017. It undertook a dedicated consultation exercise with young people at that time and with representative groups for disabled people ahead of its 2018 Inclusive Apprenticeships: Disability Action Plan. In developing its childcare offer, the Welsh Government set up a steering group and held workshops with participants from other Welsh Government departments as well as from local government, providers and representative groups. It engaged with 6,500 parents through its 'Talk Childcare' campaign. It demonstrated that it responded to issues and concerns raised by these stakeholders. In the Healthy and Active Fund, the Welsh Government, Sport Wales and Public Health Wales revised the application process and materials following feedback from participants at its initial information workshops.
- 43 The Welsh Government has a role supporting its 'agents' to engage and involve citizens. However, in two of the steps we reviewed, it did not engage with citizens directly:
- a) apprenticeships – while the Welsh Government requires training providers (further education institutions and private training companies) to seek feedback from apprentices as part of performance management, it does not receive any direct feedback. It engages with employers through the Regional Skills Partnerships and the Wales Apprenticeship Advisory Board although there are opportunities to improve the involvement of small and medium sized employers and micro-businesses. There is no similar forum to engage directly with apprentices. For example, in England, the Institute for Apprenticeships which develops and maintains apprenticeship standards and assessment plans has an Apprentice Panel reporting directly to the Board. The panel is made up of 26 apprentices from different occupations and experiences. Its purpose is to ensure that the views of apprentices are represented across the work and governance of the Institute.
  - b) Healthy and Active Fund – the Welsh Government included the involvement of communities as part of its criteria for evaluating applications for funding. However, there has been no wider public involvement in the Fund to date. Although we have not seen evidence that this was necessary, the project

board members reflected in our workshop on the degree to which they had involved the public in the development of the Fund. All the projects supported by the Fund are based in the community although the extent to which communities are involved in designing or delivering the projects varies. We believe it would be beneficial if the evaluation examined the impact of community involvement in projects for example on outcomes for individuals or the continuation of projects when funding ceases.

- 44 These observations raise interesting questions about whether the Welsh Government can or should directly involve citizens in shaping what it does or for this duty to be better discharged through its delivery partners. The Welsh Government told us that its Futures and Integrated Policy Making and Organisational Development Divisions are looking at effective models for citizen involvement for a national government and developing a toolkit to support this work. Any model developed must take account of the different roles of the Welsh Government, Assembly Members and civil servants. Commentators have stressed that it is important to be clear about why a national government is involving citizens: to make use of their local knowledge about different needs and perceptions; to gain views and experiences to improve services; or to include citizens directly in decision making<sup>32</sup>.

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<sup>32</sup> Some of these issues are currently being discussed and tested through the Innovations in Democracy programme launched in August 2018 as part of the UK Government's civil Society Strategy. It is trialling citizen involvement in decision-making at local government level through models of deliberative democracy (such as citizens' panels) in three councils. The National Assembly trialled its first citizens assembly in July 2019 as part of its 'Devolution 20' programme.

# Appendix 1

## Positive Indicators of the Five Ways of Working

The table below sets out 'positive indicators' for each of the five ways of working that we have identified and will use to help inform our assessments of the extent to which bodies may be applying the Sustainable Development Principle (SDP). We do not intend to use the indicators as a 'checklist'. They should be viewed as 'indicators' that will help us to form conclusions, rather than 'determinants' of the extent to which a body is acting in accordance with the SDP in taking steps to meet its wellbeing objectives.

### Exhibit 4: positive indicators of the five ways of working

<b>Positive Indicators of the Five Ways of Working</b>
<b>What would show a body is fully applying the long-term way of working?</b>
<ul style="list-style-type: none"><li>• There is a clear understanding of what 'long-term' means in the context of the Act.</li><li>• They have designed the step to deliver the wellbeing objective/s and contribute to their long-term vision.</li><li>• They have designed the step to deliver short or medium-term benefits, which are balanced with the impact over the long-term (within the project context).</li><li>• They have designed the step based on a sophisticated understanding of current and future need and pressures, including analysis of future trends.</li><li>• Consequently, there is a comprehensive understanding of current and future risks and opportunities.</li><li>• Resources have been allocated to ensure long-term as well as short-term benefits are delivered.</li><li>• There is a focus on delivering outcomes, with milestones/progression steps identified where outcomes will be delivered over the long-term.</li><li>• They are open to new ways of doing things which could help deliver benefits over the longer term.</li><li>• They value intelligence and pursue evidence-based approaches.</li></ul>
<b>What would show a body is fully applying the preventative way of working?</b>
<ul style="list-style-type: none"><li>• The body seeks to understand the root causes of problems so that negative cycles and intergenerational challenges can be tackled.</li><li>• The body sees challenges from a system-wide perspective, recognising and valuing the long-term benefits that they can deliver for people and places.</li><li>• The body allocates resources to preventative action that is likely to contribute to better outcomes and use of resources over the longer-term, even where this may limit the ability to meet some short-term needs.</li><li>• There are decision-making and accountability arrangements that recognise the value of preventative action and accept short-term reductions in performance and resources in the pursuit of anticipated improvements in outcomes and use of resources.</li></ul>

#### **What would show a body is taking an 'integrated' approach?**

- Individuals at all levels understand their contribution to the delivery of the vision and wellbeing objectives.
- Individuals at all levels understand what different parts of the organisation do and proactively seek opportunities to work across organisational boundaries. This is replicated in their work with other public bodies.
- Individuals at all levels recognise the cross-organisation dependencies of achieving the ambition and objectives.
- There is an open culture where information is shared.
- There is a well-developed understanding of how the wellbeing objectives and steps to meet them impact on other public sector bodies.
- Individuals proactively work across organisational boundaries to maximise their contribution across the wellbeing goals and minimise negative impacts.
- Governance, structures and processes support this, as do behaviours.

#### **What would show a body is collaborating effectively?**

- The body is focused on place, community and outcomes rather than organisational boundaries.
- The body has a good understanding of partners' objectives and their responsibilities, which helps to drive collaborative activity.
- The body has positive and mature relationships with stakeholders, where information is shared in an open and transparent way.
- The body recognises and values the contributions that all partners can make.
- The body seeks to establish shared processes and ways of working, where appropriate.

#### **What would show a body is involving people effectively?**

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

# Appendix 2

## Achieving 100,000 apprenticeship starts in the 2016-2021 Assembly term

### Background

- 1 The Welsh Government believes that apprenticeships are an essential ingredient of economic success and to build a stronger, fairer and more equal Wales. Apprenticeships are a long-established form of training and have been supported by governments since the 1960s. In 2017, the Welsh Government published its new strategy for high-quality, all-age apprenticeships<sup>33</sup>.
- 2 Apprenticeships blend workplace experience and off-site training. Apprentices follow one of 19 sector frameworks<sup>34</sup> set by the Welsh Government and regulated by Qualifications Wales. There are three levels:
  - a) Foundation Apprenticeship – level 2 (equivalent to 5 GCSEs grades A\*-C);
  - b) Apprenticeship – level 3 (equivalent to 2 A Level passes); and
  - c) Higher Apprenticeships – Level 4+ (broadly equivalent to that of a Foundation Degree and above).
- 3 The Welsh Government has set a target of achieving 100,000 high-quality apprenticeship starts in this Assembly term. It is on course to meet and potentially exceed this target with 69,645 starts by August 2019. The Welsh Government's budget for apprenticeship is £116 million in 2018-19. This includes funds drawn down from the European Social Fund (£33 million in 2018-19).
- 4 Apprenticeships are a devolved policy area. In recent years there has been increasing divergence in the approach taken by the four nations. For example, apprenticeship frameworks were previously UK-wide but the Education & Skills Funding Agency (ESFA) is moving away from apprenticeship frameworks to apprenticeship standards developed by employer-led groups.
- 5 The UK Government's Apprenticeship Levy came into force in 2017. Employers with a pay-bill over £3 million a year pay 0.5% of their pay bill. Although the Apprenticeship Levy is UK-wide, the nations of the UK have different administrative arrangements for funding apprenticeships and other skills training. The Welsh Government receives a population-based share of the Levy (£138 million in 2019-20). This funding is not hypothecated. It has continued to deliver its Apprenticeship Programme through the Welsh apprenticeship provider network.

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<sup>33</sup> Welsh Government, **Aligning the Apprenticeship model to the needs of the Welsh economy**, February 2017

<sup>34</sup> An apprenticeship framework is the high-level curriculum of learning and qualifications in a specific skill, trade or occupation that should be achieved by an apprentice in order to qualify for an apprenticeship certificate.

**Long-term: The Welsh Government has taken a long-term view based on its understanding of future economic requirements and trends and will continue to need good information and be clear about costs of supporting apprenticeships**

6 We identified the following strengths:

- a) policy takes account of information on long-term employment, skills and economic trends in the Welsh Government's 'Future Trends' report as well as information from employers through the Regional Skills Partnerships which it funds.
- b) by taking steps to increase the proportion of apprenticeship starts in priority areas for the economy and higher apprenticeships, the Welsh Government's policy is designed to meet employers' long-term needs. It also supports individuals to achieve the higher level of skills they are forecasted to need in future. In 2017-18 58% (13,125) of starts were at level 3 or above compared to 46% in 2012.
- c) the 'all-age' approach supports people up-skilling or retaining skills throughout their working lives. In 2017-18, 62% of people starting apprenticeships were aged over 25 compared to 53% in 2011-12. The Welsh Government is taking steps to increase the number of younger people starting apprenticeships, for example through its 'Have a go' programme for pupils in years 9 and 10. The Apprenticeship Small Business Employers' Incentive provides funding for small and medium-sized enterprises that take on up to three apprentices aged 16-19.
- d) the Welsh Government is ensuring that apprenticeships reflect current industry standards by working with employers to develop new apprenticeship frameworks. These include basic skills as well as a vocational qualifications. It aims to create broader, more portable qualifications than those developed by employers.
- e) in the short to medium term, the Welsh Government responded to uncertainty about funding by reassuring stakeholders that funding (including £70 million EU funds) is secure until 2020.

7 We identified the following opportunities for improvement:

- a) **ensuring funding is sustainable long-term.** The Welsh Government has recognised that the increasing demand for apprenticeships may require it to make difficult decisions about funding certain sectors/levels. For example, the higher costs compared to foundation apprenticeships may make its aim of increasing higher level apprenticeships unsustainable long-term without either more funding or reducing the number of starts. This risk is increased because of the cost of apprenticeships in priority sectors such as manufacturing, engineering and management and professional services. Training costs in these areas tends to be more expensive than in business administration or hair

and beauty which have historically made up a large proportion of apprenticeships.

- b) **understanding costs to employers.** Employers report facing costs to employing apprentices as well as pay and the cost of training which is met by the Welsh Government. This includes direct costs such as supervision in the workplace and indirect costs such as lower productivity, especially at the start. Understanding the total costs to employers of employing an apprentice would better inform decisions about future support and employers' capacity to support more apprentices.

**Prevention: Apprenticeships are increasingly focused on higher skills and priority areas for the Welsh economy but a lack of evidence of long-term outcomes means it is hard to judge their effectiveness**

8 We identified the following strengths:

- a) apprenticeships support individuals of all ages to obtain the skills they need to enter the labour market and progress into higher skilled work. In 2017-18, almost two-thirds (62%) of apprentices were aged 25 or over. This approach helps to tackle long-term unemployment amongst older employees<sup>35</sup> by providing opportunities to upskill or retrain in a new areas and adapt to changes in the economy and job market.
- b) policy has focused on developing standardised qualification frameworks and including basic skills requirements. This ensures that apprentices gain portable skills and qualifications. This is different to the approach in England where employers develop apprenticeships more tailored to their specific requirements which are not necessarily widely recognised or portable.
- c) the Welsh Government is taking steps to increase the number and variety of apprenticeships and increase diversity among apprentices. It provides an 'employer incentive' for employers who have not previously employed apprentices (or not within the last 3 years) to take on new apprentices. In 2017-18 523 employers received an incentive payment (for 552 learners). In 2017-18, three percent of people starting apprenticeships were from black or minority ethnic communities. It used information from reports from Estyn<sup>36</sup> and the Welsh Language

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<sup>35</sup> National Assembly for Wales, Enterprise and Business Committee, **Employment Opportunities for People Over 50**, July 2015

<sup>36</sup> Estyn, **Barriers to apprenticeship: Difficulties experienced by learners from black and minority ethnic groups and those with disabilities when entering apprenticeship programmes**, November 2014

Commissioner<sup>37</sup> to explore barriers to starting apprenticeships for some groups of people.

- d) the Welsh Government is taking steps to increase understanding of outcomes: data on the longer-term destinations relating to apprentices should be available from 2020.
- e) the Welsh Government recognises the challenges for low-skilled workers in future; its policy aims to raise skills by increasing the number of apprenticeships at level 3 and above. Apprentices can start at a lower level if there is a possibility of moving on to level 3.

9 We identified the following opportunities for improvement:

- a) **understanding the impact of apprenticeships on careers and earnings.** Data on apprenticeship destinations should be available to 2020. At the moment there is little research about long-term outcomes for people completing different types of apprenticeships in terms of career or pay progression. In part, this is because it is difficult to track apprentices' progress over time. Increasingly, differences in apprenticeships across the UK and in other countries mean that it is difficult to generalise from research done elsewhere. Research on long-term outcomes for people completing apprenticeships in terms of their subsequent careers and earnings would allow more nuanced and evidence-informed judgements about their value to Government, employers and potential apprentices.
- b) **increasing the number of apprenticeships that go to new recruits rather than existing employees to increase skills.** It has been estimated that more than half of apprentices already work for their employer when they start an apprenticeship. While there are some advantages if they can accredit existing skills, it is not clear if they are learning new skills. This raises a potential risk of poor value for money if apprenticeship funding is allowing them to accredit existing skills rather than gain new skills.
- c) **understanding the impact of the Apprenticeship Levy on employers in Wales to ensure Government investment achieves value for money.** The Economy, Infrastructure and Skills Committee heard evidence in its Inquiry into the Apprenticeship Levy that the Levy encouraged large employers to develop apprenticeships, some of which replaced existing training. This is a potential risk to value for money if apprenticeships replace training that would otherwise have taken place. The Welsh Government needs to understand the impact of the Levy on employers' behaviour and attitudes towards apprenticeships to avoid a detrimental impact on its policy aims as well to ensure value for money.

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<sup>37</sup> Welsh Language Commissioner, **The position of the Welsh language in apprenticeship programmes in Wales**, November 2017

## Integration: The apprenticeship policy is clearly integrated with the well-being objectives although there may be opportunities to support more well-being objectives

10 We identified the following strengths:

- a) officials demonstrated a clear understanding of how the apprenticeship policy contributes to achieving the Welsh Government's well-being objectives beyond delivering the step itself. The 2017 Apprenticeship Strategy sets out how the Welsh Government believes the policy supports the well-being objectives and how it intends to apply the Five Ways of Working.
- b) officials have worked with those in other parts of Welsh Government (eg NHS Wales, childcare) and outside (eg Health Education Improvement Wales) to help them deliver their contribution towards the national well-being goals.
- c) within post-compulsory education, integration is made easier because apprenticeships sit with further education in the organisational structure.

11 We identified the following opportunities for improvement:

- a) **there may be further opportunities to support the delivery of other well-being objectives.** For example, the Welsh Government is taking steps to increase the take up and availability of apprenticeships and training in the medium of Welsh. Steps to increase uptake of apprentices by black and minority ethnic people and people with disabilities will help it achieve another well-being objective, 'build resilient communities, culture and language'.
- b) **understanding the impact of new government commitments on apprenticeships plans and budget** - New government commitments (for example, the childcare offer for Wales) as well as infrastructure projects (eg the South Wales Metro) can have significant impacts on the Welsh Government's assumptions about the number, type and costs of apprenticeships needed in the short, medium and long-term. Increasingly, integrated working across Welsh Government will help anticipate and manage those impacts.

## Collaboration: The Welsh Government has collaborated with others to design and deliver apprenticeships and is developing new partnerships

12 We identified the following strengths:

- a) the Welsh Government sees itself as in a four-way partnership with employers, training providers and supporting bodies such as Careers Wales and Qualifications Wales to deliver apprenticeships. There is a culture of openness supported by established relationships in a relatively

stable group of officials and providers. Officials clearly understand and recognise other partners' roles and responsibilities to deliver apprenticeships. There are long-established relationships with training providers, employers and Careers Wales. Partners commented favourably on the knowledge and commitment of officials.

- b) the Welsh Government is developing relationships with new partners, for example with Health Education and Improvement Wales on new healthcare apprenticeship frameworks and with Qualifications Wales
- c) the Welsh Government shares information openly with training providers, for example representatives of partners attend regular team meetings. Collaboration with training partners has been aided by the reduction in the number of tier 1 contractors to 19 in the last procurement round.
- d) the Welsh Government has developed networks for training providers to share good practice. These offer opportunities for learning although all partners acknowledge that the current procurement approach is a potential barrier to joint working and shared learning.
- e) the Welsh Government has funded posts in National Training Federation Wales to support providers in areas needing improvement, for example bilingual and equality champions.
- f) officials recognise that apprenticeship policy is increasingly diverging across the UK. They participate in networks with colleagues from other parts of the UK (for example, the Four Nations Apprenticeship Group).

13 We identified the following opportunities for improvement:

- a) **increasing the pace of the sector reviews of qualifications.** Since 2015, Qualifications Wales has been the regulator of apprenticeship standards. Although the sector reviews of qualifications have been widely welcomed, there is concern about their pace which led some interviewees to question if there should be more resources made available to enable quicker completion.
- b) **there may be scope to collaborate more on programmes to encourage female participation in the science, technology, engineering and manufacturing (STEM) sector.** The number of women and men starting apprenticeships was roughly equal in 2017-18 but there are differences in the sectors in which they train. Four times as many women than men started apprenticeships in health and social care in 2017-18. Conversely, ten times as many men than women started apprenticeships in engineering and more than twenty times as many men started apprenticeships in construction<sup>38</sup>.

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<sup>38</sup> The latest figures for 2018-18 show that 9,750 women started apprenticeships in health and social care compared to 2,310 men in 2017-18. There were 2,390 men starting apprenticeships in engineering compared to 220 women and 2,330 men starting apprenticeships in construction compared to 110 women

## Involvement: The Welsh Government consulted widely to develop its policy and is increasing its links with larger employers but it does not engage with apprentices directly

14 We identified the following strengths:

- a) its history of delivering apprenticeship policy and support over years means Welsh Government has a clear idea of who it needs to involve in designing and delivering policy. During our work, training partners and people working in other parts of Government commented favourably on close working arrangements to develop new apprenticeship frameworks.
- b) there was a wide-ranging consultation before issuing the 2017 Apprenticeship Strategy document. The Welsh Government consulted with young people ahead of the 2017 strategy and with groups representing disabled people ahead of its 2018-21 Disability Action Plan for Apprenticeships<sup>39</sup>. Specialist groups representing disabled people continue to be involved in overseeing the action plan.
- c) the Welsh Government established the Wales Apprenticeship Advisory Board to involve employers and other partners in decision-making.
- d) Welsh Government funds three Regional Skills Partnerships which engage with employers and report issues and future requirements.

15 We identified the following opportunities for improvement:

- a) **engagement with small and medium sized enterprises (SMEs) and micro- employers.** Regional Skills Partnerships provide information about future job opportunities and skills gaps to the Welsh Government which aids policy planning. However, we heard that SMEs find it difficult to participate in Regional Skills Partnerships. This leads to a perception that they are dominated by large employers and anchor companies. Several contributors to the current Economy, Infrastructure and Skills Committee inquiry into Regional Skills Partnerships also made this point. The Welsh Government recognises the difficulty of engaging with SMEs. It does monitor the proportion of apprenticeships that are in SMEs (52% of apprenticeships in 2017-18).
- b) **involving apprentices.** Welsh Government currently has no channels for involving apprentices directly in policy planning and development. Providers are required to seek feedback from apprentices completing their training but there is no vehicle to routinely seek views on wider issues. There are examples elsewhere of developing engagement channels (such as Apprentice Panels) to allow apprentices to have greater involvement and a voice in policy development.
- c) **opportunities to engage parents.** Parents are recognised as a major influence on young people's decisions on training and employment

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<sup>39</sup> Welsh Government, **Inclusive Apprenticeships: Disability Action Plan for Apprenticeships 2018-21**, December 2018

including apprenticeships. However, the readily available advice for parents on the Careers Wales website is old and may not reflect the current thinking.

- d) **engaging with the Black and Minority Ethnic community.** In 2017-18 3 per cent of people starting apprenticeships were from black or minority ethnic community. 1.7 per cent of those starting an apprenticeship were disabled people. A report from Estyn<sup>40</sup> reported on the barriers to starting apprenticeships for young people from Black and Minority Ethnic communities as well as disabled learners. The National Assembly's Economy, Infrastructure and Skills Committee's report on Apprenticeships in Wales<sup>41</sup> recommended the development of a disabled person specific action plan. The Welsh Government published this in December 2018. However, it is less clear what actions have been taken to address the under-representation of people from Black and Minority Ethnic communities in apprenticeships.

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<sup>40</sup> Estyn, **Barriers to apprenticeship: Difficulties experienced by learners from black and minority ethnic groups and those with disabilities when entering apprenticeship programmes**, November 2014

<sup>41</sup> National Assembly for Wales Economy, Infrastructure and Skills Committee **Apprenticeships in Wales**, February 2018

# Appendix 3

## Childcare Offer for Wales

### Background

- 1 The Welsh Government has committed to provide 30 hours of government-funded early education and childcare for the working parents of 3- and 4-year olds for 48 weeks per year (the offer).
- 2 The offer builds on the universal provision of a minimum of 10 hours of early education for 3- and 4-year olds, delivered through Foundation Phase Nursery provision (FPN) from the term after their third birthday until they enter full time education, usually the September after they turn 4. Some local authorities operate different start dates for Foundation Phase Nursery. Local authorities and schools provide more than 10 hours of Foundation Phase Nursery at their discretion.
- 3 The children of eligible working parents are entitled to additional hours of funded childcare. During the 39 weeks of school term, they can access 30 hours of provision across the two elements. They can also have 30 hours of childcare provision for 9 weeks of the school holidays. Providers can charge for additional services such as meals, transport and any additional hours.
- 4 In 2016 the Welsh Government asked local authorities to express interest in implementing the offer first. It met with the seven selected as early implementers between December 2016 and June 2017 to scope the offer and delivery arrangements. It began to test the offer in those areas in September 2017. The offer was available across Wales from April 2019. The 2019-20 budget for childcare offer is £40 million.

**Long-term: The Welsh Government has a clear idea of the needs it intends the offer to address but currently there is limited evidence that government funded childcare for 3-4 year olds has a significant impact on levels of maternal employment.**

- 5 We identified the following strengths:
  - a) the Welsh Government has a clear idea of the needs it believes the offer will address.
  - b) the Welsh Government demonstrated that it has worked hard to ensure that the offer works as well as it can in practice. This includes a good understanding of the childcare sector and its needs and challenges and what parents want and need from childcare.
  - c) the Welsh Government has commissioned annual evaluations of the first three years of implementation. It told us that it is planning to commission longer term review from September 2020. The evaluation of the first year

of early implementation<sup>42</sup> was published in November 2018. The Welsh Government subsequently made changes to the delivery guidance based on its findings and feedback from local authorities, providers and parents.

- d) there is some early evidence from the evaluation that offering government funded childcare has led to some positive, but not significant, impact on the employment prospects of parents supported by it. The first-year review found some marginal impact on women's ability to work more hours which can lead to increased household income and lower levels of in-work poverty.
- e) there is some evidence to support the Welsh Government's decision to target the offer on 3 and 4-year-olds, and to design the offer so parents can access a full day of childcare.
- f) as at early September 2019, the Welsh Government has invested £80 million of capital funding to better, where possible, co-locate the childcare and education elements of the offer. It believes that this will encourage greater take up of the offer as parents expressed a preference for care on the same site.
- g) the Welsh Government is undertaking work to further its understanding about why eligible parents do not access the offer to maximise the number of eligible children and parents able to benefit from it.
- h) the Welsh Government was conscious of needing to support the long-term sustainability of the childcare sector. The first-year review found that providers were reporting increased sustainability as pre-existing clients used more hours.
- i) the Offer has been rolled out across Wales more quickly than originally intended: it was scheduled for September 2020 but achieved in April 2019. Therefore, more parents and children have been able to access the potential long- and short-term benefits of the offer.

6 There is no evidence yet that the offer can address one of its long-term aims; to support 'parents, particularly mothers, to return to work'. The first-year review found that the offer impacted on the number of hours parents worked and gave parents additional flexibility in terms of working patterns but did not find evidence of parents returning to the workplace.

7 **We identified one area for improvement: ensuring the offer supports a diversity of childcare provision.** Providers expressed concern that the Welsh Government capital funding to support co-location of foundation phase nursery provision and childcare will skew the market to the benefit of provision in maintained settings. Ultimately there is a risk that this reduces diversity of provision within the sector, rather than as the intended aim of supporting diverse provision.

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<sup>42</sup> Glover, A., Harries, S., Lane, J. and Lewis, S., **Evaluation of the Early Implementation of the Childcare Offer for Wales**, social research number 61/2018, November 2018

## Prevention: The Welsh Government has clearly articulated the preventative aims of the offer, but early evidence shows a marginal impact on its stated objectives and there could more clarity on how its offer interacts with other childcare support

8 We found the following strengths:

- a) the Welsh Government has clearly articulated the preventative aims of its offer. It effectively communicated to stakeholders its view that the offer has two main preventative aims:
  - to prevent a reduction in the size and diversity of the childcare sector; and
  - prevent poverty by increasing levels of maternal participation in the workforce.
- b) in the first-year review, providers reported increases in sustainability, with an increase in number of hours being the main reason reported for the increase in sustainability. Additionally, the first-year review found that the Offer had marginally impacted women's ability to work more hours: 12% of women respondents reported increasing their hours after taking up the offer. Women reported having more flexibility in work decisions (68% of respondents).
- c) the first, second and third-year reviews will focus on the implementation of the offer; its impact on the childcare sector and its impacts on parents' working patterns. The Welsh Government told us that it plans to use the year 4 review to look at the impact of the offer on children's development and school readiness.

9 We identified the following opportunities for improvement:

- a) **defining the objectives of the offer more clearly** – the offer aims to 'help counteract poverty for those in low paid jobs.' Parents in households where one or more parent earns more than £100,00 are not eligible for the offer. However, the Welsh Government has not defined what it means by 'low paid jobs' so it is not clear how it will assess if the offer meets this objective.
- b) **evidence about the impact of the offer on child development and school readiness will not be available until at least year 4 of the offer.** One aim of the offer is to improve children's readiness for school, over and above the effect of the universal early foundation phase nursery. This would not be examined until the later stages of the planned evaluation programme which the Welsh Government plans to commission from 2020.
- c) **understanding how the offer interacts with the tax and benefits systems** – there are various sources of support for childcare costs for working parents: universal credit, working tax credit and tax-free childcare have different eligibility criteria depending on income and the

age and number of children in a household. There is a potential risk to value for money if the offer is replacing financial support that would have been available to parents from other sources. Parents may also miss out on support if they are confused about what is available to them. The first-year review found some parents found it hard to understand how the offer fitted together with other support available for childcare costs. Some parents did not take it up because they believed they would be better off leaving their tax credits unaltered. The Welsh Government has provided information on sources of support for childcare on its website. The UK Government's website has a calculator to help parents work out if they would be better off continuing to claim tax credits, but it is not clear if it reflects the detail of the Welsh Government's offer<sup>43</sup>

## Integration: The offer contributes to several well-being objectives and priority areas although Welsh Government acknowledges it could do more to more effectively deliver its priorities

10 We found the following strengths:

- a) the Welsh Government is clear that the offer sits within its well-being objective of 'support people and businesses to drive prosperity'. It also contributes to the Welsh Government's priority area of early years<sup>44</sup>.
- b) the Welsh Government has considered how to integrate the offer – primarily an employability programme - with its well-being objective to support children with additional learning needs.
- c) the Welsh Government has considered how to integrate the offer with its well-being objective 'Build resilient communities, culture, and language' and its objectives set out in its Welsh language strategy<sup>45</sup>. The Welsh Language Strategy describes gaps in Welsh medium childcare provision in some parts of Wales. It has an aim to expand Welsh-medium provision, recognising it acts as an access point for Welsh-medium education. The Welsh Government has allocated £33 million of the £80 million capital funding available for school-based childcare provision for 3- and 4-year olds to support Welsh language provision.

11 We identified one opportunity for improvement - **Ensuring funding for children with additional learning needs is spent**. Welsh Government's funding includes

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<sup>43</sup> Each nation in the UK provides some type of support for childcare costs to working parents. In England, all 3 and 4-year-old children are entitled to 570 hours of education (equivalent to 15 hours a week over 38 weeks although they can stretch it an over longer time). Working parents may be entitled to up to 30 hours of childcare (1,140 hours a year) depending on circumstances.

<sup>44</sup> 'Early years' is the period pre-birth to the end of the Foundation Phase (age 7).

<sup>45</sup> Welsh Government, **Cymraeg 2050: A million Welsh speakers**

extra funding for children with additional learning needs. To date, local authorities have not fully spent their allocation. Local authorities told the first-year review team that this was due to uncertainty surrounding future funding for additional learning needs support and how to allocate their budgets.

## Collaboration: The Welsh Government has collaborated with a wide range of stakeholders but acknowledges that it should have collaborated more effectively with schools and with programmes to support non-working parents into work

12 We found the following strengths:

- a) the Welsh Government considered how it could work collaboratively with a wide range of stakeholders from the early design stage through to implementation. Stakeholders included local authorities, childcare providers and parents.
- b) stakeholders appreciated the collaborative approach adopted by the Welsh Government, particularly that it recognised partners' expertise and knowledge.
- c) the Welsh Government is committed to understanding the strengths and weaknesses of its approach to collaborating to deliver the offer. The first-year review of the offer looked at the effectiveness of the Welsh Government's collaboration with stakeholders. The year 2 evaluation, (underway) will return to this topic.

13 We identified the following opportunities for improvement:

- a) **engaging at the school level.** The Welsh Government acknowledges that initially it could have done more to consider how to engage at the school level in delivering the offer.
- b) **support for non-working parents.** The Welsh Government recognises that it needs to work better with those delivering programmes to support parents, particularly mothers, who are not currently working into employment. There are a range of advice and funding sources for childcare to enable non-working parents to complete education and training including:
  - job centres – for example the Flexible Support Scheme which can meet childcare costs when a person starts work;
  - Welsh Government grants – for example childcare grants for parents studying in Further Education Institutions; and
  - parents, childcare and employability programme supported by the European Social Fund.

## Involvement: The Welsh Government has largely involved the right people, and stakeholders view positively the work it has done to involve and learn from them

14 We found the following strengths:

- a) the Welsh Government set up a steering group and held several workshops, with participants from local authorities; other Welsh Government departments and providers, including Welsh medium providers to help design the offer.
- b) the Welsh Government set up opportunities for local authorities to benefit from the experiences of the early implementers.
- c) the Welsh Government established the 'Talk Childcare' campaign to engage with parents and providers on the offer. It engaged with approximately 6,500 parents and providers through the campaign.
- d) stakeholders told us that they value the openness, accessibility and responsiveness of Welsh Government officials. Welsh Government officials are viewed as valuing the expertise and knowledge of others.
- e) the Welsh Government has responded to concerns and issues raised by others. For example, it:
  - made additional funding available to local authorities to administer the application process;
  - held workshops with sector representatives to discuss the payment rate;
  - responded to concerns about different rates for the Foundation Phase Nursery and childcare element of the offer by supporting the 'Flintshire pilot' (same rate on both elements of the offer); and
  - used feedback from the early implementer local authorities to update the guidance to local authorities on allocating additional learning needs funding.
- f) the Welsh Government has demonstrated its commitment to involving parents, providers and local authorities in the evaluation and development of the offer. Both year 1 and year 2 of the Welsh Government commissioned review has engaged with providers, local authority officers and parents in receipt of the offer.

15 We identified an opportunity for improvement. The Welsh Government recognises that it needs now to **more directly involve schools in promoting the offer** to encourage take up and to better integrate the Foundation Phase Nursery and care elements of the offer.

# Appendix 4

## Healthy and Active Fund

### Background

- 1 The Healthy and Active Fund provides support for projects to develop community assets run by the community, sports groups or schools. It aims to improve mental and physical health by enabling people to take up more healthy and active lifestyles and:
  - a) sustainably increase physical activity in those who are currently sedentary or have very low levels of activity; and
  - b) improve levels of mental well-being by promoting social interactions and increasing access to outdoor spaces.
- 2 The first phase of the fund is a partnership between the Welsh Government, Sport Wales and Public Health Wales. It has a pooled budget of £5.4 million over three years (£1.87 million from Sport Wales and £3.53 million from the Welsh Government). Money from the organisations involved in the projects brought the total to £7.7 million at the time that the grants were announced.
- 3 The Fund is for community groups and organisations who actively promote and enable healthy activity for one or more of:
  - a) children and young people;
  - b) disabled people or those with a long-term illness;
  - c) people who are economically inactive or living in areas of deprivation; or
  - d) older people or those around retirement from work.
- 4 The Fund launched in July 2018. Applications for funding were received from 109 projects in November 2018. The total cost of these would have been £29 million, more than five times the available budget and 43 projects were invited to submit a fuller business case. In June 2018, the Welsh Government announced 17 successful projects from across different parts of Wales<sup>46</sup>. Their statement described all successful projects as collaborative in their approach.

**Long-term: the Fund was informed by evidence but, while there are plans to monitor the short-term impact on individuals and the sustainability of projects, there are gaps in evaluating the long-term impact**

- 5 We identified the following strengths:
  - a) The Fund was designed and developed with a strong focus on the sustainable development principle and the five ways of working.

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<sup>46</sup> Welsh Government, Written Statement – Healthy and Active Fund, 13 June 2019

- b) The Fund is based on a good understanding of the long-term challenges of increasing physical activity and of links between sedentary lifestyles and ill health. It provides grants to projects aimed at changing behaviours and mindsets towards activity over the long term.
- c) The application process was designed to be informed by evidence and to encourage sustainable planning:
  - those applying for funding are helped to access evidence about effective interventions and understand the challenges of increasing participation.
  - bidders required to demonstrate clear evidence of need for the project and how the project will meet the identified need.
  - successful projects are funded for three years. To encourage applications to consider becoming self-sustaining long-term, funding for projects will halve in year 3. Applicants had to plan to replace the Government's contribution.
  - applicants were required to demonstrate how the five ways of working have shaped and driven the application.
- d) There are plans to evaluate the projects including, where possible, longer-term impacts:
  - projects are required to collect data on physical activity and mental well-being before and after the participants' time with the project and, where possible, at 6 and 12 months after the last session they attended.
  - the planned year 4 evaluation will collate and analyse any data available on outcomes 12 months after involvement in the project.

6 We identified the following opportunities for improvement:

- a) **understanding longer-term impact on participants' health.** It is inherently difficult to follow-up participants post intervention, partly because of difficulty tracking individuals and the disproportionate cost of doing so compared to value of the investment in some of the projects. It is also inherently difficult to demonstrate causality between an intervention of this scale and subsequent well-being. Notwithstanding these issues however, there are no plans to assess outcomes for individuals more than 12 months after funding ceases which reduces the opportunity to understand the longer-term impact of the projects.
- b) **long-term sustainability of the projects.** There are no plans to assess whether projects are sustained for more than 12 months after funding has ceased. Again, this reduces the opportunity to understand the effectiveness of the Fund in developing and strengthening community assets.
- c) **consider scalability at the outset** – long-term, there is potential to expand successful projects. The project board has considered the

potential costs of scaling-up some successful projects. It concluded that some of these could be 'prohibitively' costly. Assessing the potential scalability of any bid would avoid funding those which are unlikely to be expanded if successful.

## Prevention: the Fund aims to prevent ill health by investing in community assets, but the planned evaluation will not enable a robust assessment of this aim

7 We identified the following strengths:

- a) the Fund is built upon evidence about the links between low levels of physical activity and poor physical and mental health;
- b) project board members demonstrated understanding of the types of problems that increasing physical activity can help address. They have taken steps to share this understanding more widely with prospective applicants;
- c) the Welsh Government has actively sought to increase/develop its understanding by working in partnership with organisations with expertise in relevant areas;
- d) potential applicants were made aware of the importance of making sure their proposals are sustainable and have preventative impacts in the application process;
- e) there are plans to evaluate the overall fund (process and outcomes) and each project; and
- f) applicants provided with information on how to undertake project level monitoring and evaluation.

8 We identified one opportunity for improvement: **to evaluate if short-term changes in behaviour or improved well-being can be shown to have prevented any future negative health outcomes**. For example, there are currently no plans to assess if children and young people involved in projects are less likely than others to experience poor mental and physical health in the longer term. This reduces the potential impact of the project in building evidence of what works.

## Integration: the Welsh Government is clear about how the Fund supports wider well-being objectives

9 We identified the following strengths:

- a) the Welsh Government has considered how the Fund will impact on its own well-being objectives;
- b) applications to the fund were required to demonstrate how the 5 ways of working have shaped and driven the application; and

- c) the three partners in the partnership delivering the Fund – Welsh Government, Sport Wales and Public Health Wales - are represented in its integrated governance structure.
- 10 To date, there has been a lot of interest in ‘social prescribing’<sup>47</sup> to encourage well-being and manage demand for health services. However there has been no consistent definition of what is meant by ‘social prescribing’ in Wales. The term has embraced a range of interventions that promote well-being and self-care, encourage social inclusion and build resilience for the individual and the community. In 2018-19, the Welsh Government established a group to bring together parts of Government that were involved in social prescribing initiatives to develop a more integrated approach. It includes representatives from NHS Wales, Public Health Wales, officials developing the loneliness strategy<sup>48</sup> and other parts of the Welsh Government. It sees the Fund as contributing to developing and strengthening community assets (theme 4 of the social prescribing programme).
- 11 We identified one opportunity for improvement, to **document the impact on partners’ well-being objectives**. The Welsh Government took care to check that the remit of Public Health Wales allowed it to work in partnership with it and Sport Wales to administer the fund. Partners discussed the impact on each organisations’ well-being objectives. However, project documentation did not demonstrate formally how the fund fits with Public Health Wales’ or Sport Wales’ well-being objectives.

## Collaboration: the Welsh Government has demonstrated a commitment to collaboration in all aspects of the fund, including its design, management and evaluation

- 12 Our review found that the Welsh Government encouraged collaboration in designing, developing and managing the fund:
- a) **encouraging collaboration in the funded projects** – applications for funding were required to demonstrate that the project would be delivered by a minimum of two organisations from different sectors. They also had to describe how the projects would reflect the five ways of working. Collaboration was a key-criteria in evaluating each bid.
  - b) **developing and managing the Fund** – regional roadshows to raise awareness of the Fund and support the application process were delivered collaboratively with staff from the Wales Council for Voluntary Action, Well-being of Future Generations Commissioner’s Office, Welsh Government’s Innovation team and Sport Wales taking part. The Fund is

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<sup>47</sup> Social prescribing (sometimes called community referral) enables GPs, nurses and other primary care professionals to refer people to a range of local, non-clinical services. Many models exist, most with a link worker/ navigator who works with people to access local sources of support.

<sup>48</sup> The Welsh Government’s consultation paper ‘**Connected Communities - Tackling Loneliness and Social Isolation**’ was published in October 2018.

overseen by a project Board including representatives of Welsh Government, Sport Wales and Public Health Wales.

- 13 The programme evaluation will look at how well the collaborative approach between Public Health Wales, Sport Wales and the Welsh Government has worked. It will also look at how well collaboration worked at a project level.
- 14 We identified one opportunity to improve: **considering early how General Data Protection Regulation (as Data Protection Act 2018) may affect successful collaboration**. The Project Board intended to use workshops for potential applicants to build collaboration across organisations proposing similar schemes. However, it later found this was not possible because of limitations on sharing personal data.

### Involvement: the Welsh Government has involved appropriate departments, public bodies and community groups and shown commitment to improving its approach to involvement

- 15 We found the following strengths:
- a) the Welsh Government identified that it needed to involve Public Health Wales and Sport Wales to design and deliver the Fund at an early stage. Partners' roles and responsibilities reflected their areas of expertise and skills as well as partners' shared learning.
  - b) a wide range of stakeholders were involved in the delivery of the workshops for people from organisations interested in applying for funding. The Project Board used feedback from the workshops to develop guidance for applications throughout the two-stage process.
  - c) Welsh Government identified that the involvement of communities should be an essential part of the criteria for evaluating project proposals. There has been no wider public involvement to date, but we have seen no evidence to suggest to us that this was necessary. In the workshop we undertook as part of this work, it was clear that the Project Board had been reflecting on the degree to which they had involved the wider public in the development of the scheme.
- 16 We identified one area for improvement: **increasing community involvement in the projects**. All projects are community based but the degree to which communities are involved in designing and/or delivering projects supported by the fund varies. The evaluation of the Fund could examine the impact of the varying degrees of community involvement in the individual projects, for example on the outcomes for individuals and projects' sustainability projects when grant funding ceases.

# Appendix 5

## The Welsh Government's response

- 1 The Welsh Government very much welcomes the report of the Auditor General for Wales's examination under Section 15 of the Well-being of Future Generations (Wales) Act 2015 ('the Act'). This is the first examination of the Welsh Government under the legislation and provides important audit insight into the strengths and areas of improvement for the Welsh Government in realising the aspirations of the Act, in particular in those areas covered by the examination.
- 2 Since the Act came into force, the Welsh Government has taken action to further embed the legislation and to fulfill the commitment that sustainable development is the central organising principle of the Welsh Government. The insight from this report will inform future action to ensure that we act in accordance with the sustainable development principle as defined in the Act, and realise the benefits of the legislation. In January 2020, we will hold a large cross-public and third sector event to focus on the five ways of working within the Act and how we can collaborate better to deliver on them.
- 3 The way we work is one of the main themes of the Permanent Secretary's Future-proofing initiative – a wide-ranging and ongoing programme of change and improvement which aims to develop a confident, skilled and resilient civil service that can meet the challenges we face today but also prepare the organisation for the challenges of the future. The Future-proofing initiative is designed to equip Welsh Government staff to meet the challenges of delivering *Prosperity for All – the national strategy* (which contains the well-being objectives) and build a confident, skilled and sustainable civil service for the future. A set of organisational expectations have been developed with staff and TUS colleagues to clarify the behaviours and attributes that Welsh Government values. These include inclusive leadership, commitment to development and learning, collaboration across boundaries and the five ways of working.

- 4 We continue to strengthen our application of the five ways working in our corporate systems, processes and learning and development programmes, and we are reviewing our learning offer to ensure that training and development supports Civil Servants in applying the sustainable development principle through the five ways working.
  
- 5 We will be improving the accessibility of the Future Trends Report and associated resources, with a particular focus on the next Future Trends Report. In preparing for this, we will engage with internal and external stakeholders on their requirements and continue to deliver training for staff that equips them to consider future trends and build ‘futures thinking’ into policy-making. We will continue to develop approaches to facilitate policy integration across government, and to support this, we are developing further the approach to Integrated Impact Assessment to support better policy coherence in pursuit of the Government’s well-being objectives. In order to improve the involvement of the full diversity of citizens and communities in the work of Welsh Government, work on an Involvement Toolkit is being scoped and we are exploring the potential for a digital Citizen’s Platform. We will build on the agreed definition of prevention to promote its application as part of improving policy capability.

**Exhibit 5: Welsh Government action – Achieving 100,000 apprenticeship starts in the 2016-2021 Assembly term**

The apprenticeship programme is a top priority for the Welsh Government. Aligning apprenticeships with the needs of the Welsh economy is at the centre of our skills policy. We are building our skills system to better respond to industry changes and place Wales in a stronger position to deal with the impact of globalisation, technological changes and to respond to the decision to leave the European Union. Our strategy is to invest in training which provides economic and social returns and addresses skill shortages and gaps that hold back productivity and growth.

Way of working	Improvement opportunity	Welsh Government Action
Long-term	Ensuring funding is sustainable long-term.	Continue to review demand and contracting levers to ensure that investment in priority sectors is sustainable.
Long-term	Understanding costs to employers.	Work closely with the Federation for Small Businesses to understand how we can cluster delivery around certain sectors, so that SMEs can better access the programme.

Way of working	Improvement opportunity	Welsh Government Action
		Revise arrangements to develop framework learning content, to ensure that we have apprenticeships designed to meet the needs of the economy and are responsive to industry changes.
Prevention	Understanding the impact of apprenticeships on careers and earnings.	Use linked datasets to allow for a more longitudinal analysis of the outcomes for people completing apprenticeships.  Explore over time the possibility to carry out longitudinal analysis of learners' employment and earnings outcomes.
Prevention	Increasing the number of apprenticeships that go to new recruits rather than existing employees to increase skills.	Make changes to eligibility requirements to ensure that we target support at those individuals who will get the greatest expected benefit from the programme. Prioritise and incentivise 16-19 year olds onto the programme and maintain putting in place interventions to ensure a smooth transition for our young people into apprenticeships.
Prevention	Understanding the impact of the Apprenticeship Levy on employers in Wales to ensure Government investment achieves value for money.	Work closely with our social partners to make sure apprenticeships are available in priority areas which support both the public and private sector.  Established a team of advisors to support levy-paying employers and published factual guides for levy payers and other employers on how they can access the programme.  Consulted on the Welsh Government undertaking the role of issuing authority for apprenticeships, which would provide an added measure to ensure new and revised frameworks reflect our priorities and provide value for money.
Integration	There may be further opportunities to support the delivery of other well-being objectives	Equality and Diversity Champion to continue to work closely with providers and employers to tackle and promote equality issues.  The Inclusive Apprenticeships: Disability Action Plan outlines the actions the Ethnic Minorities and Youth Support Team, Race Alliance Wales and many others and have provided our

Way of working	Improvement opportunity	Welsh Government Action
		<p>apprenticeship provider network with opportunities to take part in community events that we are taking to increase uptake of disabled people.</p> <p>As work progresses to deliver against the action plan to develop Welsh-medium and bilingual provision within the post 16 sectors, new measures will be established and targets set.</p> <p>Improve take up from people from Black, Asian and Minority Ethnic (BAME) communities; we are working with specialist organisations such as Race Council Cymru, Ethnic minorities Youth Support to promote apprenticeship opportunities to BAME people.</p>
Integration	Understanding the impact of new government commitments on apprenticeships plans and budget.	<p>Established cluster working in priority sectors, reflecting government commitments.</p> <p>Where any new products are commissioned, the apprenticeship level and costs are fully considered.</p>
Collaboration	Increasing the pace of the sector reviews of qualifications.	<p>Discussing the findings with Qualifications Wales (Qualifications Wales are undertaking Sector Reviews to ensure vocational qualifications reflect the skills that employers need).</p>
Collaboration	There may be scope to collaborate more on programmes to encourage female participation in the science, technology, engineering and manufacturing (STEM) sector.	<p>Published an Equality and Diversity toolkit to support providers and employers which includes modules on gender identity, stereotyping and unconscious bias.</p> <p>Continue to encourage collaboration with programmes such as Chwarae Teg's 'Not Just for Boys' and providers to utilise their own interventions such as role models to encourage female participation on STEM apprenticeships.</p> <p>Consider a strategic approach to collaboration with other programmes which aim to get females participating in STEM activities.</p>

Way of working	Improvement opportunity	Welsh Government Action
Involvement	Engagement with small and medium sized enterprises (SMEs) and micro-employers.	<p>Inform the learning content of apprenticeships through a combination of recommendations from the Regional Skills Partnerships, labour market information and sector reviews carried out by Qualifications Wales.</p> <p>Make use of the Wales Apprenticeship Advisory Board to help us channel investment to where it will have the greatest impact.</p>
Involvement	Involving apprentices.	Improve our involvement with apprentices on an on-going basis and consider how we can do this alongside partners.
Involvement	Opportunities to engage parents.	Develop a new web ICT platform to provide a central vacancy service which parents and other key influencers can readily access.
Involvement	Engaging with the Black and Minority Ethnic community.	<p>Re-launch the Equality and Diversity tool-kit for apprenticeship providers as an online tool-kit containing a range of resources and useful information including: guidance; tips; worksheets; informative videos; web-links and social media links.</p> <p>Whilst there is no plan at present to develop an action plan specifically relating to BAME people, a similar approach to removing barriers and raising awareness by identifying role models is being undertaken.</p>

## Exhibit 6: Welsh Government Action – Childcare offer for Wales

The Childcare Offer for Wales is a key commitment for the Welsh Government, as set out in Prosperity for All. It is intended to support working parents with the costs of childcare, which can be a barrier to parents, and particularly mothers, returning to work or making different employment choices. The Offer consists of 30 hours of combined early education and childcare.

Way of working	Improvement opportunity	Welsh Government Action
Long-term	Ensuring the offer supports a diversity of childcare provision.	Review the messages around the Offer to ensure that equity of access is clear and continue to review the impact this investment has on both the capacity and sustainability of childcare settings.
Prevention	Defining the objectives of the offer more clearly.	Keep the Offer under review, ensuring that it continues to support those families which need help with childcare costs.
Prevention	Evidence about the impact of the offer on child development and school readiness will not be available until year 4 of the offer.	A longer-term evaluation spanning several years will be commissioned in 2020 enabling us to work with families over a wider period assessing impacts on child development appropriately.
Prevention	Understanding how the offer interacts with the tax and benefits systems.	This issue has been highlighted by the evaluation of the first year of delivery of the Offer, and through comments provided by individual recipients.  As part of the work to create a national application and eligibility checking system for Wales, we will be looking into ways to help parents understand their entitlement and how it interacts with other services.
Integration	Ensuring funding for children with additional learning needs is spent.	Revised guidance will be issued to local authorities in relation to the funding to support children with additional needs. This will follow discussions with local authorities regarding the additional information they need and the best way to integrate this support with the requirements of the Additional Learning Needs and Education Tribunal (Wales) Act.

Way of working	Improvement opportunity	Welsh Government Action
Collaboration	Engaging at the school level.	<p>With hindsight, earlier engagement with schools may have helped raise awareness with parents faster and supported joint-working between education and childcare providers. This joint-working is key to ensuring alignment in delivering both aspects of the Offer.</p> <p>Continue to work with local authorities to engage with the education sector across Wales.</p> <p>Continue to engage with the education sector regarding the Offer, and the availability of funding through the Capital Investment Programme is key to driving this forward.</p>
Collaboration	Support for non-working parents.	Currently undertaking a review of the Offer considering the feasibility of extending it to cover parents in education and training or on the cusp of returning to work.
Involvement	The Welsh Government recognises that it needs now to more directly involve schools in promoting the offer to encourage take up and to better integrate the Foundation Phase Nursery and care elements of the offer.	<p>Continue to work with local authorities to engage with the education sector across Wales.</p> <p>The Welsh Government has announced £81m in capital funding to support delivery of the Offer, and specifically the alignment and co-location of the early education and childcare elements. This funding is intended to support greater partnership working between schools and childcare providers and sits alongside specific guidance for schools on providing childcare and working with childcare providers to deliver the Offer.</p>

## Exhibit 7: Welsh Government Action – Healthy and Active Fund (HAF)

The HAF is a partnership between Welsh Government, Sport Wales and Public Health Wales and delivers in an integrated way the Welsh Government commitments to introduce a Well-being Bond and a Challenge Fund for Sport.

Way of working	Improvement opportunity	Welsh Government Action
Long-term	Understanding longer-term impact on participants' health.	Continue to assess the feasibility of measuring impacts beyond 12 months after funding ends in future programme evaluations.
Long-term	Long-term sustainability of the projects.	While it would not be feasible to extend the evaluation contract for several years beyond the end of the programme, we plan to ask projects about their future plans as part of the 12 month post-funding evaluation stage.
Long-term	Consider scalability at the outset.	During the delivery phase of the projects, each successful project has been allocated a dedicated case officer who will monitor progress and highlight any potential opportunities / risks to the project board.
Prevention	To evaluate if short-term changes in behaviour or improved well-being can be shown to have prevented any future negative health outcomes.	While we do not think it is feasible to establish causality between the participation of diverse groups involved in 17 very different, mostly small-scale projects and long-term health outcomes (collecting this data would raise ethical concerns), we will continue to assess the feasibility of doing so in future programme evaluations.
Integration	To consider how the fund impacts on partners' well-being objectives.	Correct project documentation on how the fund fits with Public Health Wales and Sport Wales well-being objectives.
Collaboration	Considering early how General Data Protection Regulation (as Data Protection Act 2018) (GDPR) may affect successful collaboration.	Consider within the parameters of GDPR, ways in which we might better facilitate sharing of information between successful projects as they develop.

Way of working	Improvement opportunity	Welsh Government Action
Involvement	Increasing community involvement in the projects.	Assessing how the five ways of working, including involvement, are embedded across the projects and at programme level is an evaluation objective. We will continue to work with the evaluator to identify appropriate ways of taking this forward.

Wales Audit Office  
24 Cathedral Road  
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

Swyddfa Archwilio Cymru  
24 Heol y Gadeirlan  
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: [post@archwilio.cymru](mailto:post@archwilio.cymru)

Gwefan: [www.archwilio.cymru](http://www.archwilio.cymru)