

# Research Report

The practical and policy implications of the Well-being of  
Future Generations Act on the FE sector in Wales

The City and County of Swansea Sustainable Development Unit & Netherwood Sustainable Futures.



**NETHERWOOD SUSTAINABLE FUTURES**  
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Consultancy



The Well-being of Future Generations (Wales) Act 2015 supports a more collaborative approach to operations in the public sector, as a result ColegauCymru have commissioned a report to guide the FE sector on responsive methods to the requirements of the Act. The work was undertaken by The City and County of Swansea Sustainable Development Unit and Netherwood Sustainable Futures.

It is important to note that FE colleges are not public bodies and are not one of the 44 named public sector bodies in the Act. However, the FE colleges work closely with a number of the public bodies upon whom the Act places a well-being duty to carry out ‘sustainable development’ and colleges are eager to help the Welsh Government deliver its aims of widening participation, tackling social exclusion and stimulating economic regeneration.

The report highlights many positive findings with several colleges identified as ‘pioneers’ who are already adopting the principles of the Act within their current strategies and policies. The research clarifies that the majority of FE colleges see the Act as a positive enabler to achieve improvement in their own organisations whilst influencing how the Act shapes the future of Welsh public services during this period of transition.

A key theme across interviews held with public body partners in relation to skills and work based learning was a shift away from the demand for specialist technical skills to more value based skills. Sophie Howe, Future Generations Commissioner said;

*“I welcome this important and timely report which has been commissioned by ColegauCymru. It is very encouraging that Further Education recognises that it can benefit from understanding, adopting and responding to changes in organisational behaviours that the Act seeks to stimulate.*

*Partnership working and collaboration are keystones for the work of my office. I therefore look forward very much to working with the FE sector and other stakeholders to build upon this foundation.”*

Education, re-training and developing a skilled workforce is key to a sustainable Wales and colleges can play a key role in helping to shape the existing workforce and the one of the future.

I look forward to the opportunity of further cross sector collaboration and working with wider stakeholders to embrace this opportunity to collectively achieve the objectives of the Well-being of Future Generations (Wales) Act for a more successful and sustainable developing Wales.

**Judith Evans**  
Chair, ColegauCymru

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The Well-being of Future Generations Act (Wales) 2015 (WFG Act) aims to improve social, economic, cultural, and environmental well-being in Wales. It places a well-being duty on 44 public sector bodies to “carry out sustainable development”. Although there is no legal duty to which FE colleges are directly subject, the Act is intended to have a significant influence across the public sector. As a result, the Further Education (FE) sector can benefit by understanding, adopting and responding to the changes in organisational behaviours that the Act seeks to stimulate.

ColegauCymru commissioned the City and County of Swansea’s Sustainable Development Unit and Netherwood Sustainable Futures, to consider how ready the FE colleges are for this new focus for the public sector, both as corporate bodies and as education providers, and how the FE sector can most efficiently respond to the legislation and maximise the benefits for their strategic, corporate and delivery mechanisms.

The majority of both FE Institutions and the Public Sector respondents view the WFG Act as being something that will help to transform and adapt the activity of their organisation. However the WFG Act currently lacks presence within the priorities of legislative, regulatory, inspection and funding bodies, for example: the Act is not referred to in

Ellen Hazelkorn’s review of post-compulsory education in Wales ‘Towards 2030’ (published March 2016). The FE sector can utilise this to derive competitive advantage by anticipating and preparing for change from which their sector can align and benefit.

To enable this, the research identified areas for action and recommendations for both the FE colleges and ColegauCymru, focusing on:

- the role of leadership in creating organisational and individual behaviours to support transformation in the context of the Act,
- improving communications across the whole sector, Welsh Government and the Future Generations Commissioner to ensure consistency of message and response,
- utilising the WFG Act to frame corporate objectives, planning, execution and measurement to better align with partners in the public sector and Public Services Boards, demonstrating how they are contributing to the National Wellbeing Goals,
- developing the curriculum to build on the Education for Sustainable Development and Global Citizenship (ESDGC) achievements, integrating concepts of resilience and well-being so learners develop broader soft skills that help them adapt to changing demands in the workplace.

	FE Colleges	ColegauCymru
Areas for Action	More focus on all of the goals and ways of working	Place the sustainable development principle and the Act at the heart of everything ColegauCymru offers the sector
	Linking the Act to key FE institution strategies, plans, systems, processes and vision	Provide a stronger steer on the implementation and delivery of the Act for colleges through awareness raising workshops
	Working to improve the environmental footprint of Colleges’ estate portfolio	Encourage and enable sharing best practice and learning across the sector by creating a ‘melting pot of experience and knowledge’.
	Build future college leaders by building knowledge into workforce planning	Encourage and enable collaboration within and outside the sector
	Review and build organisational knowledge and understanding of the Act and the Sustainable Development principle	Work in partnership with others to support the sector i.e. EAUC (the Environmental Association for Universities and Colleges)

Figure 1: Areas for action and recommendations for both the FE Colleges and ColegauCymru.

# 1 Introduction – The Well-being of Future Generations Act

## 1.1 Why is the Act Important for the FE Sector?

The Well-being of Future Generations Act (Wales) 2015 (WFG Act) aims to improve social, economic, cultural, and environmental well-being in Wales. To achieve this aim the Act places a well-being duty on 44 public sector bodies (including Welsh Government Ministers and Higher Education Funding Council for Wales (HEFCW)) to “carry out sustainable development”. Although there is no legal duty to which FE colleges are directly subject, the Act is anticipated, and is explicitly intended, to have a significant influence across the public sector. As a result, the FE sector can benefit by understanding, adopting and responding to the changes in organisational behaviours that the Act seeks to stimulate.

The Act aims to “change the way Wales does business” by setting out shared goals, and shared ways of working. Seven legally defined, interrelated goals set out a vision to which all public sector activity must contribute in accordance with the sustainable development principle. The sustainable development principle is defined as acting:

***“in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.”***

In practice this will mean that the public sector across Wales will need to adopt and implement five distinct ways of working:

**Looking to the long-term** so that we do not compromise the ability of future generations to meet their own needs;

**Taking an integrated approach** so that public bodies look at all the well-being goals in deciding on their well-being objectives;

**Involving a diverse cross-section of the population** in the decisions that affect them;

**Working with others in a collaborative way** to find shared sustainable solutions;

Understanding the root causes of issues **to prevent them** from occurring.

Collective progress is to be measured via 46 National Indicators<sup>1</sup> set by Welsh Ministers with progress at population level reported at the beginning of each financial year. Milestones are set at a population rather than organisational level by Welsh Ministers.<sup>2</sup> It is likely that this will impact all Welsh Government funded activity over time, in turn influencing performance management frameworks.

The Act also legislates for the creation of Public Services Boards (PSB) which assess the state of local well-being and set local objectives for collaborative working to maximise contribution to the well-being goals through Well-being Plans. The first Local Well-being Plan is due to be published in April 2018. These statutory bodies and Plans provide an opportunity for FE colleges to efficiently interface with and influence key stakeholders with shared interests.

The 44 public bodies will be subject to a new accountability framework including reporting and review by Auditor General Wales for the National Assembly with advice from a Future Generations Commissioner. While FE institutions will not be subject to audit and review, their roles on Public Services Boards will be, via local authority scrutiny committees and the Commissioner.

**The Act requires the individual public bodies bound by the duty to:**

- Set and publish well-being objectives;
- Take reasonable steps to meet those objectives;
- Publish a statement about the well-being objectives;
- Publish an annual report of progress;
- Publish their response to recommendations made by the Future Generations Commissioner for Wales

(Shared Purpose: Shared Future 1 – Individual role (public bodies) page 2)

The Well-being objectives of public bodies (excluding Welsh Ministers) must be published along with the well-being statement within one year of the Act commencing, i.e. no later than 31st March 2017, and reviewed on an annual basis.

This is effectively a new public sector landscape in Wales, one which FE colleges need to be conversant with. It will provide the strategic framework for public sector partners including Welsh Government to plan, finance and deliver their activity.

While the Act has no direct impact or legal jurisdiction specifically over FE colleges, a range of drivers, positive and negative, voluntary and enforced mean that the Act has tangible and significant practical and policy implications for FE colleges. While the Act is new, it gives expression to existing wider drivers and facilitates opportunities which are more powerful than the specific compliance based requirements to which 44 public bodies are directly subject. A real opportunity exists while the public sector is in a transitional learning phase for the FE sector to influence how the Act shapes future Welsh public services.

The Act’s greatest impact is in ‘changing the way Wales does business’. It lays the foundations for “One Welsh public service” with common working practices and shared goals working with the wider public, private and third sectors.

This raises some questions about how engaged, prepared and ready the FE colleges are for this new focus for the public sector, both as corporate bodies and as education providers. It also raises the question of how the FE sector can most efficiently respond to the legislation and maximise the benefits for their strategic, corporate and delivery mechanisms.

These questions are the focus of this piece of work commissioned by Colegau Cymru from City and County of Swansea’s Sustainable Development Unit, and Netherwood Sustainable Futures, both experienced practitioners on sustainable development in the public sector in Wales.

***“The Future Generations Act is a call to arms. It cannot make our decisions for us, but it can help us to work together to build the Wales that we want. I am clear that we do not drive improvement by publishing strategies. We drive improvement through action and through strong leadership.”***

*Carwyn Jones, First Minister – on the next Programme for Government, 12 July 2016*

## 2 Research Aims and Methodology

ColegauCymru has commissioned this report to provide its stakeholders with an understanding of the impact of the Well-being of Future Generations Act (Wales) 2015 and both its practical and policy implications for the Further Education sector.

The research has aimed to:

- review the **sectoral context** for responding to the Act;
- explore existing **corporate responses** to sustainable development within the sector;
- explore **attitudes, behaviours and operations** in FE colleges, which contribute towards the aims of the Act;
- explore the role of **leadership** in developing corporate culture around the Act;
- explore how FE colleges engage with partners and **partnerships** around the legislation;
- provide **recommendations** for the sector to respond to the Act;
- look for opportunities to disseminate the work to a notional audience.

The following methodology was used to address the research questions:

### 2.1 Sectoral and Corporate Context

An analysis of corporate evidence was carried out to review the current application of sustainable development practices across FE colleges. This review focused on published evidence including corporate plans and strategies. To complement this, a more generic review was made of the wider national initiatives available to the Welsh Colleges. The study also sought evidence that the Act manifested itself in national frameworks and discourse for FE institutions.

### 2.2 Corporate Functions

An e-survey was designed to identify current attitudes, behaviours and operations in relation to the Act. The survey recorded the views of key leadership team representatives identified as representing the seven core areas 'where change needs to happen' outlined in the Act's Statutory Guidance (Shared Purpose: Shared Future 1: Core Guidance):

- Corporate planning
- Risk management
- Performance management
- Workforce planning
- Financial planning
- Procurement
- Asset management

In addition, the survey targeted leaders in the key area of curriculum planning. Fifty individuals were invited to complete the survey of which 26 were returned representing 12 of the 14 colleges. The high (52%) response rate is an indication of the level of interest in the Act.

### 2.3 Leadership

Qualitative telephone interviews were conducted with college leadership representatives. In line with the involvement principle, an invitation was extended to Learner Governors at each FE institution. Four learner governors agreed to participate in telephone interviews.

The interviews focused on:

- Organisational responsibility for the Act's implementation
- Organisational Drivers
- Leadership

- Organisational behaviour change
- Local Service Board/ Public Services Board links
- Implications for work based learning and training
- Curriculum changes for a workforce fit for the future
- Key practical or policy areas to target for action

### 2.4 Partner Organisations

Thirty minute telephone interviews were also conducted with a cross-section of representatives from the 13 sectors within which the 44 public sector bodies subject to the Act operate. Interviewees were either leading on the Act within their organisation or an Executive Team member. The aim of the survey was to gather evidence of good practice and to understand the potential impact of the Act on workforce skills, and the opportunity for more collaboration in the future. The interviews focused on:

- Organisational responsibility for the Act's implementation
- Potential impacts and implications of the big change required by the Act
- Opportunities and barriers to collaboration
- Opportunities and barriers to integration
- The Act's impact on procurement and commissioning
- Behaviours valued in partners and employees
- Impact on skills in a future workforce

This methodology was designed to provide both a broad picture of current approaches to the Act and to develop a specific understanding of how professional groups, practitioners and leaders in FE colleges saw the FGA impacting on their work.

### 2.5 Limitations of the Research

It should be noted that the results of this research are not statistically significant but represent a reasonably broad range of perspectives and sources to give an authentic flavour of attitudes amongst the extensive number of people questioned. Respondents were generally self-selected by the organisation or institution but were felt to be from a sufficiently diverse population to still reflect a wide range of individual viewpoints.

# 3 The Sectoral and Corporate Context – Key Findings

## 3.1 Corporate Plans and Strategies

A review of published evidence including corporate plans and strategies of 13 Welsh FE institutions demonstrated that:

- The FE sector is broadly committed to sustainability and ESGC, but colleges are at very different stages of the process of embedding the sustainable development principle into their processes and curriculums.
- Several colleges are ‘pioneering’ the FE sustainability agenda, and have recognised and reflected the impact of the Well-being of Future Generations Act within current strategies and policies.
- Many sustainability commitments are ad hoc, with little evidence of a co-ordinated strategic and corporate approach to embedding sustainable development as a central organising principle.
- There is a wide ranging interpretation of sustainable development and how it is manifested, with some FE colleges interpreting it as solely an environmental or resource efficiency issue while others perceive it as a strategic means to derive competitive advantage.

## 3.2 Sectoral Context

At present, there is little evidence of the Act featuring in mainstream planning and policy papers relating to further education in Wales. Key documentation from the Department of Education and Skills such as Priorities for the Further Education Sector 2016/17<sup>3</sup>, do not reflect the direct and indirect impacts of the Act. The Higher Education (Wales) Act 2015 was passed just prior to the WFG Act with no link between the two pieces of legislation.

More recently the WFG Act was conspicuous by its absence in Ellen Hazelkorn’s review of post-compulsory education in Wales ‘Towards 2030’<sup>4</sup> despite a real synergy with the main messages drawn from stakeholder consultation around “the need for a step change”, and tellingly the “overall absence of strategic capacity and joined-up thinking at and between government and institutions”. The messages identified in the Report are not dissimilar to the principles addressed within the WFG Act’s ‘Ways of Working’: as highlighted in **Figure 2**.

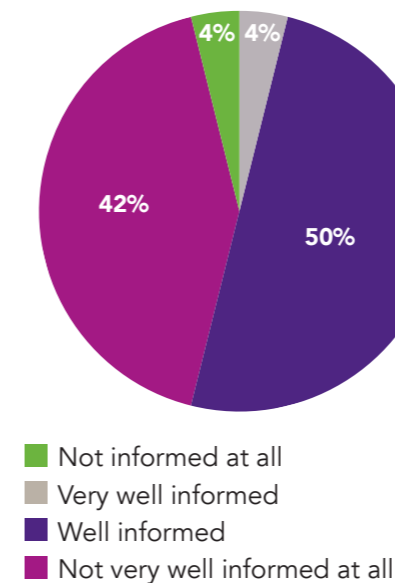
‘Ways of Working’	Messages from the ‘Towards 2030’ Report
Integration	“absence of a vision in step with the social, cultural and economic needs of Wales, regionally nationally, now and in the future”
Collaboration	“confusion around the overlapping roles, and duplication of resources, between and across different institutions, between further and higher education, and between different agencies”
Long-term	“Intermediary organisations can help ensure long-term strategic and objective decision-making”
Prevention	“inability to attract and retain talent in Wales due to inadequate educational (including at post-graduate level) and employment opportunities”
Involvement	“absence of coherent learning pathways and educational opportunities for students, of all ages, gender and talent, from school, into/through further and higher education, and especially throughout their working lives”

**Figure 2:** Table demonstrating the similarities between messages from the ‘Towards 2030’ Report and the WFG Act’s Ways of Working.

# 4 Corporate Functions – Key Findings

## 4.1 Awareness of the Act

Representatives from FE corporate functions across Wales were surveyed to establish awareness of the Act. The results (**Figure 3**) below suggest while half of the respondents felt well informed, there is considerable scope to build the remaining 50%’s knowledge to this standard.



**Figure 3:** Findings based on 26 responses.

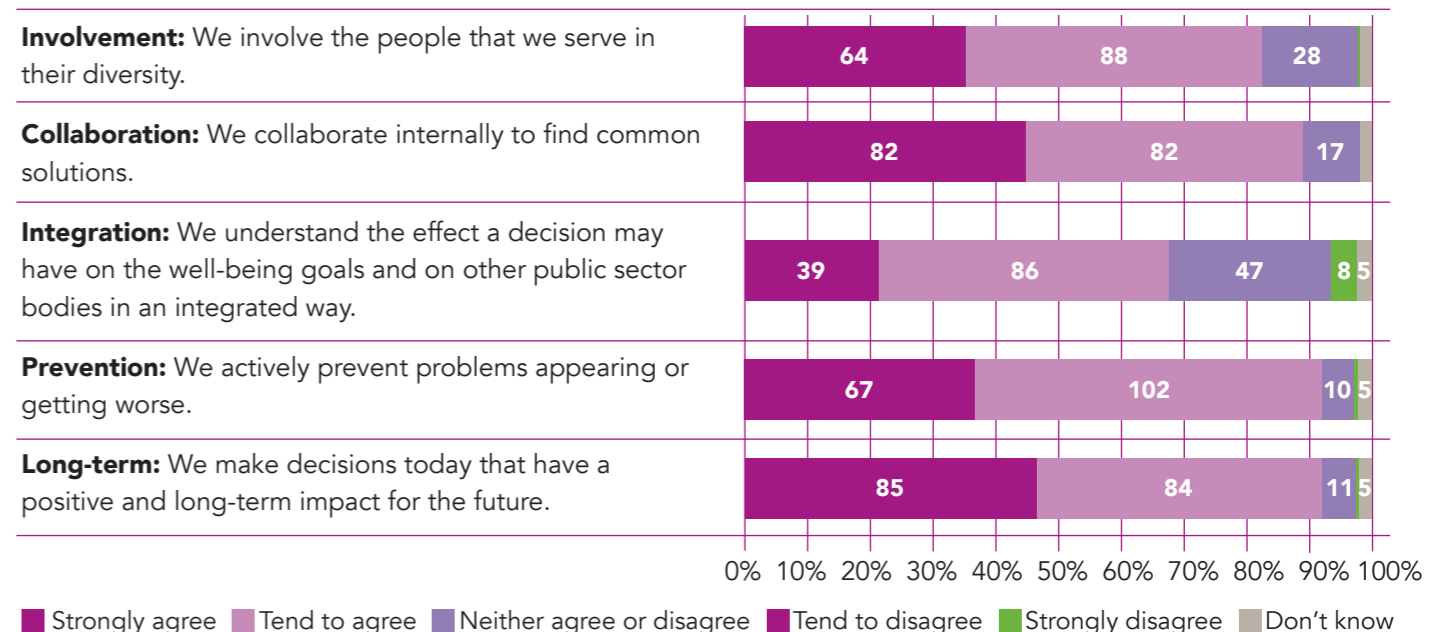
## 4.2 Corporate functions and the five ways of working

The extent to which respondents’ services agreed that the five ways of working were reflected in their area of work is shown in the chart below depicting total responses from across all corporate functions. The response is largely positive (**Figure 4**).

## 4.3 The Attitudes, Behaviours and Operations of Corporate Functions in FE

Survey respondents responsible for each key corporate function reported how the sustainable development principle was currently implemented within each core area.

Responses were generally mixed in relation to corporate planning, asset management, risk management, performance management and workforce planning with approximately half of respondents providing positive responses and half providing less positive and negative responses. There were generally much more positive responses in relation to financial management and in particular procurement and curriculum planning for which almost all respondents tended to provide a positive response. A summary of responses follows.



**Figure 4:** Responses from corporate functions on how the five ways of working were reflected in their area of work.

# 4 Corporate Functions – Key Findings

## a) Corporate Planning

Responses suggest “absence of coherent learning pathways and educational opportunities for students, of all ages, gender and talent, from school, into/through further and higher education, and especially throughout their working lives”. There is a clear need to build the profile of sustainable development as a more **specific** part of the corporate planning function:

- just over a third of colleges identified sustainable development as a ‘broad commitment’ in their corporate planning;
- a quarter saw a more clearly defined use of a sustainable development principle as a central organising principle of the organisation;
- only 20% specifically mentioned sustainable development as one of the corporate values while 20% identified it as one of a series of issues considered through business functions;
- colleges found linking their corporate goals to the national well-being objectives straightforward in a generic way, however only 20% felt there was a demonstrable and clear link between their organisational objectives and the well-being goals.

## b) Asset Management

The links between asset management functions and the sustainable development are limited and need strengthening:

- only 9% saw sustainable development as being part of their core framework for their approach to asset management’;
- 25% saw sustainable development as a broad commitment in asset management approach;
- just over a third said that sustainable development is part of asset appraisals and maintenance but mainly through resource efficiency issues.

## c) Risk Management

A community focused and long-term approach to risk management as suggested by the Act is rare in current approaches to risk management:

- a third of respondents cited a broad commitment

to sustainable development in the Risk Management Framework but that it was primarily inwardly-focused;

- only a quarter felt that there was a wider, outward-facing approach to risk, including looking at risks shared with the community and partner organisations.

## d) Performance Management

The extent to which each college’s performance management approach reflects the sustainable development principle showed that linkages were extremely limited:

- only 17% of respondents measure how the organisation delivers the sustainable development principle;
- a third state that sustainability performance is measured against resource efficiency criteria only such as waste, water and energy;
- just over a quarter report that SD is not reflected at all in performance management frameworks.

## e) Workforce Planning

Respondents suggested a far clearer link between workforce planning approaches and strategy and the aims of the Act:

- 40% suggested that approaches to workforce planning were building the five ways of working;
- 60% suggested that the sustainable development principle is reflected to some extent in workforce planning strategies;
- yet others (from the same college) reported that the sustainable development principle is not reflected at all in their organisation’s approach to workforce planning.

## f) Financial Management

Applying sustainable development to financial management was seen by many respondents to be commonplace:

- 65% stated that sustainability is a considered in all financial decisions and there are tangible examples to evidence this;

- However, only 13% reported that the sustainable development principle is a core part of the framework for financial management.

## g) Procurement

Sustainable development is seen as a core element of procurement in FE colleges:

- the vast majority of respondents (78%) reported that sustainability is considered in all procurement decisions and there are tangible examples of where this has impacted on decisions, commissioning and engagement with suppliers;
- less than one fifth (18%) state that whilst there are some instances of where sustainability is reflected in their procurement, examples are rare.

## h) Curriculum Planning

Although the Well-being of Future Generations (Wales) Act has no specific requirements on curricular content and delivery, the Commissioner’s Office and Welsh Audit Office are working with Estyn on how the sustainable development principle is reflected in future inspection regimes. Curriculum planning has previously considered Education for Sustainable Development and Global Citizenship (ESDGC), providing firm foundations on which to build.

When asked to what extent there is a link between sustainable development and the curriculum responses were generally very positive.

- Over 90% reported that sustainable development is part of the curriculum, either at the core (17%) in both subject matter and skills development or as part of a broad approach (74%) to link sustainable development across most faculties in terms of subject matter.
- Less than one tenth (9%) of respondents reported that there was no link between the curriculum and sustainable development at all. Each of these responses were from individuals representing different colleges.

More explicit reference could be made to the Act and particularly the five ways of working in all corporate documentation including corporate and service planning; performance frameworks, risk frameworks etc.

## 4.4 Maturity of approach to the Act

Colleges were asked as part of the e-survey to mark where they felt their college was on the Netherwood Sustainable Futures Maturity Model (**Figure 5**) in relation to the Act. Public bodies were asked to carry out the same exercise as part of the interviews. The results from both are analysed here together to enable comparison.

### Spectrum of response to the Well-being of Future Generations Act (Wales) 2015



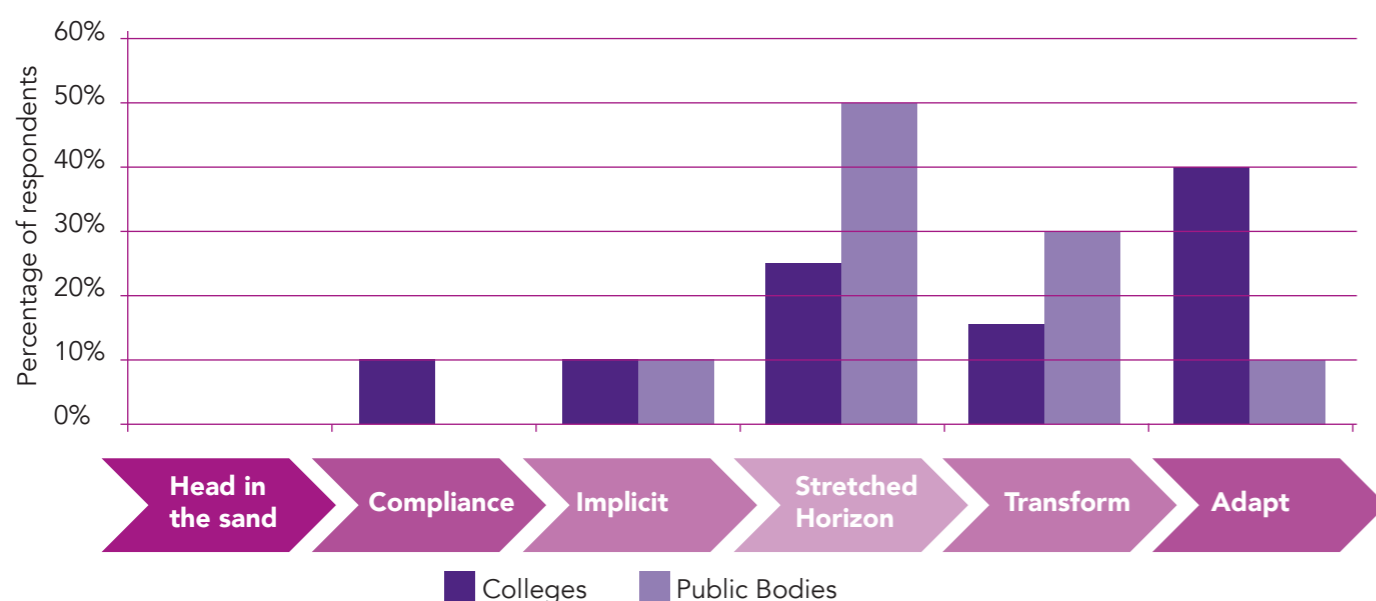
Figure 5: Netherwood Sustainable Futures Maturity Model.

## 4 Corporate Functions – Key Findings

The Model has been developed and utilised widely across the public sector to develop an understanding of corporate activity on the Act and has formed the basis of questions for the e-survey and interviews.

The majority of both FE Institutions and the Public Sector respondents see the Act as an enabler to help them achieve the improvement of their organisations. As **Figure 6** demonstrates a greater proportion of

college representatives perceived their organisation as using the Act to transform. This was surprising given the deeper level of engagement undertaken by many bodies subject to the Act. The positive result indicates that respondents view the FGA as being something that will help to transform and adapt the activity of the organisation – and see the application of the Act's requirements to the forward planning of the corporate body.



**Figure 6:** Percentage of respondents from the quantitative survey (Colleges) and qualitative survey (Public Bodies) as to where they perceive their organisation to be on the Netherwood Maturity Matrix (number of responses shown in each segment of each bar).

It is worth noting that no respondents placed themselves at the **'Head in the sand'**: We are doing all of this anyway so nothing changes. Short-term takes precedence' end of the scale. However it should be noted that the results of this survey appear to contradict a key theme of the telephone interviews with college leaders, which sometimes articulated a strong belief that "we are doing it already". While this response can be recognition of good practice there is also a danger it can mask complacency.

When used in conjunction with other forms of analysis this measure often betrays a misunderstanding as some organisations which believe themselves to be the most developed are sometimes organisations where qualitative interviews and corporate evidence suggests

this is not the case. A fundamental misunderstanding of the Act's complexity, the scale of the challenge and the depth of behaviour change required to meet its aspirations may account for this discrepancy.

## 5 Leadership – Key Findings

### 5.1 Interviews with Leaders

Interviews with leaders and managers leading on the Act have enabled key themes to be identified common to many colleges and pertinent insights to be gathered from a broad base of individuals leading on the Act in their organisations.

**Implementations of the Act** Almost all colleges were already taking some sort of steps to accommodate the Act from initial exploration of the concepts to full integration. For many the focus was on the goals rather than the ways of working and the emphasis on evidencing existing behaviours rather than stimulating new ones. A few colleges had set up cross departmental working groups as part of the governance around the Act.

**Leadership Style** While many interviewees did not identify the change required as a 'step change' the majority recognised that leadership was key in achieving the organisational behaviour change associated with the Act. Almost half favoured a decentralised approach stating that responsibility was shared across the leadership team. Several organisations pointed to their experience implementing equalities legislation as evidence of the benefits of an integrated approach championed by the whole leadership team.

**Challenges** All the colleges acknowledged that there would be challenges in embedding the Act across the organisation, the majority of which were identified as likely to be with functional support i.e. finance, human resources and procurement (including sub-contractors). Interestingly one interviewee identified the potential conflict between the aims of the Act and requirements on colleges from Welsh Government as an issue.

**Organisational Drivers** It was apparent from the interviews that for many colleges the current key driver for sustainable development and the Act in the FE Sector is best practice and striving for excellence. The majority of the sector sees the benefits and values of the SD principle and ways of working. One college, for example, felt that sustainable development was fundamental to organisational resilience and expressed

its aim to use sustainable development as a vehicle to transform understanding across the college.

**Communications** Whilst one college stated that Estyn's Common Inspection Framework addresses well-being there was an overwhelming view that information on the Act has not yet started to filter through from the Welsh Government nor other funding bodies. However, interviewees recognised that once the Act begins to form part of the funding requirements it would be a key driver for compliance.

**Public Services Boards** Nearly three quarters of the colleges have or are engaged with their Public Services Board (PSB), of those who were engaged several felt that the PSB was a good catalyst for action, early intervention and driving a step change around shared services and better service integration. It was notable that more of the colleges not involved in the PSB considered it was not a potential catalyst for step change. There are issues with resources as many colleges cover areas with several PSBs in operation, whilst some felt able to engage with multiple PSBs others felt a more regional approach would be beneficial.

**Implications for work based learning and curriculum changes** Whilst all interviewees recognised the importance of having a workforce prepared for the future some placed their focus on understanding and collaborating with markets and industries to develop Welsh Government's nine priority areas / key sectors. Others recognised the role that the Welsh Baccalaureate qualification, the Welsh language and the ESDCG agenda played in moving away from a focus on just imparting academic knowledge to developing learners' 'soft' skills (i.e. the behaviours of the Act's ways of working) and creativity.

There was a common feeling that there was a growing shift in industry requiring workers to have these transferable skills. One interviewee stated that that these 'soft skills' and the behaviours in the Act would help create a resilient and globally responsible Wales. Another drew clear parallels between Donaldson's four pillars and the Act's goals. There was also an

# 5 Leadership – Key Findings

emphasis on the need to take a less ‘front loaded’ life-long learning approach between college learners and employees to create a flexible, adaptable, self-motivated and resilient work force. One interviewee commented they would love for Wales to take a ‘step away from PISA’ and focus on behaviours and creativity.

**Examples of best practice** Awareness of the importance of the ways of working varied significantly between organisations and around each of the individual five ways of working. Two colleges stated that the ways of working were core to the college’s ethos, whilst one college stated that their focus was on the goals not the ways of working. Collaboration was considered essential, both with internal and with external partners (in particular industry) and was something many of the colleges feel they have already embraced. One college stated that the ‘days are long

gone when an organisation can operate in isolation’. Interestingly the majority of colleges did not explicitly address integration but the behaviour was implicit in many of their answers, i.e. at least a fifth of the colleges recognised that they needed to focus on improving cross departmental ‘joined up working’.

**Training and Support Needs** Several colleges expressed the timely nature of this research and were actively seeking advice and guidance on the Act’s implications. Suggestions of how FE sector needs might be met included ColegauCymru Network Meetings, a best practice bank of examples to avoid colleges reinventing the wheel. Workshops and briefings were also suggested while a small minority of interviewees felt confident they had sufficient information on the Act to move forward. For some colleges sustainability was seen as a critical success factor for the sector.

Ways of working	Best practice themes
Involvement	Colleges demonstrated a variety of ways that they are including stakeholders across the institutions and their communities, from students, staff and senior officials in decision making processes, consultations and advisory board.
Collaboration	Colleges work with others both internally and externally to find solutions to common problems. Methods of collaboration include: working with Local Authorities, Public Services Boards, local schools and sports clubs, City Region Boards and a number of other partners.
Integration	Examples focus around understanding that decisions have an impact on the goals and other public sector body contributions towards the goals. Methods of integration include: the development of an integrated management system, and undertaking projects supporting other public sector bodies’ contributions towards the goals.
Prevention	Whilst many of the examples focused on regularly reviewing risks and the actions that are taken to mitigate or eliminate future problems, they tended to concentrate predominantly on resource efficiency and environmental impacts.
Long-term	Examples focused around instances of long-term thinking being incorporated into current Estates and Energy/Carbon Strategies, and planning the future curriculum towards the demands of employers in the future.

**Figure 7:** Examples of how each of the ways of working are applied in practice.

## 5.2 Learner Governor Findings

None of the Learner Governors interviewed had previously been aware of the Act. However the consensus supported the Act’s principles. Barriers identified included financial constraints and the risk that unless all organisations and regions were on board the vision could fail. Cultural resistance within organisations was also identified as a significant factor. Opportunities included using sustainable development within the Act as a marketing tool for colleges. It was suggested that the Act’s requirements would be adopted more readily if part of Estyn’s inspection criteria. Linking sustainable development to core performance indicators was identified as a means of driving the Act’s agenda forward via financial incentives. The potential for greater collaboration with other public services such as the NHS in terms of mental health provision was noted.

Learners reported a demand for confidence building, soft skills enabling the workforce to become more dynamic and flexible. This was identified to some extent within the Welsh Baccalaureate and some BTEC courses but was considered a need in traditional STEM subjects and A Level style courses. Learners suggested that the Act’s ways of working could result in opening up opportunities in the job market.

Interviews were undertaken with organisational leads from a representative sample of the 44 public bodies directly subject to the Act. Their responses help the FE sector understand the opportunities for collaboration resulting from the Act and benefit from an understanding of how the Act is already being translated into practice across the public sector.

### 6.1 Implementation of the Act

The public bodies interviewed are directly subject to the well-being duty although many admit they are very much at the 'beginning of the journey'. The majority were still at the stage of creating processes and infrastructure in readiness for publishing their first set of organisational well-being objectives. The corporate area leading on the Act varied across organisations from corporate planning and policy to environment and estate management. Many organisations had set up cross departmental working groups to support the implementation of the Act.

### 6.2 Organisational Drivers

Whilst the public bodies acknowledge and welcome the changes required by the Act they raised a number of challenges. The majority of interviewees felt that their organisations would find the goals easier to embed than the ways of working. Of the five ways of working, over a third of the bodies stated that planning for the long-term, whilst essential, would be the hardest challenge. The reasons given were logistical i.e. (a) short-term (annual remits), annual budget cycle, austerity, and (b) cultural, i.e. creating time and space to innovate and plan for the long-term. Most organisations specifically stated the opportunities they felt the Act offered around better collaborative working with the FE Sector in particular, listing a range of operational opportunities for mutual gain.

### 6.3 The Public Services Board

Likewise the majority of interviewees saw the PSB as a major opportunity to achieve both better collaboration and integration, although there was significant concern from organisations with a national remit about capacity issues (both financial and in terms of personnel) needing to contribute to up to all 21 PSBs. Whilst the opportunity for the Act to create a common language horizontally and vertically across organisations was seen as an answer to busting the current silo mentality, there was concern that the

benefits of the Act could be stifled by the risk of organisations taking a solely compliance approach or as one interviewee stated 'the Act becoming a tick box exercise'.

### 6.4 Procurement

The majority of the interviewees said that the Act would impact the way they procure goods and services, examples given included how the Act would impact purchasing requirements including focusing more on value rather than cost, specifying the supply chain to demonstrate (more) sustainable development objectives and reflecting the requirements of the Act into grants and funding specifications. One interviewee raised concerns around the increasing imposition of legislation and regulation required by public sector bodies on SMEs and the impact this might have on their ability to tender for or deliver contracts.

### 6.5 Partnership working

Whilst some interviewees felt that the Act would not change their expectations from partners, over half felt that it would result in closer scrutiny of potential partners' 'credentials' particularly around the sustainable development principle and the ways of working. For example; one public body stated that they have already started building the Act into their 'Memoranda of Understanding' for partnership working.

### 6.6 Skills and Work Based Learning

All but one of the bodies interviewed felt that the Act would impact the skills required of their workforce going forward. While some bodies felt that the changes would be an 'enhancement' of current skills, others felt the Act would result in a fundamental shift across the organisation. A key theme across the interviews was a shift away from specialist technical skills to more values based skills, where employees' technical skills are complemented with more 'generalist' skills

including project management, facilitation, diplomacy, governance, policy development, teamwork and the 'soft skills' required by the sustainable development principle and in particular the ways of working. A shift in leadership styles was also raised, with one organisation stating that 'traditional leaders' were becoming increasingly isolated and irrelevant and that a new more engaged and authentic leadership style was emerging. Other skills the interviewees felt needed development included commercialisation skills (driven by the austerity agenda) and data skills, with one interviewee recognising that the Act was likely to identify gaps in data for the organisation. One interviewee also stated that public bodies would start to look to harness skills from others where they may have an organisational deficit.

### 7.1 Corporate Documentation

A review of corporate documents from the FE sector echoed the view of several leaders that there was a clear need for college corporate plans and strategies to better reflect a consistent explanation of how sustainable development impacts on the way they 'do their business' as a corporate body, and via their partnership work.

### 7.2 Sectoral Context

As the review of sectoral documentation found, the Act does not currently feature prominently within the priorities of legislative, regulatory, inspection and funding bodies. However, this is likely to change as Statutory Guidance on the Act has only been available since 2016 with many of the requirements not needing to be demonstrated until 2017. This conclusion was supported by the comments of public sector bodies subject to the Act, who were overwhelmingly found to be in the process of putting in place infrastructure. Rather than react to rapid changes, the FE sector has an opportunity to derive competitive advantage by anticipating and preparing for change from which the FE sector can align and benefit.

### 7.3 Leadership

Lessons learnt from colleges and other public bodies indicate that a decentralised leadership approach but with clear buy in and support from the top may be most effective way to integrate the Act. The experience of several colleges and public bodies suggests that this approach is achievable. The experience with equalities encouraged several organisations to take a decentralised approach. It is "important that the Act does not become 'somebody's job' as opposed to everyone's responsibility".

### 7.4 Communications

Several colleges and organisations expressed surprise that communications had been limited from sources such as Welsh Government, Estyn and HEFCW where they might have expected a lead to be taken. There is an appetite for clear communications around the Act that the sector is keen for sectoral leaders to fill.

Leaders need to take a role in raising awareness of the Act and how the Act interacts with other Welsh Government legislation and priorities. This was another strong theme across the interviews, with interviewees looking for leadership from both the Future Generations Commission and ColegauCymru in achieving this.

### 7.5 The Public Services Boards

Many public sector bodies face a similar issue to colleges whose operation spanned several PSB areas in terms of resourcing meaningful engagement. A more regional approach was suggested as a means of resolving the issues. This is also an issue for other public sector organisations that cover wider, more regional areas such as the police or the Health Boards, who may be useful advocates in supporting such an approach.

# 7 Conclusions and Analysis

## 7.6 The Curriculum and Work Based Learning

In a constantly evolving curriculum it would make sense to incorporate the soft skills which underpin the Act's ways of working given these skills will be demanded by a future public sector workforce. Consideration should be given not just to what learners learn but how to best take advantage of new technologies. Given that many decision makers in the future public sector workforce will have been educated via the traditional A Level route this is a potential gap to be addressed via curriculum development. There is a real opportunity to build on ESDGC work but also walk the walk demonstrating principles in practice through all aspects of college operations moving beyond curriculum.

## 7.7 Opportunities

Governors and both college and public sector leaders noted that the Act offered an opportunity to reflect the diversity, strengths and needs across Wales, for example the involvement principle enables the unique character of rural areas to be taken into account.

The Act's support for the Welsh language was welcomed by many in both the FE and public sector, particularly in terms of making a case to meet the needs of those often educated to primary and secondary level through the medium but who were unable to continue their studies in Welsh.

There was general support for the Act's principles amongst student Governors, leaders and public body partners. This suggests that despite no legal obligation it would be prudent for colleges to reflect this enthusiasm and integrate the Act's principles within their operations.

The establishment of cross departmental governance or policy groups on sustainable development appear to be a model that is widely used in the public sector and is starting to be effectively used in FE. Their use enables organisations to look across the organisation

and connect silos as accountability tends to be vertically not horizontally integrated.

A common focus across a significant number of public bodies is the integration of the goals (several of whom admit they haven't got to the ways of working yet). This is a real risk as the sustainable development principle is expressed primarily through the ways of working. The goals are the outputs to which the ways of working contribute. While the temptation is to follow the compliance (goal driven) route exhibited by many public sector bodies, it may be worth colleges considering if focusing on the ways of working could be more effective in creating mechanisms that ultimately create a larger number of outcomes.

One of the strongest themes was around the need for a cultural shift away from short-termism (which some colleges stated was driven by fire fighting and ongoing funding reductions) to taking a more long-term planning approach. This was attributed to short-term political and funding cycles by most organisations. However, the potential to concurrently run short, medium and longer term plans offers a way forward in a dynamic funding environment.

## 7.8 The Interface between Public Bodies and the FE sector

The findings of both qualitative and quantitative research relating to both public bodies and colleges indicate the start of a paradigm shift in terms of the interface between public bodies and FE colleges. This shift is in terms of:

- Public Services Boards – organisations working together start talking the same language, and understanding the context of public sector partners' work;
- The Workforce – providing the right skills for the workforce around the application of the five ways of working;
- Funding – ensuring alignment of financial systems to the Act will become more important in the future;

- Dialogue with Welsh Government – as time goes on Welsh Government operations will increasingly align with the Act;
- Strategy – colleges will need to ensure they are aligned with partnerships (local and regional) who are becoming increasingly aligned with the FGA.

While partners from the public, third and even private sector are changing their activity to align with the Act at different rates, there can be no mistaking that this is the direction of travel and that FE colleges will need to adapt to prosper in this evolving environment and be prepared to shape and evidence their work in relation to national, regional and local goals.

## 7.9 Learning for the FE Sector

As a sector, FE is well positioned to build on existing strengths based on the sustainable development principle particularly through ESDGC work to date, the impact on the sector of the transformation agenda in forging collaborative links and valuable contribution to the prevention agenda. Excellent practice exists where sustainability principles are integrated into specific management processes. However, the next step is to apply these principles to institutional planning. The challenge is to move away from stand-alone sustainability policies and strategies to a position where sustainability is meaningfully embedded within all core planning and processes.

The sector in general needs to move forward from a focus on green issues to understanding and applying strategic thinking around wider social, economic and cultural issues. An integrated approach to resources placing value on social, environmental, and cultural as well as economic capital offers a way to account for and derive greater value from all assets in the future.

This review has demonstrated that while there is good work within the FE sector there are also gaps and opportunities. Many of the issues experienced in local government appear likely to impact the FE sector. Areas include:

- The extent of the forthcoming cultural change and need to develop the existing and future workforce;
- Expanding on the use of foresighting and future trends to develop the curriculum, and strategic planning;
- The training and development of Leadership and Senior Management;
- Transformation to increasingly responsive, flexible, innovative organisations;
- Financial planning for the long-term in the context of short-term funding cycles;
- Quality improvement - Just as Estyn embraced ESDGC as part of its inspection regime, it is aware of the implications of the WFG Act and is working with the WAO and other regulators to respond.

The WLGA publish freely shared research into issues arising from the Act. The Wales Audit Office and Health sector also run events and publish research from which the FE sector could benefit. Many of the lessons learnt translate well to the FE Sector.

## 7.10 Areas to Target for Action

The primary themes identified as areas for action are summarised in the **Figure 8** on page 20. Key actions for the consideration of colleges and areas of support for the sector from ColegauCymru are both detailed in **Figure 8**.

# 7 Conclusions and Analysis

	FE Colleges	ColegauCymru
Actions	More focus on all of the goals and ways of working	Place the sustainable development principle and the Act at the heart of everything ColegauCymru offers the sector
	Linking the Act to key FE institution strategies, plans, systems, processes and vision	Provide a stronger steer on the implementation and delivery of the Act for colleges through awareness raising workshops
	Working to improve the environmental footprint of Colleges' estate portfolio	Encourage and enable sharing best practice and learning across the sector by creating a 'melting pot of experience and knowledge'.
	Build future college leaders by building knowledge into workforce planning	Encourage and enable collaboration within and outside the sector
	Review and build organisational knowledge and understanding of the Act and the sustainable development principle	Work in partnership with others to support the sector i.e. EAUC (the Environmental Association for Universities and Colleges)

Figure 8: Areas for action and recommendations for both the FE colleges and ColegauCymru.

# 8 Recommendations

## Recommendation 1

Corporate Planners across the sector should frame their work in the context of the Act's Goals and Ways of Working. This is to ensure that FE benefits from opportunities resulting from the alignment of priorities across the public sector and is best positioned to demonstrate to funders and partners how its corporate objectives contribute to national well-being.

## Recommendation 2

The Act could form an effective framework for FE and HE to use in responding to forthcoming reforms resulting from the Hazelkorn Review and the New Programme for Government. The ways of working and shared well-being goals provide a platform which transcends sectoral norms enabling FE to maximise the opportunities for generating multiple outcomes.

## Recommendation 3

Invest in capacity building to enable corporate functions to better recognise and take advantage of opportunities created by the Act. Networks which share learning across and beyond the sector are particularly valuable. Adapting existing mechanisms developed by ColegauCymru could prove effective and minimise effort.

## Recommendation 4

Engage with Public Services Boards within the geographical range of operations. The new structures provide opportunities to benefit from shared regional intelligence on current and future trends.

## Recommendation 5

FE institutions need to systematically capture, report and share good practice. They are likely to benefit from the diagnostic review processes recommended

within the Statutory Guidance, 'Shared Purpose, Shared Future'. This enables an institution's current situation to be determined so that future direction and the strategy to achieve transformational benefits can be set.

## Recommendation 6

Curriculum development needs to build on the ESDGC achievements integrating concepts of resilience and well-being so learners develop broader soft skills that help them adapt to changing demands in the workplace. For the public sector to successfully adopt the Act, the curriculum educating and training the future workforce needs to reflect behaviours and skills demanded by the Act.

## Recommendation 7

The sector should engage with the Future Generations Commissioner's office to identify on-going sources of guidance relating to the Act.

## Recommendation 8

Setting the leadership context to encourage behaviour change is critical to realising the Act's benefits. Enabling staff to take responsibility for sustainable development themselves and align it with organisational objectives is key. Leaders need to allow staff the time and space to consider how the ways of working can be applied to their areas of responsibility and how they might work differently to contribute to wider goals.

## Recommendation 9

Decision-making is a core means of embedding sustainability within colleges. By supporting staff to speak the language of sustainability and use concepts like environmental or social impact in taking everyday decisions, better quality, better informed decision making can be achieved in line with Act's requirements.

## 8 Recommendations

Training and the integration of sustainability tools within internal decision making processes is needed.

### Recommendation 10

Procurement processes would benefit from taking more explicit account of the Act, building on the current good practice across the sector. This will enable colleges to play their part in the supply chains of customers, partners and funders.

### Recommendation 11

Colleges need to build further on the ways they involve learners in all their diversity as representatives of Future Generations. The Act calls for wider engagement using innovative approaches. Colleges should review and build on current good practice.

### Recommendation 12

Colleges could consider setting up cross departmental governance boards to co-ordinate sustainable development and share good practice across the FE sector.

### Recommendation 13

In order to better align with partners, colleges might consider making explicit reference to the Act and particularly the five ways of working in all corporate documentation including corporate and service planning; performance frameworks, risk frameworks etc.

### Recommendation 14

The FE sector works with Welsh Government to develop and coordinate clear, consistent communications around the WFG Act across the sector.

### Further Information

- The Well-being of Future Generations Act: The Essentials
- Shared Purpose: Shared Future - Statutory Guidance on the Well-being of Future Generations Act
- National Indicators for Wales
- One Welsh Public Sector – Academi Wales

All these publications are available at <http://gov.wales/topics/people-and-communities/people/future-generations-act/?lang=en>

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