Dear Paul

WELL-BEING OF FUTURE GENERATIONS (WALES) BILL

You will be aware that the Well-being of Future Generations (Wales) Bill is currently at Stage 2 of its consideration by the National Assembly for Wales. As part of the scrutiny at Stage 1, the Wales Audit Office (WAO) produced a report on the Regulatory Impact Assessment that accompanied the Bill.

The report recommended that: “supported by further consultation with the affected public bodies, the Welsh Government should re-visit its assumptions about the extent to which the activities required to implement the Bill may result in additional costs. The Welsh Government should invite public bodies and Local Service Boards (LSBs) to assess current arrangements against the Bill’s requirements and to identify the likely additional cost of meeting the Bill’s requirements. Any such assessment should consider the extent to which public bodies may need to develop, and if necessary enhance, business planning and decision-making processes.”

To that end, my officials have reviewed and updated the RIA, and I would like to invite you to comment on the assessment and how the impact on your organisation has been presented. Please note that, with the exception of costs incurred in relation to the Future Generations Commissioner for Wales and by the Auditor General for Wales, the RIA still finds that the additional costs of the legislation, where they arise, can be absorbed within existing budgets. No new additional costs for public bodies have been identified as a result of the revision of the RIA.

The updated RIA does however present in more detail the additional costs of the legislation, such as costs for those public bodies who do not currently engage as members of all Local Services Boards.

5th February 2015
A further revision of the RIA will be laid at Stage 3, following amendments to the Bill at Stage 2.

The revised RIA is attached with this letter. The main changes in response to the WAO report are:

a. To address recommendations R2 and R6, a summary table, comparing the costs of the legislation to doing nothing, projected over 10 years, is provided.

b. To address, (as per the part of recommendation R1), some of the apparent inconsistencies in the way in which the cost of officer time has been calculated, a standard assumption of 220 working days is used throughout the RIA and an apportionment - agreed with Economists - has been made for employers’ pension and national insurance contributions. (30%).

I would be very grateful for your views on the updated RIA by the 18th February, in order to inform the revised RIA and Explanatory Memorandum for the Bill, which will be laid before the National Assembly for Wales on the 3 March.

Yours sincerely

Amelia John
Deputy Director, Fairer Futures