Comisiynydd Cenedlaethau'r Dyfodol Cymru

Future Generations Commissioner for Wales

By email

21/07/2017

Dear Simon,

Thank you for the opportunity to appear before the Finance Committee on July 5th.

I offered to provide further information to supplement the answers given during the session to support the committee in its work.

The core guidance for the Well-being of Future Generations Act states that it 'provides for better decision-making'. And, so the focus of my evidence has been on what can be done to help and support better decision-making, what needs to be avoided and what barriers need to be removed?

With this in mind, I have focused on how the Regulatory Impact Assessment (RIA) can become a process that helps legislators actively improve the quality of legislation and improve the way new legislation is then implemented.

Our suggestions, drawing on the experience of the Well-being of Future Generations Act included:

- Reframing the RIA to be an improvement focused exercise rather than a compliance exercise;
- Requiring the RIA to start at the same time as the legislation being its development, with a number of key stages.
- A fundamental 'do-nothing' challenge at the beginning, continual review and updating with further challenges at key stages.
- The report to the National Assembly would be a summary of the entire process as opposed to a snapshot produced to comply with a standing order.

In terms of the experience for the Well-being of Future Generations Act, we noted that the RIA as currently framed is focused on administrative procedure and compliance, whereas the Act itself, is focused on fundamental, organisational cultural change.

I felt it may be helpful to share a number of documents that are helping to inform our current thinking. Links can be found at the end of the email to documents under the themes of 'organisational cultural change', 'embedding sustainable development', 'taking a long term view' and 'the concept of value'. During my evidence, I set out my own commitment to walk the talk in relation to the Sustainable Development principle - and to working in an integrated and collaborative way with the other Commissioners in Wales. I highlighted ways in which we are currently working together and some areas of opportunity for new joint-approaches. Public bodies have been clear in their conversations with me

about the need for us to support and drive behaviour change together and the joint work to date (such as the work with the Children's Commissioner, using the Act as a framework to embed Children's Rights) as been helpful, as has the overall approach to working together which all the Commissioners have taken.

The duties of the Commissioners are, on the whole, complimentary and cross-cutting but it is important to note the independent status of each office as a principle which underpins and supports the work. It is the specific powers and duties conferred on each Commissioner, in areas which our elected members have deemed of such importance that they require this additional focus, scrutiny and challenge, that provides with a real opportunity to challenge those responsible for delivering public services to take an integrated approach to policy-making and to harness our collective powers to change the way we do business in Wales.

And finally, I talked about my draft framework for Future Generations which we are developing to support better decision-making, particularly in relation to infrastructure projects. Copies of this are attached.

I thank you again for the opportunity to provide evidence.

Yours sincerely,

Sophie

Links to documents under-pinning evidence
Organisational cultural change
https://www.iriss.org.uk/sites/default/files/iriss-insight-17.pdf

http://www.oecd.org/innovating-the-public-sector/Background-report.pdf

https://www.cipd.co.uk/Images/leading-culture-change-employee-engagement-and-public-service-transformation_2012_tcm18-14116.pdf
Embedding sustainable development
http://nbs.net/wp-content/uploads/Systematic-Review-Sustainability-and-Corporate-Culture.pdf

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https://www.forumforthefuture.org/sites/default/files/project/downloads/steppinguppub-sector-leadership.pdf

Long term

http://www.wlga.wales/SharedFiles/Download.aspx?pageid=62&mid=665&fileid=68

http://www.oxfordmartin.ox.ac.uk/downloads/commission/Oxford_Martin_Now_for_the_Long_Term.pdf

The concept of value and integrated thinking

http://integratedreporting.org/wp-content/uploads/2016/09/Focusing-on-value-creation-in-the-public-sector-_vFINAL.pdf

https://walesauditoffice.wordpress.com/2017/03/08/conwy-health-precinct-the-power-of-perseverance/

NEW ECONOMICS FOUNDATION / FUTURE GENERATIONS COMMISSIONER:

INFRASTRUCTURE FRAMEWORK BASED ON WELL-BEING OF FUTURE GENERATIONS ACT

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5 WAYS OF WORKING

Ways of working	Initial project development	Review of the project
Long term: the importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.	Start designing your project from an understanding of how Wales might be different several generations from now. o Identify the long term trends that are most relevant to your project. These might be social, economic/political, environmental or technological and include known (e.g. depleting fossil fuels), and those with a higher level of uncertainty (e.g. jobs and skills needed in the future). o How does your project mitigate or facilitate these trends?	Return to the trends you identified initially. Consider how realistic the underlying assumptions are about future trends: o If these assumptions are found to be incorrect – how useful is your project to the future of Wales? Consider what will happen to the project at the end of its proposed lifespan. o Can the materials be reclaimed / re-used / re-purposed? Consider how sustainable the project will be over its lifespan. o How does the project support long-term well-being of people in Wales? o Will the project be self-sustaining, or require significant additional resources?
Prevention: prevent problems occurring or getting worse may help public bodies meet their objectives.	Start from a broad consideration of the types of problem that your project could help prevent in the future e.g. social, economic, cultural, environmental. How does your project support breaking negative cycles such as poverty, poor health, environmental damage and loss of biodiversity? How could your project minimise its own negative impacts e.g. minimising waste and resource use?	Return to the problems and negative cycles that you identified that your project could address. Consider the assumptions underlying your project: o Is your project reliant on other interventions being in place to address the causes of long term cycles alongside your project? o What are the trade-offs emerging between different aspects of well-being and sustainability and how have these been minimised?

Integration: considering how public bodies' wellbeing objectives may impact upon each of the wellbeing goals, on their other objectives, or on the objectives of other public bodies.	Start by considering how your project objectives impact on other public bodies wellbeing objectives. o How could your project connect different public policy agendas and generate co-benefits e.g. how can a transport project support improvements in health, culture, worklessness. o Consider each of the seven wellbeing goals and identify any risks of negatively impacting on other public bodies wellbeing objectives (noting likelihood of negative impacts accumulating over time). o What practical steps will you take in your project to integrate your project with existing plans and strategies of other public bodies to maximise the project's contribution across the seven wellbeing goals.	Return to how your project integrates with other public bodies wellbeing objectives. Consider the projects impact on the seven wellbeing goals: o Which of wellbeing goals does your project directly impact? o How can your project extend it's positive impact by alignment with relevant public body strategies and wellbeing objectives? o What measures are in place to ensure that the project continues to positive contribute to the Well-being Goals throughout its life?
Collaboration: acting in collaboration with any other person (or different parts of the body itself) that could help the body meet its wellbeing objectives.	Start by considering who are the key stakeholders from a range of related sectors and disciplines who could support the development of this project. o Identify these key stakeholders early so that collaboration can be productive and meaningful. o Does your range of stakeholders include public, private and third sector organisations? o How will key stakeholders be involved in developing the project, and at which stage of the project	Return to your key stakeholder list. o Which groups/bodies have you identified who are working towards similar goals around sustainability and well-being? o What mechanisms are in place to ensure this collaboration is effective? o How will you ensure that collaboration continues through the life of the project?

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.	Start by considering how well you understand the needs, and lived experiences, of citizens who will be affected by this project, and how you will use this to inform consideration of the need for the project. o Consider how you will engage stakeholders with different forms of expertise or knowledge, including how you will understand the needs of the broader population and those not represented by specific interest groups. o How well do you understand the needs and challenges of people in the area? Well-being Assessments will give some insight. o Identify the key stakeholders affected directly and indirectly by the project. How will stakeholders be involved in the identification of the need for this project, and how will it be informed by their needs? o How will key stakeholders be involved in the design and development of the project? o How will key stakeholders be involved in the delivery and / or oversight of this project?	Return to how your project will involve citizens and stakeholder. o How has the project been shaped by key stakeholders affected by the project, and particularly their needs and challenges? o How will key stakeholders affected by the project continue to influence the project throughout it's life?

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SEVEN WELL-BEING GOALS

Aspect of the Act/ definition	Interpretation of key elements of act for framework	Related areas of wellbeing	Meeting the Act at a strategic level	Designing your proposal to support the intentions of the Act
Prosperous: An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.	**An innovative Wales is one with a thriving new business sector, supporting social innovation and entrepreneurs.** Consider how innovation can be used to tackle social determinants of poor health, growing businesses in areas that have suffered economic decline, and opportunities for green growth across Wales.	The social determinants of poor health; Growing businesses in areas that have suffered economic decline; Opportunities for green growth across Wales	How will this project push infrastructure provision in a more sustainable, innovative direction? How will this project open up opportunities for new business sectors and production of public goods?	How will this project innovate to meet the challenges, and take advantage of the opportunities, set by the relevant trends identified when thinking about the 'long term' in the Ways of Working? Is your project modular, and could it be adapted to a changed Wales in future?
	A productive Wales is creating goods and providing services to meet its own needs, as well developing strong export markets. Consider environmental sustainability and social wellbeing.	Environmental sustainability and green growth; Supporting resilient local communities and economies	How will it support the growth of low carbon business sectors?	How will this project support productivity e.g. building local supply chains, supporting economic resilience through diversity, or providing energy through a thriving renewables sector? How will this project have negative impacts on parts of local economies? e.g. reduced costs of transporting food damaging viability of local food producers: this may have some consumer benefits but damages local economy and employment.
	A low carbon Wales has an economy driven by green growth, and supports people to live low carbon lifestyles. consider the need for skills development, innovation, and employment.	Need for skills development and employment; Innovative economy, agile and able to adapt to future change	How will this project encourage industry and government to shift towards low carbon and green economic growth?	What behaviours does this project encourage or discourage? e.g. does it encourage private car use? Does it increase local provision of services? Does it support an economy where jobs are located where people live, rather than just in bigger cities? Does it encourage people and businesses to buy local? How will this project help or impede people in living low carbon lifestyles? e.g. improving access to public transport access, and increasing the supply of renewable energy.
	A Wales which uses resources effectively and proportionately builds efficiency into design (e.g. lowering embedded carbon; building energy efficient into design) and prioritises strategic use of globally limited resources. consider how you will reduce Wales' ecological footprint and source materials locally. Also consider how you can work with other public bodies in pursuit of shared goals to allocate resources most efficiently.	Need to reduce Wales' ecological footprint and source materials locally; Working with other public bodies in pursuit of shared goals to allocate resources most effectively	In a context where financial, ecological, and material resources are finite, does this project offer a responsible solution to the problems posed? Have less resource-intensive alternatives been looked at, and if so what does this approach offer over and above them?	How will the design of this project use resources efficiently and proportionately? For example: How will it integrate low-carbon production techniques and reduce the embedded carbon in materials used? How will it maximise use of local resources and supply chains? How will it minimise waste and its impact?

	Improving employment in Wales requires reducing unemployment and underemployment as well as ensuring that new jobs created are good quality jobs. consider the role of employment in reducing inequality, the need to develop jobs in low carbon industries, and how you might collaborate with other skills/education bodies in Wales.	Role of employment in reducing inequality; need to develop jobs in low carbon industries; how might you collaborate with other skills/education bodies in Wales.	How will your project create long-term, sustainable jobs?	Are you creating jobs in places with high levels of unemployment and underemployment? To what extent are you creating jobs that are: decently paid; satisfying with opportunity for progression; secure; local; not overly long hours; environmentally sustainability
	A skilled and well-educated Wales requires investments which both create opportunities for individuals and which develop a stronger workforce. consider the development of a low carbon economy, a more equal spread of economic activity across the country, and how you might collaborate with other skills/education bodies in Wales. .	Low carbon economy; a more equal spread of economic activity across the country; how might you collaborate with other skills/education bodies in Wales.	How will your project provide training that will develop skills and knowledge which the Welsh labour market needs?	Will training delivered in your project change people's labour market position in a lasting way, putting them in a stronger position for other jobs when the project ends? For example: How will it embed lasting opportunities for skills development? How will it widen accessibility of educational institutions?
Resilient: A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).	**Ecosystems which support social resilience and community wellbeing, by offering opportunities for people to enjoy nature, share outdoor space, and strengthen social ties with their communities.** consider the importance of heritage and access to recreation, and the restorative health effects of access to nature, and the importance of cohesive communities.	Importance of heritage and access to recreation; restorative health effects of access to nature; importance of cohesive communities.	How will your project enhance or reduce access to, and quality of, green and open spaces?	How do the green/open spaces near your project currently help communities come together and bond? How will your project build on these benefits?
	Ecosystems which support economic resilience protect and enhance opportunities for people to work and produce in a sustainable way. consider the importance of building sustainable employment in rural and coastal communities to tackle regional inequalities and maintain viable productive non-urban communities where local people can prosper.	Building sustainable employment in rural and coastal communities to tackle regional inequalities; maintain viable productive non-urban communities where local people can prosper.	How will this project build on and unlock opportunities for green growth across Wales?	How will your project protect and enhance ecosystems which support economic activity in Wales? For example: How will it impact opportunities for employment in wildlife and conservation? How will it impact livelihoods in rural communities e.g. quality of coastlines and beaches, and agricultural resources e.g. soil, pollination, regulated drainage?
	Ecosystems which support ecological resilience make the Welsh environment more self-sustaining, and enables Wales to adapt better to changes such as climate change. Consider the need to adapt to future environmental trends and to use resources efficiently and proportionately.	Need to adapt to future environmental trends; and to use resources efficiently and proportionately.	How will this project develop innovative solutions for infrastructure provision which prioritises environmental resilience? How will this project integrate the 'precautionary principle' where environmental trends and impacts on ecosystems are unknown?	How will your project enhance biodiversity? How will your project directly impact ecosystems? For example: Will it disturb important breeding grounds or animal migration routes? Does it cut through any sites of designated environmental significance? How will your project add to the health, reach, and size of population that ecosystems can support? e.g. protecting areas of wildlife and investing in green infrastructure. How will your project indirectly impact nearby ecosystems? For example: Will it increase light pollution, damaging nearby owls' ability to hunt? Will replanting a forest elsewhere replace the services provided by a more mature forest? Will your project push ecosystems over a threshold beyond which they are at risk of collapsing? How will this project help Wales adapt to climate change, for example the effects of increased flooding?

Healthier: A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.	**A healthier Wales understands and acts with an understanding of the social determinants of mental and physical poor health and wellbeing.** consider the unequal distribution of environmental characteristics (e.g. noise and light from motorways) which have negative psychosocial impacts, and the importance of social connectedness and good work to mental health and wellbeing.	Unequal distribution of environmental characteristics (e.g. noise and light from motorways) which have negative psychosocial impacts; and the importance of social connectedness and good work to mental health and wellbeing.	How will this project improve aspects of mental/physical health and wellbeing which are tied to poverty?	How will your project impact air quality? How will these changes be distributed between different areas, enhancing or reducing health inequalities? How will this project affect local mental health, both during the construction phase and afterwards in its everyday functioning, for example increasing stress and anxiety of people living locally?
	A healthier Wales needs to develop the infrastructure that enables people to make healthier choices. consider income inequalities and the need for low carbon supply chains in food production. Also consider public bodies who are working on reducing health inequalities.	Income inequalities; need for low carbon supply chains in food production; public bodies who are working on reducing health inequalities.	How will this project encourage or discourage people to make healthier choices and behaviours?	How will this project protect and improve local access to quality outdoor spaces for revival, restoration and exercise? For example, adding new public pathways, existing cycling, walking and riding trails, clean beaches and other opportunities for outdoor swimming. How will this project impact opportunities for active travel? How will this project impact local supply chains to improve affordable access to sustainable, healthy, fresh produce?
More equal: A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).	**A more equal Wales uses spending strategically to reduce social, geographic and economic inequalities.** consider the important role of cultural diversity in creating vibrant culture, the relationship between health and inequality, and the value to a more productive Wales of developing better skills and jobs in Wales.	Role of cultural diversity in creating vibrant culture; relationship between health and inequality; need to develop skills and job opportunities in Wales.	How will this project provide leavers for reversing long-term disadvantage, and support disadvantaged groups in ways which are sustainable in the long term?	Is the project based in a place which is in priority need of investment? How have you identified and considered how the scheme will bring opportunity to areas of high multiple deprivation in the region? Who benefits most from this project? For example, poorer people stand to benefit more from public transport, affordable energy, and public space and amenities. Who is negatively impacted - directly or indirectly - by this project? Are these impacts avoidable, and if not how will those affected be compensated? How will this project affect marginalised groups, for example BAME (black, Asian, minority ethnic) people, women, LGBT (lesbian, gay, bisexual, transgender) people, and disabled people?
	A more equal Wales needs to tackle the accumulation of wealth and power at the top which has failed to "trickle down" Consider what affect a more equal dispersal of power and wealth could have on Wales' options to tackle ecological degradation and greenhouse gas emissions, and supporting the development of a prosperous, geographically distributed economy?. Think also about the Ways of Working, Involvement	What affect a more equal dispersal of power and wealth could have on Wales' options to tackle ecological degradation and greenhouse gas emissions and supporting the development of a prosperous, geographically distributed economy? Need to involve local people meaningfully	How will this project be developed in such a way that it does not lead to massive transfers of public resources and assets to a small groups of corporations?	How will this project ensure that decisions are made in a democratic and egalitarian way, rather than allowing powerful voices to dominate? Consider, for example, where decisions are made and which groups have access to decision-makers. How will this project engage with social enterprises, co-operatives and employee-owned businesses in its supply chains?

			How will your project support communities to be more cohesive?	
	A more equal Wales need to address poverty, lack of wealth and opportunities for those worst off in society. Consider the need to improve education and employment opportunities, tackling low pay, and aligning improvements in material conditions with sustainable lifestyles.	Need to improve education and employment opportunities; tackling low pay; and aligning improvements in material conditions with sustainable lifestyles.		How will this project add additional resources to areas of multiple deprivations, e.g. employment, public facilities to built social capital, quality infrastructure such as schools and healthcare?
Cohesive communities: Attractive, viable, safe and well-connected communities.	**Viable communities need to be able to provide basic goods, services and jobs locally.** Consider how this can support low carbon lifestyles, decent and local jobs, and attractive places to live.	How this can support low carbon lifestyles, decent and local jobs, and attractive places to live?		How will this project impact improve access to and availability of amenities locally? How will this project provide long-term local jobs?
	A well-connected Wales needs people to be able to access local amenities which help communities connect to themselves, and provide good links to other parts of the country for recreation and internal tourism. Consider the need for local jobs, local supply chains, opportunities to develop local arts, music, culture etc.	Need for local jobs, local supply chains, opportunities to develop local arts, music, culture etc.		How will this project support local amenities and strengthen social relationships? For example, will it make local businesses and amenities more or less viable? How will improved transport links positively and negatively impact diverse groups?
	It is important that people feel safe, and a sense of belonging and support in their communities. Consider how inequality impacts who can feel safe in public space and under what circumstances.	How does inequality impact who can feel safe in public space and under what circumstances?		How will this project make public space feel safer and more welcoming, particularly for children, older people, people with disabilities, women and other groups to ensure diverse and lively public space. If this project is creating new public space - e.g. parks and woodlands - how will local people be involved in its management to build social ties and increase local cohesion?
	Attractive communities in Wales should offer distinctive neighbourhoods reflecting local character, where people want to live and perceive as supporting a good life. Consider how outdoor space, heritage sites and cultural activities can provide opportunities for learning and recreation, vibrant and diverse local arts/music/culture. Think also about the Ways of Working, Involvement.	How can outdoor space, heritage sites and cultural activities can provide opportunities for learning and recreation, vibrant and diverse local arts/music/culture? How can local people be meaningfully consulted on their desires and needs for their area?		How will this project create neighbourhoods that are pleasant to live and work in? For example, infrastructure that makes it easier to move around locally (e.g. cycleways); quality public space; green infrastructure. How will this project design these features in partnership with the community to meet their needs and desires for the area/space? This could include the design concept, the design of street furniture, and involvement of local artists as well as residents. How will this project mitigate and compensate for negative impacts on the physical appeal of a place?

Vibrant culture: A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation	**A culturally vibrant Wales is one where communities and ways of life are sustainable, as part of a Wales where cultural diversity also flourishes.** Consider the impacts of inequality on community viability, the ability of diverse groups to participate in cultural life, and other bodies (e.g. land use planning) who you can work with to support this goal.	Impacts of inequality on community viability; the ability of diverse groups to participate in cultural life and; other bodies (e.g. land use planning) who you can work with to support this goal.	How will this project contribute to a culturally vibrant Wales?	Consider the **direct impacts** of this project. How will this project retain and enhance local cultural opportunities, e.g. providing new venues e.g. art/music/dance studios, sports facilities, arts festivals, museums/galleries, live music venues, cinemas) and protecting established ones; supporting local artists and traditional builders by involving them in the design of the project and new bits of public space. How will this project ensure that these opportunities are accessible to all, e.g. affordable, public transport accessible, have disability access. Consider the **indirect impacts this** project might have on the sustainability of local cultural diversity. This is about the behaviours that your project may trigger. For example, might it distort local housing markets by encouraging second home ownership? Or impact the viability of local facilities venues (consider those that cater to minority groups e.g. LBGT venues as well as more mainstream venues), or marginalise Welsh language? If so, what efforts will be taken to sustain vibrant culture, for example protecting cultural venues and facilities?
	A culturally vibrant Wales requires protection and enhancement of natural, cultural and historical heritage sites. Consider the employment provided by heritage sites - particularly in rural areas - and the importance of equal access to heritage.	Employment provided by heritage sites - particularly in rural areas; importance of equal access to heritage.		How will this project affect nearby natural or other heritage sites? What impact does your project have on the overall landscape of the area? How will this project increase accessibility of local heritage sites?
	A culturally vibrant Wales requires arts, sports and recreation being locally available, accessible, and affordable. Consider the importance of building social ties, flourishing diversity, and prosperous localities which can support lots of activities for a lively public life.	Importance of building social ties, flourishing diversity, and prosperous localities which can support lots of activities for a lively public life.		How will the project increase local access to arts, sports and recreational activities? Can the scheme make extra investments which offer more opportunities that are affordable and accessible to local people?
Globally responsible: A globally responsible Wales. A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being and the capacity to adapt to change (for example climate change).	**A globally responsible Wales should support global wellbeing through sustainable consumption of resources, reduced greenhouse gas emissions, and contributing to global knowledge on sustainability good practice.** for example, the need for low carbon economies and lifestyles, and proportionate use of resources.	Need for low carbon economies and lifestyles; and proportionate use of resources.	How will this project offer global leadership or innovation in sustainable infrastructure? How will this project contribute to a system where resources used and greenhouse gas emissions can be brought down? How has this project so far, and how will it continue to, build on best practice in sustainability from around the world?	Consider: **What Wales is bringing in from the rest of the world** e.g. responsible purchasing (sustainable and ethical sourcing); the volume of resources that Wales is consuming (both in the development of the project and behaviours that it will induce). And **what Wales is putting out into the world** e.g. developing sustainable technologies; providing a positive example of how infrastructure projects can integrate wellbeing. Overall, how is your project impacting the rest of the world - ecological footprint, reducing greenhouse gas emissions, both in its production and its use?