

WELL-BEING OF FUTURE GENERATIONS BILL



THE NEED FOR A STRONG AND EFFECTIVE NEW LAW

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The Well-being of Future Generation Bill presents an amazing opportunity. It could improve quality of life for families across Wales and people all over the world.

If we get our new law right, we can ensure that decisions made in Wales consider how people and nature will be affected all over the world; and that we will take responsibility for our choices.

A strong Bill could ensure that goods and service bought by Welsh public bodies (like our schools and hospitals) are ethically and sustainably sourced – that they minimise damage to nature and provide assurance that the people who produce and distribute our goods are treated fairly.

The Bill could help protect our communities, our beautiful landscape and wildlife for our children and grandchildren to enjoy. The new law could enhance our natural environment's health, ensuring that future generations can live well, feel well and have their needs met.

A strong Well-being of Future Generations Bill will show that Wales is a responsible nation, making informed decisions for a fairer future in which our people and nature can thrive. This is our chance to make that happen.

Making sure the Bill makes a difference

The Sustainable Development Alliance includes 28 Welsh charities, social enterprises and community groups whose work supports people and nature to thrive. We all work on different issues, but we're speaking with one voice about why we think the Well-being of Future Generations is so important and how it can help futures generation of our families lead healthy, happy and safe lives.

In this report we have a look at some of the ways in which we think Wales can get better through a strong Well-being of Future Generations Bill. An effective Bill could help reduce our emissions of greenhouse gases, help people out of poverty, create and sustain meaningful employment and use our purchasing power for good – all would have a huge benefit on people and the planet in Wales and across the world. These are just some examples of the sorts of things we think public bodies should be doing together to ensure that future generations can live well in Wales.

Using our Purchasing Power for Good

The Welsh Public sector spends over four billion pounds a year buying goods and services¹. We want more of that money to be spent in a way that helps people and nature. An effective Well-being of Future Generations Act should make sure that public bodies in Wales do as much good as they can with our money.

A good example is the Welsh Government's Arbed scheme which improves the energy performance of people's homes. As well as improving 6000 homes during its first phase, the project was specifically designed to support local businesses, develop people's skills and create jobs. As a result, eight businesses gained accreditation to install renewable energy systems. Local economies benefited as 41 of the 51 installers operated mainly or only in Wales and more than 50 unemployed people were helped to find training and/or employment.² The Government didn't just find the cheapest way to achieve the energy savings, it also looked at how the project could have other benefits.

The benefits of our purchasing power shouldn't stop in Wales. The things we buy also affect people in other countries. As individuals we can shop ethically: choosing not to buy things that have been made in dangerous sweatshops or deciding to buy Fairtrade coffee or wood products approved as sustainable by the Forestry Stewardship Council. Public bodies can do the same.

The Welsh Government paved the way in 2009 with its catering contract which gave greater value to ethical considerations³. Because the contract was so large it meant that suppliers were willing to make more effort to get hold of more ethically sourced products, including local meat and dairy products to support local farmers, Fairtrade tea, coffee, bananas, sugar and biscuits.

Public bodies in Wales can also support ethical purchasing through the things they sell on to the public at schools, offices and workplaces. Research by Fair Trade Wales has shown that if every school in Wales made the same progress in Fairtrade sales in their tuck-shops and events as two leading schools, then Fairtrade sales in Wales would be boosted by more than £600,000. That's just in schools! Real commitment that could transform the lives of millions of people across the world.

While there are some examples of good practice, this is not nearly widespread enough across the public sector in Wales. A strong Well-being of Future Generations Act should ensure that all purchasing decisions are made with consideration of wider benefits for people and nature, in Wales and around the world. That's why we want the Bill amended to make clear that financial decisions and procurement fall under the scope of a clear duty on public bodies.

1. <http://prp.wales.gov.uk/role/>

2. <http://wales.gov.uk/docs/desh/>

3. <http://www.government-online.net/welsh-government-catering-contract/publications/111003energyarbedphase1reviewen.doc>

The Green Jobs Revolution

There's a quiet revolution happening in Wales. Where once we were ruled by King Coal, Wales is starting to reap the benefits of green jobs. More than forty thousand of us now work in environmental or low carbon jobs⁴. That's more people than those working in areas like telecommunications, the motor trade or financial services.

And the sector is growing. A recent study by Innovas Consulting shows that, since 2006, renewable energy technologies and environmental goods and services sectors in Wales have grown from £1.2 billion to £2.36 billion in turnover – an increase of 90%; employment has increased from 22,160 to 30,100 – an increase of 35%, while the number of companies has grown from 1320 to 1819⁵. The study concluded that support from government was an important part of that success.

One Low Carbon business success story is the Cenin Group at Parc Stormy Bridgend. They are creating a cluster of renewable energy generation projects including AD, Wind and PV, despite significant delays due to the planning process they are making significant progress. The energy produced supplies firstly their Low Carbon Cement Production which is being produced using a technology invented at Cardiff University, the cement contains only 5% of the carbon of ordinary cement. As production increases the company hopes to see its products help reduce the cost and carbon account of major infrastructure projects across Wales.

Hydro Industries, based in Llangennech, topped the Western Mail's Fast Growth 50 list in October 2014 with a phenomenal growth rate of 762.2% over the past two years⁶. The company specialises in the design, manufacture and operation of water treatment products. Hydro Industries is not only creating jobs in Wales but working on a project to deliver renewable energy and clean water to communities in India which urgently need both⁷.

Green businesses can prosper in Wales but they often need a supportive framework from government to become success stories – including a robust overarching policy framework with challenging long-term targets for emission reductions⁸, a planning system that supports green developments, support to reduce emissions and become resource efficient, support to access international markets and action to forge links between industry and universities.

A strong Well-being of Future Generations Act, with emission reduction targets, could provide that robust legal framework. This would send a strong signal, giving companies the confidence to invest in green industries in Wales. A strong new law would also push forward joined-up support from public bodies in Wales to ensure that the green jobs sector keeps growing.

4. <http://www.green-alliance.org.uk/resources/Green%20economy%20a%20UK%20success%20story.pdf>

5. <http://wales.gov.uk/newsroom/businessandconomy/2014/9088095/?lang=en>

6. <http://www.walesonline.co.uk/business/business-news/fast-growth-50-50-fastest-growing-7966385>

7. <http://www.walesonline.co.uk/business/business-news/hydro-industries-provide-water-purification-6862431>

8. http://www.ippr.org/assets/media/images/media/files/publication/2011/05/futuregreen_1737.pdf

Warm Homes for everyone

In Wales, too many of us are struggling to afford to heat our homes. Vulnerable people, including the elderly and the disabled, die during harsh winters. People on low incomes have to choose between heating and eating. While turning the heating up is not helping enough people stay warm, it is heating up the planet. Housing is responsible for about one fifth of Welsh greenhouse gas emissions⁹.

A household is officially in fuel poverty if the people in it have to spend more than one tenth of their income to stay warm enough. Around 30% of households in Wales were in fuel poverty in 2012¹⁰. Fuel poverty depends on how much money people make and how expensive it is to buy energy. Poor quality housing, which leaks heat, is also a major factor.

Government investment in improving the energy efficiency of people's homes can have many benefits: reducing greenhouse gas emissions; tackling fuel poverty; creating jobs in the building and energy efficiency sectors; and boosting local economies because people spend less money on fuel and more on food and other products.

Welsh Government schemes such as Arbed have demonstrated this by improving people's houses, reducing bills and creating jobs. But this isn't enough to make a significant impact on fuel poverty or reduce our greenhouse gas emissions¹¹.

We need more serious action to make a difference.

A report by Energy Saving Trust for WWF Cymru¹² proposed bringing the worst performing houses in Wales (728,000 homes) up to an energy rating of D. They estimate that this would reduce the number of households in fuel poverty by 40%. The work would cost in the region of £2.1 billion and would reduce people's total annual energy bills by £423 million.

In addition, the project would directly create 6,300 person-years of employment and 14,600 gross jobs, when taking into account the multiplier effects of buying materials, spending of salaries and spending fuel bills savings on in the local economy.

While such schemes are expensive to implement, their long term benefits can be enormous. Not only the energy savings and immediate economic benefits but gains for people's physical and mental health and improved educational outcomes.

A strong Well-being of Future Generations Act, with clear mechanisms for reducing carbon emissions and tackling poverty in Wales, would strongly encourage government agencies to work together to deliver projects like these which would make Wales more resilient in the face of rising energy costs and other challenges ahead.

9. <http://wales.gov.uk/about/cabinet/cabinetstatements/2012/greenhousegasemissions/?lang=en>

10. <http://wales.gov.uk/docs/caecd/research/130430-wales-fuel-poverty-projection-tool-2011-12-report-en.pdf>

11. Arbed will improve around 13,000 homes by 2016. See: <http://wales.gov.uk/newsroom/environmentandcountryside/2012/121022fp/?lang=en>

12. http://assets.wwf.org.uk/downloads/cutting_carbon_emissions_in_welsh_homes.pdf

The need for a new law

We shouldn't need to have a new law for these things to happen. But experience has shown us that public bodies in Wales are not integrating these inter-connected social, environmental and economic issues as much as is needed and not working together effectively enough to deliver the changes we need. Legislation is needed to drive the change at the scale and pace needed, with amendments to make it stronger in the priority areas we suggest, the Well-being of Future Generations Bill could transform the way we do things in Wales.

THE SUSTAINABLE DEVELOPMENT ALLIANCE

We are an alliance of organisations that cares passionately about the Wales we live in now and will pass on to the next generation.

Our alliance brings together over 28 organisations, from environment and development charities to faith and belief, language, community and women's groups.

We share a commitment to shaping a sustainable future for Wales – fighting for social justice in Wales and around the world and doing so within the environmental limits of our one planet, using only our fair share of resources.

We want to build a better future, a more secure future for the next generations.

MEMBERS OF THE SUSTAINABLE DEVELOPMENT ALLIANCE

