



# Building a Wellbeing Economy into Scotland's decision making

WEAll Scotland's response to the [consultation on the Wellbeing and Sustainable Development \(Scotland\) Bill](#) proposed by Sarah Boyack MSP – March 2023

## Background

WEAll Scotland is the Scottish Hub of the Wellbeing Economy Alliance, a collaboration of organisations and individuals working to reprogramme our economy so it puts people and planet first. A Wellbeing Economy would be designed to deliver good lives for all on a healthy planet by delivering five key Wellbeing Economy Needs:

- **Dignity:** Everyone has enough to live in comfort, safety, and happiness.
- **Participation:** People are empowered to take part in making the decisions that affect them.
- **Nature:** The natural world is restored and safe for all life.
- **Purpose:** Institutions serve the common good and provide real value.
- **Fairness:** Justice in all its dimensions is at the heart of economic system.

A key building block for such a Wellbeing Economy in Scotland is a public sector that consistently prioritises these needs in decision making, that pursues these needs in a joined-up manner and that is well resourced to do so. We believe that the Wellbeing and Sustainable Development (Scotland) Bill proposed by Sarah Boyack MSP will be key to strengthening public bodies in Scotland to deliver on the ambition of a Wellbeing Economy, because it would enshrine definitions of sustainable development and wellbeing in law, strengthen duties on public bodies to pursue these aims and establish a future generations commissioner.

## Q1. Which of the following best expresses your view of the proposed Bill

WEAll Scotland is fully supportive of the proposed Bill.

The Scottish Government has committed to building a Wellbeing Economy and, as a founding member of the Wellbeing Economy Governments (WEGo) partnership, has played a leading role in the global movement to build a Wellbeing Economy. It has established a set of statutory National Outcomes (presented via the National Performance Framework) which articulates a wellbeing vision for the people of Scotland.

Yet, despite some progress, Scotland's economy still falls way short of delivering the five key Wellbeing Economy needs and the National Outcomes set out in the National Performance Framework. Too many people in Scotland are living in cold homes, skipping meals and falling behind on rent<sup>1</sup> while Scotland's 20 richest families own more wealth than 30 percent of the poorest citizens combined<sup>2</sup>. Life expectancy for the 20% of Scotland's population on the lowest income is falling.<sup>3</sup> At the same time, there are growing fears that Scotland's legal emissions reductions targets will be missed, and the Intergovernmental Panel on Climate Change (IPCC) recently warned that the world faces a "brief and rapidly closing window to secure a liveable future."<sup>4</sup>

The Bill could trigger a step change that ensures sustainable development and wellbeing become the unequivocal drivers of policy and practice across public life in Scotland. The Bill would naturally link with the National Outcomes in the National Performance Framework, and the way we measure progress towards the Sustainable Development Goals and a Wellbeing Economy. This legislation also provides an opportunity to put prevention at the forefront of decision making, protecting the health, economic and social wellbeing of future generations in Scotland and around the world, and the sustainability of our environment and public services for all.

In taking this Bill forward the Scottish Government could build on the successes of similar legislation in other countries, such as the Future Generations Act and Commissioner in Wales, to continue to play a global leadership role in building a Wellbeing Economy.

## **Q2. Do you think legislation is required, or are there other ways in which the proposed Bill's aims could be achieved more effectively?**

WEAll Scotland believes that legislation is the only way that the Bill's aims could be achieved effectively.

The bill aims to establish statutory definitions for 'sustainable development' and 'wellbeing', to strengthen statutory duties on public bodies and to establish a Future Generations Commissioner. A statutory definition for a term widely used in legislation cannot be created by any means other than legislation. In addition, the creation of a statutory role, with legal powers, cannot be achieved other than by legislation. Similarly, statutory public duties can only be amended/created by legislation. Thus, the Bill's aims can only be achieved by legislation.

Legislation is an important tool for societal change. It can require and encourage compliance, but also shift societal norms in a much wider range of ways. For example, it can clarify the meanings of important terms, and so move public debate on; it can raise awareness amongst policymakers and the public and create the structures and processes through which concepts can take hold and flourish.

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<sup>1</sup> JRF, 2022. [Poverty in Scotland 2022](#).

<sup>2</sup> STUC, 2020. The People's Recovery: [A different track for Scotland's economy](#).

<sup>3</sup> Glasgow Centre for Population health 2023. [Changing mortality rates in Scotland and the UK: An updated summary](#)

<sup>4</sup> IPCC, 2022. Climate Change 2022: [Impacts, Adaptation and Vulnerability: Summary for Policymakers](#)

The Bill will support the implementation of the National Outcomes. While the National Outcomes have already been set on a statutory footing by the Community Empowerment (Scotland) Act 2015, this has not delivered the desired change in terms of the way that decisions are made and spending is prioritised,<sup>5</sup> nor in terms of improved National Outcomes.<sup>6</sup> We believe that legislation is required in order to overcome existing, well-documented implementation challenges.

We support the proposals set out by Scotland's International Development Alliance<sup>7</sup> to relocate the statutory national outcomes into the Wellbeing and Sustainable Development Bill, as part of efforts to establish greater clarity for public bodies.

### **Q3. Which of the following best expresses your view on whether 'sustainable development' should be defined in legislation?**

WEAll Scotland is fully supportive of the Bill's aim to define 'sustainable development' in legislation.

The inclusion of a definition of 'sustainable development' in this legislation is particularly important, because there are already a large number of references to sustainable development in existing legislation. As Scotland's International Development Alliance<sup>7</sup> have argued, a clear definition will provide clarity and support accountability.

Following Scotland's International Development Alliance<sup>7</sup> we propose the following definition for sustainable development:

- *Sustainable Development can be defined as the development of human societies in ways which do not threaten planetary boundaries, and which equitably support the capability of present and future generations across the world to meet their needs.*

Key principles to elaborate this definition should be added. We consider the following to be useful:

- The principle of enhancing ecological and planetary systems through regenerative approaches.
- The principle of intra- and inter-generational equality and equity – to meet the needs of present generations without compromising the ability of future generations to meet their needs.
- The principle of (human or social-ecological) wellbeing instead of economic growth as the core societal objective.
- The principle of interdependence and indivisibility across public policy, meaning that policies are inextricably linked and require policy coherence for sustainable development in response.
- The principle of doing no harm internationally and good global citizenship.

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<sup>5</sup> SPICe, 2022, [Briefing on Budget 2023-24](#).

<sup>6</sup> Finance and Public Administration Committee, 2022. [Report on the National Performance Framework: Ambitions into Action](#).

<sup>7</sup> Scotland's International Development Alliance. 2022. [Towards a Wellbeing and Sustainable Development \(Scotland\) Bill](#).

- The principle of evidence-based policymaking.
- The principle of openness and transparency – the availability of information on efforts to achieve sustainable development is vital to engagement and accountability.
- The principle of participation – to recognise that everyone in society has a role to play in working together to achieve sustainable development.

In order to ensure that domestic and international policy coherence for sustainable development is understood and implemented as a core principle of sustainable development, as listed under the definition of sustainable development, we also propose it should be clearly defined, in the Bill as follows:

Policy coherence is the consistency of public policy, whereby:

- no policy undermines any other policy
- where policy conflicts occur, the root cause of the conflict should be identified and efforts made to resolve it in a manner which minimizes trade-offs and maximises synergies.

Policy coherence for sustainable development must:

- support ecological integrity and social equity within Scotland, and elsewhere in the world
- support the self-defined sustainable development of other countries.

#### **Q4. Which of the following best expresses your view on whether ‘wellbeing’ should be defined in legislation?**

WEAll Scotland is fully supportive of the Bill’s aim to define ‘wellbeing’ in legislation, for similar reasons to a legal definition of sustainable development: we believe that it can support accountability by providing greater clarity and specificity around public sector duties.

Building on work done by the OECD<sup>8</sup>, we suggest that a legal definition of wellbeing that supports public policy decision making should also include the principles of equity and long-termism.

Therefore,

- *Collective wellbeing is the extent to which people are able to realise the social, economic, environmental and democratic outcomes that they seek.*
- *National wellbeing is the level of collective wellbeing, and is concerned with the inequalities in collective wellbeing between different groups, and the conditions for the collective wellbeing of future generations.*

However, understanding wellbeing does not stop with a definition. The Stiglitz, Sen, Fitoussi Commission highlights the importance of locating ‘wellbeing’ in time and place.<sup>9</sup> That means governments engaging citizens in a conversation about what matters to them and using this to inform their wellbeing goals. In Scotland, we have taken steps towards this in the form of our

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<sup>8</sup> OECD, 2023. [Measuring Wellbeing and Progress: Well-being Research](#).

<sup>9</sup> Stiglitz, Joseph E.; Sen, Amartya Kumar; & Fitoussi, Jean-Paul, 2009. Report by the commission on the measurement of economic performance and social progress. Commission on the Measurement of Economic Performance and Social Progress, Paris.

national outcomes, which is why we want to see the national outcomes transposed from the Community Empowerment (Scotland) Act 2015 to the Wellbeing and Sustainable Development Bill.

But in order to understand wellbeing, it is also critical that citizen engagement has depth and breadth, that it represents a diversity of voices including those who are further away from policy making processes, and that it has a tangible influence on decision-making. The definition of collective wellbeing that we propose includes the qualified 'that they seek' - which requires engagement to identify the outcomes that matter to the people of Scotland at this particular time, and regularly into the future. In order to empower citizens to participate and contribute to decisions, the transparency of government operations and the provision of good information and evidence is crucial.

That's why we want to see new and strengthened duties on Scottish Ministers to do the following:

- engage with a broad and diverse range of people and communities from across Scotland to determine the shared social, economic, environmental and democratic outcomes that constitute national wellbeing. This review of national outcomes should continue to be held carried out by Scottish Ministers at least every 5 years.
- report annually to the Scottish Parliament on the progress towards National Wellbeing with reference to both national statistics and the lived experience of the people of Scotland.
- enhance the public participation requirements for the determination of national outcomes; in particular, clauses around engagement should be amended to require 'participation' rather than 'consultation'.
- proactively publish the data, information and evidence that will enable people can participate in an informed way

### **Defining a wellbeing economy**

The Bill should also include a definition of a 'Wellbeing Economy'. The Scottish Government has committed to building a Wellbeing Economy and the term is frequently used in government documents. However, there is no clear definition, with different documents defining wellbeing economy in different ways. A legal definition would help to bring coherence and to ensure that the economic policies pursued by public bodies support the goals of wellbeing and sustainable development as set out above. We therefore propose to define a wellbeing economy as the following:

- *A Wellbeing Economy is an economy designed to serve collective wellbeing and to protect the health of our planet, by equitably enabling all people to meet their fundamental needs and by operating within planetary boundaries.*

Key principles to elaborate this definition should be added we consider the following to be useful:

- Dignity: Everyone has enough to live in comfort, safety and happiness.
- Participation: People are empowered to take part in making the decisions that affect them.
- Nature: The natural world is restored and safe for all life.
- Purpose: Institutions serve the common good and provide real value.
- Fairness: Justice in all its dimensions is at the heart of economic system.

## **Q5. Which of the following best expresses your view on whether there should be a Commissioner for sustainable development and wellbeing?**

We believe the Bill should create, and place in statute, a new Commissioner to monitor implementation of the Bill, including the statutory duties, with a legal requirement for the commissioner to be both independent of government, and adequately resourced to support public bodies to deliver their duties within the Bill.

We believe that the Commissioner will be crucial for the success of the Bill in putting a coherent approach to wellbeing and sustainable development at the heart of policymaking in Scotland:

- Aligning all decision making with the goals of achieving sustainable development and wellbeing and the national outcomes can be a challenging task. Public bodies must be fully supported to understand, and then successfully implement, the existing and new sustainable development duties imposed on them by the WSD Bill, as well as to monitor, transparently, their usage, to ensure progress is both continuous and progressive and to encourage a culture of learning.
- The interests of future generations and those of the people across all parts of the globe are currently not well represented in Scottish democratic processes. The commissioner's role would be to give a voice to both current and future generations, living both here and elsewhere in the world, in the democratic processes of Scotland.
- The creation of a new Commissioner would also support a shift towards long-termism in policy making, with a particular focus on prevention. Current political structures reward short-term policy interventions, even when they incur future costs on health, the environment and so on. By bringing a future generations lens to decision making, a Commissioner could help to embed the principles of long-termism, and as such should be seen as an investment in prevention, not a cost.
- So far there is no body in Scotland with the capacity to independently scrutinise whether Scotland is making progress towards sustainable development, wellbeing and the national outcomes and is creating the conditions for future generations to flourish. An important role of the Commissioner will be to hold public bodies to account for working towards these goals effectively.

In order to adequately support the success of the Bill we believe the Commissioner should:

- help to build the capacity of public bodies to implement their duties related to wellbeing and sustainable development as defined in the Bill and other pieces of legislation, including through the development and provision of tools, training, impact assessment methods, etc.
- monitor the implementation of those duties through scrutiny and investigative powers and report regularly to the Scottish Parliament.
- assess delivery of the national outcomes for domestic and international policy coherence
- carry out research and provide advice to the Scottish Government, with this being published and publicly accessible.
- develop mechanisms to support public participation in scrutiny and decision-making for wellbeing, sustainable development and domestic and international policy coherence for sustainable development.
- pursue public engagement to raise awareness and build buy-in for the purpose of the legislation and to support civic participation in the development of wellbeing outcomes.

## **Q6. What, in your view, should the title of the proposed Commissioner be?**

We believe that it is important for the title of the Commissioner to resonate with the public across Scotland in order for the Commissioner to provide visibility and accountability and to realise the full potential of the role. We therefore propose the following title for the role:

- *Future Generations and Wellbeing Commissioner for Scotland*

We know that the language of ‘future generations’ has greater appeal and relevance than some of the other terminology we use to describe public policy. We also consider it important to ensure that the focus of the role on the wellbeing of both future and current generations is clear.

## **Q7. Which of the following best expresses your view on whether there is a need for duties for public bodies to promote sustainable development and wellbeing in policy development and implementation?**

We consider it important that the Bill strengthens the duties on public bodies to pursue sustainable development and wellbeing, because it is clear that current duties (and support) are not sufficiently clear and coherent to enable effective action on the environmental and social challenges that are impacting the wellbeing of current and future generations.

The national outcomes, currently set out in the National Performance Framework, are the key to translating overarching goals of sustainable development and wellbeing into concrete outcomes for Scotland in the pursuit of a Wellbeing Economy. The bill provides an important opportunity to create a unified approach to delivering Scotland’s National Outcomes, through relocating the National Outcomes into the Wellbeing and Sustainable Development Bill, as part of efforts to establish greater clarity for public bodies. Recent evidence<sup>6</sup> suggests that the existing duty on public bodies to “have regard to the national outcomes”<sup>10</sup> is not strong enough to deliver its ambition. We believe that the duties to “*promote sustainable development and wellbeing in policy development and implementation*” is more positive and tangible than existing duties and will therefore improve the effectiveness of implementation.

In doing so the Bill will be able to bring clarity to the prioritisation and relationship between different duties in line with the principles of policy coherence for sustainable development outlined above, in order to avoid false trade-offs and unintended consequences. Specifically, we recommend that the Bill should make clear that duties around sustainable development and wellbeing should be prioritised over duties to deliver economic growth where these exist.

In addition we consider it important that the Bill strengthens duties placed on ministers to:

- demonstrate how National Outcomes support wellbeing and sustainable development in way that is coherent and supports policy coherence
- support more meaningful participation in the process of setting or revising National Outcomes
- report on the delivery of national outcomes more regularly to boost the status of the National Outcomes and enhance accountability

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<sup>10</sup> [Community Empowerment \(Scotland\) Act 2015](#).

- produce a framework for the implementation of National Outcomes setting out the policies, spending and other measures in place to further the National Outcomes along with a clear indication of how progress will be assessed

In order to be successful, it will be vital that public bodies are given clear guidance, sufficient support and the necessary tools to implement the strengthened duties. As the set out above, the Commissioner can play an important role in this and there is scope to learn from other countries, such as New Zealand or Wales, who have made considerable progress in providing this kind of support.

**Q8. Any new law can have a financial impact that would affect individuals, businesses, the public sector, or others. What financial impact do you think this proposal could have if it became law?**

We consider that the proposal will lead to a significant reduction in costs to public bodies, through promoting the prevention of harm and minimising the fiscal cost of failed policies.

It is important to recognise that this legislation requires significant investment in order to be effective. It is likely that the office of a Future Generations Commissioner would demand a budget that is equivalent to that of the Children and Young People’s Commissioner for Scotland.

The function of this office, however, would be to support policy development that reduces future costs and we consider that the reductions in future costs will likely be significantly larger than the investment in the role of the Commissioner. A report by the Wellbeing Economy Alliance estimates that the Scottish and UK governments spend hundreds of millions of pounds each year on demands that could be avoided in a more preventatively designed economy.<sup>11</sup> A report by Katherine Trebeck and Amy Baker and commissioned by Carnegie UK makes the fiscal argument for investing in early years and prevention as a way to avoid future costs – from healthcare costs (both mental and physical) to reduced tax revenue and higher welfare spending, and from criminal justice to demand for emergency services.<sup>12</sup>

By placing duties on public bodies to promote wellbeing and sustainable development, and by creating a commissioner that supports and scrutinises implementation, this legislation should shift spending upstream to the sorts of policy intervention that reduces demand for public services by creating better outcomes for people and planet.

**Q9. Any new law can have an impact on different individuals in society, for example as a result of their age, disability, gender re-assignment, marriage and civil partnership status, pregnancy and maternity, race, religion or belief, sex or sexual orientation.**

We believe that the proposed Bill would positively impact equalities in Scotland. It is no accident that inequalities (across a range of characteristics) are exacerbated within modern society:

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<sup>11</sup> Wellbeing Economy Alliance, 2021. [Failure Demand: Counting the true costs of an unjust and unsustainable economic system.](#)

<sup>12</sup> Trebeck and Baker 2021. [Being Bold: Building Budgets for Children’s Wellbeing](#)



inequality is baked into the design of our economic system. These inequalities are also too often only an afterthought when policies are designed. The inequalities driven and maintained by our current system harms collective wellbeing and prevents people from thriving.

It is clear that achieving collective wellbeing and sustainable development, as defined above, cannot be achieved without dismantling all forms of inequalities. The definitions, duties and commissioner proposed in this legislation would therefore put the tackling of inequalities at the heart of decision making in Scotland.

*This consultation response was prepared by the Wellbeing Economy Alliance Scotland. We would like to thank all our allies and friends who have helped us to prepare this response, especially the members of the working group convened by Scotland's International Development Alliance, including Carnegie UK, Oxfam Scotland and others. If you have any questions, please get in touch with Lukas at [lukas@scotland.weall.org](mailto:lukas@scotland.weall.org).*

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