Scottish Parliament Social Justice and Social Security Committee Wellbeing and Sustainable Development (Scotland) Bill Written submission by Professor David Bell, University of Stirling

1. Do you think that more needs to be done to embed sustainable development and wellbeing as primary considerations into public policymaking? Please tell us why.

While not demurring from the general sentiment that more needs to be done, I would make several points:

- 1. It is not clear that the best interests of future generations of Scots will be best served by creating another centralised organisation with a remit that is difficult to define precisely. I deal with the remit and the financial memorandum subsequently but first note that the UK as a whole does not invest in public infrastructure schools, hospitals, roads, ports etc at anything like the rate of our comparator countries. Spending less on capital goods implies more is being spent on current consumption, thus by definition prioritising the needs of the current generation over those of future generations. In their ranking of countries by share of government investment in GDP, the OECD ranked the UK between 23rd and 27th out of 30 of its member countries for every year between 2007 and 2017¹. Not only does the UK invest less, it also has a very poor record on costs and delivery². The interests of future generations would clearly be better served if, like our Victorian ancestors, more was spent on enhancing and improving the nation's entire capital stock produced capital, natural capital, social capital and human capital.
- 2. The UK already has a budgetary approach intended to protect the interests of future generations. In setting the UK budget, HM Treasury imposes stringent rules on what are termed the "resource" and the "capital" budgets. Public bodies, including the Scottish Government, receive separate allocations under these headings and are not permitted to vire from their capital budget. In turn, the Scottish Government allocates resource and capital budgets to the public bodies that it funds. This approach is clearly aimed at protecting the interests of future generations by forcing public bodies to expand and maintain the nation's "capital stock" so that it will be fit for purpose in the future. One obvious mechanism to shift the balance of spending towards future generations would be to increase the share of public expenditure allocated to capital projects while concomitantly reducing resource spending. This would not require legislation, nor additional bureaucracy. Allocation decisions would then be left to the public bodies receiving the funding.

¹ Office of Budget Responsibility (2020) International Comparisons of Government Investment

² Boston Consulting Group (2024) "Reshaping British Infrastructure: Global Lessons to Improve Project Delivery"

- 3. Turning now to the proposed legislation for Scotland. It seems to be modelled on the Well-being of Future Generations (Wales) Act 2015. The Welsh legislation was intended to change culture and decision-making processes rather than to create enforceable rights. This is an important distinction. The Welsh Act relates to procedures or culture rather than to results. Creating enforceable rights would substantially increase the costs associated with this Bill since the courts would become involved in its interpretation.
- 4. The Welsh Act asks public bodies to publish well-being objectives and to take steps to meet them. But how are such objectives to be weighted? Are they all to be treated as equally important or are some to be given greater priority than others? Pressure groups will certainly view some as more important and will argue the case for the implementation of their favoured objectives at the expense of others. Policy decisions may therefore be heavily influenced by the best organised pressure groups even though the objectives they pursue may not be those that an objective observed would deem to be in the best interest of future generations.
- 5. It is crucial that policy decisions that are intended to support the wellbeing of future generations can be objectively and accurately assessed. This is an inherently uncertain process, since one cannot know what future generations will consider important, nor can the future state of technology be readily predicted. The generation that lived through the Second World War could never have predicted the existence of the internet nor the profound effect it would have on today's generations. Calibrating policy effect will be extremely difficult and will require the collection and analysis of longitudinal data relating to individual and societal wellbeing.
- 6. There are many influences on individual and societal wellbeing that are largely outwith the control of public bodies. Thus, our research³ indicates that the increased use of smartphones may be part of the explanation of the declining mental health of the young in Scotland, reducing their life satisfaction and hence their wellbeing, with potentially adverse consequences stretching into the future. Even if the Scottish NHS allocates more funding to deal with mental health problems, the pervasive effects of smartphones may negate this intervention. Without careful analysis, the additional funding may be seen to have failed to improve young people's wellbeing, which would count against further investment in mental health. But the NHS has no control over smartphone use and its intervention may have prevented a difficult situation from getting even worse. Proper conclusions of the effects of policies intended to improve wellbeing must isolate the effects of these policies from the many societal influences that also affect wellbeing and over which public bodies have no, or limited, control. Identifying the policy "signal" from the background societal "noise" is a complicated task that can only be accomplished with high quality data and analysis.

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³ Blanchflower, D., Bryson, A. and Bell, D.N.F. (2024) The Declining Mental Health of the Young in the UK, National Bureau of Economic Research, WP 32879, DOI 10.3386/w32879

7. It is also worth reiterating that decision makers sitting on some of the public bodies affected by the Bill will have been democratically elected. Electoral cycles are perhaps too short to take adequate account of the interests of future generations, which is perhaps why the UK Government imposes its rules on capital allocations. This Bill requires elected politicians to take account of the interests of future generations. So long as the Bill is not justiciable, it will be an open question whether such politicians are prepared to set aside short-term electoral interests in favour of the interests of future generations. Making it justiciable would take this decision out of the hands of politicians and hand it to the courts with significant cost and timedelay consequences.

2. What is your view on the policy objectives of the Bill, as set out in the Policy Memorandum?

The policy objectives of the Bill are:

- 1. establishing statutory definitions of the terms "sustainable development" and "wellbeing";
- 2. imposing a statutory duty on public bodies to consider wellbeing and sustainable development in the exercise of their functions;
- 3. creating the office of the Future Generations Commissioner for Scotland.

One may establish broad statutory definitions of "sustainable development" and "wellbeing", but the precise interpretation required for policy development may be contested. If agreement on these interpretations can be found, robust policy analysis will require collection and interpretation of high-quality data that can reasonably be interpreted as relevant to the interests of future generations.

3. Which of the following best expresses your view on section 1, which requires public bodies to have due regard for the need to promote wellbeing and sustainable development?

This will place an additional duty on public bodies that are, in the main, experiencing severe financial pressure and will likely continue to do so. Their capacity to handle the provisions of the Bill will vary substantially. Some may require help from Scottish Government to implement its provisions. But if the government does not compensate them for the additional costs of implementing the legislation, then other parts of the services that they provide the public will be diminished.

4. What is your view on the definition of "public body" (in section 17(2))? Is there a need for statutory definitions of wellbeing, and sustainable development?

The Bill provides plausible definitions of both wellbeing and sustainable development. But if its provisions become justiciable, the quality of the definitions will be much more closely interrogated, likely at very substantial cost to the public purse.

There are very substantial data requirements implicit in assessing arguments that sustainable development or wellbeing have been enhanced or diminished by particular policy interventions.

5. What is your view on the definition of "sustainable development" (in section 2)?

The definition of "sustainable development" used in the Bill aligns with most common, internationally adopted, definition of sustainable development. There may be different interpretations of what it means. While it generally implies balancing economic, social, and environmental goals, it is open on the question of how much growth is desirable. For example, "green growth" implies continued growth coupled with actions to enhance environmental sustainability, whereas the "degrowth" movement argues for reduced material and energy use in wealthy countries. The latter implies radical societal shifts with uncertain implications for standards of living, including affordable food, energy and accommodation – key aspects of the Bill's definition of wellbeing.

6. What is your view on the definition of "wellbeing" (in section 3)?

The proposed definition is:

"Wellbeing" means the ability of individuals, families and other groups within society to enjoy

- (a) personal dignity, including respect for their choices and beliefs,
- (b) freedom from fear, oppression, abuse and neglect,
- (c) good physical, mental and emotional health,
- (d) participation in meaningful activity including work, education, training and recreation.
- (e) an adequate standard of living including suitable and affordable accommodation, food, clothes and energy,

Each of the components of this definition has merit. But in allocating resources, governments implicitly or explicitly make tradeoffs between these components. Increased spending on crime prevention may come at the cost of reduced spending on health. How are decisions between these alternatives going to be assessed through the perspective of future generations whose values may differ from those of the current generation and if the data is lacking on which to draw reasonable conclusions about their future effects?

7. Taking account of the Bill's Financial Memorandum, what is your view on the financial implications (i.e. likely costs and savings) of the Bill?

For estimating costs, the Financial Memorandum uses as comparator the costs to relevant authorities associated with "island proofing" their functions in relation to the Islands (Scotland) Act 2020. This requires "relevant authorities to have regard to island communities in carrying out their functions". I would suggest that this is not an appropriate comparator because considerations relating to island communities are much less open to interpretation than are the premises and concepts upon which this Bill is built. It is intended to influence public bodies in a fundamental way, while the Island's Act has a much more limited scope. Information gathering and training relating to the Islands Act is much less onerous than that which would be required for effective implementation of this Bill.

The costings are premised on the assumption that data is readily available to assess the efficacy of policy changes that shift the balance in favour of future generations. The Bill implicitly assumes that, for example, preventive actions to reduce future demands on frontline services can be readily implemented. But effective implementation of "preventative policies" as recommended by the Christie Commission will require an assessment of their effectiveness. This requires adequate data and analysis. In general, such data are not currently available at the granular level that is required. Similar arguments can be made in relation to the understanding of the components of wellbeing. Lack of attention to these wider implications of the Bill suggests that its costs have been significantly underestimated. Similar issues were raised by Audit Wales⁴ in its recent review of the Welsh Wellbeing of Future Generations Act.

It is intended that the Commissioner's role will be supported by the Parliament. Assessment of the effectiveness of the role will likely fall to Audit Scotland, while the collection of additional data will likely remain primarily a Scottish Government function. The implications for these bodies of the implementation of this Bill, if it is to demonstrably achieve its objectives are not given due weight in the costings.

5

⁴ Audit Wales (2025) "No time to lose: Lessons from our work under the Well-being of Future Generations Act"