Senedd Cymru | Welsh Parliament

Y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol | Equality and Social Justice Committee

Ymateb gan: Cyfoeth Naturiol Cymru Evidence from: Natural Resources Wales



Well-being of Future Generations (Wales) Act 2015- post-legislative scrutiny

1.0 Written evidence submitted by Natural Resources Wales

1.1 Natural Resources Wales (NRW) is a named public body under the Well-being of Future Generations (Wales) Act 2015 (WFG Act) and a statutory member of all Public Service Boards (PSBs). Our organisational well-being objectives include a focus on collective action towards nature's recovery, resilience to climate change and minimising pollution.

Our roles include being an advisor to Welsh Government, regulating industries and providing environmental licences, being the statutory nature conservation body for Wales, land manager for around seven percent of Wales, Category One emergency responder, statutory consultee (for planning applications and other statutory processes), and collaborator on environmental projects.

As the principal Welsh Government-sponsored environmental body, NRW plays a critical role in delivering the WFG Act at the national level. Its statutory purpose, pursuing the *sustainable management of natural resources*, is central to ensuring present and future generations have a Wales capable of meeting their social, economic, cultural and environmental well-being needs.

1.2 This evidence draws on input from policy leads, decision makers and practitioners across NRW. Our submission is organised around seven key issues aligned to the committee's terms of reference:

2.0 Key Issues

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Social & Environmental Justice:

There is some progress towards the sustainable management of natural resources and Wales achieving environmental aspects of sustainable development but it is too slow to meet the needs of current and future generations. Unless this is addressed, existing inequalities will become entrenched, perpetuating social injustice and limiting opportunities for communities to thrive.

Embedding the WFG Act into the Wider System:

The Well-being of Future Generations (Wales) Act can only succeed if it is embedded across all relevant sectors. There must be a concerted effort to align environmental legislation, governance structures, funding mechanisms and public sector culture, so that sustainable natural resource management and environmental well-being are mainstreamed into everyday decision-making. Without this systemic shift, the Act's transformative ambitions will remain out of reach.

• Linking Sustainable Management of Nature and Environmental Well-being: To operationalise the goals of the WFG Act, the link between the sustainable management of natural resources and environmental well-being must be clearly defined in legislation, guidance, and monitoring frameworks. This integration would provide practitioners with a coherent, consistent, and streamlined approach to delivering and assessing environmental outcomes, supporting more equitable and effective decision-making.

Empowering Public Services Boards (PSBs) for Local Action:

Public Services Boards (PSBs) play a critical role in delivering well-being locally, but they often lack the capacity and resources to make a meaningful difference. Strengthening PSBs' capability to influence and direct resources would enable them to address local priorities more effectively, support community resilience, and tackle place-based inequalities.

Strengthening Climate Governance:

Wales currently lacks a single, cross-sectoral climate change coordinating body, leading to fragmented and inconsistent action on climate. Establishing a dedicated climate governance organisation—or enhancing the Future Generations Commissioner's role to convene climate action—could help bridge this gap, ensuring a coordinated, inclusive, and ambitious response to climate risks that are already compounding social inequalities.

Integrated Land and Marine Use Framework:

Developing a multifunctional framework for land and marine use is essential to navigate different land management and use options—such as food, energy, biodiversity, and climate resilience—and to maximise benefits for both people and nature. This strategic approach would also help address the unequal distribution of environmental harms and benefits, ensuring that disadvantaged communities are not left behind.

Maintaining a Proactive, Collaborative Approach to the WFG Act:
 Shifting towards an enforcement-led approach could risk undermining the Act's effectiveness by prioritising short-term compliance over systemic, preventative, and transformative actions.

The following section explores our key issues aligned to the committee's terms of reference.

3.0 How far the intended objective of the Act is being achieved.

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- **3.1 National Well-being** NRW is required to assess the extent to which Wales is managing natural resources (and therefore as a nation maximising our contribution to the seven well-being goals) every five years in its State of Natural Resources Report (SoNaRR).
- The two previous reports assessed the state of natural resources and found that Wales is not managing its natural resources in a sustainable way. They also found that our use of global natural resources is not sustainable or equitable.
- Both reports explored the direct causes of this unsustainable management, such as pollution and climate change. They also described the indirect causes human activities such as economic systems, technological developments, human behaviours and governance.

The second State of Natural Resources Report (<u>SoNaRR2020</u>), which you can find on our website, introduced the four aims of SMNR, using them to structure the assessment and to identify opportunities for action to improve the sustainable management of natural resources. This report concluded that Wales is not yet meeting the four long-term aims of sustainable use of nature. We highlighted the need for transformational change in the big socio-economic systems impacting on the environment, the three largest being the energy, transport and food systems.

Four years on from the last SoNaRR, the global challenges of nature loss, climate change, pollution and waste have intensified. Human activities continue to harm the ability of the planet to provide all that we need for our well-being. UN Environment Programme's Medium-Term Strategy, highlights how three interconnected crises – climate change, biodiversity loss and pollution – are putting global economic and social well-being at risk, and undermine opportunities to reduce poverty and improve lives. However, if we act together and act now, with the right responses we can repair the damage to our natural resources for the benefit of current and future generations in Wales.

The scale and causes of climate change was reiterated in 2023 by the UN Intergovernmental Panel on Climate Change. The 3rd UK Climate Change Risk Assessment has highlighted risks for Wales which require increased and urgent action. You can read our most recent SoNaRR interim report on our website.

- **6.0 Local well-being** Practitioners involved in delivering improvements to well-being at the local level through PSB partnerships consistently report that whilst the framework of collaborative governance created through the PSBs has led to improved ways of working between public sector partners, these partnerships are still failing to move the dial on well-being at the community level.
- 4.0 Any action which should be taken to improve the effectiveness of the Act and its implementation, including any specific drafting issues.
- **4.1 Proposed Legislation** In response to international commitments to address the

causes of environmental degradation, highlighted in the SoNaRR report, Wales plans to incorporate its commitments to the new UN Global Biodiversity Framework (GBF) through

the Environment (Principles, Governance and Biodiversity Targets) (Wales) Bill. This Bill will establish statutory biodiversity targets and supporting indicators. In our response to the *Securing a Sustainable Future* white paper, we highlighted the need for greater accountability and more active reporting on the Section 6 duty in the Environment (Wales) Act 2016 across the public sector. We understand the new Bill aims to strengthen this duty and enhance accountability and reporting.

There is a strong correlation and clear synergy between the Well-being of Future Generations (Wales) Act and the GBF, presenting significant opportunities for Welsh Government and the wider public sector to work collaboratively to deliver the GBF's 2050 vision. Any redrafting of the WFG Act should give due regard to this connection to maximise delivery and avoid duplication. It is essential that future legislation and governance structures in Wales address the main drivers of biodiversity loss—such as unsustainable consumption, production, and inequalities—and that action is taken in line with the objectives of the WFG Act to ensure that environmental well-being improves alongside social, economic and cultural well-being.

6.0 Existing Legislation - The Planning (Wales) Act 2015 and the Environment (Wales) Act 2016 were designed to support the Well-being of Future Generations (Wales) Act 2015. Together, they establish a framework for considering how natural resource management contributes to well-being goals. However, Wales needs an integrated land use and marine framework, with consistent evidence and spatial data to fully realise these ambitions. A strategic, multifunctional approach, balancing different land and sea uses, would enable better use of natural resources and support well-being more effectively.

The Environment (Wales) Act's Area Statements and the WFG Act's Well-being Plans were intended to complement each other. In practice, implementation has suffered from misaligned processes and reporting cycles, leading to inconsistent and sometimes duplicated efforts. Area Statements would benefit from clearer policy direction which has been delayed in the current Senedd term. NRW are supportive of the recommendations made by the Climate Change Environment and Infrastructure Committee to ensure the Natural Resources Policy is up to date and capable of driving action for nature across the whole of government, with integrated policies that align with the Global Biodiversity Framework 2030 targets and wider goals.

Most biodiversity legislation pre-dates the nature emergency and works in isolation from the ecosystem approach enshrined in the Environment (Wales) Act. Given the nature emergency's threat to well-being goals, there is a need to strengthen the WFG Act's role in helping Wales to take a future proof view on building ecosystem resilience to deal with future threats and pressures to biodiversity and safeguards environmental well-being.

In terms of climate change, the Environment (Wales) Act 2016 sets decarbonisation targets, while the UK Climate Change Act 2008 provides the basis for reporting on climate risk and adaptation. Despite this, many public bodies lack clear mandates to take climate action, and most regulatory frameworks are not aligned with the climate emergency. This means that climate action often relies on policy rather than legislation, making collaboration challenging.

Before the WFG Act, the Climate Change Commission for Wales fostered collaboration on climate action and developed Wales' first Climate Change Strategy. It also provided a forum for collaboration and support for delivery of climate action with a wide range of organisations. These functions were not passed onto the Office of the Future Generations Commissioner via the WFG Act. Wales therefore currently lacks a single coordinating body for climate action, unlike other UK nations. This gap has led to fragmented efforts. Consideration should be given to creating a dedicated forum or expanding the role of the FGC Office to convene and coordinate climate action.

National Indicators and Assessments of Environmental Well-being -The SoNaRR report provides a valuable set of indicators to track progress towards sustainable natural resource management. Welsh Government should consider publishing complementary ecosystem service accounts aligned to the four long term aims of sustainable management. This could enhance local and national well-being assessments. Aligning new statutory biodiversity targets through the WFG Act would also help integrate ecosystem resilience into public sector delivery and reporting frameworks.

6.1 Partnerships - NRW is a statutory member of all 13 Public Services Boards (PSBs). The organisational landscape in Wales is complex and PSBs often struggle to operate in partnership whilst managing reduced capacity to deliver existing services. Practitioners often highlight that the lack of dedicated funding within these partnerships limits their ability to drive meaningful transformation in public sector services. NRW is not a member of other, better-resourced regional partnerships such as the Regional Partnership Boards (RPBs) and Corporate Joint Committees (CJCs). Considerations relating to Environmental Well-being are not always at the forefront of these other more well-resourced public sector partnerships. To strengthen environmental accountability and well-being integration across all partnerships, amendments to legislation should consider enabling PSBs to act as commissioners of well-being services from other public sector partnerships. This could include giving PSBs powers and duties to influence the budget and delivery of these more established partnerships, ensuring that spending is better aligned with local well-being needs.

NRW has worked closely with all PSB partners to improve understanding of how current and future climate risks within each locality will impact the well-being of both current and future generations. Since the latest well-being plans were published, all 13 PSBs have committed to undertaking more detailed local Climate Change Risk Assessments, with some using guidance produced by NRW in collaboration with Public Health Wales and the Welsh Government. The Public Health Wales Health Impact Assessment (HIA) on climate change (published July 2023) identified that disadvantaged communities are more vulnerable to climate-related risks, including flooding, heatwaves, and poor housing conditions in Wales. These communities often lack the resources and capacity to adapt, exacerbating existing inequalities. This underscores the need for targeted interventions to address the compounded vulnerabilities faced by these communities in the context of climate change.

PSB governance arrangements provide a valuable collaborative and statutory framework that could be instrumental in supporting collective action on climate impacts. However, at present, they are not being utilised to their full potential in this regard.

5.0 Whether the review and reporting requirements under the Act are being met;

5.1 We are not currently aware of any specific review or reporting requirements under the WFG Act that are not being met. However, the Committee may wish to consider whether these requirements sufficiently align with the overall objectives of the Act. For example, Public Services Boards (PSBs) are mandated to publish well-being assessments and plans according to prescribed timelines, and the Future Generations Commissioner is required to provide advice and guidance on setting well-being objectives three times over this period. Currently there is no legislative requirement for the Commissioner to track progress on the delivery of these objectives by PSBs. Enhancing this aspect could strengthen oversight and support more effective achievement of the Act's goals.

6.0 The effectiveness of guidance made under the Act;

6.1 New Statutory Guidance:

6.1.1 Land management options for well-being:

Section 2.0 above, highlights the challenge of managing land and sea for multiple benefits and deciding which mix of uses best supports the well-being goals. The Well-being of Future Generations (WFG) Act requires public bodies to consider all seven well-being goals but offers no clear method for considering the choices which decision makers need to take. While the Natural Resources Policy provides strategic direction, assessing how different land and sea uses contribute to well-being remains difficult.

While Welsh Government policy favours a more holistic assessment of well-being benefits, beyond purely quantitative methods like natural capital accounting, no alternative framework for evaluating the impact of different choices has been established.

Given that the drafting of the Environment Act 2016 was informed by New Zealand's Resource Management Act, Wales could learn from New Zealand's Living Standards Framework. This explicitly recognises the impact of different choices across domains (health, environment, housing) and uses multi-criteria analysis to evaluate spending impacts. Adopting similar guidance would help Welsh decision-makers better weigh land and sea use options against broader well-being outcomes.

6.1.2 Legislative Overlaps:

Area Statements, Well-being Plans and Local Green Infrastructure Assessments all involve community priority-setting, but clearer timelines, processes, and coordination are needed to avoid duplication and support effective local implementation.

The new Environment (Principles, Governance and Biodiversity Targets) (Wales) Bill will establish statutory biodiversity targets and a Wales biodiversity framework. Embedding the UK's GBF and forthcoming Wales National Strategy and Biodiversity Action Plan into WFG Act guidance would further strengthen delivery mechanisms.

6.1.3 Existing Statutory Guidance (SF3):

Beyond sectoral decarbonisation efforts, there is a need to better integrate area-based actions—via Area Statements and Public Services Boards (PSB) Well-being Plans and Reports—for coordinated action and reporting. This integration is critical to achieving the Welsh Government's commitment to a just transition.

Practitioners also seek clearer, consistent definitions of environmental well-being at the local level, supported by detailed, common data sets aligned with National Indicators and Environmental Well-being Assessments.

7.0 How far the Act has been legally binding and enforceable;

7.1 The Well-being of Future Generations (Wales) Act does not include legal enforcement powers and NRW has no experience of using the Act in an enforcement capacity. Fundamentally, the Act is designed to promote collaboration and partnership working, which does not align easily with an enforcement mandate. From NRW's experience, balancing enforcement with collaborative roles can be challenging, as the two approaches can sometimes be in tension. Moreover, introducing enforceable measures may risk undermining collaborative initiatives and encourage short-term models of delivery, which contradicts the Act's aim of fostering long-term cultural change. The Act is intended to progress at a pace shaped by civil society, supporting sustained and meaningful transformation rather than immediate compliance.

8.0 Conclusion

8.1 NRW is pleased to have contributed to the Equality and Social Justice Committee's review of the Well-being of Future Generations (Wales) Act. We recognise the role this inquiry plays in strengthening the integration of environmental well-being and sustainable management of nature within public sector decision-making across Wales. There is an inextricable link between sustainable natural resource management and environmental well-being. Sustainable management serves as a fundamental driver for maximising the Act's contribution to the well-being of both current and future generations. We hope this evidence supports the committee in identifying ways to enhance the WFG Act's impact