

National Assembly for Wales  
Environment and Sustainability Committee  
WFG 43  
Well-being of Future Generations (Wales) Bill  
Response from Wales Co-operative Centre



Environment and Sustainability Committee inquiry into the general principles of the Well-being of Future Generations (Wales) Bill

Wales Co-operative Centre Response

September 2014

## About the Wales Co-operative Centre

The Wales Co-operative Centre welcomes the opportunity to respond to the Environment and Sustainability Committee's inquiry into the general principles of the Well-being of Future Generations (Wales) Bill. The Wales Co-operative Centre is Wales's national body for co-operatives, social enterprises and employee owned businesses. The Centre champions and strengthens co-operatives, mutuals, social enterprises, and employee owned businesses. As well as supporting social businesses, we develop and implement co-operative solutions to tackle poverty and promote inclusion. We do this through:

- Facilitating access to joined-up financial advice and support services, including those offered by credit unions and the wider social enterprise sector;
- Support for social enterprise and co-operative business development and growth;
- Encouraging people to use digital technologies, and;
- Supporting the development of co-operative housing initiatives in Wales.

Our projects include:

- The Tackling Homelessness through Financial Inclusion project, which is helping to tackle homelessness by engaging people in using credit union services;
- The social enterprise support project, which provides advice and support to social enterprises and co-operatives to help them set up and grow;
- The business succession and consortia project, which supports business owners to pass on their enterprises to their employees as well as supporting businesses to work together in consortia;
- The Communities 2.0 project, which tackles digital inclusion and helps communities and social enterprises make the best use of the internet.

We welcome the general principles of the Well-being of Future Generations (Wales) Bill and the commitment to putting sustainable development at the heart of government and the wider public sector. In this respect, we draw your attention to the recent recommendations of the Welsh Co-operative and Mutuals Commission. The Commission recommended that the Welsh Government should explicitly consider co-operative and mutual business models in Welsh Government legislation, regulations, guidance and codes of practice as part of their mandatory requirement to consider sustainable development. Co-operatives and social enterprises are particularly suited to delivering sustainable development goals. They are value-based, principle-driven organisations committed to the long term goals of sustainable economic growth, social development and environmental responsibility.

We believe that co-operatives and social enterprises can also make a significant contribution to meeting the well-being goals set out in the Well-being of Future Generations (Wales) Bill. They can help deliver the goals of building a prosperous and resilient Wales by developing an economy and communities that are strong, resilient and sustainable. Co-operatives and social enterprises deliver sustainable economic growth while fostering positive social change and innovation. They are anchored in their communities and any investment stays in the community and is recycled for wider economic and social benefits. While they often operate in hard to reach, economically challenged communities they employ more people relative to turnover than other businesses. Research also shows that they are more resilient during challenging economic times. UK figures show the sector is growing faster than the economy as a whole and employ more people relative to turnover. Social Enterprise UK's 2013 survey revealed 38% of social enterprises increased their turnover in the previous 12 months compared to 29% of SMEs.

Social enterprises and co-operatives also help deliver the goal of a Wales of cohesive communities. Co-operatives and social enterprises are participatory business models based on democratic principles. They build social capital by bringing people together to work towards a common aim. They build on and encourage networks and shared values in communities. Social enterprises and co-operatives encourage community involvement and create a sense of ownership.

We would like to see specific, measurable targets and indicators linked to the well-being goals. These should address the wider definition of sustainable development rather than simply environmental goals. Targets and indicators should reflect the Bill's wider intention to tackle generational challenges such as tackling poverty. Wider Welsh Government support for social enterprises and co-operatives should also be viewed as supporting sustainable development and helping to achieve the Bill's well-being goals.

We would also like to see the Bill seek to ensure that more of the public sector pound is spent with social enterprises and co-operatives because of the added-value they bring. To achieve this, advice could be integrated into procurement and commissioning

guidance and regulations. It could also be included in the terms of reference of the Public Services Boards.

**For further information, please contact:**

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The Wales Co-operative Centre is happy to provide any further information on the points raised in our response, and for our response to be in the public domain.