



Comisiynydd
**Cenedlaethau'r
Dyfodol**
Cymru

**Future
Generations**
Commissioner
for Wales

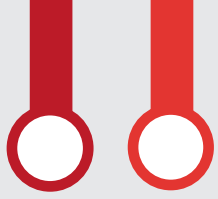


A Journey to

A Prosperous Wales

- 1: Fair and local procurement:** using procurement to promote inclusive growth
- 2: Decent work:** driving practices which allows people to take advantage of the wealth generated through securing decent work
- 3: Local economies:** supporting inclusive local economies and the foundational economy
- 4: Community energy and a low carbon society:** enabling organisations and communities to reduce emissions and use low carbon energy
- 5: Skills for the future:** encouraging organisations to develop a skilled population, fit for future technological change





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In the Well-being of Future Generations Act,
this goal is defined as

“An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.”



Defining the goal

It's been over 50 years since Robert Kennedy's historic speech, in which he claimed Gross Domestic Product (GDP) measured 'everything except that which makes life worthwhile'.

Despite that, GDP has continued to take centre stage in the minds of the public and policy makers as the critical measure of progress. Whilst this traditional focus on economic growth has shaped the world we recognise today, it has left many people behind. The world's richest 1% own 45% of the world's wealth, whilst here in Wales almost a quarter of people are living in poverty. As the economy expands, so does the resource demand needed to accommodate it. Future generations risk living in a world of stark inequality and an empty bank of natural resources.

What makes Wales unique, is that nowhere in the Welsh definition of prosperity will you find a mention of GVA or GDP; our vision of prosperity looks to measure what matters. Within the Well-being of Future Generations Act, economic well-being is not prioritised over environmental, social or cultural well-being. Our goal of a prosperous Wales is one where people are supported to develop skills and secure decent work, where we procure goods and services in a fair and local way, where the foundational economy generates local wealth and employment, and where we move towards a low carbon society.



Case studies

Throughout the document you will find a number of reports relating to the topic subject. Please read the link if you see this symbol.



Defining the goal

Where to focus action in contributing to this goal

Procure goods and services in ways that support economic, social, environmental and cultural well-being

[\(See prosperous Wales journey topic 1: Fair and Local Procurement\)](#)

Support fair work practices through employment and services

[\(See prosperous Wales journey topic 2: Decent work\)](#)

Support the foundational economy through generating wealth and providing employment

[\(See prosperous Wales journey topic 3: Local Economies\)](#)

Enable a low carbon society through supporting community energy and reducing emissions

[\(See prosperous Wales journey topic 4: Community energy and a low carbon society\)](#)

Work with others to support the development of skills for the future

[\(See prosperous Wales journey topic 5: Skills for the Future\)](#)

Support innovation to develop an economy fit for the future

[\(Journey topic on innovation to be explored in next phase\)](#)

Use resources efficiently, recognising the limits of the global environment

[\(Journey topic on circular economy to be explored in next phase\)](#)



Other statutory requirements in relation to this goal

Public sector procurement is subject to the legal framework set out by the Public Contracts Regulations 2015. The regulations allow contracting authorities to consider incorporating social, ethical and environmental aspects into specifications, contract conditions and award criteria. This includes the protection of the environment, energy efficiency, combating climate change, promoting innovation, and employment and social inclusion.

Further information is available at:

- [The Public Contracts Regulations 2015.](#)
- [Guidance on social and environmental aspects.](#)

The following public contracts regulations are particularly relevant to the topic of fair and local procurement:

- **Light Touch Regime (regulations 74 to 77):** offers commissioners who want to maximise the local benefit of procurement to tailor how they implement the procurement process for certain services, in order to accommodate the needs of local providers.
- **Reserved contracts (Regulation 77):** designed to help third sector organisations to establish themselves and compete to deliver services that have a health, social, educational or cultural dimension.
- **Reserved contracts 20.**—(1) Contracting authorities may— (a) reserve the right to participate in public procurement procedures to sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons, or (b) provide for such contracts to be performed in the context of sheltered employment programmes, provided that at least 30% of the employees of those workshops, economic operators or programmes are disabled or disadvantaged workers.

- **Regulation 40 (1):** Before commencing a procurement procedure, contracting authorities may conduct market consultations with a view to preparing the procurement and informing economic operators of their procurement plans and requirements.
- **Regulation 40 (3):** ‘Such advice may be used in the planning and conduct of the procurement procedure...’.
- **Involving service users:** Regulation 76 (8): ‘... contracting authorities may take into account any relevant considerations, including... the specific needs of different categories of users; [and] the involvement and empowerment of users.’



Some of the suggested steps and actions in this document complement the policies set out in legislation - specific steps and actions that adhere to these are highlighted in orange and with an ‘St’ symbol.

Enablers

Achieving this goal is **more likely to happen** when...

- **There is monitoring of social and environmental clauses in contracts – for example community benefits.**
- **Businesses are asked to report on wider impacts, rather than just outputs and numerical outcomes.**
- **There is meaningful engagement with local businesses in the development of local economic plans.**
- **There is a supportive policy environment for foundational economy and low carbon approaches to become mainstreamed.**
- **The development of skilled, multi-disciplinary workforces is a priority across organisations.**



Disablers

Achieving this goal is **less likely to happen** when...

- There is the perception that economic growth is solely about GDP (Gross Domestic Product) or GVA (Gross Value Added).
- Organisations work in siloes, reducing opportunities for joined up approaches and innovative thinking.
- Natural resources are commercialised and sold off, regardless of the social, environmental and cultural impacts.
- Low carbon technology is seen as being expensive and high risk.
- Organisations do not encourage a culture of decent work, for example through addressing gender pay gaps or zero hours contracts.





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5: Skills for the Future

Encouraging organisations to develop a skilled population, fit for future technological change

With thanks to Professor Calvin Jones of Cardiff Business School, who researched and prepared this topic in collaboration with the Future Generations Commissioner for Wales.



Cardiff Business School
Ysgol Busnes Caerdydd

Defining the issue

Research by Cardiff Business School on creating skills fit for the future, has outlined a number of drivers of change, including:

- A significant proportion of tasks and jobs will be subject to continuous restructuring as a result of technological change. Repetitive and process-based tasks and jobs are at greatest risk, especially 'white collar' roles.
- Service delivery will be increasingly reliant on 'the cloud', which will be potentially mediated by a small number of global platforms. Most people will expect digital provision of/access to their public services to match private services.

- One potential outcome of automation is far less human involvement in economic production and distribution.
- Creativity and problem solving in complex contexts will remain human advantages for some considerable time, and therefore, will be increasingly valuable skills.
- Increased technology may disadvantage already economically deprived places and may have strong gender implications, including a potential 'care crisis'.

The Review of Digital Innovation (2019), led by Professor Phil Brown on behalf of Welsh Government, describes digital innovation as a 'game-changer' for Wales. The review found that digital technologies will result in job displacement and job creation, so a key policy aim is to reskill the workforce in preparation.

Creativity, emotional intelligence and problem-solving are seen as some of the most important skills for the future, given that currently, these skills are human and difficult to automate ([Pearson and Nesta 2017](#), [Wales Centre for Public Policy 2018](#)). The challenge is that we place value on qualifications, rather than the skills necessary, within education and training systems. But, with increased digital innovation, it is likely that qualifications will be of less importance – behaviours, soft skills and attitudes are the crucial things that humans can deliver over technology. Business leaders are already seeking these skill-sets for their workforce now ([Princes Trust 2017](#), [CBI 2018](#)). An [IPPR report](#) (2019) sets out that these changes are likely to have a "significant impact on Wales" and the effects are not likely to be felt evenly. Their analysis suggests a higher proportion of women than men will be affected, with 65% of jobs at the highest risk of automation currently performed by women in Wales.

Synergies and connections to other journeys



Journey to a More Equal Wales

Topic 1: Fair work



Journey to a More Equal Wales

Topic 3: Participation



Making **Simple** Changes

Undertake regular workforce skills and qualifications audits.

Map services to your organisation that are currently provided by outside agencies.

Assess current and likely future digital engagement amongst people who use or will be using your services.

Understand the barriers to learning new skills by demographics and other characteristics of the population.

Create functional platforms or channels for dialogue and information exchange between management and staff.

Ensure management have robust and positive relationships with staff and their representatives.

Place creativity, problem-solving and application of the five ways of working into job descriptions and application processes.

Eg

E.g. **Monmouthshire Council** include criteria about the Well-being of Future Generations Act in job descriptions

Involve staff in understanding the barriers and opportunities to providing services virtually or remotely, and of fulfilling their roles virtually or remotely.

Enable staff to work remotely, including in co-working hubs, such as [IndyCube](#). This helps to retain spending and wealth in communities.

Through well-being assessments and other work, understand the relationship between the economic conditions within the area you serve and the demand for services.

Develop a better understanding of your workforce by carrying out employment analysis of gender, age, ethnicity and disability, and examine this by job roles, grades, contract type and working hours.

Being More **Adventurous**

Use future forecasting tools, like the '[Three Horizons](#)' approach, to undertake skills gap analyses – identifying short and long term implications for your staff.

Enable staff to learn away from the office.

Provide training to existing staff and recruit new staff with the ability to deliver technological solutions.

Collaborate with other organisations to consider the delivery, provision and content of digital services.

Regularly assess the potential for technological change.

Become comfortable with the redundancy of some well-established systems.

Establish mechanisms that enable your staff to exchange tacit knowledge, that will help workforce planning and succession planning for themselves and the organisation.

Train staff in the application of the five ways of working within the Act to help them plan around a workforce of the future.

Find ways to reward creativity and adaptability through recruitment and workforce planning.

Consider how you can support people to develop skills in line with local business needs, growth sectors and foundational sectors. Ensure this includes creative jobs and skills and those in the local foundational economy.

Eg

E.g. **Rhondda Cynon Taf employment pathway**, which supports people to develop skills in line with growth sectors and the needs of local employers. It does this by providing opportunities including apprenticeship and graduate schemes, work experience and placements at a variety of levels including university internships, to providing opportunities for young people leaving the Care of the Council through the 'Care2work' and 'Step in the Right Direction' programmes.

Being More **Adventurous**



Implement an 'anytime, anywhere working' policy – enabling staff to work securely and easily from anywhere.



E.g. the Office of the Future Generations Commissioner for Wales has an 'anytime, anywhere working' policy.



Invest in upgrades to IT equipment and training for staff to enable them to work remotely and in collaboration with other organisations using similar systems.



Develop opportunities for senior staff to take part in shadowing opportunities or scheduled 'walk-throughs' of your services in order to develop empathy with people who use your services, and to identify where improvements can be made.



E.g. **Welsh Government** offers staff STEP (Short Term Experience Placements) to build skills and knowledge in other organisations.



Gather a better understanding of your workforce, examining the breakdown by job roles, grades, contract type and working hours, and use this to question your assumptions around the type of roles that are offered. For example, consider if women are 'choosing' part time work or temporary contracts because that's all that's on offer.

Owning your **Ambition**

National or collaborative actions

National policy should encourage a lifelong learning approach to skills. A similar approach should be adopted for post-16 education as was adopted for the recent review into compulsory education and curriculum reform. This should include considering how gaining skills (rather than just qualifications) is rewarded within education, training and the workplace.

Work in partnership to test and embrace cutting edge technologies to become more effective whilst not compromising staff or service user well-being.

Organisational actions

Become a learning organisation by providing and actively promoting whole-life learning.

Place the emphasis on adaptive learning, rather than accrediting processes.

Become a robust organisation with staff who are upskilled as far as appropriate to deliver technological solutions 'in house'.

Ensure staff are able to engage with suppliers from a position of knowledge and confidence when procuring key services.

Become an inclusive organisation, actively and regularly involving people who use services, your staff and the diversity of the population in service delivery and evaluation.

Become a flexible organisation by ensuring that all of your staff contracts are flexible working by default, with a case being required if that is not feasible.

Eg

E.g. Oxfam Cymru have defaulted to flexible working <https://youtu.be/YfIHEjzbuBg>

Owning your **Ambition**

Become a creative organisation that is self-aware and open to ideas about how you deliver your remit.

Encourage innovation and a safe culture of 'try and fail' for employees. Seek to have practices in place that actively encourages new ideas and ways of doing things, which does not apportion blame if things go wrong.

Become a decentralised organisation offering services and interacting with people as fully as possible across virtual space.

Become a context aware and reactive organisation with a sophisticated understanding of how socio-economic trends impact demand for services.

Make disaggregated data about your communities publicly available to help build a picture of the experiences of different groups across Wales, and to support more effective scrutiny and assessment of locally delivered services.

Become a caring-aware organisation where work-life balance is built in to the organisational 'DNA'.

Create job ladders in areas where there is little opportunity for progression, including introducing job switching to help people gain new skills.

Eg

E.g. [The ESF-funded Women Adding Value to the Economy programme \(WAVE, 2015\)](#) looked at horizontal progression and diversifying skills. In areas of flexible generic services roles, roles were now rotated on a frequent basis between team members. (p.21)

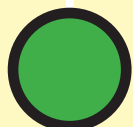
Other examples and resources



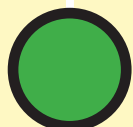
Office of National Statistics - [Which occupations are at highest risk of being automated?](#)



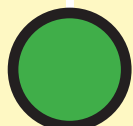
Organisation for Economic Co-operation and Development (OECD) - [The Risk of Automation for Jobs in OECD Countries](#)



Science Direct - [The future of employment: How susceptible are jobs to computerisation?](#)



World Economic Forum - [The future is automated. Here's how we can prepare for it](#)



Harvard Business Review - [Artificial Intelligence for the Real World](#)



Welsh Economy Research Unit [Automation and AI – Impacts on Wales](#)



Business Wales - [Business Wales Skills Gateway](#)



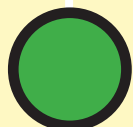
UK Government - [Cloud First Policy](#)



Jones et al. [Risks and rewards of cloud computing in the UK public sector: A reflection on three Organisational case studies](#)



McKinsey [Selecting the right platform for IT automation](#)



ONS [Exploring the UK's digital divide](#)



Welsh Economy Research Unit [Digital technologies and future opportunities for rural businesses and areas in Wales](#)



Max Tegmark TED Talk [How to get empowered, not overpowered by AI](#)



Harvard Business Review [Preparing your workforce for the automation age](#)



Locke et al. [Unleash creativity and innovation](#)



Henderson and Jones [Broadband and Uneven Spatial Development: The Case of Cardiff City-Region](#)



Prof Calvin Jones [The rise of the robots in Wales](#)