

## Public Accounts Committee

### Evidence for 17 March: Permanent Secretary and Director General for Sustainable Futures on the Wales Audit Office Report 'Sustainable Development and business decision-making in the Welsh Assembly Government'

#### Purpose

This paper is to provide the Public Accounts Committee with background information and examples of the range of development work, policies and programmes within the Welsh Assembly Government that are aimed at making sustainable development the central organising principle, and delivering a more sustainable Wales.

#### Background

The current Sustainable Development Scheme, One Wales: One Planet, was published in May 2009 and includes the following definition of sustainable development:

In Wales, sustainable development means enhancing the economic, social and environmental wellbeing of people and communities, achieving a better quality of life for our own and future generations in ways which:

Promote social justice and equality of opportunity; and

Enhance the natural and cultural environment and respect its limits - using only our fair share of the earth's resources and sustaining our cultural legacy.

Sustainable development is the process by which we reach the goal of sustainability.

The Scheme sets out the Assembly Government's vision for a sustainable Wales, and provides a set of operational principles that will thread through, support and drive policies and programmes in a joined up way to deliver the Government's One Wales agenda as part of the pathway towards a sustainable Wales. The Scheme confirms that sustainable development will be the central organising principle of the Welsh Assembly Government.

The Scheme sets out the two core principles of policy making as below:

**Involvement:** people and communities, are at the heart of sustainable development, so the Welsh Assembly Government commits to involving our citizens in the development of policies and programmes, and the identification of solutions to meet their needs.

**Integration:** our approach must integrate social, economic and environmental objectives to deliver sustainable development. In the current economic climate, it is even more critical that we are looking at resource allocation with this in mind, to ensure that we are maximising the wellbeing of the people of Wales.

We recognise that we are a long way from delivering sustainability: our 2009 sustainable development indicators show that 32 out of 41 are stable or improving, with 5 showing clear deterioration. New data for 2006 shows that Wales' ecological footprint is still the lowest in the UK, at 4.4 global hectares per person. This implies that we are using 2.3 planets worth of resources to sustain our quality of life.

We must work with our partners, stakeholders and people and communities to deliver a truly sustainable Wales, but the Sustainable Development Scheme underlines the critical leadership role for the Welsh Assembly Government. In particular, the Welsh Assembly Government needs to be:

clear what sustainable development means as delivering wellbeing over the longer-term;

using the framework of sustainable development to make decisions which integrate social, economic and environmental objectives, and be clear about trade-offs and difficult issues throughout;

treading a path to sustainability that is acceptable to our people and communities, and involving them in decisions which affect them.

There is a clear role for our Permanent Secretary and Directors General to lead this discussion and help to embed sustainability as the central organising principle of the Welsh Assembly Government, alongside the role of Ministers in upholding the statutory duty. Below we highlight examples of where the Welsh Assembly Government are promoting sustainable development through our working environment, our policies, programmes and delivery, and the structures for reporting our progress.

#### Examples of internal Welsh Assembly Government work to improve understanding of sustainable development (SD) within the organisation, and embed it more clearly in policies, programmes and our working environment:

**SD Advocates:** lead SD officials from each Department meet on a regular basis to help support progress on SD within their Department, including undertaking projects to address particular sustainability issues, including capacity-building, work travel, better working with

stakeholders.

**Staff engagement on SD:** The Welsh Assembly Government are at the forefront of public sector staff engagement on sustainable development. We are mainstreaming sustainable development into job descriptions through its inclusion in the performance management system. The introduction of sustainable development into the skills and competence framework for staff has taken us beyond simply gathering information and into the areas of proactive engagement and education. It has allowed us also to reach all staff, not just those who complete the annual staff survey.

**Policy Mill/Policy Gateway:** integration process/tool to ensure that new policies are integrating social, economic and environmental issues early in their development, so that policies are individually and collectively delivering sustainable development in Wales.

**Eliesha training:** 25 courses in 2009/10 to help people within the Welsh Assembly Government understand what SD is about and how it relates to their jobs.

**Ecological Footprint training** for policy development officials within all Departments.

**Business planning system:** clear alignment between the business planning system and our sustainable development objectives and indicators (from 2010/11, based on the new Scheme).

**Internal Consultancy:** members of the SD team (within the Department for Environment, Sustainability and Housing) provide direct support, including consultancy and training, to other WAG Departments on embedding SD. Examples of work include: co-producing a project with a Department as an example of SD at work; producing Department specific information and training on SD; and attending Departments' own internal engagement events to raise the profile of SD and engage directly with staff.

#### **Examples of Welsh Assembly Government policies from all Departments aimed at delivering aspects of sustainable development:**

**Sustainable Procurement Action Framework:** 33 organisations have used it to assess their sustainable procurement performance and developed an associated Action Plan for improvement.

**Education for Sustainable Development and Global Citizenship (ESDGC):** helps learning providers embed the principles of ESDGC into their management and delivery of learning, through a series of information documents that exemplify good practice.

**Our Healthy Future:** the programme for public health.

**Healthy Sustainable Wales:** This sustainable development policy has been in place since 2006 and is supported by a toolkit to help National Health Service (NHS) bodies embed sustainable development into everyday working practices. The toolkit covers 11 areas, including travel, facilities management, health improvement, community engagement and procurement. The Directorate General is currently working with the NHS to update the policy and toolkit to reflect changes in the structure of the NHS and the new Sustainable Development Scheme.

**Home Energy Efficiency Scheme:** Since April 2001, over £123 million has been spent on energy efficiency measures in Wales through the Assembly Government's Home Energy Efficiency Scheme and over 108,000 households in Wales have benefited from improved energy efficiency as a result.

**Waste Strategy:** a pathway towards zero waste by 2025 (taking the agenda forward beyond the **Environment Strategy**).

**Low Carbon Energy Policy Statement:** this includes proposals to move Wales towards self-sufficiency in renewable electricity in a generation, whilst driving energy efficiency and with heating requirements being supplied from renewable sources.

**Glastir:** the new agri-environment scheme focuses on delivering `ecosystem services` outputs as a result of changes in land management practices. It also provides support for carbon sequestration and the provision of renewable energy on farms, thus leading to a contribution to carbon reduction.

**Economic Renewal Programme:** a new approach to better meet the needs of businesses, encourage a stronger and more sustainable economy, and increase the prosperity and long-term wellbeing of the people of Wales, and linking with the **Green Jobs Strategy and FS4B (Flexible Support for Business)**.

**Social Enterprise Action Plan:** this sets out how the Welsh Assembly Government will work with partner organisations to promote social enterprises in Wales to create a thriving sector that will support community and economic regeneration and create local jobs.

**Greening Operations:** 18 of the Welsh Assembly Government buildings had reached Green Dragon Level 5 as of 2007, and achieving BREEAM (Buildings Research Establishment Environmental Assessment Method) excellent on new buildings and refurbishments.

**NHS Estates:** much work, and achievements include Welsh hospitals generating approximately 9% of their total electricity requirement from embedded Combined Heat and Power sets.

#### **Examples of Welsh Assembly Government support for external projects and other organisations to achieve a more sustainable Wales:**

**Wales Local Government Association standard:** this provides local authorities with practical guidance at both a corporate and individual service level on delivering sustainable development.

**Grant schemes** across the organisation which are aimed at improved equality, social justice, sustainability (eg Family Enterprise Initiative, Ecological Footprint Grant).

**The Heads of the Valleys Low Carbon Zone:** an excellent example of the Assembly Government creating opportunities for green jobs as well as positive social and environmental outcomes as part of its regeneration investment.

**SD/Climate Change/Environment Advice Notes** published in 2008 to help Community Strategy Partnerships address these issues.

**Reporting structures:**

Below are the formal and statutory reporting requirements for progress on sustainable development, including recent and ongoing scrutiny and audit.

**SD indicators** reported annually in the summer, including the 5 headline indicators of SD:

GVA per head

Percentage of the population in low-income households

Priority habitats and species status

Wales' global ecological footprint

Wellbeing in Wales (link to National Survey for Wales)

**SD Annual Report** is a statutory commitment, published annually (2008/9 report now published - future Reports will be published earlier). Commitment for the 2009/10 report to show how each Department is embedding SD as a central organising principle.

Sustainable Development Commission **Sustainable Development in Government** annual reporting process.

**State of the Environment Report** twice a year, linked to delivery of the Environment Strategy.

**Cabinet Committee on Sustainable Futures** is considering how each Department is embedding SD and climate change.

**External scrutiny 2009/10:** NAW inquiry into mainstreaming sustainability; WAO publication on sustainability in business decision-making.

4-yearly **statutory Effectiveness Review** on how the Assembly Government has delivered the proposals in the SD Scheme (last report in early 2008).

Summary / Recommendations

**The Committee are invited to note the structure and range of work across the Welsh Assembly Government aimed at delivering a more sustainable Wales, as a basis for the evidence session for the Permanent Secretary and Director General for Sustainable Futures on 17 March.**