



BIS | Department for Business
Innovation & Skills

**SUSTAINABLE DEVELOPMENT
ACTION PLAN**

1 AUGUST 2009 – 31 MARCH 2011

Contents

[View through trees to Lake Buttermere, Lake District](#)

Ministerial Foreword	2
Chapter 1: Introduction	5
Chapter 2: Building Britain's Future – BIS's Action For Business	9
Chapter 3: Regional Policy	25
Chapter 4: Climate Change and Energy	27
Chapter 5: World Trade, Development and Sustainability	30
Chapter 6: Supporting Fair and Just Employment and Consumer Practices	35
Chapter 7: Innovation, Science and Research	38
Chapter 8: Embedding Sustainable Development into Higher Education and Further Education (HE/FE)	51
Chapter 9: Skills	55
Chapter 10: Operations and Procurement on the BIS Estate	57
Chapter 11: People: Embedding Sustainable Development at BIS	63
Appendix: Summary List of SDAP Actions	67

Ministerial Foreword



I am delighted to endorse this Sustainable Development Action Plan – the first for the new department – and welcome the direction we are taking to further embed sustainable development.

Climate change is happening. We can see the evidence all around us with melting ice caps and rising temperatures. And we know that as our planet's climate changes and our population continues to expand our resources will be under increasing strain. So our capacity to survive and flourish in this new environment will hinge on our ability to live within our means or, to put it another way, to make the most of the resources at our disposal. That is what sustainable development is all about.

To preserve our delicate eco-system, Government committed to reducing greenhouse gas emissions by 80 per cent by 2050. It's a radical goal and achieving that ambition will not just be a case of tinkering at the edges. It will mean shifting our economy from high to low carbon. It will mean making fundamental changes to the way we live our lives – the way we travel, the way we heat our homes, the way we run our businesses. And it will mean putting sustainable development at the heart of what we do.

However, with the formation of BIS earlier in the year we now have a Department that is spearheading this charge towards a low carbon economy. And looking back over the past year there has already been considerable progress. With our *New Industry, New Jobs* industrial policy we looked at the sustainable areas where we would need to develop a national capability in future such as advanced manufacturing, digital communications and low carbon. And we followed this up with statements setting out how Government would act to fulfil our potential in each of these areas.

When it came to low carbon we released a Low Carbon Industrial Strategy with DECC which included investment for renewable energy – wind and wave power, nuclear energy and ultra-low carbon cars. But this was not just about money. It was about innovation, and finding ways to make green technology from scratch instead of simply adapting what we had to be more environmentally friendly.

To encourage the right innovation and research we created an Innovation Fund to bring more ideas from the laboratory to the market place. And besides that we are building centres of excellence to allow our scientists, researchers and inventors to test their prototypes. We are also making sure that The Technology Strategy Board, Research Councils and Knowledge Transfer Networks are putting their energies into sustainable solutions. The Living With Environmental Change Programme, a joint research and policy partnership programme to increase resilience to environmental change, is just one of a number of initiatives I could highlight that are starting to make a real difference.

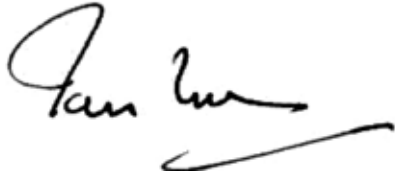
But there is another side to sustainable development. It is not simply about making the most of our resources. It is about making sure all our people have a chance to enjoy the benefits of our economy. That is why we are working to improve the employment standards of the poorest and most vulnerable in our society. And it is why we are doing everything we can to give consumers a better deal.

Yet we know we need to do more. A low carbon economy will bring more opportunity but people will have to have the right skills if they are to realise that opportunity. So we are reforming the skills system. This year we published a Higher Education Framework and a Skills Strategy to look at the sorts of sustainable and green skills people will need in future. Together these documents show how businesses, colleges, universities, regional and local bodies can work with us to overcome our low carbon skills gaps.

Of course, it is not enough for BIS to spread the word about sustainability. We also need to be seen to be living by our principles. Already this Department has cut its carbon footprint by 26 per cent from 1999/2000 levels. And we continue to work with the Sustainable Development Commission to share best practice across our organisation.


So sustainability is part of the BIS DNA. And this report sets out in much greater detail what we are doing to ensure a more sustainable and secure future. This year we have made a start but, as the Copenhagen summit reminds us, there is a huge amount left to do – whether it is building international agreements that create the right market conditions for low carbon goods and services, or fulfilling our commitments as set out in the Low Carbon Strategy.

This document spells out how we are going to achieve our plans. Every step along the way both large and small is critical. Not simply because it will help us achieve our grand ambition of a low carbon economy. But because it will allow us to create a low carbon society where as many people as possible can share the opportunities opened up by new innovation and new technology. These are exciting times. I am proud to be the Minister leading this work and I am confident that, through our combined efforts, our efforts will be rewarded.

A handwritten signature in black ink, appearing to read 'Ian Lucas', with a long horizontal flourish extending to the right.

Ian Lucas
Minister for Business and Regulatory Reform
with responsibility for Sustainable Development

Introduction



BIS Department for Business
Innovation & Skills

Entrance to the Department for Business
Innovation & Skills

1.1 Investing in our Future – A Sustainable Development Action Plan for the Department for Business Innovation & Skills (BIS)

The Department for Business Innovation & Skills was created in June 2009 following the merger of the Department for Business Enterprise & Regulatory Reform (BERR) and the Department for Innovation, Universities & Skills (DIUS).

This is the first Sustainable Development Action Plan (SDAP) for the new Department and covers the period August 2009 to March 2011. It highlights key policies and activity across the new Department which demonstrate BIS's support for our Mission and investing in a sustainable future, both in the UK and globally.

It demonstrates how BIS brings together the strengths and expertise of the former DIUS and BERR to create valuable linkages between innovation, science, Universities, skills and business, to help us build on our strengths and develop new capabilities, that will enable us to benefit fully from a rapidly changing world. By way of example these linkages are highlighted in the role of the Technology Strategy Board in supporting measures from New Industry New Jobs which features prominently in this Plan as it advocates an economic recovery from the recession which contains sustainable growth, with environmental considerations and sustainable jobs.

This Plan also looks at how BIS is ensuring that its operations across its own estate are sustainable and the steps BIS is taking to further embed sustainability across the Department's policies and its people.

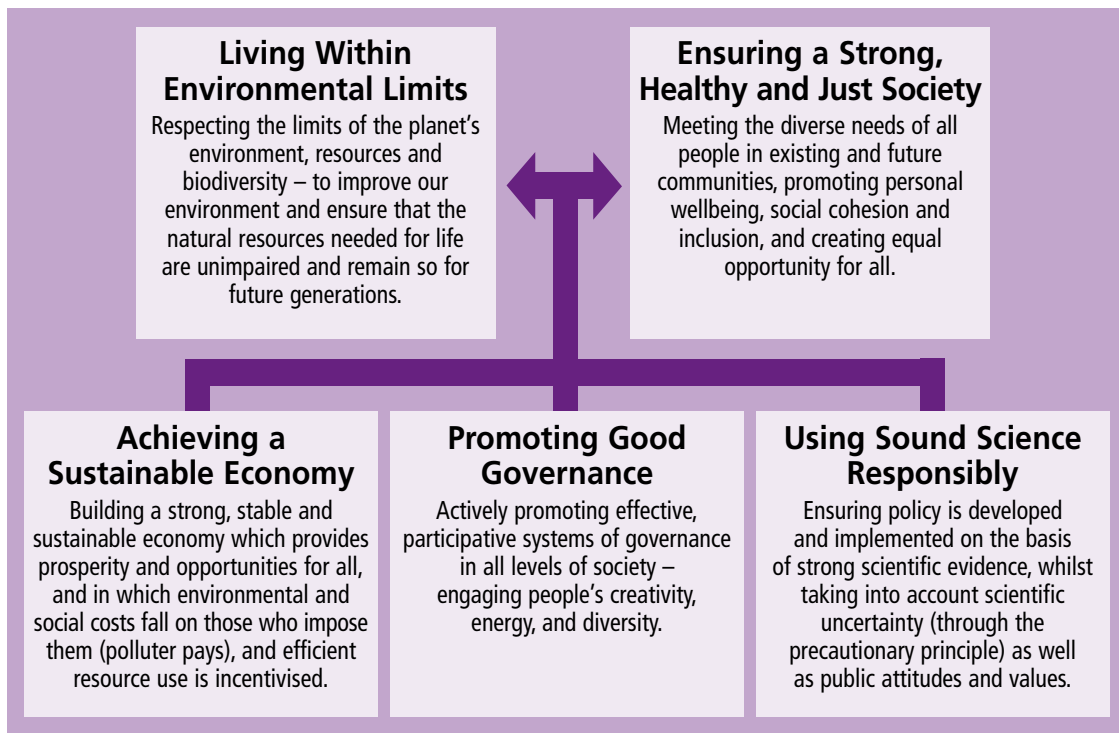
Before addressing specific policies and actions it is important firstly to understand the foundations of sustainable development in the UK, and secondly to understand the new Department's Mission; its

Public Service Agreements; and where sustainability fits into BIS's governance structure.

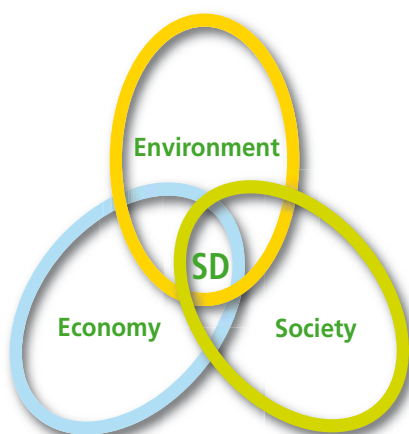
1.2 The Foundations of Sustainable Development in the UK

The UK Government's Strategy entitled "Securing our Future" (published in 2005) sets the framework for sustainable development in the UK. At the heart of the UK Strategy are five guiding principles which provide the basis for sustainable development policy in the UK.

Sustainable Development Guiding Principles



The Diagram below is used in BIS to demonstrate the need for an integrated approach to Economic Development, Environmental Protection and Social Development (the pillars of sustainable development) to achieve sustainable development in our policy making.



Sustainable Development Priorities

The UK Strategy also highlights 4 priority areas on which departments should focus:

- Energy and Climate Change.
- Sustainable Consumption and Production.
- Sustainable Communities.
- Natural Resource Protection and Environmental Enhancement.

Many of the policies BIS is engaged with support the principles and shared priorities of the UK Strategy.

1.3 “Investing in Our Future”

BIS’s Mission:

“To build a dynamic and competitive economy by: creating the conditions for business success; promoting innovation, enterprise and science; giving everyone the skills and opportunities to succeed.

To achieve this we will foster world-class Universities and promote an open global economy.”

1.3.1 BIS leads on the following Public Service Agreements (PSAs) 2008-11

- **PSA 1:** Raise the productivity of the UK economy.
- **PSA 2:** Improve the skills of the population, on the way to ensuring a world-class skills base by 2020.
- **PSA 6:** Deliver the conditions for business success in the UK.
- **PSA 7:** Improve the economic performance of all English regions and reduce the gap in economic growth rates between regions.

1.3.2 The Governance structure in BIS and Sustainable Development

BIS is striving to develop sustainable development capability amongst its people and embed sustainable development into policy-making processes. To help achieve this the Director General of Business Group has taken up the role of Board level Champion for sustainable development. In his role he has called for a review of the network of champions at group level and across the BIS family of Non Departmental Public Bodies and Agencies and for an informal network of “Green Champions” or enthusiasts for sustainable development to be developed to help communicate sustainable development messages locally.

Action 1:

Owner: The Sustainable Development Team

By spring 2010 to have reviewed the network of Champions and to work with the BIS Strategy team and to consult the Sustainable Development Commission, as necessary, to embed sustainable development into BIS's new policy framework.

CHAPTER 2

Building Britain's Future – BIS's Action for Business

UK Electricity Plans

At the forefront of BIS's drive to move out of recession and achieve sustainable growth is the policy statement 'Building Britain's Future -New Industry New Jobs' which identifies measures that maximise the opportunities for the UK economy in areas where we know Government action will have a big effect and help us emerge from recession strongly and more quickly. Measures launched in 2009 support manufacturing, a move to a low carbon economy, a framework that will fully harness digital technology and a package of actions to transform the UK environment for life science companies.



2.1 UK Low Carbon Industrial Strategy

This strategy builds on the Government framework for supporting British-based businesses in the transition to a low carbon economy. Its core objective is to ensure that British Businesses and workers are equipped to maximise the economic opportunities and minimise the costs of this shift. The Strategy identifies areas where the Government believes economic opportunity is greatest for the UK and sets out a programme of targeted action and investment to address market failure and barriers to help unlock these opportunities. The strategy also recognises that we need to build on local and regional strengths in order to make the most of the future economic benefits for Britain, and for this reason, introduces the concept of Low Carbon Economic Areas. Another important aspect of Government action is in ensuring the needs of business in making the transition are met and a just



and fair transition can take place. Specific actions here will reinforce the broader societal shift to a low carbon economy and contribute directly to the drive towards sustainable development. The strategy sets out the first investments from the £405 million for low carbon industries and advanced green manufacturing announced in the 2009 budget.

Action 2:

Owner: Low Carbon Business Team

To deliver the commitments in the UK Low Carbon Industrial Strategy to maximise our potential for growth and job creation in the move to a low carbon economy.

Milestones

- Support the development of a British based offshore wind and marine energy industry with investment of up to £180 million. Among these investments is support for Wave Hub, a marine demonstration and testing facility, on which construction will begin by the end of 2009.
- Working with DfT to establish by the autumn of 2009 the cross-Whitehall Office for Low Emission Vehicles with up to £10 million for the accelerated deployment of electric vehicle charging infrastructure.
- By end of 2009 to have established two Low Carbon Economic Areas (LCEAs) for marine energy and ultra-low carbon vehicles and to be working with regional partners to identify further LCEAs by the end of January 2010.
- By end 2009 to have created the Forum for a Just Transition to consider the broader societal impacts of the shift to a low carbon economy.
- By autumn 2009 to have launched a package to help SMEs better understand and respond to the opportunities and risks posed by the move to the low carbon economy, including a guide for business, by business on the uptake, development and marketing of low carbon solutions.

2.2 Advanced Manufacturing Strategy

“At the heart of Britain’s knowledge economy is our manufacturing base. High-value, highly skilled and internationally successful businesses that have worked hard to secure a lead in hi-tech global supply chains.”

This strategy is another important step towards the Government’s vision for our future. The practical package of measures in this strategy will help equip British manufacturers, of all sizes and sectors, to take advantage of the advanced technologies and new market opportunities now shaping our industrial future. BIS’s role

is in making sure we have the best possible business environment and skilled workforce for advanced manufacturing and that we give British manufacturers the support they need to create jobs in Britain and export the best of British manufacturing design, technology, skills and innovation around the world.

Action 3:

Owner: Advanced Manufacturing Industries

To deliver the majority of commitments in the Advanced Manufacturing Strategy by end 2012.

Key Milestones. By 2010:

- Composites Strategy launched, including the £5 million Grand Challenge prize to develop innovative composite manufacturing techniques.
- Plastic Electronics Strategy launched, and clear skills actions in plastic electronics included within this strategy.
- Consultant identified for build of Industrial biotech pilot plant facility and action on Phase 1 of project fund underway.

2.3 Digital Britain

The Digital Britain White Paper, published in June 2009, sets out an ambition to secure the UK's position as one of the world's leading digital knowledge economies. The move from analogue to digital technology is revolutionary and will change the world in which businesses and people operate, as well as defining our competitiveness, with the digital economy now accounting for almost £1 in 10 that our economy produces every year. The White Paper sets out more than 80 actions, including a commitment to universal broadband; investment in next generation broadband; action to tackle peer-to-peer file sharing; measures to help liberalise spectrum; and measures to secure the future of public service content. The proposals will enhance Britain's strengths in a crucial sector and harness new technologies to provide a fairer and more prosperous Britain for all. A digital Britain brings with it sizeable market opportunities for innovations and products that save energy in telecommunication networks. In its drive for a low carbon economy the Government supports moves to develop energy-efficient equipment and encourages industry and consumers to seek ways to reduce the environmental impact of digital technology.

Action 4:

Owner: Information Economy

To implement the actions set out in the Digital Britain White Paper, securing the UK's position as one of the world's leading digital knowledge economies.

Milestones

- By May 2010: Pass primary legislation to facilitate further progress across a number of areas of the digital economy, including reform to the regulatory framework that governs investment in digital infrastructure.
- By 2012: Deliver a Universal Service Commitment in broadband at a level of 2Mbps by 2012; and completion of a programme of work, led by Ofcom, supported by a Consortium of Stakeholders, and overseen by the Champion for Digital Inclusion, to drive Digital Participation. Up to £12 million of funding is available for this work.
- By 2015: Deliver (subject to the fulfilment of migration criteria by 2013) a Digital Radio Upgrade from FM to DAB and from MW to FM.
- By 2017: Deliver, through the mechanism of the Final Third Project, at least 90% coverage of Next Generation broadband for homes and businesses.

2.4 Life Sciences Blueprint

UK Life Sciences (pharmaceuticals, medical technology and biotechnology) is a world-leading, high-tech industry employing over 120,000 people and investing over £5 billion in Research & Design in the UK. It contributes to economic growth, provides highly-skilled employment opportunities and through the development of innovative medicines and technologies, contributes to the delivery of high-quality healthcare. The shared vision is for a life sciences industry which is able to make the best possible contribution to the future wealth of the country and to continued improvement in health and wellbeing for the UK and globally.

Acknowledging that the UK's leadership is threatened by competition from other countries, the Office for Life Sciences (OLS) was created in January 2009 to transform the UK operating environment for Life Sciences companies. Working across Government (BIS, DH, HMT, UKTI) and with the Life Sciences industry, and academia, the OLS published the *Life Sciences Blueprint* in July – a package of actions to ensure the UK continues to be the location of choice to do Life Sciences business.

Since July, the increased pace and coherence that characterised the development of the *Blueprint* actions has continued, with significant delivery progress already made across a wide range of issues.

Action 5:

Owner: Office for Life Sciences

To ensure that the package of actions set out in the Life Sciences Blueprint are implemented.

Milestones

- To publish a delivery document in January 2010 setting out progress already made and detailed delivery reports for each action.

2.5 Other key Business Sector Support Measures in Action

There are a number of key actions supporting sustainable development which were reported on in BERR's Sustainable Development Action Plan 2008, which are still continuing. These are as follows:

2.5.1 Manufacturing Strategy Review 2008

Launched in September 2008, the Manufacturing Strategy Review puts in place a range of measures that include helping to create opportunities for jobs and growth for manufacturers as part of the transition to a low carbon economy.

The Manufacturing Strategy also sets out a range of new measures that facilitate growth in these new and emerging green markets, particularly around the development of a strong skills base. There is also recognition of how technological change is reshaping manufacturing by creating the capacity for more efficient processes and meeting the demand for new or better products. Here the strategy announced the development of the Manufacturing Technology Centre, which will be the focus for the development of new manufacturing operations and products when it opens in 2010. There is also further investment from the Technology Strategy Board for research into high value manufacturing products; production processes and services; and value systems that support these markets.

The Manufacturing Advisory Service (MAS) will continue to work with companies to improve their efficiency, productivity and competitiveness. By reducing waste in all aspects of their operation, MAS will help companies become more environmentally sustainable. In July 2009, the Low Carbon Industrial Strategy provided £4 million to specifically focus on helping companies take advantage of opportunities in low carbon economies. Since 2002 MAS has conducted over 30,000 detailed reviews and supported 11,000 projects, delivering £700 million in added value to companies.

2.5.2 Strategy for Sustainable Construction – June 2008

The UK construction industry is one of the most important sectors of our economy and is worth over £100 billion. The UK construction sector contributed 9.2% of the nations GVA (Gross Value Added) in 2007 up from 8.7% of GVA in 2006.

The Strategy for Sustainable Construction was launched in June 2008. The strategy includes a range of targets on environmental, social and economic aspects of sustainability in construction which have been agreed across Government and the construction industry. The strategy sets the sustainability agenda in construction for the medium to long term.

A programme is in place to help embed the messages contained in the Strategy. This programme includes publicising the Strategy's messages at regional events; development of a website on sustainable construction; placing of articles in trade journals; and the production of guidance material.

A Delivery Board has been formed to monitor progress and to oversee this programme. The Board comprises representatives of industry and the Sustainable Development Commission, as well as officials from several Government departments.

What was BERR, co-ordinated the strategy with input from other departments and the construction industry and BIS continues to support work which aims to deliver on the strategy's objectives.

Action 6:

Owner: Construction Sector Unit

There is a (Ministerial) commitment to report publicly on progress with the Strategy in both 2009 and in 2011.

2.5.3 Aerospace

The demand for new, low carbon emission technology is growing, and is key to achieving our vision of a low carbon future. BIS, in collaboration with our other partners from industry, academia, and other Government departments, is delivering the National Aerospace Technology Strategy (NATS), which supports the implementation agenda of the Aerospace Innovation and Growth Team (AeIGT). BIS is assisting in the realisation of a low carbon vision by funding research and technology, for example, into the use of composite structures and advanced engine technologies.

Action 7:

Owner: Aerospace Marine & Defence Team

BIS to continue to play a key role in the implementation agenda of the Aerospace Innovation and Growth Team so that UK aerospace continues to remain globally competitive and in line with a vision that, by 2022, "the UK will offer a global Aerospace Industry, the world's most innovative and productive location, leading to sustainable growth for all its stakeholders".

2.5.4 Automotives

Passenger cars and road transport are associated with a range of environmental, economic and social impacts arising from fuel consumption for energy. During 2009/11 the trend towards lower emissions should continue, boosted by an increase in new diesel registrations, fiscal changes to excise duty (by CO₂ emissions levied by UK Government and elsewhere in the EU) and voluntary CO₂ labels displayed in nearly all dealership showrooms throughout the UK.

Automotive Unit continues to work with industry and key stakeholders in pursuit of better regulation to create the conditions for globally competitive business in a low carbon economy. Making gains with low carbon technologies will make a substantial contribution to achieving our sustainable development objectives and reducing CO₂ emissions in line with strategic interventions by Government.

The Government's automotive sector policy is pulling stakeholders in the same strategic direction to mitigate global risk and share the burden of environmental impact. This long-term environmental and social policy continues to nurture a fairer regulatory environment and framework for sustainable development, that is informed by UK and international best practices and is also compatible with the framework for sustainability in the European Climate Change Programme.

BIS's policy makers were instrumental in realigning the regulation, setting emissions performance standards for new cars, with competitiveness, environmental and social objectives of the Community and influenced collective agreement to the phasing-in of requirements for new cars through the limit value curve (65% compliance in 2012; 75% in 2013; 80% in 2014 and full compliance by 2015).

The Government response to the New Automotive Industry and Growth Team (NAIGT) report was published in November 2009. It sets out the grounds for the Government's confidence in future for the industry in the UK. The key recommendation, the set up of an Automotive Council for the UK, was accepted wholeheartedly. On the various detailed recommendations, the Government responded positively while noting the considerable investment and engagement of Government with this sector.

Action 8: Automotive Unit

The Automotive Unit in BIS will provide the Secretariat for the Automotive Council supporting the Council's role to provide a strategic continuous engagement around the challenges facing the Industry. To do this the Automotive Council will harness insight from a wide range of sources including not only established manufacturers and suppliers but also technology specialists, researchers, leaders from the built environment, environmental and social thinkers, retailers, the financial sector and the UK's world class Universities.

2.5.5 Industrial Biotechnology and the biobased economy

Industrial Biotechnology (IB) is the use of biological substances, systems and processes to produce materials, chemicals and energy. It is a generic technology that provides both new market opportunities to companies and offers new routes to more sustainable products and processes as well as contributing to the Government's wider agenda on low carbon manufacturing and climate change.

Industrial Biotechnology can contribute to sustainable, low-carbon growth in the UK and beyond through the development of new and less carbon intensive products and processes across all sectors of the economy. Industrial Biotechnology is at the heart of the UK's drive towards a greener future and greener jobs and its wider adoption will equip companies to take advantage of new and emerging as well as established markets. Robust estimates of the global Industrial Biotechnology market by 2025 range from £150 billion to £360 billion; similar estimates for the UK Industrial Biotechnology market range from £4 billion to £12 billion.

In May, an industry-led Industrial Biotechnology Innovation and Growth Team published a series of recommendations to Government; in response the Bioscience and Chemicals Units have undertaken the following actions:

Milestones

- A new Industrial Biotechnology Leadership Forum, made up of industry, government departments and other key stakeholders, has been set up to provide strategic direction and oversight for Industrial Biotechnology across both Whitehall and industry.
- The building of a £12 million Industrial Biotechnology Demonstrator Facility in the North East has been funded by BIS. This facility will allow companies to better access the expertise and equipment needed to take advantage of the market and sustainable development opportunities offered by Industrial Biotechnology.

- BIS has funded a £2.5 million Technology Strategy Board competition for projects that use Industrial Biotechnology for producing High-Value Chemicals to stimulate the development of new product processes and technologies – many of which will be more sustainable.

2.5.6 Retail

Retail is one of the largest and most diverse industry sectors in the UK, and is therefore impacted by – and contributes to – perhaps the widest range of environmental policy and regulation. As the link between producers and consumers it also has a uniquely strong position to influence environmental performance in all parts of the supply chain. A key area of work for the BIS Retail Unit is to work closely with the retail sector to help reduce its carbon footprint through joint Retail/Government activity to achieve mutually beneficial sustainability goals. The following actions are interrelated.

The BIS Retail Unit is producing the Low Carbon Action Plan for Retail (LCAPfR). This Action Plan builds on the recognition by retailers of the need to address the threats of climate change by reducing carbon emissions not just within their own operations but by supporting suppliers and customers in reducing their carbon emissions. These actions will also complement the EU Retailers Environmental Action Programme (REAP).

The Action Plan will be developed by working closely with the British Retail Consortium and the Association of Convenience Stores through analysis of key findings from the first annual report (published November 2009) of industry-led initiative “A Better Retailing Climate”. “A Better Retailing Climate” was launched with 5 goals:

- Reduce direct environmental impact of retail businesses.
- Manage climate risks.
- Help customers, staff and suppliers to reduce their environmental impacts and vulnerabilities.
- Engage in the public policy debate and support the Government in meeting its climate change goals.
- Report achievements transparently and consistently.

Signatories include – Argos, Asda, Boots, B&Q, Body Shop, Currys, Dixons, Early Learning Centre, Homebase, John Lewis, M&S, Mothercare, Next, PC World, Sainsburys, Tesco, The Co-Op, Waitrose and Wickes.

The Low Carbon Action Plan for Retail will explore the barriers and levers and will identify innovative solutions, better regulation, or simplification across government that can support industry in achieving national targets.

Action 9: Retail Unit

To have the first Low Carbon Action Plan for Retail in place by February 2010.

2.6 Olympics Legacy

The 2012 Games are committed to securing an ambitious and enduring physical and social legacy for the Olympic Park area and around the UK. There is a commitment in the London 2012 sustainability plan that the Games' facilities and the Olympic Park itself will be the platform for a thorough, ongoing and environmentally responsible regeneration programme taking place over a generation or more. It further says that the 2012 Games "Towards a One Planet 2012" aspiration and commitment extends beyond the staging of the 2012 Games to respecting sustainability principles in all legacy plans and strategies.

BIS leads on an objective to leave a lasting economic and business legacy from the 2012 games and has sought to embed sustainability within these legacy plans. For example the recent major 2012 business summit was run according to BS 8901 – the standard for sustainable event management. Beyond this we are working to help businesses be inspired by the 2012 Games and to be more sustainable and to this end we have piloted a 2012 Games event with East of England Development Agency that offers support to SMEs to "Improve Your Resource Efficiency". For the future we hope to work with 2012 Games sponsors to reach out to business so they are more sustainable and consequently more competitive.

2.7 An Environmentally Sustainable Regulatory Framework

BIS provides an appropriate regulatory framework to ensure business operates with due respect for the environment. We will continue to play a leading role in introducing and reporting on extended producer responsibility legislation including:

The Waste Electrical and Electronic Equipment Directive (WEEE)

This Directive aims to minimise the impact of electrical and electronic equipment on the environment by encouraging the reuse, recycling and recovery of WEEE. The WEEE Directive was implemented in the UK by the WEEE Regulations, which came into force on 2 January 2007. The UK system is delivering successful results and led to recycling the equivalent of roughly 7kg per head of the population last year, far in excess of the 4kg requirement set by the European Commission. However, there is clearly more to be done. We will be working alongside other Member States to ensure that the European Commission proposals for a recast of the Directive fits with the needs of UK producers and other stakeholders and will contribute towards

increased rates of reuse, recycling and recovery of WEEE. Finally we will continue with a campaign that will increase consumer awareness of socially and environmentally responsible ways to get rid of unwanted electrical items.

Action 10:

Owner: WEEE Team

BIS will continue to monitor the system and will be bringing forward amendments to the Regulations effective from January 2010 which will streamline the system and reduce the administrative burden placed on businesses.

EC Directive on Eco-design

BIS has been working with Defra who are leading on the implementation of the Eco-design of Energy-using Products (EuP) Directive. The framework Directive aims to set eco-design requirements for energy-using products that improve the environmental performance of products throughout the life-cycle, by systematic integration of environmental aspects at a very early stage in the product design. In November 2009, a recast Directive came into force to cover a broader scope of Energy Related Products (ERPs) – those which do not necessarily use energy in themselves, but that have an impact on energy consumption (e.g. double-glazed window units, insulation products etc).

The original Directive came into force on 11 August 2007 with the Commission working on just under 30 product measures, the bulk of which will see new regulations coming into force in the next two years. Initial measures already in force include lighting regulation requirements starting on 1 September 2009 (which effectively bans certain bulbs) and standby/off-mode power requirements for products starting on 7 January 2010. As single market measures, there are benefits for trade and raising minimum standards across Europe. The UK enforcement and market surveillance regime is managed by the National Measurement Office.

Measures taken under the Directive will help drive reduction in the overall environmental impact of products and improve the energy efficiency of products. With over 80% of all product-related environmental impacts determined during the design phase of a product, stimulating innovation through eco-design can potentially offer big savings across the life-cycle of the product (i.e. energy use, resource and waste).

The Government's commitment to helping consumers was outlined in *A Better Deal for Consumers White Paper, BIS (July 2009)*. The Government is helping consumers by ensuring products that are inefficient, and therefore costly to run, are no longer allowed to be placed on the EU Single Market. For example, the minimum product

standards agreed in the last year in Europe on simple set-top boxes, external power supplies, domestic lighting, commercial and street lighting, stand-by televisions, fridges, washing machines, motors and circulators are expected to generate a net benefit of over £900 million per annum to the UK as a whole, mostly in the form of reduced energy bills to householders.

EC Directive on Packaging and Packaging Waste

BIS leads on the Packaging and Packaging Waste Directive, which is concerned with minimising the creation of packaging waste material and promotes energy recovery, re-use and recycling of packaging. BIS leads on UK implementation of the packaging Essential Requirements, whilst Defra takes forward the UK Producer Responsibility scheme for which companies above a threshold contribute to the costs of treating waste packaging.

The Essential Requirements set out the requirements that all items of packaging must meet before being placed on the UK market, including that it must be the minimum amount necessary, design for recovery (including recycling) and limiting heavy metal concentrations in packaging. As a single market measure this has benefits for trade and environmental protection in Europe. In the UK the requirements are enforced by Trading Standards officers.

At the end of 2008, the UK had met the Directive's final targets for recycling and recovery. These were (with target shown in brackets) 65.7% (60%) overall recovery, with material specific targets for glass 61.3% (60%), paper and board 79.8% (60%), metals 56.9% (50%), plastics 23.7% (22.5%) and wood 78.5% (15%). This is a significant achievement and represents a key milestone in the UK's progress on packaging recycling. In addition to diverting material from landfill, this increased recovery rate is helping in the fight against climate change, saving roughly 8.9 million tonnes of CO₂ equivalent from being emitted into the Earth's atmosphere.

EC Directive on Batteries and Accumulators

BIS has been working with DEFRA, other Government departments, the Devolved Administrations and Environment Agencies on this EC Directive. Two new statutory instruments have been laid in the UK. The 2008 Regulations lay down new technical requirements that must be met by producers of new batteries, limiting use of potentially hazardous materials such as mercury and cadmium, and requiring that batteries be marked with crossed-out wheeled bin symbols to encourage recycling. The 2009 Regulations put in place "producer responsibility" requirements aimed at significantly increasing the quantities of waste batteries that are collected and recycled in the UK.

UK producers of portable batteries (the smaller types of batteries normally used in households) will be required to join compliance

schemes, collecting and recycling batteries from a variety of consumer take back points all over the UK. These new arrangements will take effect from the start of 2010, allowing the UK to work towards the EC Directive's first collection target of 25% by 2012 (rising to 45% by 2016). Until now, portable battery collection in the UK has been around 3%; achievement of the 25% target will mean around an extra 7,000 tonnes of material will be diverted from landfill each year. Producers of larger, industrial or automotive batteries have different responsibilities taking into account that these heavier batteries are already collected and recycled for their residual material value. However, a new ban on the disposal of these types of battery to landfill means that producers will have new obligations, including a requirement to take away, on request, old batteries for recycling when they supply customers with new ones.

EC Directive on End of Life Vehicles (ELVs)

Around 1.6 to 2 million cars and light goods vehicles reach the ends of their lives in the UK each year and their treatment has been subject to considerable change in recent years. BIS is the lead Department for this EC Directive that was agreed in September 2000. The Directive meant that the UK was required to put in place regulations aimed at reducing the environmental impact of ELV treatment and disposal. From the end of 2003, vehicle treatment facilities have had to meet new environmental standards, in respect of both the sites themselves and the way in which they treat each vehicle. This means that all vehicles must have a Certificate of Destruction (CoD) issued showing that they have been scrapped and fluids, batteries and tyres are removed at the start of the treatment process. Around 1,700 Authorised Treatment Facilities (ATFs) work to these new standards and have been permitted by the Environment Agency.

Since 2007, each vehicle producer has had to have in place a designated network of ATFs throughout the UK where last owners of their brands of vehicles can take ELVs. These vehicles are then guaranteed to be treated and recycled at no charge to the last owner, even when the value of scrap metal is low. The ELV Directive sets a re-use/recycling/recovery target of 85%, by weight, of all vehicles treated. Those facilities within the producers' networks have successfully met this target, although the overall UK performance for 2007 fell a little short of the target at 84.2%, due to a number of independently operating ATFs missing the required 85%. Over 100,000 tonnes of waste has been diverted from landfill, but looking forward, new initiatives, including increased recycling of the non-metallic residue that is left after vehicle shells have been shredded, should see further improvements. The ELV Directive target increases to 95% by 2015, an even more challenging target that will further establish ELVs as one of the most recycled of all waste streams.

Industrial Emissions Directive

This Directive is currently being negotiated in Brussels. This affects all large combustion plants, especially electricity generators and refineries, as the proposals significantly tighten emission limits. Industry are lobbying heavily and we are influencing the DEFRA lead and UK Representation to the EU (UKREP) over the negotiating strategy.

Water Framework Directive

We are working with DEFRA on this Directive to ensure that the impact assessments are robust and that the River Basin Management Plans are equitable in terms of industrial emissions. We also contribute to DEFRA's work on regulating fluorinated gases and ozone depleting substances by ensuring industry is informed of its obligations and in agreeing minimum standards for persons who work on equipment containing f-gases.

2.8 Product Safety

EC Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS)

The Restriction of Hazardous Substances (RoHS) Directive aims to minimise the environmental impact of waste electrical and electronic equipment by reducing the quantities of four heavy metals and two brominated flame retardants that it may contain.

Products placed on the EU market on or after 1 July 2006 may not contain more than the specified limits of lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE). The National Measurement Office (NMO) have now obtained contracts to enforce RoHS and the Batteries regulations.

New Legislative Framework

The free movement of goods lies at the heart of achieving an open market for business in Europe. In May 1985, a "New Approach to Technical Harmonisation and Standards" was agreed to fulfil this objective. "New Approach" Directives set out the essential requirements (on safety for example) written in general terms which must be met before products may be sold in the UK or anywhere else in the European Community. European harmonised standards provide the detailed technical information enabling manufacturers to meet the essential requirements.

In 2008, two new European measures were adopted to enhance the operation of Community harmonisation legislation for products. The measures are a Decision (768/2008/EC) on a common framework for the marketing of products, and a Regulation (765/2008) setting

out the requirements for accreditation and market surveillance. The Decision creates a consistent policy blueprint for future Community legislation. The Regulation, which applies from 1 January 2010, is designed to ensure that existing legislation is enforced consistently and proportionately across the whole of the EU, further eradicating technical barriers to trade and ensuring legislation is effective.

BIS has co-ordinating policy responsibility and will be working with other Government departments and stakeholders to implement the Regulation and on future legislative proposals.

Action 11:

Owner: Technical Regulation Branch

BIS will be developing an annual National Market Surveillance Programme with the co-operation of the UK enforcement authorities to ensure that the UK meets its obligations under the Regulation.

2.9 Solutions for Business/Real Help for Business

Over the last three years, government has been streamlining the thousands of publicly-funded business support schemes previously available – all with different names, branding and providers – into one easily available package called Solutions for Business. This streamlined portfolio of business support is a major achievement towards delivering the Business Support Simplification Programme.

Open to companies and social enterprises of all sizes and sectors, and accessed through Business Link, it can support key areas of business development.

The Solutions for Business package, which can help with common business issues such as accessing finance, innovation, research and development, training and skills, exporting and overseas trade and resource efficiency, has responded to the current recession by introducing two new products under the Real Help Now banner as part of the Finance for Business product; the Enterprise Finance Guarantee (EFG) Scheme and Regional Transition Funds.

Solutions for Business brings together national, regional and local government business support more effectively. Products that directly aid businesses in working towards a more sustainable future include:

- **Train to Gain:** The Government's flagship skills service providing advice, support and funding to employers in England, of all sizes and in all sectors. It gives them better access to a wider range of opportunities for improving the skills of their employees and directly relates to improving social capital in the long term for sustainable development.

- **Improving Your Resource Efficiency:** Initial and specialist support which enables businesses to contribute to a low carbon resource efficient economy whilst achieving cost savings.
- **Low Carbon Energy Demonstration:** Finance to assist a business in a range of demonstration activity in order to commercially exploit R&D in low carbon energy-generating technology.

2009 is a year of transition during which time existing business support schemes will either close or migrate to the relevant Solutions for Business product, adoption of the single unified brand will commence and Business Link will be positioned as the primary access channel. The Solutions for Business team in BIS is working with national, regional and local partners to ensure a smooth transition which benefits the business customer.

Action 12:

Owner: Solutions for Business

Work with national, regional and local partners (including Business Link) to achieve transition to Solutions for Business by March 2010, after which Solutions for Business products will be the only publicly funded products companies will see.

CHAPTER 3

Regional Policy



Albert Dock, Liverpool

BIS leads on the overall policy framework within which the Regional Development Agencies (RDAs) deliver Government policies. As part of this, BIS contributes to delivering sustainable development policy by ensuring that business policies reflect sustainable development principles.

The RDAs contribute to sustainable development, and within their regions lead on the production of Regional Economic Strategies (RESs), which while having a clear focus on economic development, are also based on the sustainable development principles set out in the UK Sustainable Development Strategy.

Sustainable development has been embedded in Regional Economic Strategies many of which demonstrate a high level of awareness of climate change mitigation and adaptation. For example, the RDAs are working with Government to develop a strong regional dimension to the National Climate Change Risk Assessment and Economic Analysis in relation to climate change adaptation. In addition, the West Midlands RES is the first low carbon RES and includes the supplementary indicators of the Index of Sustainable Economic Wellbeing (ISEW). The ISEW, originally developed by East Midlands Development Agency, is designed to measure the extent to which economic growth is supporting improvements in sustainable wellbeing for its citizens, and is now being used by a number of RDAs.

Now, as part of the implementation of the 2007 sub-national review of economic development and regeneration, the Local Democracy, Economic Development and Construction Act (which received Royal Assent on 12 November 2009) introduces a joint responsibility for the RDAs to work with Local Authority Leaders' Boards as the responsible regional authorities in preparing new integrated Regional Strategies. These will take the place of RES and Regional Spatial Strategies (RSS). This includes a clear duty to exercise their functions with the objective of contributing to the achievement of sustainable

development. There is also a requirement for Regional Strategies to include policies designed to contribute to the mitigation of, and adaptation to, climate change.

Operationally, the RDAs' Corporate Plans reflect their activities in delivering sustainable development. Activities include commitments to achieving net zero carbon from investments, sustainable procurement practices and support for zero waste regions. The RDA network shares good practice and works to support Government in developing and delivering innovative approaches to sustainable economic development. BIS, DECC, DEFRA and the Sustainable Development Commission are engaged in this network.

Internally, RDAs address Corporate Responsibility by ensuring staff have the capability to embed sustainable development within their roles and responsibilities. As the "leading strategic economic and sustainable development body in the regions" (Energy White Paper, 2007) RDAs are delivering against a range of national energy objectives including resource efficiency business support; deploying new energy technologies; promoting regional energy supply chain opportunities; and supporting innovative approaches to sustainable energy production and delivery. The RDAs are committed to delivering Government's energy objectives and capturing the economic opportunities that early action on climate change offers. For example, the RDAs are:

- Leading the regions to achieve their 10% target of energy from renewable resources by 2010 through their ongoing support for Regional Renewables Agencies and development of key supply chain initiatives such as Orbis Energy and Wind supply.
- Mainstreaming resource efficiency advice to SMEs through the Information, Diagnostic and Brokerage Business Link service.
- Ensuring that the EU funds they manage contribute to a low carbon, resource efficient economy.

CHAPTER 4

Climate Change and Energy

Eden Project, Cornwall

While the lead Department for energy and climate change is DECC, BIS is actively engaged in this from a business perspective. There are a number of projects and plans underway to help mitigate and adapt to climate change and BIS plays a large role in promoting low carbon business opportunities, for example, through the Low Carbon Industrial Strategy and encouraging private sector engagement in the international carbon market. Whilst climate change and energy issues are only part of the wider sustainable development initiative, they are important in helping to create strategic and behavioural change in the private sector that helps to embed more sustainable practices and long-term thinking.

4.1 Carbon Budgets: Carbon Reduction Delivery Plan

Under the Climate Change Act (2008) the UK agreed to a step change in CO₂ and equivalent emissions (CO₂e) and carbon budgets were introduced, the first three falling between 2008-2012, 2013-2017 and 2018-2022. The UK carbon budget has been divided between different government departments and whilst BIS does not lead in any of the designated carbon budget sectors, it has a share of 6 sectors: Homes and Communities; Transport; Waste; Heating Workplaces; Industrial Processes and Farming and Land. In addition to this, BIS is addressing CO₂e emission reductions across its own estate.

The Sustainable Development Team in BIS is working with sector leads within the Department to produce a Carbon Reduction Delivery Plan that will set out how the Department will contribute to reducing CO₂e emissions across the six sectors.

Action 13:**Owner: Sustainable Development Team**

Produce a BIS Carbon Reduction Delivery Plan by March 2010 through working closely with other government departments to ensure a positive contribution to CO₂ equivalent emissions reductions.

4.2 Climate Change Adaptation

The Sustainable Development Team within BIS is producing a Climate Change Departmental Adaptation Plan. This will be produced alongside the Carbon Budgets Delivery Plan as a single document. The plan will set out how the Department is assessing and managing the risks (both threats and opportunities) from inevitable Climate Change across its policies and estates.

Action 14:**Owner: Sustainable Development Team**

To produce a Climate Change Departmental Adaptation Plan by March 2010 and to liaise with colleagues across BIS in 2010 to embed Climate Change Adaptation into the BIS policy framework.

4.3 Energy & Climate Change Policy

The Low Carbon Business Team works closely with colleagues in DECC, other government departments and with business on energy and climate change policy. This is to ensure that the development of UK and EU energy and climate change policy provide opportunities for UK business, stimulating innovation and growth in new low carbon goods and services.

New low carbon technologies and green industries are already worth an estimated £3 trillion worldwide and are expected to grow to £4.3 trillion by 2015, when they will employ an estimated 1 million people in the UK alone. We want to ensure that UK business is well placed to take full advantage of the new markets in low carbon technologies that a comprehensive and ambitious agreement in Copenhagen will drive.

We are also working to ensure that the regional and sectoral impacts of the transition to a low carbon economy are also addressed. The Forum for a Just Transition, which we announced with DECC in the Low Carbon Industrial Strategy, will provide advice to Government on strategic issues that are vital to ensure that government policies fully take account of national, regional and local impacts for all sections of society to ensure a fair distribution of costs and benefits across the economy from the transition to a low carbon economy.

4.4 Climate Change Projects Office (CCPO)

The CCPO is a joint BIS/DECC funded team and works closely with United Kingdom Trade & Investment (UKTI), FCO and business. BIS recognises the importance of creating global knowledge networks and sustainable development opportunities in low carbon, and the CCPO's role is to support and promote UK private sector involvement in the international carbon market, particularly in climate change projects that reduce emissions to generate carbon credits under the Kyoto Protocol. (The projects mostly take place in developing countries and are called Clean Development Mechanism projects)

As the term Clean Development Mechanism implies sustainable development is a core part of carbon market activities. For example, all emissions reductions projects under the Kyoto Protocol must adhere to sustainable development criteria set down by the host-country governments. These projects are examples of developed and developing countries and business and government all working together to tackle climate change and contribute to sustainable development. The CCPO service therefore offers 'first-stop' expertise to business on Joint Implementation (JI) projects in developed countries and Clean Development Mechanism (CDM) procedures. CCPO also runs a trade mission programme around the world (delivered with UKTI) to promote UK private sector expertise in carbon trading, and to facilitate future business for UK companies. CCPO provides practical input on carbon markets policy.

Since April 2009, the CCPO has organised carbon market trade missions and events in: Brazil, Argentina, Chile, Spain, Indonesia, Malaysia, the Philippines, Columbia and Peru. Inward visits have been hosted from Brazil, Uganda, Ghana, Kenya and Russia.

Trade Missions are planned for: China (Jan 2010), Nigeria & Ghana (Feb 2010) with more missions currently being planned for the financial year 2010-11. The CCPO target is a minimum attendance of 6 companies per mission.

Action 15:

Owner: Climate Change Projects Office

The delivery of 10 Trade Missions and events in 2010 to increase carbon market capabilities and related business opportunities globally.

CHAPTER 5

World Trade, Development and Sustainability

Commercial Dock, UK

5.1 The Joint BIS/DfID Trade Policy Unit (TPU)

This Unit is seeking to ensure “*Global prosperity and security through open and fair markets*”. This goal reflects the intrinsic links between trade, growth and poverty-reduction. Amongst other work to further integrate developing countries into world trade, the Unit is working hard to ensure successful conclusion of the WTO’s current round of trade negotiations through the Doha Development Agenda (DDA). The DDA aims to reduce agricultural trade barriers and trade-distorting subsidies, (which currently cost developing countries £15 billion per year in agricultural income alone). Another aspect the DDA deals with is the liberalisation of trade in environmental goods and services, which will facilitate the export and import of green technologies and skills. This can promote sustainable development and help in tackling climate change. The G20 meeting in Pittsburgh in September 2009, cited the reduction or elimination of barriers to trade and investment as a means to facilitate the diffusion of clean energy technology, and encouraged the pursuance of this “in appropriate fora”. We are supportive of all efforts to make urgent progress in this area and BIS supports the use of Sustainability Impact Assessments by the European Commission to assess the impact of trade liberalisation and identify accompanying measures that need to support environmental and social objectives.

The TPU is working with colleagues across Government to look at where trade policy can make a positive contribution to our climate change objectives, and secure a comprehensive global deal on climate change. TPU are working to ensure that strict emissions targets do not result in protectionist actions that put up barriers to global trade. TPU/BIS is also helping to lead work with FCO on concepts that could have a transformational impact on sustainable development, particularly supporting Chinese ambitions for piloting low carbon zones (one zone is already underway in Jilin City, North West China with help from the UK). We are engaging with

businesses, academics, developing countries and other stakeholders, and are supporting longer term research (£300K over 4 years) by the International Institute for Sustainable Development into the impact of fossil fuel subsidies on trade. These subsidies can discourage developing countries from seeking more sustainable energy resources. We were pleased to see such direct reference made to this in the G20 Pittsburgh communique, which called on members to *“phase out and rationalize over the medium term inefficient fossil fuel subsidies while providing targeted support for the poorest.”* Noting that, *“Inefficient fossil fuel subsidies encourage wasteful consumption, reduce our energy security, impede investment in clean energy sources and undermine efforts to deal with the threat of climate change.”* The communique called on Energy and Finance Ministers to *“report to us their implementation strategies and timeline for acting to meet this critical commitment at our next meeting.”*

We have ongoing work programmes with Chatham House and with the International Centre for Trade and Sustainable Development to build up our evidence base and support pilots and networks engaged in the same aim. Studies are focussed inter alia on scaling up renewables in developing countries, and capacity building for low carbon economies in developing countries.

5.2 **UK Low Carbon International Marketing Strategy, UK Trade & Investment (UKTI)**

UKTI plays a leading role in the UK drive for an export-led growth to economic recovery and one that includes focusing on international business opportunities that promote resource efficiency and low carbon. A partnership of Government and business, led by UKTI, is developing a UK Low Carbon International Marketing Strategy to help increase trade and investment opportunities in low carbon solutions across a range of sectors.

UKTI’s promotion of overseas business opportunities includes encouraging and supporting UK companies with low carbon solutions across the economy to take advantage of opportunities around the world, and showcasing UK expertise in this area. Examples for 2009/10 include:

- Bringing overseas buyers to meet UK companies with environmental goods and services at major UK environmental shows such as Sustainability Live, May 2009, Futuresource June 2009, and the Recycling and Waste Management show in September 2009, as well as overseas missions to markets.
- Research is being undertaken into the UK’s green buildings capabilities with a view to publishing in February 2010 a capability document showcasing the UK’s capability in the construction sector supported by appropriate case studies. Work has begun

on researching the UK's strengths and capabilities in highways infrastructure, traffic management and associated technologies which will include the UK's low carbon offer in this field.

- A series of outward seminar missions will visit Brazil, China, Qatar and the UAE and the team will support a delegation of international buyers seeking UK low carbon construction solutions to Ecobuild in March 2010.
- Building on the brochure, "The UK Railway Sector – Business Excellence in Sustainable Development", published by UKTI in April 2008, the mass transportation sector team are delivering overseas events; for example Technologies and Techniques for Sustainable Development projects in the rail sector in Taiwan and Hong Kong in May 2009.
- The publication in summer 2009 of an airports environment brochure promoting UK capability.
- The International Agri-Technology Centre has a contract to run the UKTI Agri-Food Technology and Sustainable Development Sector for three years, identifying sustainable development opportunities in the sector.

UKTI has taken the lead in promoting the UK's excellence in the field of Education for Sustainable Development (ESD), encouraging best practice in behaviour and school design, promoting low carbon issues in curricula, teacher training and the use of low carbon teaching and learning resources. They have produced an exhibition of UK ESD teaching and learning resources, which has featured in ESD conferences in Dubai and Hong Kong, and a major education trade fair in Switzerland. UKTI has also produced a DVD explaining the UK offer, and a brochure featuring ESD resources. Future activity includes participation in ESD events in the USA, Iberia, Bangkok and Kuala Lumpur. On 7 December 2009, UKTI will publish a Building Sustainable Education brochure showcasing the UK's sustainable education offer.

UKTI plays its part in making the most of the opportunities presented by sustainable development. This is both in terms of its operations, as a government organisation committed to a more sustainable future in the UK and overseas, and through its commitment to helping business in international markets.

5.3 Corporate Responsibility

Since 2000, BIS has had an active role in coordinating Corporate Responsibility (CR) across Government departments. In doing so, it effectively draws together work within other government departments into a coherent and cohesive issue with a specific remit to help develop the business case for organisations to adopt and embed CR within their operations. Also within BIS, the Corporate

Law and Governance Directorate is responsible for the reporting provisions of the Companies Act 2006; the Europe International Trade and Development's Directorate National Contact Point (NCP) leads on the OECD Guidelines on Multi-National Enterprises and Anti-Corruption issues; Enterprise Directorate leads on issues around Social Enterprise; and Corporate Equality and Diversity Unit provides the BIS interface with the Office of the Third Sector.

CR is a very broad agenda and most of the policy levers are external to BIS. The Department is supported by DEFRA, DfID, DWP, DCLG, FCO, Cabinet Office and the Office of the Third Sector. The CR Team published a new report detailing Government activity on CR during March 2009.

Action 16:

Owner: Sustainable Development and Corporate Responsibility Team

BIS will continue to contribute to finalising the ISO 26000 international standard on Social Responsibility during 2009/10 through representation at the next working group meeting in Copenhagen in May 2010 and through its membership of the UK Mirror Committee. BIS will then seek to ensure dissemination of the standard to stakeholders working with the British Standards Institute as appropriate.

5.3.1 National Contact Point (NCP)

BIS and DfID work in partnership on the UK National Contact Point (NCP), which has responsibility for implementing the OECD Guidelines for Multi-National Enterprises. The Guidelines set out the standards of responsible business conduct that participating Governments expect business to adhere to wherever they are trading and operating overseas. The Guidelines provide a number of voluntary principles covering a broad range of issues in business ethics. Resource for the UK NCP was further increased in March 2009 to three full-time staff. The work of the UK NCP is overseen by a Steering Board, which consists of representatives from across Government, as well as business, trade unions and NGOs. An update of the Guidelines has been proposed and the UK NCP are playing an active role in this.

5.3.2 Global Compact

The UK Government is a committed supporter of the United Nations Global Compact, which since its launch in July 2000 has become the world's largest responsible business initiative, with over 5,500 companies from 130 countries. BIS has lead responsibility for the UN Global Compact with the objective of raising the Compact's profile among UK companies. The Compact works with businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the social sustainability areas of human rights, labour environment and anti-corruption. Companies

are asked to embrace, support and promote within their sphere of influence the ten principles and to report annually on progress.

5.4 International Anti-Corruption Measures

Reducing corruption is an important part of sustainable development in maintaining fair and open operations for all to benefit globally. Following the appointment of Jack Straw as the Government's International Anti-Corruption Champion, the Government is developing a Foreign Bribery Strategy. This Strategy will strengthen work across departments and agencies on law reform, enforcement, culture change and good governance essential for sustainable development overseas.

As set out in a speech by the International Anti-Corruption Champion on 23rd June 2009, work has included publication of a draft Bribery Bill for Parliamentary scrutiny earlier this year, including a new corporate offence of negligent failure to prevent bribery on a company's behalf. The Bribery Bill received its first Parliamentary reading on 19 November 2009.

CHAPTER 6

Supporting Fair and Just Employment and Consumer Practices



British marketgoer

6.1 Employment Standards

BIS is the lead Department responsible for maintaining decent minimum employment standards in the workplace. BIS recognises the importance of employment standards in maintaining just and fair working conditions that support sustainable development and increase productivity.

The 2006 employment relations strategy document, *Success at Work*, which set out the Government's programme for this Parliament, placed a focus on implementing measures to protect vulnerable workers and support good employers. These measures include stepping up enforcement of employment rights and encouraging business compliance.

The National Minimum Wage (NMW) remains one of the most important rights for workers. It has made a real difference to the lives of the UK's lowest-paid workers. It protects them from exploitation and creates a level playing field for business, making a huge contribution to the UK's economic success.

The Employment Act 2008 increases the penalties that can be imposed on non-compliant employers; ensures that workers underpaid the minimum wage get fair arrears; and strengthens the enforcement bodies' investigatory powers.

In 2009/10, BIS will be running a sustained campaign to raise awareness amongst vulnerable workers of basic employment rights: the NMW; Agricultural Minimum Wage; Working Time limits; and the regulations that apply to employment agencies and gangmasters.

BIS will also be promoting and publicising a new single enforcement helpline set up in 2009 known as the Pay and Work Rights line (0800 917 2368) through which vulnerable workers (and employers) are able to report abuses and access information and advice about the rights enforced by government. This will significantly simplify and

streamline the current position of multiple helplines and transfers the burden of 'navigating the system' away from the worker.

It is only by ensuring that employment rights can be exercised and properly enforced that we can both give protection to the most vulnerable, and ensure a level playing field for reputable businesses.

6.2 **Work/Life balance**

BIS aims to give employees genuine choices about how they balance work and family caring responsibilities and to support businesses in recruiting and retaining the best people. Since 2007, BIS has extended maternity leave for all employed mothers to one year and further extended the right to request flexible working to include carers of adults and parents with children aged 16 and under. We have recently announced our intention to legislate by April 2010 to introduce Additional Paternity Leave and Pay for parents of children due on or after 3 April 2011. This will give parents more choice about how to share care in their child's first year. A directive on maternity leave is currently being discussed in Europe and a new directive on parental leave has just been agreed. BIS takes a full role in discussions about these, to encourage provisions which provide support to working parents, minimise burdens on employers and support flexibility in the labour market.

6.3 **An active and sustainable consumer policy now and for the future**

In 2009, BIS published a cross-government strategy for consumer policy '*A Better Deal for Consumers: Delivering Real Help Now and Change for the Future*'. <http://www.berr.gov.uk/files/file52072.pdf>

The White Paper sets out how the Government has been delivering targeted real help now to protect people from falling into debt and to support those who do get into financial difficulty. Key measures include: new schemes to help people struggling with mortgage and rent repayments; more free debt advice for consumers and better access to debt advice through the development of a sector-wide agreed self-help process; new guidance from the Insolvency Service for those in debt; and help for those on low incomes who have run out of options and need to write off debts.

Looking to the future, the White Paper sets out a new approach to consumer credit that aims to help consumers make better borrowing decisions and see fewer people taking on unsustainable amounts of debt. Government action will include: a review of credit and store card regulation to make sure borrowers are treated fairly; new requirements on lenders to check borrowers' creditworthiness and to provide adequate explanations of their products, including the consequences of failure to repay; and new guidance from the Office of Fair Trading on what constitutes irresponsible lending.

Another key theme of the White Paper is providing consumers with the information they need to make informed decisions and understand their rights. The White Paper highlights a number of measures with a sustainable consumption focus, including campaigns to inform consumers about how they can reduce the impact of their lifestyle on the environment (Act on CO₂), the updating of the DEFRA Green Claims code, energy efficient products and the Waste and Resources Action Programme (WRAP).

BIS and DEFRA are working together to take forward work in the OECD Consumer Policy Committee on consumer perceptions of green claims, in light of the Consumer Focus report: 'Green Expectations' published in June 2009. <http://www.consumerfocus.org.uk/assets/1/files/2009/06/Green-expectations-single-page.pdf>

6.4 Green Claims

At the UK Government's proposal the OECD Committee on Consumer Policy has included a project on "green claims" in its programme of work for 2010. This project is aimed at supporting the OECD's work on sustainable development and related work on environmental issues.

Green claims are statements made by business to present the environmental credentials of their products, especially in advertising and marketing. Green claims can cover a range of issues, including the protection of natural resources, biodiversity, habitats, the minimisation of energy and water used in manufacturing, restrictions on chemicals, emissions to air, water and soil, reduction of energy and water consumption in use, and schemes reflecting policies on packaging, noise, waste management and recycling.

BIS is working closely with DEFRA (which has policy responsibility for green claims in the UK) and the OECD Working Group to develop objectives for the project. The overall goal of the project is to improve the value and effectiveness of green claims and enhance international cooperation and sharing of best practice. The project is still under discussion and if objectives can be agreed the project will focus on consumer perceptions of green claims.

Chapter 7

Innovation, Science and Research



Demonstrating the efficient varion brain scanner

BIS want to make sure that Britain is the best place in the world to run an innovative business or service. This is critical to the UK's future prosperity, our quality of life and future job prospects.

Boosting and focusing investment in innovation in areas where the UK has strength and potential future competitive advantage must be a key element of Government action during the downturn to ensure a successful recovery.

BIS is committed to developing a world class UK research base responsive to users and the economy, with sustainable and financially strong universities and public laboratories and a strong supply of scientists, engineers and technologists.

Key areas of activity aimed at ensuring that our understanding of sustainability issues and how to respond to them is supported by world class innovation, science and research include:

7.1 Promoting low carbon innovation [and renewable energy]

The Technology Strategy Board, sponsored by BIS, plays a cross-Government leadership role in delivering a national technology strategy and stimulates business innovation in those areas which offer the greatest scope for boosting UK growth and productivity. In particular, it has pioneered the concept of challenge-led innovation through activities such as its Innovation Platforms, which create the opportunity to bring together key partners (Government and business) to address major societal challenges and to open up market opportunities to increase business investment in R&D and innovation. Many of these challenge led programmes impact on sustainable development:

7.1.1 Low Carbon Vehicles

In 2008, the Technology Strategy Board (TSB) launched its Low Carbon Vehicle Demonstrator Programme aiming to fund the demonstration of pure electric and low-carbon plug-in hybrid passenger cars across the UK. More than 340 vehicles will be deployed in several UK regions between December 2009 and September 2010 with the programme running until the end of 2011 to allow a year's data gathering and research and analysis. This is a critical first step in helping position the UK as a major force in the development and understanding of the potential market for electric and plug-in hybrid vehicles.

The Technology Strategy Board and its partners also announced support in September 2009 for R&D projects following a £10 million competition in the area of 'Ultra-Efficient Systems for the Market Advancement of Electric and Hybrid Vehicles' and opened a new £15 million research competition in June 2009 focused on developing vehicle-centric technologies that will encourage the advancement of mass market adoption of low carbon vehicles.

Action 17:

Owner: Technology Strategy Board

To provide funding for agreed set of Technology and Design projects in area of ultra-efficient systems for the market advancement of electric and hybrid vehicles from September 2009.

7.1.2 Renewable Energy Strategy

The Renewable Energy Strategy launched in July 2009, announced the establishment of an Energy Generation and Supply Knowledge Transfer Network in autumn 2009, which will promote collaboration and knowledge sharing between developers nationally and internationally and in so doing, enable industry to identify suitable funding opportunities

Action 18:

Owner: Technology Strategy Board

To establish an energy generation and supply knowledge transfer network from autumn 2009.

The Technology Strategy Board is also working in partnership with the Northern Way and DECC's Environmental Transformation Fund through a £15 million competition to invest in innovative collaborative research, development, component and pilot scale demonstration and in the area of carbon abatement technologies. The Board will also be working in partnership with DECC and industry initially in the area of marine and hydrogen and fuel cell technology to develop action plans that will focus on addressing funding gaps

and barrier removal to identify whether the technologies have a future role to play in the UK.

The Technology Strategy Board will also be contributing funding to a National Nuclear Centre of Excellence which will focus on enabling the development of cost-effective civil nuclear technology which cannot be diverted for use in weapons programmes. The Technology Strategy Board will utilise the centre to help build on UK capability to enable (UK) businesses to make the most of the opportunities arising from the expansion of safe, proliferation resistant nuclear energy worldwide.

7.1.3 Low Impact Buildings

As part of its Low Impact Building Innovation Platform, during 2009-2010 the Technology Strategy Board ran two competitions, 'retrofit for the future', and 'design and decision tools for energy efficiency'.

The 'Retrofit for the Future' competition looked to improve the energy performance of UK social housing with a goal to make deep cuts in carbon emissions. The competition originally aimed to invest £10 million to create at least 50 demonstrator whole house solutions that sought to improve the performance of the entire property with the goal to make deep cuts in carbon emissions. However, due to the unprecedented number of applications received into the Phase 1 Feasibility stage of the competition, further funding has been provided by BIS. The competition will now invest at least £17 million with an aim to create up to 100 demonstrators, to be announced in Spring 2010.

Action 19:

Owner: Technology Strategy Board

Deliver a call and funding for proposals under the retrofit for the future competition. Call opened April 2009. Phase 1 funding decisions autumn 2009. Phase 2 funding decision spring 2010.

The Design & Decision Tools for energy efficiency competition is focused on the development, enhancement and integration of building design and decision support tools to achieve the Government's targets for zero carbon and low water usage, for new-build housing by 2016 and new build non-domestic buildings by 2019 for England and Wales. Technology Strategy Board is set to invest up to £5 million in the competition. The competition closed on 15 October 2009.

Action 20:

Owner: Technology Strategy Board

Deliver a call to fund innovative collaborative proposals in the field of design and decision tools for low impact buildings. Call opened June 2009; Funding decisions winter 2009.

The Technology Strategy Board funds 15 Knowledge Transfer Networks (KTNs) in areas aligned with its priorities. Knowledge Transfer Networks bring together key individuals with shared interests from business, government, finance and academia to enable access to knowledge and information central to innovation growth. The Environmental Sustainability KTN has sustainability at its core. This KTN focuses upon areas where there is the greatest potential for addressing the interlinked challenges of excessive use and depletion of natural resources, loss of biodiversity, environmental degradation and climate change. The KTN draws together organisations and businesses that deal with environmental and resource management and assists them accelerate the development and uptake of innovative sustainable solutions. Sustainability is an underpinning theme of many of the other KTNs including the Energy Generation and Supply KTN and Intelligent Transport Systems KTN.

7.1.4 Energy Technologies Institute (ETI)

Energy Technologies Institute is a unique partnership established by BIS (then DIUS) with leading international engineering and energy companies – BP, EON, EDF Energy, Caterpillar, Rolls Royce and Shell – to invest in the development of low carbon energy technology solutions. It is a 50:50 public-private partnership to which BIS has committed to provide up to £500 million (via Technology Strategy Board & EPSRC), to be matched by industry partners, over the decade to 2018. ETI is an independent industry-driven organisation which aims to demonstrate technologies; develop knowledge, skills and supply-chains; inform the development of regulation, standards and policy; and so accelerate the deployment of affordable, secure low-carbon energy systems from 2020 to 2050. Operational from January 2008, ETI's current technology programme portfolio includes; Offshore wind, Marine, Distributed Energy generation, Carbon Capture & Storage (CCS), Transport (including both electric vehicle infrastructure and heavy duty vehicles), Energy Storage & Distribution, and Buildings efficiency. During 2009, the ETI funded in excess of £50 million across the portfolio with £70 million of projects in development.

Supporting the ETI's projects, a distinctive Energy System Model has been developed which reflects a whole systems analysis (including interactions between the energy sectors), technology performance, costs & build rates, geographic representation and infrastructure and 'uncertainties.' The Model will help to identify those technologies capable of having the greatest impact to 2050.

<http://www.energytechnologies.co.uk>

Action 21:

Owner: Energy Technologies Institute

A further £195 million, including the £70 million in development, projects are to be funded in the areas of Offshore wind, Marine, Distributed Energy, Carbon Capture & Storage, Transport, Energy Storage & Distribution, and Buildings to 2014.

7.2 Supporting innovative businesses

Small and Medium sized Enterprises are responsible for important research and development in all areas of the UK economy including in fields such as low carbon technology, which contribute to sustainable development goals.

The UK Innovation Investment Fund was announced on 29 June 2009. It is being created to invest in technology-based businesses with high growth potential. The new fund will focus on investing in growing small businesses, start-ups and spin-outs, in digital and life sciences, clean technology and advanced manufacturing. £150 million of government money will be invested alongside private sector investment, with at least £25 million being invested in low carbon technologies. The fund will invest in technology funds which will in turn invest in businesses, with the aim of beginning to reach companies from early 2010.

Action 22:

Owner: Innovation and Enterprise Directorate

UK Innovation Investment Fund to invest at least £25 million in low carbon technology, with companies beginning to receive funding in early 2010.

7.3 Promoting sustainable development through innovation procurement

BIS is working closely with Government departments to help them develop Innovation Procurement Plans (IPPs), setting out how they will embed innovation in procurement practices. In these plans the departments will seek to identify opportunities to use innovative procurement to achieve policy objectives, including sustainable development aims. In particular, BIS is encouraging the use of two innovative procurement mechanisms to achieve such aims, Forward Commitment Procurement (FCP) and the Small Business Research Initiative.

BIS is working with the OGC to develop an Innovation Procurement Plan measurement process and is promoting Forward Commitment Procurement (FCP) as a mechanism to encourage the use of outcome-based specifications across the public sector. FCP was first recommended to Government as an approach to help develop

innovative cost-effective technologies by the Environmental Innovations Advisory Group, and subsequently approved by the Committee on Environmental Markets and Economic Performance. BIS has built up a 'Forward Commitment Procurement Practitioners Group': a peer group to bring together practitioners and innovators from across central and local government to enable them to initiate and implement FCP projects in a supportive environment.

In November 2008, BIS (then DIUS) launched a competition on the theme of 'Innovation for Sustainability' to identify a range of forward commitment procurement projects in the public sector to which BIS will provide support and training in FCP techniques. The aim is to create a portfolio of around 10-12 projects which will be used as exemplars to promote the more widespread use of FCP in the public sector. The bodies involved range from Local Authorities to large Councils and Government departments covering areas such as sustainable procurement; waste management; town centre development and energy solutions. BIS is working with OGC's Centre for Expertise in Sustainable Procurement in this activity.

Action 23:

Owner: Innovation and Enterprise Directorate

BIS will publish guidance on Forward Commitment Procurement by 31 March 2010.

BIS is also driving forward adoption of the reformed Small Business Research Initiative (SBRI). The Initiative aims to use Government procurement to drive innovation by providing business opportunities for innovative companies whilst solving the needs of Government departments. SBRI enables Government departments and public sector organisations to procure new technologies faster and with managed risk through a phased development programme, and is well suited to use for the development of sustainable technologies. BIS and the Technology Strategy Board are engaging with other departments to identify such opportunities. One of the SBRI initiatives already launched is the 'Retrofit for the future' competition run by the Technology Strategy Board, mentioned above.

7.4 Promoting excellent use of science and research in policy making across Government

7.4.1 Government Office for Science

Using sound science responsibly is one of the 5 principles for sustainable development set out in *Securing the Future* (2005). The Government Office for Science (GO-Science), located within BIS, is responsible for promoting excellent use of science and research in policy making across Government. GO-Science supports the Government Chief Scientific Adviser, Professor John Beddington;

the Chief Scientific Advisers Committee (CSAC); and the Council for Science and Technology (CST).

Activities include working to develop and assess capability of departments in their use of scientific evidence in support of policy-making, supported by the network of Chief Scientific Advisors and through maintaining the Guidelines on Scientific Analysis in Policy Making; and establishing a community of scientists and engineers across Government.

GO-Science also contributes more directly to assuring the quality of advice in specific project or policy areas. For example, in July 2009 the Government Chief Scientific Adviser, working with the Departmental Chief Scientific Advisor for BIS, led a review of how complex scientific issues linked to the impact of potential tidal power projects in the Severn Estuary were being handled as part of a major Government feasibility study. The review helped confirm the robustness of the processes for considering the scientific evidence.

GO-Science has also led the preparation of a Government strategy for food research and innovation, which will help ensure that the range of publicly-funded research across food and agriculture is coherent and well coordinated, to deliver the maximum impact in terms of more effective, joined up policy-making and progress towards key policy goals including the Government vision for a sustainable food chain.

Action 24:

Owner: Government Office for Science

GO-Science will, working with public sector funders of research, publish a strategy for food research and innovation by January 2010.

The UK Government's Foresight Programme uses the best evidence from science and other areas to provide visions of the future, which can assist policymakers in developing strategies to manage our future better. As the Government's think tank on science and technology issues, Foresight operates through projects. These projects investigate the challenges and opportunities arising from emerging areas of science and technology that address major issues for society where science and technology have an important role to play.

7.4.2 Sustainable Energy Management

Foresight's Report, "Powering Our Lives: Sustainable Energy Management and the Built Environment" (SEMBE), was published on 26 November 2008 (the same day the Climate Change Act became law) and is sponsored by Communities and Local Government.

With 50% of emissions coming from the built environment, the Project's key findings are that:

- The UK is “locked in” to a centralised energy infrastructure that hinders other solutions.
- How people behave in buildings is as important as the design of those buildings.
- There are concerns about standards being implemented, enforced and monitored (with related problems regarding energy efficiency data collection).
- At least 70% of 2050’s buildings have already been built, creating a retrofit imperative.
- Area-based pilot schemes are required for testing innovative technologies, commercial models, and policies (for which the public sector will need to overcome fear of failure and negative auditing).

SEMBE calls for simultaneous change to behaviour, energy systems and the built environment and identifies specific areas for urgent Government leadership in estate procurement, energy infrastructure regulation, and energy efficiency data collection.

Particular impact has been achieved in:

- 1) Linking DCLG/Eco-towns with the Technology Strategy Board and various BIS groups (Low Carbon Skills, Electric Cars, etc).
- 2) Linking DECC with:
 - a) the Commission for Architecture and the Built Environment (CABE) and the Sustainable Development Commission (SDC) on Low Carbon Initiatives.
 - b) the Scottish Executive with regards to DECC’s Big Energy Shift project.
- 3) Linking Foresight Projects and Horizon Scanning Centre with the Scottish Executive.

7.4.3 Land Use

The Foresight Land Use Futures project is exploring how land use could change over the next 50 years and what society’s needs and values in respect of land use might be. It is looking at the drivers and challenges for future land use change over the whole landscape, covering both urban and rural contexts and what society’s responses might need to be. The project’s work reflects the four priority areas identified in the Government’s Sustainable Development Strategy – sustainable consumption and production; climate change and energy; protecting natural resources and enhancing the environment; and creating sustainable communities.

This will help to illuminate key short term choices and responses which will encourage valued and sustainable land use practices

spanning the environmental, economic and social sectors and supporting both economic prosperity and social wellbeing.

The project will be reporting its findings in January 2010 after which time Foresight will be working with stakeholders within and outside Government to translate the findings into action.

Action 25:

Owner: Government Office for Science

Foresight Land Use Project to report its findings in January 2010.

7.4.4 Food and Farming

The Foresight Global Food and Farming Futures project seeks to answer the following high level question: how can a future global population of 9 billion all be fed healthily and sustainably? The project will look out to 2050 and take a global view of the food and farming system, considering issues of demand, production and supply as well as broader environmental impacts. The first phase of the project ran from November 2008 to October 2009 and focused on analysing and articulating the key challenges facing the future of the global food and farming system, and examining the uncertainty associated with these challenges. The second phase of the project work then seeks to identify and investigate possible approaches to addressing the challenges identified in the phase one work. The project report will be launched in October 2010 and the project aims to catalyse substantial action based on its findings both within Government and more broadly, including internationally.

7.5 Research Councils

High priority is given within the BIS Science & Research Budget, which provides funds for the Research Councils, to addressing sustainability issues, including developing a better understanding of the environment and helping to develop technologies and practices essential to tackle the issues of sustainable development. The seven Research Councils, which collectively receive some £3.5 billion annually, support basic, strategic and applied research and related postgraduate training across the sciences, arts and humanities. They fund a variety of research work, both individually and through Cross-Council programmes, which have the potential to impact on a broad range of sectors both nationally and internationally.

Key Cross Council programmes include:

7.5.1 Living with Environmental Change initiative

The “Living with Environmental Change” (LWEC) programme is an interdisciplinary research and policy partnership programme to increase resilience to – and reduce costs of – environmental change,

addressing the associated pressures on natural resources, ecosystem services, economic growth and social progress. LWEC was launched in June 2008. 18 programmes involving 20 partners were launched in June 2009 addressing aspects of environmental change. This programme will make a significant contribution to the UK ability to adapt to climate change and address impacts on natural resources

Action 26:

Owner: Research Council (*NERC as lead Council*)

In 2009- 2010 the Research Councils will develop a detailed evaluation plan setting out how the evaluation of Living with Environmental Change will be progressed.

7.5.2 Research Councils Energy Programme

The “Research Councils Energy Programme” (RCEP) brings together all Research Council activities in energy research and related training: expenditure has increased 3 fold since 2003 to ca £100 million per annum currently; supporting a broad range of speculative and directed research activities (and with a total commitment exceeding £300 million over 2008-11). The vision for the Programme is to bring together engineers with physical, natural environment, biological, social and economic scientists to tackle the research challenges involved in creating new energy technologies and understanding of the environmental, social and economic implications. Led by the Engineering and Physical Sciences Research Council (EPSRC), RCEP investments cover the whole energy system including renewables; fusion; improving conventional generation, and carbon capture and storage; distribution networks and energy storage; through to research to help to keep the nuclear option open. It funds large research consortia, “whole-system” research (covering natural, social, economic, engineering), strategic partnerships with leading companies, including EON.UK, and support for the UK Energy Research Centre (UKERC), as well as support for fundamental science based energy research through responsive mode.

Action 27:

Owner: Research Council (*EPSRC as lead Council*)

During 2009-2010, Engineering and Physical Sciences Research Council (EPSRC) to initiate an “International Review of UK Energy Research” to report in June 2010.

7.5.3 Ageing – Lifelong Health and Wellbeing (LLHW)

The area of ageing is one of the Government Grand Challenges as there are clear economic and social gains associated with healthy ageing and reducing dependency in later life. Ageing is a multi-factorial process and the importance of a multidisciplinary

approach to tackle complex research questions has been increasingly recognised. Lifelong Health and Wellbeing (LLHW) is a cross-council initiative supporting multi-disciplinary research addressing factors across the life course that influences healthy ageing and wellbeing in later life. Phase 1 was funded by the BBSRC, EPSRC, ESRC and MRC and supported three new 'lifelong health and wellbeing' research centres, announced in 2008. Phase 2 aimed to drive forward innovative high quality multi-disciplinary research in highlighted priority areas that would not usually be supported through existing funding schemes. The Research Councils are developing a UK Ageing Research Strategy in consultation with policy makers and practitioners in late 2009. The strategy will inform priorities, focus and structure in Phase 3, which is due to commence in mid 2010 with some £10 million funding to include opportunities for Networks.

Action 28:

Owner: Research Councils (*MRC as lead Council*)

During the third quarter of 2009-2010, Medical Research Council (MRC), in consultation with others, will develop a cross-sector UK wide strategy for ageing research on behalf of Research Councils, for consideration by the RCUK Research Directors Group.

As well as contributions to cross Council programmes, Research Councils individually support a range of research which will help to impact on issues of sustainable development. These include:

7.5.4 Biotechnology and Biological Sciences Research Council (BBSRC)

BBSRC's research priority areas cover lifelong health and wellbeing; bio-energy; living with environmental change; and crop science (food security). Their research committee B concentrates on plants, microbes, food and sustainability.

7.5.5 Engineering & Physical Sciences Research Council (EPSRC)

Relevant investments by EPSRC include those under "Infrastructure and Environment", which supports research focusing on the goal of a sustainable future society and includes the "Sustainable Urban Environment Programme", and elements of its programmes which support "Engineering" and "Innovative Manufacturing".

7.5.6 Economic & Social Research Council (ESRC)

Amongst other areas, the ESRC focuses research on key strategic challenges that feed into social and environmental aspects of sustainable behaviour development including: Environment, Energy and Resilience; Understanding Individual Behaviour; Security, Conflict and Justice; Global Economic Performance, Policy and Management; and Social Diversity and Population Dynamic.

7.5.7 Medical Research Council (MRC)

Relevant areas of investment by MRC include “Health Service and Public Health”; “Infections & Immunity”; and “Molecular & Cellular Medicine”.

7.5.8 Natural Environment Research Council (NERC)

NERC strategy identifies seven themes: Climate system; Biodiversity; Sustainable use of natural resources; Natural hazards; Environment, Pollution and human health; Earth system science; and Technologies. Most of the research funded by NERC contributes to improving understanding of the environment; and a number of research programmes are particularly focused on identifying approaches to sustainable development, for example “Ecosystems Services for Poverty Alleviation” (ESPA) programme and “Sustainable Marine Bioresources” programme. NERC spends £40 million a year on climate change research and advises the Intergovernmental Panel on Climate Change.

7.5.9 Big green challenge

As well as targets to reduce its electricity and water usage, the National Endowment for Science, Technology and the Arts (NESTA), an executive agency of BIS, runs the Big Green Challenge, a £600k fund for 17 community based projects sponsored by DECC.

Final reporting and reviewing of the finalists took place in October 2009, with judging and finalising of decision making processes by the end of 2009 and public announcement of winners in January 2010.

Action 29:

Owner: Research Councils Unit

Public announcement of winners of the big green challenge in January 2010.

7.6 Sustainable Design

The Design Council, an executive NDPB, sponsored by BIS, is aiming to embed sustainable design into all its core programmes and to promote outwardly the definition of ‘good design’ as being about form, function and sustainability.

Key programme objectives 2009-10:

- The Design Council hosted the sustainability hub of the London Design Festival 2009, running a week-long series of practical workshops, seminars and exhibitions specifically for over 600 designers to improve skills/ knowledge and motivate industry professionals to practise sustainable design practice.

- A Design award has been scoped and a proposal drafted that puts form, function and sustainability at its heart. The Design Council is in discussion with the Design Museum about prototyping the scheme in their Sustainable Futures exhibition that will run from April to September 2010.
- Sustainable design workshops are in place as part of Design Associates ongoing Continuous Professional Development activities.
- Guidelines for designers on sustainable design is now underway with the British Standards Institution and publication is due summer 2010. Case studies are planned to be part of the publication. A Continuous Professional Development Directory on professional practice for designers including any available courses/ Continuous Professional Development activity on sustainability is on the Design Council website.
- The Design Council are promoting the use of sustainable design in a series of community innovation projects including as part of our Dott Cornwall initiative that is now underway which includes the Eco Design Challenge for schools. Sustainable design thinking is embedded throughout Dott Cornwall projects. The programme works collaboratively with communities to create lasting, innovative solutions to their social and economic problems. Dott Cornwall's Eco Design Challenge focuses on environmental sustainability and encourages year 8 students to design solutions to improve their own school's environmental impact. In Dott Cornwall, 36 secondary schools are planning to enter the Challenge in 2010.

A programme on water is also underway. Over the next 18 months we're working with a major water utility to help their customers understand how to reduce their water consumption through a series of design-led innovation projects. The programme also includes a Water Design Challenge for schools.

Chapter 8

Embedding Sustainable Development into Higher Education and Further Education (HE/FE)

Students using innovative IT

8.1 Further Education (FE)

FE colleges are typically leaders not just in education but as institutions that can drive economic development and regeneration through their presence, participation and leadership.

Since 2001, 700 capital projects, at nearly 330 colleges have been funded – transforming the Further Education (FE) estate for learners. In the last spending review, colleges realised £48 million of efficiency savings from the more effective running and maintenance of its estate – which included lowered energy costs. BIS recognises the leadership role already being played by many within the sector to contribute to carbon reduction and sustainable development. This includes through the delivery of skills for a low carbon economy, and BIS will continue to work with them to drive this forward.

An online resource, Sustainability Online Resource and Toolkit for Education (SORTED), has also been implemented providing practical advice and support. In addition, the Environmental Association for Universities and Colleges (EAUC) runs an annual Green Gown award in recognition of sustainability excellence – and which has seen a number of FE colleges being shortlisted and winning, providing evidence of the sector's growing expertise in this area and case studies of good practice that others can draw on. For instance, Leicester College recently won the Environmental Association for Universities and Colleges (EAUC) Green Gown Award for Carbon Reduction, having reduced the college's carbon footprint by 438 tonnes CO₂, saving nearly two million kWh of energy annually.

Alongside this, the FE sector has a vital role to play in the wider climate change agenda in providing the skills that will be needed within the low carbon economy as described in the Low Carbon Industry Strategy published in July (discussed above).

There is a well established group (The Sustainable Development Alliance for Learning & Skills) that provides a forum for a range of partners and stakeholders to coordinate their strategies and actions. The group is facilitated by the Learning and Skills Council (LSC) and the Learning and Skills Improvement Service (LSIS).

The Learning and Skills Council is funding a project to help FE providers understand what Ofsted will be looking for in relation to sustainable development in the new inspection framework. There are 9 regional events organised by the National Institute of Adult Continuing Education (NIACE) with input from Ofsted which will raise awareness and there will be a report pulling together good practice.

The Learning and Skills Improvement Services (LSIS) is developing a strategic response to the sustainable development agenda, as part of its role in building the sector's capacity for improvement and strategic change. LSIS' approach to helping the sector to meet the challenges of sustainable development will see strong engagement with sector leaders and practitioners and the development and implementation of a range of activities focused on supporting change, development and collaboration towards a more sustainable sector. A key plank of LSIS' response will be the establishment of an 'enabling framework' or overarching strategy for sustainable development and carbon reduction. The framework will support providers in developing a new response to this agenda, building on what they do already to promote sustainable development and a low carbon future. The framework will link up and cohere the strategies and activities of LSIS and other sector bodies in this area, helping providers to achieve real change and, specifically, help achieve reductions in carbon emissions.

Action 30:

Owner: BIS with Learning and Skills Council (LSC)

BIS to work with the LSC to commission research and consultancy to develop a measurement methodology, targets and strategy proposals for carbon reduction in the FE sector, as a precursor to consultation with the sector on these and publication of targets and strategy. This should be completed by April 2010.

Action 31:

Owner: Learning and Skills Improvement Service

LSIS to establish an 'enabling framework' or overarching strategy for sustainable development and carbon reduction for the FE sector. The development of the core framework in collaboration with other strategic bodies and learning providers to be completed by March 2010 with further work as necessary in the following financial year.

8.2 Higher Education

8.2.1 Higher Education Framework and Sustainable Development

The HE Framework sets out that Government will retain an arms length relationship to sustainability in higher education but will continue to provide leadership for the sector by establishing a coherent direction and challenging expectations.

BIS will emphasise the importance of developing sector targets on carbon emissions and a strategy to achieve these. We also expect institutions to collaborate with each other and external partners to spread good practice. This is particularly significant in the engagement with employers to help provide the vital skills required by the developing low carbon economy. We will expect universities to be proactive in engaging with their communities and in the promotion of their activities.

Government, through the Higher Education Funding Council for England (HEFCE), will assist in providing opportunities for universities to lead in the implementation of sustainable solutions, harnessing the commitment of students and the considerable possibilities of campus locations. Importantly, through the Higher Education Academy, we will encourage universities to develop capability and capacity amongst curriculum designers and institutional leaders to embed sustainability into all areas of the curriculum. HEFCE's sustainable development strategic statement and action plan (HEFCE 2009/03)¹ sets out its approach to promoting the sustainable development agenda.

Action 32:

Owner: Higher Education Funding Council for England (HEFCE)

To establish in late 2010, the means and timescales by which recommendations in the HE framework will be implemented and tracked.

8.2.2 Encouraging Higher Education Institutions (HEIs) to embed Sustainable Development into their work and reduce their carbon footprint

In the 2008 Grant letter BIS established with HEFCE a Key Performance Target to reduce carbon emissions. We also told the Funding Council that all institutions should have plans to reduce carbon emissions and that these plans would be a factor in future capital allocations. In 2009 we revised the Key Performance Target to mandate HEFCE to develop during 2009-10, in consultation with stakeholders, a realistic strategy and target for carbon reductions which are sufficient to ensure satisfactory progress towards the government targets of reducing carbon emissions by 80% against 1990 levels by 2050 and at least 34% by 2020.

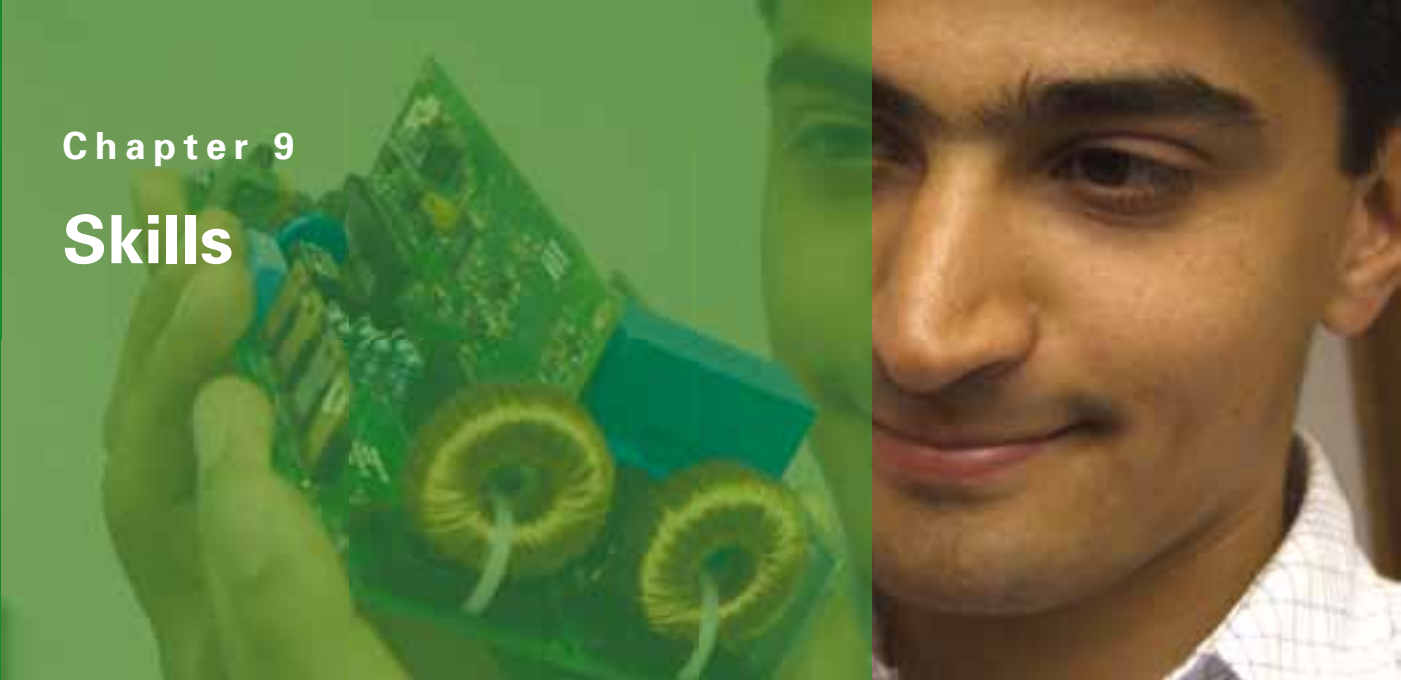
¹ Available at www.hefce.ac.uk/pubs/hefce/2009/09_03/.

Action 33:**Owner: Higher Education Funding Council for England (HEFCE)**

For HEFCE to present by January 2010 appropriate carbon reduction targets for higher education, a method for measuring progress, a strategy for achieving the target and guidance for institutions on developing carbon plans. By 2011/12 capital funding will be linked to performance in reducing emissions.

Chapter 9

Skills



Research engineer with photovoltaic converter

BIS recognises the increasing need for a robust and responsive skills system, particularly in emerging areas such as Low Carbon. As climate change presents new challenges to all sectors of the economy, workforces in all sectors and industries will need new sets of skills, capabilities and knowledge to deal effectively with them. Skills for Growth, published 11 November 2009, focuses more on the skills needed for the modern world of work: establishing a capable workforce to ensure prosperity, and empowering learners to get the skills and confidence they need to enter work and progress in their careers.

The Low Carbon Industrial Strategy highlighted the intention for the skills system to strongly support the New Industry New Jobs agenda, (see above contribution) in which low carbon is central. Furthermore, the new national Skills Funding Agency, part of BIS, will (from 2010) help to ensure that the Government's support for skills is focused on the needs of the economy.

BIS is currently looking at how to ensure that sector bodies work effectively in collaboration on key areas of growth such as low carbon and in developing a skills system that has low carbon as a top priority. BIS is encouraging groups of sector bodies and regional partners to work together on particular low carbon issues. One way in which this is going forward is through Low Carbon Economic Areas (LCEA). This is an activist approach stimulating demand and supply simultaneously. The South West is the Marine Energy LCEA, and the North East is the Low Carbon Economic Area for Ultra Low Carbon Vehicles.

The UK Commission for Employment and Skills will help BIS set national skills priorities by gathering strategic intelligence on sector and regional skills needs. The Sector Skills Councils (SSCs) will identify low carbon skill gaps and shortages in their sectors and inform the UK Commission for Employment and Skills (CES) and RDAs. The SSCs will also work more effectively in clusters to

cover particular low carbon industries, such as Renewables, Energy Efficiency or Composites. The Regional Development Agencies will work with sector bodies to include sector intelligence in their regional strategies. They will also help to simplify the system by pulling, national, regional and local perspectives on skills into the single integrated regional strategies, they develop with local authorities.

Action 34:

Owner: Skills Directorate

Skills for Growth identifies priority sectors for economic growth including low carbon which will stimulate demand and supply of skills. A refocusing of Train to Gain from low priority provision towards growth areas will target skills provision more effectively.

A priority Joint Investment Scheme, led by Sector Skills Councils, will be introduced from autumn 2010 with a combined fund which might grow over time to £100 million – including a £50 million or more cash match from employers, would support some 75,000 training places in priority sectors at advanced levels.

As mentioned above LCEAs are active on the ground in two areas with more to be announced and will readily take advantage of the initiatives in Skills for Growth to further low carbon skills acquisition.



Chapter 10:

Operations and Procurement on the BIS Estate

Victoria Street building

10.1 Operations

BIS wishes to maintain the momentum for improvement on its estate. Our benchmark for being more environmentally sustainable is to meet the Sustainable Development in Government (SDiG)/ Sustainable Operation of the Government Estate (SOGE) targets launched in 2006. We have made substantial progress with these targets and the BIS Operations Team is planning a significant work programme with a number of activities over the coming year to further reduce our carbon footprint.

BIS also has a network of Green Guardians that are jointly run by Information and Workplace Services and the Sustainable Development Team. This network of staff from across BIS help raise awareness of environmental and sustainability issues with other staff and act as a knowledge network to share ideas on how to improve the Departments environmental credentials.

10.1.1 Energy Efficient Buildings

Overall we have reduced our carbon footprint by 26% from 1999/2000 levels, across the whole BIS family estate. Due to re-location of staff in remaining buildings and utilising them to a higher capacity energy consumption has risen by 2.6% on the remaining estate (1 Victoria Street and Kingsgate House), however, this is significantly better than last year's 16.2% increase. We are now seeing a downward trend due to installation of automated metering & targeting on the HQ estate in 08/09. We aim to reduce carbon emissions and increase energy efficiency per metre squared by 30% by 2020, relative to 1999/2000 levels. The BIS estate has been reconfigured and flexible working (8:10 desking to staff ratio) has been in operation for some time to obtain optimum usage and efficiency. Environmental impact assessments have been undertaken on all estate refurbishments and other projects, which are monitored and evaluated throughout the

course of the programme work and these are included in the business case.

Improvements have been made to power-down computers automatically at the end of each day, with a small number of exceptions for some PCs required to run overnight activities. All software roll-outs and upgrades now include power on/power off commands so that, for example, any weekend maintenance work does not result in wasted energy consumption. Printers that have any power-saving features are implemented with optimised settings. Additionally the PC screens are now set to power down after 10 minutes instead of the 20 minute setting previously in use.

Specific measures will be considered under the High Performing Property (HPP) Programme to make further energy efficiencies and sustainability gains on the BIS estate during 2009/2010; current occupancy is 11.7 square/metres/per full-time employee (FTE) on the BIS Core office estate and 12.2 square/metres/per FTE taken across the wider BIS Family office estate. This compares with 13.1m² on the Central Civil Estate.

Other measures will include:

High Performing Property Objectives:

- Review Property Asset Management Plans to identify potential savings across the BIS family estate.
- Review results from the 08/09 IPD Property Benchmarking Service, identify scope for efficiencies and co-location opportunities enabling bodies to reduce their carbon footprint
- Collaboration on FM contracts across the BIS family
- To hold Property Asset Management Boards and Steering Group meetings to inform the wider property family of developments in asset management and efficiency savings
- To hold an annual BIS Property Conference to inform the wider family and maintain the momentum for progress on flexible working, savings, sustainability etc.
- To contribute to the State of the Estate (SOFTE) report which OGC is required to put before Parliament annually

Sustainability Objectives:

- A programme of upgrades to the 1 Victoria Street Building Management System
- Subject to obtaining funding, introduction of a 'voltage optimisation' programme
- Continuing with a programme to replace non-workspace lighting with LED lighting

- Consideration of additional flexible working options (desking ratios) to ensure that they remain optimal.

Information and Workplace Services (IWS) in BIS aim to further reduce the Department's carbon emissions and help to embed sustainable development within the workplace. BIS's Operations Group has updated its Environmental Deliverables strategy paper for 2009/10 which includes a carbon reduction strategy. It has worked closely with the Carbon Trust over the past year to obtain certification to the Carbon Trust Standard – obtained in July 2008. BIS is one of only three departments to currently achieve this exacting standard. It will continue to build upon this work during 2009/10 to achieve further carbon savings through optimising building control systems and other methods.

Evaluation of the economics and feasibility of connecting 1 Victoria Street to the Whitehall District Heating Scheme, a Combined Heat and Power scheme has been carried out but is not looking economically feasible at present; we are keeping the situation under review in case the circumstances change.

10.1.2 Waste and water

BIS has reported an increase in waste arisings of 15.6% compared to baseline levels. Waste arisings rose due to: (i) better data capture – the move away from volume to tonnage measurement; (ii) frequent Machinery of Government (MOG) changes; involving numerous staff relocations, which have involved de-junking (e.g. for both ex-BERR & ex-DIUS); and (iii) expansion of activity at Insolvency Service due to the recession. We have, however, increased the level of recycling and now send over 59.5% of our waste to recycling, exceeding Sustainable Operation of the Government Estates (SOGE) 40% target for increasing recycling by 2010. We have extended waste recycling facilities and work towards reduced packaging on goods delivered to BIS through provision in our contracts with major suppliers. The Information and Workplace Services Directorate (IWS) contractors provide for recycling of paper, plastic, glass batteries and cans across BIS' main estate; additional facilities for collection of food waste for recycling has recently been added. The 'Recycle Plus' (binless desk areas with central bins) scheme was successfully introduced across the headquarters estate in December 2008.

BIS also expects to reduce water consumption by the SOGE target of 25% on the office and non-office estate by 2020, relative to 2004/2005 levels. In 2008/09 ex-BERR saw a 9.05% increase in water consumption over the 2004/05 baseline figure, but this is expected to improve in 2009/10 with the installation of new metering.

Action 35:

Owner: Information and Workplace Services Directorate

Two recycling staff awareness seminars were held during 09/10 to encourage waste minimisation and help achieve sustainable development in BIS's offices. IWS has also extended waste recycling facilities to include glass and batteries recycling. The Department will look to fully embed the 'Recycle Plus' scheme during the remainder of 2009/10 to gain further efficiencies.

10.1.3 Adhering to standards and reporting on our success

IWS has complied with the requirements of the Energy Performance of Buildings Directive, whereby Display Energy Certificates (DECs) were required to be displayed at office receptions/foyers with effect from April 2008 on all properties above 1,000m². These certificates have been obtained and will be regularly renewed as required. In 2009 the DEC rating for 1 Victoria Street has improved from a F to E rating.

BIS obtained certification under the Carbon Trust Standard in July 2008. We will also maintain current energy efficiency accreditation and certification on the main BIS estate under ISO 14001 and continue to operate an effective Environmental Management System (EMS). In order to support this validation, an audit was carried out on selected elements of the main estate in July 2009. Subsequent audits will take place as part of a three year rolling audit plan. The Department's Facilities Management has provided a sustainability strategy and every estates contractor is required to conduct an environmental audit.

IWS will continue to contribute to the Sustainable Operation of the Government Estate report, the Sustainable Development Action Plan and other environmental monitoring returns for OGC and the SDC during 2009/10.

Machinery of Government Changes saw the merger of the then BERR and DIUS in May 2009 to re-form as the Department for Business Innovation & Skills (BIS). The new Department also covers responsibilities for Universities. Energy Group left the Department and joined with part of DEFRA to form the new Department for Energy & Climate Change (DECC). For next year's SDiG Return BIS' IWS Estates expect to transfer baseline data on energy & office-space for DECC to cover the 09/10 financial year reporting period. The overall picture for BIS reporting on SOGE should improve significantly (as DIUS' baseline took some 'year on year' efficiencies from ex-BERR going back to 99/00, especially on waste & water).

10.2 Procurement

It is widely recognised that the public sector has a key role in furthering sustainable development through its procurement of buildings, goods and services. A sustainable procurement strategy is in place for BIS HQ. This will form the basis of a sustainable procurement action plan, which will be published in the autumn. IWS have recently been working with HR to have sustainability (especially procurement) included in new staff induction guidance and workshop presentations.

10.2.1 Purchasing policy

BIS' Environmental Purchasing Policy is to underline our commitment to procure all our goods, services and works in a sustainable manner. Our policy will have commitment from the most senior level and our procurement personnel will have the authority to challenge any internal customers who ignore the policy.

We will provide guidance, support and training to our internal customers to enable procurements to be undertaken in a sustainable manner. Our policy will be in the form of a stand-alone statement and will also be enshrined in our guidance documents. We will provide a checklist of environmental and social considerations for each stage of the procurement process which will be available to our internal customers via our BIS procurement website.

10.2.2 Environmental risk assessments

Adoption of a risk based approach is seen as a key tool to sensible decision making in incorporating sustainability within each procurement. We will incorporate a process of environmental and social risk assessment in to our procurement activities. Environmental and social risk assessments undertaken by project owners will identify procurements which constitute high environmental and social risk. Responsibility will lie with project owners to mitigate the risk. Lower environmental and social risk procurements will also be assessed and the correct level of management will be applied on a case-by-case basis.

Environmental Impact Assessments are conducted by the estates procurement function, operating in parallel with completion of the business case. This practice is to be rolled out more widely, ensuring that sustainable evaluation criteria are included as appropriate.

Action 36:

Owner: Information and Workplace Services Directorate

To leverage BIS's procurement power and reduce our contribution towards environmental damage, Environmental Impact Assessments will be further extended into the general procurement area in consultation with OGC 'Green Buying Solutions' during 2009/10. Key sustainability risks continue to be addressed through Environmental Impact Assessments on estates procurement and projects.

10.2.3 Supplier engagement

Supplier engagement on sustainability by the Estates Procurement Team has been established for a long time and proposals for more innovations have been sought and implemented. For example, through BIS' catering contract, oil from the kitchens is used as biofuel for the contractor's delivery vans. Supplies are delivered on reusable wooden pallets to minimise packaging. Fairtrade tea and coffee grounds are reused as fertiliser offered for sale to staff. In 08/09 ECOCUBE energy efficiency equipment was installed on all of the 1 Victoria Street Restaurant's fridges & freezers.

Regular meetings are held with the Department's Facilities Management to monitor sustainability performance and the Department's PFI contract for ICT services requires that products conform to existing Government wide standards on sustainable procurement – the 'Quick Wins'.

10.2.4 Working with others in BIS and around Whitehall

Procurement initiatives and guidance and their integration into Departmental guidance and best practice is disseminated to staff through Procurement Bulletins, the weekly BIS electronic 'Noticeboard', conferences and procurement account managers and contacts.

The Sustainable Procurement Taskforce Flexible Framework identifies five areas in which departments are required to score their maturity, from Level 1 (lowest) to Level 5 (highest). BIS is at Level 3 in two areas: People and Measurements & Results; and at level 4 in three areas: Policy, Strategy and Communications; Procurement Process; and Engaging Suppliers. This marks significant progress for 08/09.

In March 2009, BIS (then BERR) was invited by OGC to participate in a cross-Government exercise to seek details of the greenhouse gas emissions of its key suppliers. The exercise is run in conjunction with the Carbon Disclosure Project (CDP), an independent charity, which was originally formed to act on behalf of investors to establish the greenhouse gas emissions of those companies in which they had an interest through voluntary completion of a comprehensive questionnaire.

People: Embedding Sustainable Development at BIS

Staff in BIS

BIS recognises the importance of embedding sustainable development into its business model; increasing staff capability for sustainability and in fostering and in ensuring a strong, healthy and productive workforce. This section of the SDAP examines what measures BIS is putting in place to increase staff wellbeing, volunteering and maintain diversity; plans to increase sustainable development governance and engagement with staff; and ways in which BIS will increase staff capability for sustainability in a time of change. Through these measures BIS aims to retain a productive workforce that is engaged in BIS values and to further embed sustainable development into policy methodology and staff actions.

11.1 Staff engagement

BIS is setting up sustainable development networks across the whole Department. The networks will stem from work, originally started by both DIUS and BERR. The aim of the networks will be three-fold. Firstly, the Department merger to BIS means there is an opportunity for the Sustainable Development Team to strengthen links with the rest of the Department, and to increase staff capability in sustainable development. There is a need to set up networks reaching throughout the Department in a joined up approach. Secondly, the networks will feed back into three key areas covered by the Sustainable Development Team: The Sustainable Development Action Plan, Climate Change Adaptation and the Carbon Budgets. Finally, the networks will enable BIS to work more closely with its NDPBs and agencies to share best practice in sustainable development.

11.2 Staff capability in sustainable development

BIS recognises the importance of increasing staff capability in sustainable development in order to further embed sustainable development into the practices and methodology of policy makers and Departmental objectives. This will fall into the wider objectives of

the People Strategy for the Department – an important part of the BIS Corporate Plan and complements Departmental Strategic Objectives and Capability reviews. BIS has also achieved ‘silver’ standard against the Investors in People (IiP) Profile. IiP helps organisations to improve performance and realise objectives through the management and development of their people. BIS is the only Government Department to have achieved silver standard, and one of only 2% of IiP accredited organisations to have achieved either bronze, silver or gold. This highlights BIS’s success to date in investing in staff capability, training and skills, and this is something we will continue to do in the future.

All new staff at BIS receive induction training that now includes information on the importance of sustainable development and how it fits in with BIS’s wider objectives.

Staff awareness of sustainable development will continue to be increased in the Department through events such as Energy Saving Week in October 2009, in which a series of displays increased staff awareness of how to decrease their energy consumption. The event also highlighted some of the Department’s policy work in both low carbon opportunities and in sustainable development.

BIS is in the early stages of working with the National School of Government and other stakeholders on how we can use the Professional Skills for Government competency framework to develop our capability on sustainable development. This follows a request from the Office of Government Commerce’s Centre for Excellence in Sustainable Procurement Development that sustainable development skills be made more visible in the framework.

11.3 Staff well-being and diversity

Key to BIS’s success is to maintain happy, healthy and productive staff. We understand the importance of valuing staff and in meeting the diverse needs of staff in being a socially just place to work. BIS supported and contributed to the Macleod Report that examined the importance of enhancing productivity through employee engagement and valuing staff and their needs for the best results. BIS also aims to continue the success of the Well-being at Work Programme.

In 2008 a cross-cutting, co-ordinated and effective Health and Well Being Strategy was launched for staff. BIS is the lead Government Department in promoting employment relations and improving the quality of working life, and as such we were keen to make a real difference in this area. In summer 2008, anxiety, stress and related conditions were increasingly a top reason for long-term absence. The average length of each absence for stress related conditions was nearly five weeks. BIS sees a Health and Well Being programme as important in raising awareness and delivering on Equality Duty requirements to promote positive attitudes towards people with disabilities. Other drivers for change include recent restructuring and

change in the organisation, impacting on individual engagement and sense of commitment, and concerns expressed by our Disability staff network and sub-group on hidden disability.

The Well Being programme was launched with Wellbeing at Work Day – coinciding with World Health Week in October 2008 – a day long event with a focus on mental health. This event was attended by over 250 people (around 10% of staff). Feedback showed that 92.5% of attendees felt the event helped to break down barriers and would welcome more events on health issues. There has been a reduction in overall sick absence from an average of 5.8 days lost per person per annum in October 2008 to 4.9 in April 2009 (BERR figures).

The Wellbeing at Work Programme 2008- 2011 now includes monthly seminars such as 'An introduction to individual stress management' to help staff recognise their stress levels and get help. 'Managing Stress in Others' helps managers understand their role, learn about stress prevention and legal responsibilities. Events include one on diabetes, sexual health, blood pressure, breast awareness, flu and in December 2009 holiday stressors with tips for a healthy winter season.

Speakers and events are complemented with articles and awareness raising tips on the daily intranet staff notice-board, healthy eating initiatives, the facilities offered by our on-site gym, and improved guidance for managers through the HR Intranet. Overall, we are working with our delivery partners (EAP provider, OHS, caterers, training suppliers and senior management) to deliver a comprehensive programme. Staff survey results immediately after the launch of the programme found an increase in the number of people believing 'that action is being taken by management in response to staff feedback' (up 21 percentage points to 57%). BIS will continue to work with staff through its wellbeing and equality duty requirements to maintain a diverse and productive workforce.

A programme for 2010 with a monthly topic is to follow.

Action 37:

Owner: Human Resources

Continue to roll-out regular Wellbeing at Work events during 2010.

BIS is developing a new Single Equality Scheme to mainstream diversity and equality considerations in management, operations and in policy development. This is led by the DG Diversity Champion who represents the Department at wider Civil Service Diversity Champion Network meetings. The BIS Legal Services Group have been nominated for the Law Society Excellence Awards 2009 for excellence in equality and diversity. The Group has two Departmental Work-Life Balance Champions in addition to well-established volunteer Diversity, Flexible Working and 'Speaking Up' Groups.

11.4 **Volunteering**

BIS supports volunteering through the provision of special paid leave for staff to undertake informal volunteering: giving something back to the community. Following the merger and associated transfers creating BIS there are several different policies in place on special paid leave for BIS staff. These will be reviewed in 2010 with a view to creating a common policy for all BIS staff.

Appendix

Summary List of SDAP Actions

Action	Action	Owner	Date Due (if applicable)
1	By spring 2010 to have reviewed the network of Champions and to work with the BIS Strategy team and to consult the Sustainable Development Commission, as necessary, to embed sustainable development into BIS's new policy framework.	The Sustainable Development Team	Spring 2010
2	To deliver the commitments in the UK Low Carbon Industrial Strategy to maximise our potential for growth and job creation in the move to a low carbon economy.	Low Carbon Business Team	

Action	Action	Owner	Date Due (if applicable)
3	<p>To deliver the majority of commitments in the Strategy by end 2012.</p> <p>Key Milestones. By 2010:</p> <ul style="list-style-type: none"> ● Composites Strategy, including the £5 million Grand Challenge prize to develop innovative composite manufacturing techniques ● Plastic Electronics Strategy, and clear skills actions in plastic electronics included within this strategy ● Consultant identified for build of Industrial biotech pilot plant facility and action on Phase 1 of project fund underway 	Advanced Manufacturing Industries	
4	To implement the actions set out in the Digital Britain White Paper, securing the UK's position as one of the world's leading digital knowledge economies.	Information Economy	
5	To ensure that the package of actions set out in the Life Sciences Blueprint are implemented	Office for Life Sciences	
6	There is a (Ministerial) commitment to report publicly on progress with the Strategy for Sustainable Construction in both 2009 and in 2011.	Construction Sector Unit	2009 and 2011

Action	Action	Owner	Date Due (if applicable)
7	BIS to continue to play a key role in the implementation agenda of the Aerospace Innovation and Growth Team so that UK aerospace continues to remain globally competitive, and in line with a vision that, by 2022, “the UK will offer a global Aerospace Industry, the world’s most innovative and productive location, leading to sustainable growth for all its stakeholders”.	Aerospace Marine & Defence Team	
8	The Automotive Unit in BIS will provide the Secretariat for the Automotive Council supporting the Council’s role to provide a strategic continuous engagement around the challenges facing the Industry. To do this the Automotive Council will harness insight from a wide range of sources including not only established manufacturers and suppliers but also technology specialists, researchers, leaders from the built environment, environmental and social thinkers, retailers, the financial sector and the UK’s world class Universities.	Automotive Unit	
9	To have the first Low Carbon Action Plan for Retail in place.	Retail and Services Team	February 2010
10	BIS will continue to monitor the system and will be bringing forward amendments to the Regulations effective from January 2010 which will streamline the system and reduce the administrative burden placed on businesses.	WEEE Team	January 2010

Action	Action	Owner	Date Due (if applicable)
11	BIS will be developing an annual National Market Surveillance Programme with the co-operation of the UK enforcement authorities to ensure that the UK meets its obligations under the Regulation.	Technical Regulation Branch	
12	Work with national, regional and local partners (including Business Link) to achieve transition to Solutions for Business by March 2010, after which Solutions for Business products will be the only publicly funded products companies will see.	Solutions for Business	March 2010
13	Produce a BIS Carbon Reduction Delivery Plan by March 2010 through working closely with other government departments to ensure a positive contribution to CO ₂ equivalent emissions reductions.	Sustainable Development Team	March 2010
14	To produce a Climate Change Departmental Adaptation Plan by March 2010 and to liaise with colleagues across BIS in 2010 to embed Climate Change Adaptation into the BIS policy framework.	Sustainable Development Team	Ongoing March 2010
15	The delivery of 10 Trade Missions and events in 2010 to increase carbon market capabilities and related business opportunities globally.	Climate Change Projects Office	

Action	Action	Owner	Date Due (if applicable)
16	BIS will continue to contribute to finalising the ISO 26000 international standard on Social Responsibility during 2009/10 through representation at the next working group meeting in Copenhagen in May 2010 and through its membership of the UK Mirror Committee. BIS will then seek to ensure dissemination of the standard to stakeholders working with the British Standards Institute as appropriate.	Sustainable Development and Corporate Responsibility Team	Ongoing
17	To provide funding for agreed set of Technology and Design projects in area of ultra-efficient systems for the market advancement of electric and hybrid vehicles.	Technology Strategy Board	From September 2009
18	To establish an energy generation and supply knowledge transfer network.	Technology Strategy Board	From Autumn 2009
19	Deliver a call and funding for proposals under the retrofit for the future competition. Call opened April 2009.	Technology Strategy Board	Phase 1 funding decisions autumn 2009. Phase 2 funding decision spring 2010.
20	Deliver a call to fund innovative collaborative proposals in the field of design and decision tools for low impact buildings. Call opened June 2009.	Technology Strategy Board	Funding decisions winter 2009.

Action	Action	Owner	Date Due (if applicable)
21	A further £195 million, including the £70 million in development, projects are to be funded in the areas of Offshore wind, Marine, Distributed Energy, Carbon Capture & Storage, Transport, Energy Storage & Distribution, and Buildings to 2014.	Energy Technologies Institute	Ongoing to 2014
22	UK Innovation Investment Fund to invest at least £25 million in low carbon technology, with companies beginning to receive funding in early 2010.	Innovation and Enterprise Directorate	
23	BIS will publish guidance on Forward Commitment Procurement.	Innovation and Enterprise Directorate	31st March 2010
24	GO-Science will, working with public sector funders of research, publish a strategy for food research and innovation by January 2010.	Government Office for Science	January 2010
25	Foresight Land Use Project to report its findings in January 2010.	Government Office for Science	January 2010
26	In 2009- 2010 the Research Councils will develop a detailed evaluation plan setting out how the evaluation of Living with Environmental Change will be progressed.	Research Council (NERC as lead Council)	
27	During 2009-2010, Engineering and Physical Sciences Research Council (EPSRC) to initiate an "International Review of UK Energy Research" to report in June 2010.	Research Councils (EPSRC as lead Council)	

Action	Action	Owner	Date Due (if applicable)
28	During the third quarter of 2009-2010, Medical Research Council (MRC), in consultation with others, will develop a cross-sector UK wide strategy for ageing research on behalf of Research Councils, for consideration by the RCUK Research Directors Group.	Research Councils (MRC as lead Council)	Third Quarter 2009
29	Public announcement of winners of the big green challenge.	Research Councils Unit	January 2010
30	BIS to work with the LSC to commission research and consultancy to develop a measurement methodology, targets and strategy proposals for carbon reduction in the FE sector, as a precursor to consultation with the sector on these and publication of targets and strategy. This should be completed by April 2010.	BIS with Learning Skills Council	April 2010
31	LSIS to establish an 'enabling framework' or overarching strategy for sustainable development and carbon reduction for the FE sector. The development of the core framework in collaboration with other strategic bodies and learning providers to be completed by March 2010 with further work as necessary in the following financial year.	Learning and Skills Improvement Service	March 2010
32	To establish in late 2010, the means and timescales by which recommendations in the HE framework will be implemented and tracked.	Higher Education Funding Council for England (HEFCE)	

Action	Action	Owner	Date Due (if applicable)
33	For HEFCE to present by January 2010 appropriate carbon reduction targets for higher education, a method for measuring progress, a strategy for achieving the target and guidance for institutions on developing carbon plans. By 2011/12 capital funding will be linked to performance in reducing emissions.	Higher Education Funding Council for England (HEFCE)	January 2010
34	Skills for Growth identifies priority sectors for economic growth including low carbon which will stimulate demand and supply of skills. A refocusing of Train to Gain from low priority provision towards growth areas will target skills provision more effectively.	Skills Directorate	
35	Two recycling staff awareness seminars were held during 09/10 to encourage waste minimisation and help achieve sustainable development in BIS's offices. IWS has also extended waste recycling facilities to include glass and batteries recycling. The Department will look to fully embed the 'Recycle Plus' scheme during the remainder of 2009/10 to gain further efficiencies.	Information and Workplace Services Directorate	Ongoing

Action	Action	Owner	Date Due (if applicable)
36	To leverage BIS's procurement power and reduce our contribution towards environmental damage, Environmental Impact Assessments will be further extended into the general procurement area in consultation with OGC 'Green Buying Solutions' during 2009/10. Key sustainability risks continue to be addressed through Environmental Impact Assessments on estates procurement and projects.	Information and Workplace Services Directorate	
37	Continue to roll-out regular Wellbeing at Work events during 2010.	Human Resources	



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