



Sustainable
Development Commission

Pilot with the Department for Work and Pensions

Departmental Sustainability Assessment

Findings and Recommendations

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“... being a more sustainable department is also being a more efficient and user-friendly department.”

Sir Leigh Lewis

Permanent Secretary
Department for Work & Pensions
(from 2006 - 2011)

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1 Introduction

The Sustainable Development Commission (SDC) has been the UK Government's independent advisor and watchdog on sustainable development since 2000, and as such has a duty to report on Government's sustainability performance. This report provides a summary of the SDC's findings and recommendations based on its Departmental Sustainability Assessment (DSA) of the Department for Work and Pensions (DWP).

A DSA is both a capability-building exercise and an in-depth analysis of a single department's sustainability performance across the areas of: *leadership & governance, policy, people, operations, procurement* and the *processes* that underpin each of these. It also provides recommendations for further improving a Department's long-term performance.

The aim is to establish how well the sustainable development principles are being applied within DWP's core business and to identify both positive and negative practices, impacts and any opportunities. The benefit to the Department of such an approach is the provision of independent advice to enable further progress on conducting its core business more sustainably and therefore more efficiently. In particular, DWP will be better positioned to contribute to the Government's aims of "mainstreaming sustainable development" and being the "greenest Government ever" through, for example, reducing its carbon emissions by 10% in the first year of the new administration and delivering greater social justice in the long-term through better public policy.

Why this is important

In the current climate of cross-government public spending cuts, there is a need for every Government Department to be as effective and efficient as possible in achieving its aims. Adopting a sustainable development approach will allow Departments to drive down operating costs through improved energy efficiency and reduced waste arisings etc., as well as make more effective policy for the long-term by drawing together social, economic and environmental issues. Implementing and delivering operational and policy activities through cross-government collaboration and long-term thinking will enable Government to deliver

public services more efficiently and make more effective public policy that benefits society, the economy and the environment.

The SDC is pleased to note the Government's commitment to mainstream sustainable development. This report highlights a number of the long-term opportunities, challenges and issues associated with this laudable aim that will enable DWP to mainstream sustainable development as well as provide useful insights for other Government Departments.

The Departmental Sustainability Assessment (DSA) concept

The DSA concept is an evolution of the SDC's watchdog assessment work. It combines assessment with the SDC's three other functions: capability-building, advice and advocacy. It was developed to meet the needs of Government Departments that had made significant progress in their understanding of sustainable development and therefore required more in-depth and tailored support to tackle their own specific challenges in further embedding sustainability. The result is the DSA; intended to enable organisational change and build sustainable development capability, particularly in the development of public policy.

This is the first DSA that the SDC has undertaken but it builds on ten years of the SDC's experience in developing policy advice and performance management mechanisms. This pilot project aims to test the DSA process and to determine whether the model delivers the right outcomes and value for the department. The SDC will continue to work with DWP to implement the findings and recommendations, and with Government to ensure findings from this assessment are fed into future arrangements for mainstreaming and monitoring sustainable development in Government.

The Department for Work and Pensions (DWP)

The Department for Work and Pensions (DWP) was selected to be the first department on which the DSA model could be tested and permission for this was obtained from Sir Leigh Lewis, the Permanent Secretary of DWP at the time. DWP is the largest public service delivery department in the UK, serving over 20 million customers at any one time,¹ and will serve the vast majority of people in the UK at some stage of their lives. The Department supports its Ministers in developing and implementing policies and strategies aimed at supporting people who receive welfare benefits, people who need help to find employment, disabled people, older people, and people who receive the State Pension.

From the SDC's perspective DWP is an excellent partner on which to test the DSA model because it is one of the leading Government Departments when it comes to adopting and effectively using sustainable development principles in its operations and procurement activity. The Department also has a key role to play in promoting and improving social justice and wellbeing in the UK. In light of the general acknowledgement in Government that the social aspects of sustainable development are underdeveloped and in need of enhancement if we are to build a fairer society and make social justice a reality for Britain now and into the future, this assessment also serves the purpose of identifying the extent to which DWP is prepared for this challenge.

The SDC and DWP have worked closely together on promoting and supporting sustainable development over recent years through the development of DWP's Sustainable Development Action Plan (SDAP) and through the sustainable operations and procurement agenda which culminates in the SDC's annual Sustainable Development

in Government (SDiG) report. In addition, the SDC and DWP have worked together on a variety of issues to share ideas and advance public sector thinking on embedding sustainable development into all aspects of governmental business, for example on the recent review of the Impact Assessment (IA) process.

DWP's involvement in this DSA pilot project shows the Department's continued commitment to the principles of sustainable development and awareness of the demonstrable benefits that application of these principles result in. Given the ongoing changes within Government, as the new administration sets priorities and the considerable rationalisation of public spending is implemented to tackle the deficit, it could be seen as an unlikely time to push the sustainable development agenda. However, as priorities for Government become increasingly clear, the need to make efficiency savings does offer opportunities to rethink the way in which operations and policy are carried out, creating an environment that will promote more innovative solutions that could contribute to solving the intractable problems facing the UK and result in improved and enhanced public services. As Leigh Lewis stated "...being a more sustainable department is also being a more efficient and user-friendly department."

The SDC argues strongly that using a sustainable approach to public services will enable the necessary efficiencies to be made in a way that delivers benefits without impacting long-term operational capability and outcomes. It is therefore particularly timely to be undertaking this assessment, given DWP's mandate to ensure the welfare of people and help them to lead safer, fairer and more rewarding lives, free from poverty.

Key finding and recommendation

Overall the SDC has found that there is a mix of good practice within the Department, opportunities for improvement, and numerous ways in which DWP can become an exemplar of sustainability practice within Government across all areas of its business. Section 3 of this report lists the main findings and recommendations. The key recommendation is that:

The Government has, through the work of the Government Economic Service and the newly formed Social Impacts Task Force, identified the need to enhance the social aspects of sustainability and develop a better understanding of impacts on social justice, fairness, equality and wellbeing, in order to support officials and Ministers in making more sustainable choices. The SDC recommends that DWP strengthens its leadership role within this work by identifying how it can use its wealth of social expertise to help individual Departments better understand the social impacts of their policies and operations, thereby improving cross-government understanding of sustainability and assisting DECC and Defra in mainstreaming sustainable development within Government. This recommendation should be explored in conjunction with any new cross-government sustainable development governance arrangements.

Report Structure

Part two of this report provides an explanation of how the assessment was undertaken and what the focus areas are. The findings and recommendations are presented in part three and are based on the five organisational areas developed in the assessment framework, plus a sixth

area titled *processes* as it became apparent during the assessment that the processes underpinning these areas were an area of examination in themselves. Part four outlines the next steps for the DSA process.

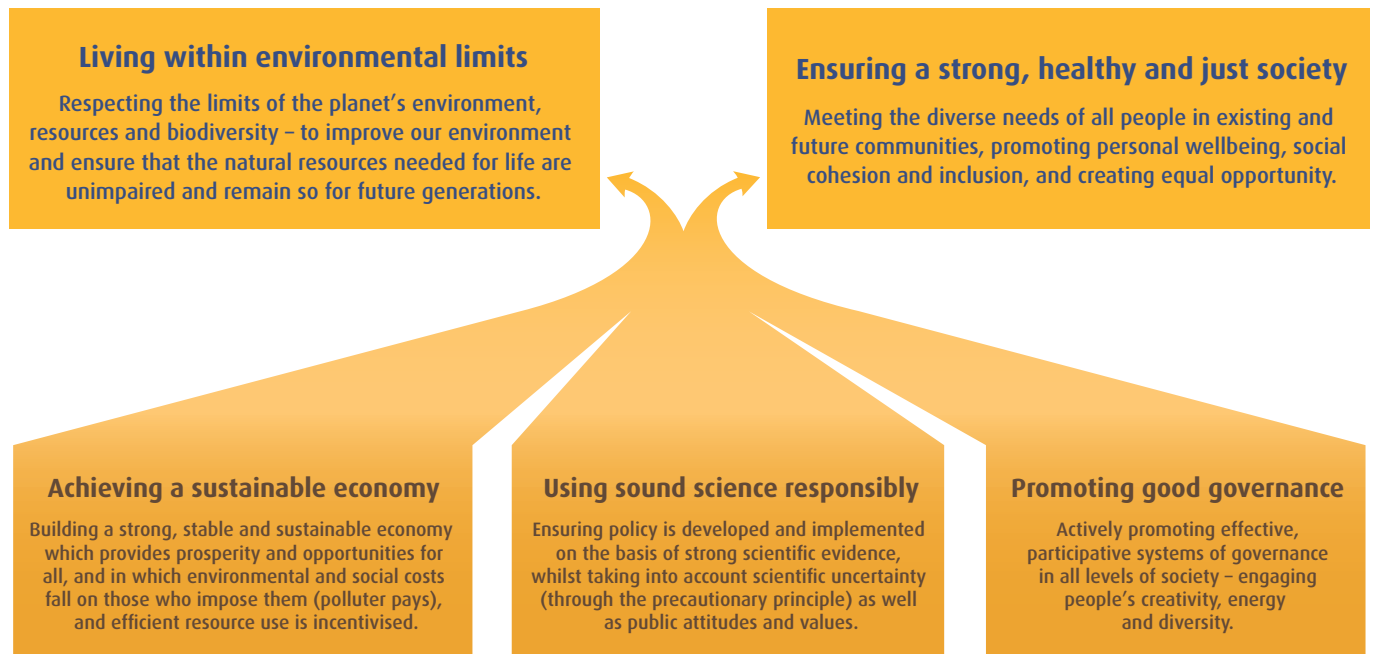
2

The DSA Approach

The overarching aim of the DSA process was to assess how well the sustainable development principles (outlined in Figure 1) are being applied, identifying negative and positive practices and impacts, gaps in positive impacts and any missed opportunities. Therefore, within the context of achieving change that delivers long-term value and benefit,

the desired outcome for the DSA process is to ensure that sustainable development principles are being fully embedded in all aspects of a department's business, which in turn contributes to the important principles of ensuring the UK has a "a strong, healthy and just society which lives within environmental limits".²

Figure 1 The Sustainable Development Principles³



The assessment approach used for this DSA concentrates on the five organisational areas (plus *processes*) described in Figure 2 overleaf. Each organisational area is framed by one over-arching question, which relates to the extent to which sustainable development principles are applied in that particular area.

Figure 2 The Five Organisational Areas for Assessment

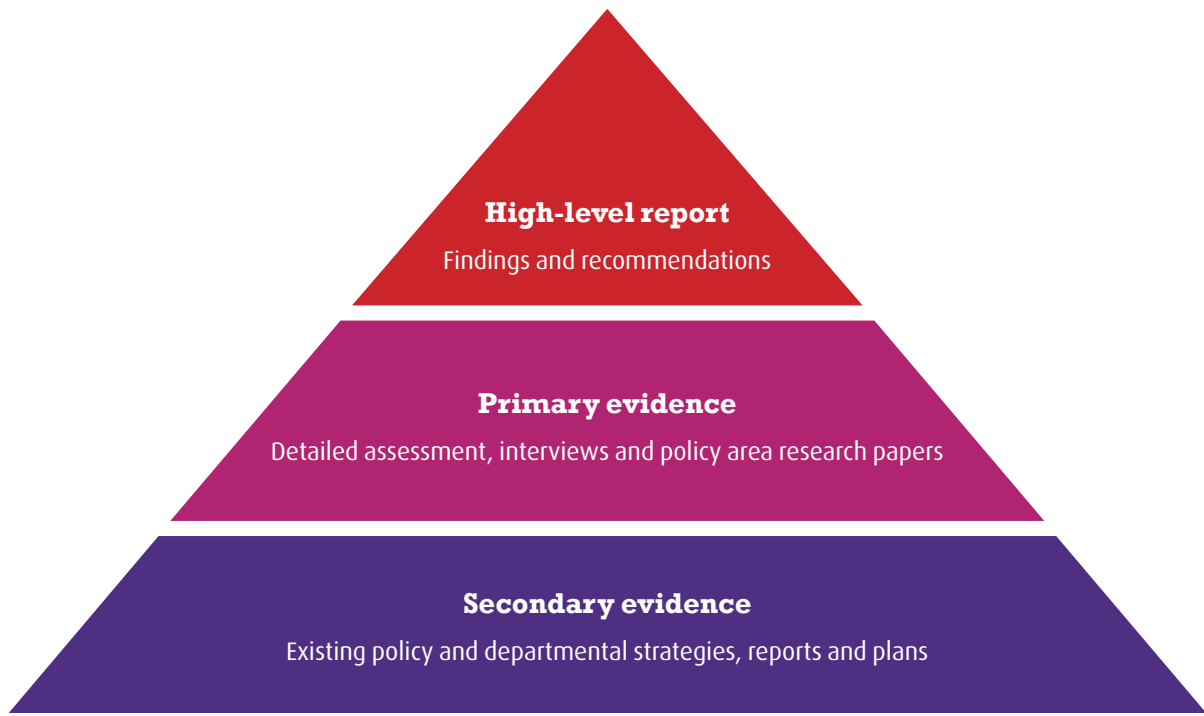


The SDC developed the assessment framework that underpins these five organisational areas in partnership with the National Audit Office (NAO), which had been tasked by the Environmental Audit Committee (EAC) with looking at how an assessment of the sustainability of a whole department could be undertaken, and to collaborate with the SDC in doing so. The NAO's official involvement ended once the assessment framework had been finalised. (For further details of the methodology and the assessment framework please refer to Annex A).

The SDC used the assessment framework to analyse all of the evidence that was gathered through the process, all of which informs the findings and recommendations of this

high-level report. These findings and recommendations are underpinned by two layers of evidence, as shown in Figure 3. This evidence has been shared with DWP to allow them to consider the findings and work with the SDC to implement the recommendations. The bottom layer is secondary evidence,⁴ which utilises existing information such as departmental strategies and publications, UK Government White Papers and internal audits. The middle layer is primary evidence,⁵ which consists of a detailed assessment of the SDC's findings across the five organisational areas, interviews with departmental officials, analysis of discrete policy areas and other analysis by the SDC assessment team as result of findings from the secondary evidence.

Figure 3 Pilot Departmental Sustainability Assessment reporting structure



The following scope for the assessment was defined in consultation with DWP:

- The selection of the following three specific policy areas to review out of DWP's five broad policy areas:
 - Strengthening the Labour Market
 - Health and Wellbeing
 - An Ageing Society
- A primary focus on the core DWP department and not the larger departmental family (its arms length bodies such as Executive Agencies and Non-Departmental Public Bodies), although an interview with Job Centre Plus was necessary to inform the findings on delivery mechanisms. (For further details of the scope and coverage of each section of this report see Annex B).

3

Findings and Recommendations

Findings

Overall the SDC has found that there is a mix of good practice within the Department, opportunities for improvement, and numerous ways in which DWP can become an exemplar of sustainability practice within Government across all areas of its business. The SDC's main findings are:

- 1 DWP shows a clear commitment to embedding sustainable development principles into departmental business, in particular on the operations and procurement agenda where it is a leader in Government.**
- 2 Applying sustainable development principles results in long-term efficiency. DWP has already realised efficiency improvements from applying sustainable development principles, particularly in operations and procurement activity. However, the Department does have a number of opportunities to realise further efficiency savings, particularly in terms of its policies, for example, in the area of social justice.**
- 3 The challenge for DWP is to replicate its progress in operations and procurement in its policies through mainstreaming sustainable development into policy-making within the department to ensure better, more effective and more efficient outcomes.**
- 4 DWP has made some progress in understanding its contribution to the sustainable development agenda by recognising and emphasising the social and economic impacts of public policy. The next challenge is to adopt a more holistic approach to sustainable development that factors in environmental impacts more systematically with identified socio-economic concerns to achieve social justice.**
- 5 DWP has a wealth of experience in addressing the social aspects of sustainable development and there are many opportunities for the department to work with other Government Departments that have related policy interests and goals, in order to shape Government's social justice and fairness agenda and to deliver multiple benefits in as efficient a way as possible. For example, in its health and wellbeing work stream by working with the Department of Health.**

Recommendations

1 Leadership & Governance

- 1.1** The SDC recommends that DWP progresses its work on welfare through more comprehensive use of the sustainable development principles. In particular, by exploring what environmental limits means in terms of its public policy-making, such as the impact of winter fuel payments on carbon emissions. This would make a significant contribution to the Government's aim to mainstream sustainable development and could be achieved via the sustainability planning and reporting process that replaces SDAPs and as a key objective of the Department's Sustainable Development Delivery Group.
- 1.2** The SDC recommends that DWP establishes its own sustainable development champions network with members from across all divisions and work areas of the Department, and creates an explicit element on sustainable development within the formal roles and responsibilities of DWP's leaders. These should then be cascaded throughout the department, so that sustainable development is not just the remit of the Sustainability and Climate Change Team but becomes the responsibility of all staff.

1.3 The SDC recommends that DWP's Departmental Board is given an enhanced scrutiny role in order to hold DWP's Permanent Secretary and Executive Team to account against their sustainable development commitments. This would include scrutinising performance against DWP's sustainable development objectives, challenging the Executive Team on the sustainable delivery of all DWP's goals, and ensuring that their scrutiny of general risks to the Department includes sustainability risks.

1.4 While at the most senior levels sustainability impacts, i.e. those from both operations and policy must be considered together, at a delivery level they can be dealt with separately for practical reasons. Therefore the SDC recommends that the Sustainable Development Delivery Group (SDDG) within DWP is split into two separate groups, one focusing on operations and procurement and one on policy. This would allow the first group to tackle the detail of operational and procurement issues, and the policy specific group to better engage policy staff in sustainability, e.g. looking at how sustainable development principles can be built into the policy cycle and decision-making tools to deliver better outcomes against policy goals.

2 Policy

Key Recommendation

2.1 The Government has, through the work of the Government Economic Service and the newly formed Social Impacts Task Force, identified the need to enhance the social aspects of sustainability and develop a better understanding of impacts on social justice, fairness, equality and wellbeing, in order to support officials and Ministers in making more sustainable choices. The SDC recommends that DWP strengthens its leadership role within this work by identifying how it can use its wealth of social expertise to help individual Departments better understand the social impacts of their policies and operations, thereby improving cross-government understanding of sustainability and assisting DECC and Defra in mainstreaming sustainable development within Government. This recommendation should be explored in conjunction with any new cross-government sustainable development governance arrangements.

long-term employment rather than moving in and out of short-term employment and thereby reducing the administrative burden on the state. DWP's policies should support unemployed people to get the highest skill job they can, and should continuously support people to raise the skill-level of their jobs. Therefore, DWP has an opportunity to work with other Government Departments, including the Department for Business, Innovation and Skills (BIS), the Department of Energy and Climate Change (DECC) and the Department for Environment, Food and Rural Affairs (Defra) to build on its commitment to support individuals in finding work which will improve individual and societal wellbeing, while at the same time contributing to environmental protection and benefiting the economy. The SDC recommends that DWP works with these Departments to further explore the potential of employment in a "Green" economy.

2.2 DWP should further strengthen integration between its policy teams, delivery bodies and other Departments with common policy goals, in order to maximise the potential of the economy and society to deliver sustainable outcomes within environmental limits. This holistic approach will ensure that duplication of effort is avoided, achieving both cross-government efficiency savings and mutually beneficial outcomes. For example:

2.2.2 The SDC recommends that DWP adopts a cross-government approach and draws on policy expertise from other Departments (e.g. the Department of Health and the Department of the Environment, Food and Rural Affairs) to improve the health and wellbeing of people at work using the sustainable development principles. This would deliver more integrated and therefore more effective policy, which would be capable of tackling the root causes of ill-health. Current policy in this area is imbalanced and further consideration of the role and importance of the environment, as

2.2.1 In the labour market, those currently unemployed should be provided with relevant skills to ensure they enter meaningful,

a key part of the solution, is required. The SDC recommends that DWP is more actively involved in the cross-government response to the Marmot Review.⁶

2.2.3 The SDC sees a genuine opportunity for DWP to use its coordinating role within “Building a Society for all Ages”⁷ to ensure that environmental influences are factored into policy-making on the wellbeing and life-expectancy of older people and people of all ages.

3 People

3.1 The SDC recommends that DWP embeds sustainability into the guidance and training for all policy-makers in accordance with their role and grade, to ensure they have the tools and skills to make the most sustainable business decisions. A part of this programme should be focused training for middle management on how to embed sustainable development into policy-making.

3.2 Following the inclusion of sustainable development in DWP’s competency framework, the SDC recommends that DWP examines the impact this has had on staff understanding of sustainable development and the extent to which it is applied in their day to day jobs. This could be done through surveys to create a picture of departmental understanding of sustainable development that could be monitored year on year. Furthermore, to contribute to addressing the incorrect assumption among some staff that sustainable development is only about environmental issues, the SDC recommends updating the competency framework along the lines of: “Considering sustainability issues and encouraging others to assess the environmental impacts of their work, in addition to the social and economic impacts, in an integrated way”.

3.3 The Communications Directorate and Sustainability and Climate Change (SCC) Team should jointly develop a new, more sophisticated internal Communications and Engagement Strategy for sustainability, including innovative methods for raising staff awareness of sustainability issues.

3.4 DWP’s significant social impacts make a direct contribution to sustainable development. An account of these impacts should be included within the Sustainable Development Policy to ensure staff understanding of sustainable development extends beyond the environmental aspects. In addition a section explaining the guidance and support that is available to staff from the Sustainability and Climate Change Team should be included.

4 Operations

4.1 As one of the “Big Four” departments in terms of the size of its estate and travel activities, DWP’s operational impact is significant and any major improvements can make a huge difference to Government’s overall operational performance. To support Government in its endeavour to lead by example, the DWP should continue with its efforts to reduce carbon emissions from offices, improve the BREEAM⁸ standards for new builds and major

renovations and improving the reporting on the water consumption standard for new builds. Improved data and information collection systems must be adopted to fill in any gaps in coverage and to understand the impact of operations and estates management, in particular for BREEAM and water consumption in new builds. The more efficient use of resources that this stimulates will deliver reduced costs in these areas.

4.2 Given the unique nature of its business, it is imperative that DWP understands and manages the totality of its operations beyond the Government targets (the Sustainable Operations on the Government Estate Framework⁹), and is aware of the interdependencies of its various operational activities. This would not

only include seeking opportunities to influence the behaviours of its own significant workforce, but also minimising any adverse social and environmental impacts resulting from the way in which its customers take up DWP services, for example, the way in which they travel to Jobcentre Plus sites.

5 Procurement

5.1 DWP has pioneering processes and structures in place to work with suppliers and to manage demand in order to deliver sustainable procurement; for example, through its Sustainable Procurement Strategy and the Sustainable Procurement Risk Assessment Methodology (SPRAM). However, it must now ensure

this work is translated into consistent measurable results and outcomes; most notably progress against all areas of the sustainable procurement flexible framework, in particular on the themes of “people” and “engaging suppliers” which require further attention for improvement.

6 Processes

6.1 In regard to Impact Assessments (IAs), the SDC recommends that DWP takes action on the following:

6.1.1 Raising awareness and providing guidance to policy-makers on the importance of environmental and social impacts in decision-making, enforcing the idea that these are equally as important as economic impacts and should be considered as such.

6.1.2 Ensuring all impacts, whether economic, environmental or social, are addressed and given equal weight in the evidence base and the upfront summary of an IA.

6.1.3 A sustainability tool such as DWP’s own version of Stretching the Web should be used as a pre-test in the initial stages of policy development with clear guidance for policy-makers on how to use this test to inform the IA process, and then used throughout the development of a proposal to aid in the understanding of its impacts.

6.1.4 Ensure policy-makers investigate and highlight the benefits of a policy option so that the benefits are given the same weight as the costs in the evidence base of the IA and in the final decision-making. Failure to explore fully the potential benefits could lead to missed opportunities such as meeting more (or contributing to more) than one departmental goal through a single policy.

6.1.5 DWP should continue its strong involvement in improving the Impact Assessments process within Government. In addition, the Sustainability and Climate Change Team should work more closely with policy staff and decision-makers within the department to understand barriers, and develop its own process to support sustainable choices in order to become a best practice leader in embedding sustainable development in policy.

6.2 DWP should work with JobCentre Plus and other delivery arms to ensure that the sustainability criteria built into policies at the design stage, are actively preserved throughout the delivery of services. This will ensure that projects deliver lasting benefits and that money is spent in the most efficient way possible.

4

Next Steps

The SDC plans to continue to work with DWP to discuss and begin the implementation of the findings and recommendations in this report. DWP has already begun work to address a number of these and the SDC looks forward to working with the Department in the coming months.

The process of conducting this assessment has provided the SDC with a unique view of the challenges and benefits of undertaking an in-depth review of a Department's activities. The SDC intends to share its findings with Government to support it in its aim to mainstream sustainable development, and offer recommendations for how this model of assessment could be taken forward in the future.

Annexes

Annex A – Methodology

Annex B – Scope & Coverage of Assessment

Annex C – Bibliography & List of Evidence

Annex A – Methodology

The SDC worked with the NAO over a period of several months to develop the assessment framework shown in Figure 4. Following the completion of the framework, and therefore the NAO's direct involvement, the SDC began discussions within the SDC, and externally with stakeholders, including departmental officials, to share the framework and identify one department to pilot the project with. There were three selection criteria that had to be met by the pilot department:

- 1 Willingness** – it was crucial that the pilot department signed up to the DSA to ensure openness and honesty
- 2 Manageability** – the department chosen and its business must be able to fit into the scope of the assessment
- 3 Materiality of Impact** – it was important as this was a pilot that it was easy to gauge and assess the impact the chosen department was making on sustainable development.

Following these discussions DWP was selected as the best candidate for the pilot as the department clearly met each of the above criteria. Sign-up to the DSA was then obtained from the Permanent Secretary of DWP at the time, Sir Leigh Lewis.

The next step was to agree the scope and coverage of the assessment between SDC and DWP (see Annex B for details), and develop a step-by-step plan to manage the pilot DSA from selection of the department to final publication and ongoing capability-building. This plan is shown in the process flowchart in Figure 12.

Figure 4 DSA Pilot – Assessment Framework

Departmental Sustainability Assessment – Framework		
<p>Key Question Is the department fully contributing to the Government’s sustainable development objectives?</p>		
LEADERSHIP and GOVERNANCE		
<p>Sub question (level 1) 1. Does the department’s leadership and governance promote sustainable development principles?</p>		
Sub questions (level 2)	Evidence required	Examples of sources
<p>Objectives 1a. Does the department have clear objectives and priorities to progress sustainable development, and are they linked to Securing the Future and pan-government objectives?</p>	<p>A summary of all the department’s objectives and priorities pertaining to sustainable development, including those contained within PSAs, DSOs, and specific sustainable development strategies, action plans or other. Strategies will be those for the whole organisation including individual functions such as procurement and estates management.</p>	<p>Document Review of Public Service Agreements (PSAs), Departmental Strategic Objectives (DSOs), departmental strategy, annual reports, SDAP and sustainable development progress reports, sustainability report, White Papers.</p>
<p>Accountability 1b. Does the department have clear lines of accountability and decision making to enable delivery of objectives in line with SD principles?</p>	<p>A transparent and well understood governance structure outlining roles and responsibilities. Quality assurance programmes.</p>	<p>Document Review as above, plus relevant organograms, HR policy, departmental business plans. Interviews with SD teams, senior leaders and local champions.</p>
<p>Monitoring and Reporting 1c. How does the department monitor, report and enable action to ensure its performance and impacts are sustainable?</p>	<p>Reports, scorecards, indicators or other suitable systems of reporting sustainability performance on policy, operations, procurement and any other areas to senior management, and evidence of linkages between them. Arrangements for external reporting and preparedness for new reporting arrangements. Also, evidence of systems to learn from best practice.</p>	<p>Document review of relevant performance reports, scorecards etc. Interviews with SD teams and working groups, and senior officials with responsibility for sustainability.</p>
<p>Leadership 1d. How does the department ensure effective leadership and championing of sustainable development within the organisation?</p>	<p>Evidence of active leadership by senior figures, including ministerial/ senior management statements, events, appearance in board discussions/minutes etc. Location of sustainable development unit in the organisation, existence of champions in teams. Clarity of staff understanding.</p>	<p>Document Review of minutes of board meetings and relevant decision-making bodies, internal policy statements, agenda for events relevant to sustainable development, organograms. Attendance at relevant meetings of key boards etc. Interviews with sustainable development teams, senior leaders and local champions.</p>

<p>Stakeholder Engagement 1e. How does the department provide strategic leadership and engage with key stakeholders to ensure joined up working in order to deliver its objectives in line with SD principles?</p>	<p>Evidence of active leadership in consultations, events, forums, communications etc. Evidence of the department working in partnership with other public sector organisations, businesses, the 3rd sector and citizens to achieve sustainable development objectives. Use of website to explain sustainability in the department.</p>	<p>Document Review (including press search) of SDAPs etc, plus public consultations, communications, events etc. Interviews with sustainable development teams and senior leaders. Interviews or survey of key stakeholders.</p>
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PEOPLE

Sub question (level 1)

2. Do the department's staff have sufficient awareness, skills and incentives to conduct their work in a manner consistent with sustainable development principles?

Sub questions (level 2)	Evidence required	Examples of sources
<p>Sustainable Development (SD) Understanding 2a. Do staff have sufficient understanding of how to apply SD principles in their day job?</p>	<p>Awareness and understanding of sustainable development principles, action plans, targets amongst relevant staff: senior management, sustainability teams, policy officials, operations and procurement staff.</p>	<p>Interviews with senior staff and selected policy, operations and procurement staff. Review of any staff surveys conducted.</p>
<p>Skill and Capabilities 2b. How does the department provide staff with the necessary skills/capabilities and tools to maximise performance in line with SD principles?</p>	<p>Evidence of the extent of training, staff qualifications, staff's own opinion of their skills, evidence of promotion and use of tools. Programmes such as recruitment, induction or training and development. Attendance rates.</p>	<p>Interviews with selected policy, operations and procurement staff, sustainable development team. Document review of training material and tools.</p>
<p>Decisions 2c. How are staff applying SD principles in both their business and personal decisions in relation to their work?</p>	<p>Inclusion of sustainable development in staff objectives and appraisal, recognition such as award schemes. Evidence that staff are choosing the most sustainable options when making business decisions, e.g. suppliers and products. Consideration in operational policy towards enabling staff to make sustainable choices in how they work (e.g. modes of business travel, commuting, home working/flexible working/time off for volunteering on environmental/sustainability projects). Identifying barriers to making more sustainable decisions.</p>	<p>Interviews with selected policy, operations and procurement staff, sustainable development team. Document review of staff objectives, recognition schemes.</p>

<p>People Policies 2d. Has the department’s HR policies (and wider corporate responsibility policies) considered social, economic and environmental impacts and is there evidence of this in practice?</p>	<p>Existence of HR policies on this issue, monitoring of compliance, external recognition e.g. Investors in People. Is the department complying with its commitment to provide equal opportunities for staff in recruitment, access to training and development, promotion, pay and other benefits, irrespective of ethnicity or nationality, gender, transgender, sexuality, disability, age, religion, marital status and working patterns?</p>	<p>HR policies.</p>
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POLICY

Sub question (level 1) 3. Are sustainable development principles applied in the department’s policies and policy-making?

Sub questions (level 2)	Evidence required	Examples of sources
<p>Intentions and Ambition 3a. Are the department’s policy intentions ambitious enough to achieve its objectives in line with sustainable development principles?</p>	<p>Policy objectives and priorities, including PSAs, DSOs, specific sustainable development objectives.</p> <p>Other relevant documents include Sustainable Development Action Plans (SDAPs), White Papers, strategies (on policy), NGO reports, the results of any relevant consultations and any NAO, SDC & EAC reports.</p>	<p>Document review of identified evidence.</p> <p>Interviews with policy officials and sustainable development team.</p>
<p>Policy Mechanisms 3b. How does the department ensure SD principles are applied at each stage of the policy cycle?</p>	<p>Evidence of tools and mechanisms to build sustainability into policy making process</p> <ul style="list-style-type: none"> +Impact Assessment (IA) review +Guidance on policy making +tools to identify & quantify SD impacts of policy +departmental policy cycle +any external assessment on policy 	<p>Interview with policy officials and other relevant officials including sustainable development practitioners.</p> <p>Document Review of sample of Impact Assessments and other relevant policy documentation.</p>
<p>Decision Making 3c. For relevant policies, did the policy decision making process in practice take into account sustainable development principles?</p>	<p>Evidence of the department seeking to achieve sustainable outcomes, and designing the policy accordingly.</p> <p>Review of process undertaken for a sample of policies.</p>	<p>Document Review of strategies, annual reports to identify relevant policies.</p> <p>Document Review of sample of Impact Assessments and other relevant policy documentation.</p>

<p>Policy Delivery 3d. For relevant policies, did the policy delivery process in practice take into account sustainable development principles?</p>	<p>Evidence of the department seeking to achieve sustainable outcomes through the delivery of policies.</p> <p>Review of process undertaken for a sample of policies. Evidence of working with stakeholders to ensure delivery of sustainable outcomes.</p>	<p>Interview with policy officials and other relevant officials including sustainable development practitioners.</p> <p>Post facto progress reports.</p> <p>Document Review of sample of Impact Assessments and other relevant policy documentation. Assurance panels and OGC Gateway Reviews.</p>
<p>Impacts/Outcomes 3e. Are policies achieving the department's desired outcomes in line with sustainable development principles?</p>	<p>Internal (e.g. ex-post policy reviews) and external assessment (from parliament, SDC, NAO, NGOs etc.) of progress and outcomes.</p> <p>Evidence of positive or negative impact on sustainable development indicators.</p>	<p>Document Review of strategies, annual reports to identify relevant policies.</p> <p>Document Review of a sample of government policy evaluations and 3rd party reports, Parliamentary reports, SDAP progress reports.</p> <p>A review of key policies against sustainable development indicators aided by advice from an expert panel. Assessment of progress on PSAs and DSOs.</p>

OPERATIONS

Sub question (level 1)

4. Is the department managing its estate and operations in a manner consistent with sustainable development principles?

Sub questions (level 2)	Evidence required	Examples of sources
<p>Operational Mechanisms 4a. How does the department (and any relevant contractors) monitor, account for and report on the impacts of its estate and operations?</p>	<p>Evidence of use of Environmental Management Systems, Carbon management programme, property benchmarking, robust and regular data collection and reporting, appraisals of office relocations, and any other reporting process which assess impacts of operation (e.g. Business in the Community). Contract management including Key Performance Indicators on sustainability.</p>	<p>Document Review of SOGE submissions and any other frameworks / processes, in particular SDAP actions or other action plan documents.</p> <p>Interviews with key operations staff.</p> <p>Evidence of delivery plans.</p>
<p>Operational Impacts 4b. How is the department improving the impacts of its estate and operations?</p>	<p>Quantified impacts on energy, water use, carbon emissions, waste arisings and any social impacts covered by SOGE or other frameworks.</p>	<p>Document Review of SOGE submissions and any other frameworks/processes.</p> <p>Interviews with key operations staff.</p>

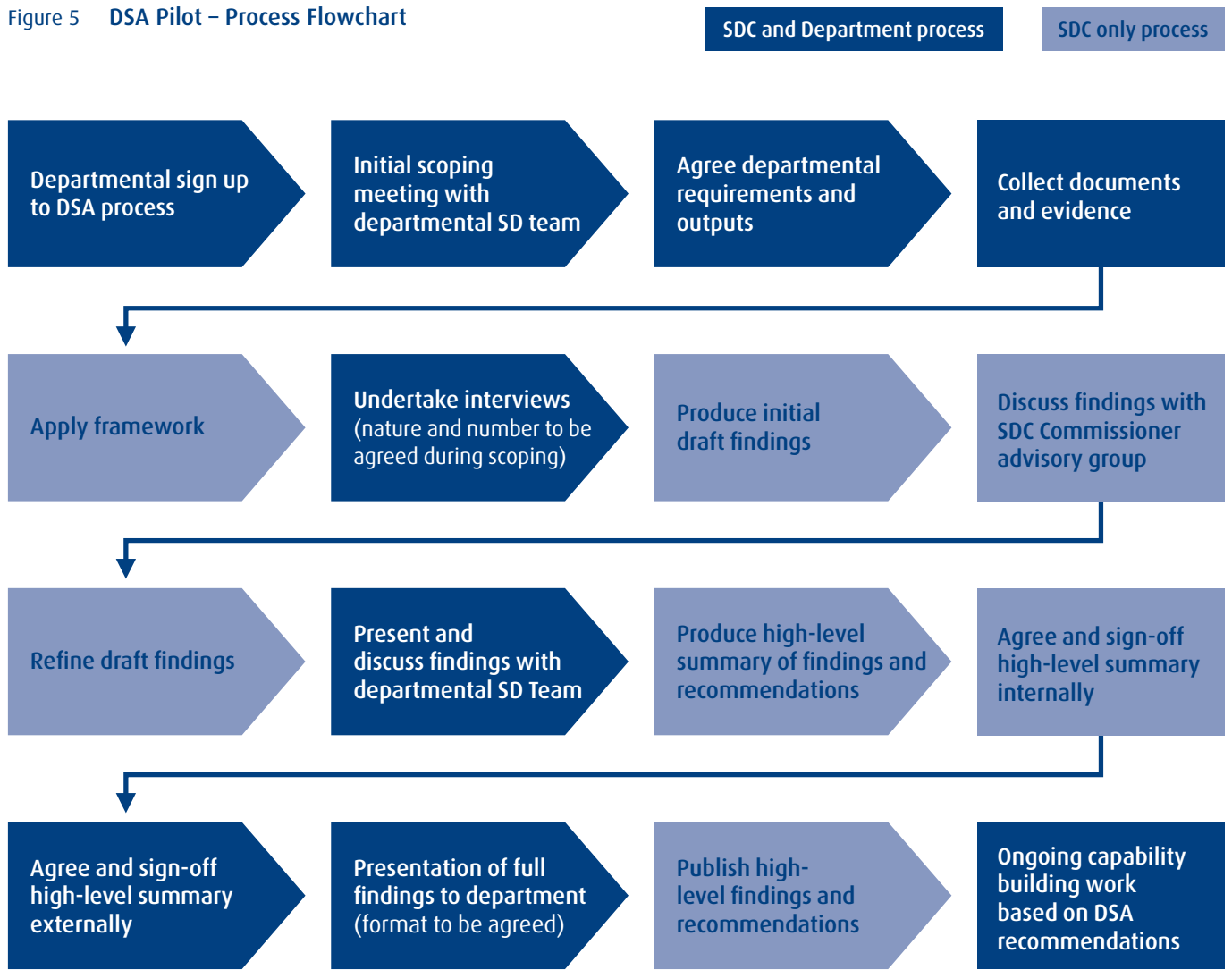
PROCUREMENT

Sub question (level 1)

5. Is the department conducting its procurement in a manner consistent with sustainable development objectives?

Sub questions (level 2)	Evidence required	Examples of sources
<p>Procurement Mechanisms 5a. How does the department (and any relevant contractors) monitor, account for and report on the impacts of its procurement activities?</p>	<p>Evidence of use of risk assessments, expenditure analysis, audits against environmental or ethical standards. Use of whole life costing and life cycle assessment.</p>	<p>Document Review of procurement methodologies and analyses, strategies, action plans, assessments against the flexible framework.</p> <p>Interviews with key procurement staff.</p>
<p>Suppliers and Supply Chains 5b. How is the department building SD principles into its supply chain?</p>	<p>Evidence of active promotion, identification of key suppliers by risk, voluntary agreements, supply chain audits etc. Reference to (forthcoming) OGC supplier engagement model.</p>	<p>Document Review of supplier engagement plans and agreements, supply chain analyses and audits.</p> <p>Interviews with key procurement staff.</p>
<p>Procurement Impacts 5c. How is the department improving the impacts of its procurement activity?</p>	<p>Quantified impacts, or if not available, qualitative evidence of reduced impact (referring to particular decisions to purchase one product type over another).</p>	<p>Review of any data held by departments on scale/impact of spend in high risk areas (timber, paper, food, textiles etc.).</p> <p>Document Review of procurement methodologies and analyses, strategies, action plans.</p> <p>Interviews with key procurement staff.</p>

Figure 5 DSA Pilot – Process Flowchart



Annex B – Scope & Coverage of Assessment

In consultation with DWP the following scope and coverage of the assessment was defined:

- The selection of three specific policy areas to review (Strengthening the Labour Market, Health & Wellbeing and An Ageing Society)
- Primarily focused on the central department, with its businesses included where appropriate. See Figure 13 for the parts of the DWP departmental family that each section of this report encompasses.

Figure 6 DWP organisations covered in different sections of DSA report

Section of DSA report	Organisations covered
Policy	DWP core department JobCentre Plus
Leadership and Governance	DWP core department
People	DWP core department
Operations	DWP core department JobCentre Plus Pension, Disability and Carers Service Child Maintenance and Enforcement Commission Health and Safety Executive
Procurement	DWP core department JobCentre Plus Pension, Disability and Carers Service Child Maintenance and Enforcement Commission Health and Safety Executive
Processes	DWP core department

Annex C – Bibliography & List of Evidence

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Interviews

Name	Position	Date of Interview
Leigh Lewis	Permanent Secretary, DWP	31st March 2010 (Farooq Ullah, Anne-Marie Shields)
Lee Tribe	Director of Commercial Strategy & Development, DWP	26th March 2010 (Farooq Ullah, Anne-Marie Shields, Jemma Percy)
Richard Fountain	Head of Sustainability & Climate Change Team, DWP	26th March 2010 (Farooq Ullah, Anne-Marie Shields, Jemma Percy)
Jane Cony	Sustainability & Climate Change Team, DWP	26th March 2010 (Farooq Ullah, Anne-Marie Shields, Jemma Percy)
Ian Albert	Employment, Work & Welfare Group	21st April 2010 (Farooq Ullah, Jemma Percy)
Daryl Molyneux	Job Centre Plus, DWP	9th April 2010 (Farooq Ullah, Anne-Marie Shields)
Julian Barker	Ageing Society, DWP	17th May 2010 (Farooq Ullah, Jemma Percy)
Jeremy Moore	Director of Labour Market Strategy, DWP	25th May 2010 (Farooq Ullah, Jemma Percy)

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- 2 HM Government (2005). *Securing the Future*. p16.
- 3 HM Government (2005). *Securing the Future*. p16.
- 4 In this context, secondary evidence is defined as existing materials created by third parties, such as Government or individuals not associated with the SDC.
- 5 In this context, primary evidence is defined as new analysis or materials created by the SDC. They are from the time period January to June 2010, e.g. interviews and expertise of SDC staff.
- 6 Marmot M, (2010). *Fair Society, Healthy Lives*. Available at: www.marmotreview.org/ (accessed July 5th 2010)
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Design Andy Long



Sustainable
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The Sustainable Development Commission holds Government to account to ensure the needs of society, the economy and the environment are properly balanced in the policy decisions it makes and the way it runs itself.

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