Sustainable Development in Government 2008

Headline Commentary

This is the seventh annual *Sustainable Development in Government* (SDiG) assessment, which examines and appraises central government's performance on operations and procurement against the targets and commitments of the *Framework for Sustainable Operations on the Government Estate* (SOGE).¹ It is based on data provided by departments for the period 2007/08, and is undertaken by the Sustainable Development Commission (SDC) – Government's independent advisor and watchdog for sustainable development.²

The assessment aims to inform and inspire continuous improvements across government. This year we are using the SDC website to present the performance data along with our scoring. A short report will follow in Spring 2009, which will seek to explore the key drivers behind this year's performance, as well as highlight the main challenges departments face in improving the sustainability of their operations.

Introduction

The UK government has committed itself to lead by example on sustainable development. On the global stage, it has positioned itself at the centre of the policy debate on many elements of the sustainable development agenda, most visibly on climate change. At the national level, the UK Sustainable Development Strategy, *Securing the Future*,³ sets out a long-term vision for sustainable development in the UK, including a package of challenging targets and commitments.

Meeting these goals will require concerted action from government, business and consumers. But the government believes that this cannot be achieved for the country as a whole if it is not prepared to lead the way.⁴ As such, *Securing the Future* committed government to review its targets for the operational performance of its estate. In its own words, "a sustainably managed estate" is one that has:

- "modern, resource efficient, low energy usage buildings
- well conserved and managed land
- efficient use of space and ways of working
- the principles of sustainable development embedded into working practices."⁵

Further, it notes that "sustainable operations are wholly consistent with good value for money and efficiency, and are part of building a modern and resource efficient public sector."⁶



¹ SOGE Framework - <u>http://www.defra.gov.uk/sustainable/government/gov/estates/targets.htm</u>

² The SDC has a formal role as the UK Government's sustainable development watchdog, reporting to the Prime Minister. In Northern Ireland, Scotland and Wales the SDC's role as the government's advisor on sustainable development is being agreed separately, with Memorandums of Understanding (MoUs) being developed between the SDC and each of the respective devolved governments.

³ HM Government, Securing the Future – Delivering the UK Sustainable Development Strategy, March 2005.

⁴ <u>http://www.defra.gov.uk/sustainable/government/gov/estates/index.htm</u>

⁵ Ibid

⁶ Ibid

Securing the Future also transferred the responsibility of assessing progress against government's operational targets to the SDC, as part of its strengthened watchdog role.

Performance

While departmental performance remains mixed, pan-government performance shows overall progress. Specifically:

- Government is "on track" or better (a green or blue traffic light) in all the major⁷ SOGE target areas except carbon emissions from offices and Combined Heat and Power (CHP)
- Carbon emissions from offices and the CHP target both show only "some progress" or an amber traffic light. However, encouragingly both targets show an improvement from last year's performance.

Government has scored four out five "stars" in the SDC's star rating system;⁸ up one from last year. The SDC welcomes this progress and recognises the hard work by practitioners in all departments and organisations covered by this process over the last few years.

Other key findings across government include:

SOGE Targets – Sustainable operations targets set by government.

- A decrease of 6.3% in carbon emissions from offices since the baseline year. This is an improvement of 2.3% from last year. However, government is still not on track to meet the 2010-11 target of a 12.5% decrease, and rate of reduction still needs to be accelerated to meet the SOGE target
- Good progress against the renewables target with 22% of electricity derived from renewable sources. However, government is performing less well than last year when 28.3% of electricity was derived from renewable sources
- Some progress against the CHP target with a total of 8.7% of electricity derived from CHP, compared to last year's 5.8%. However, government is still not on track to source at least 15% of electricity from Combined Heat and Power (CHP) by 2010
- Carbon emissions from road vehicles have improved dramatically this year from last year with a reduction of 10.3% from the baseline. Performance has gone from an increase in carbon emissions against the baseline last year (1.5%) to making good progress in reductions this year.

⁷ Beyond the major targets, the energy efficiency per m² target shows "some progress" (an amber traffic light) and the water consumption from new builds and major refurbishments target shows "no progress" (a red traffic light). However, there are fundamental issues with these targets and their corresponding metrics and as such performance against either target can be misleading. For example, the energy efficiency target may be positive and the carbon reduction target negative if increased energy consumption is proportionally smaller than increased floor space. On the water target, major refurbishments over £0.5M are included in the target metric. However, as many of the refurbishments are purely decorative and do not touch a building's plumbing, performance is misleading.

⁸ The SOGE Performance 'Star Rating' indicates the progress made by departments against the SOGE performance targets. It is based on the overall percentage of available target points achieved as allocated by scoring thresholds.

- Performance against the waste target reported excellent progress with a 28.8% reduction in waste arisings since the baseline year which already exceeds the 2010 target. This is also a dramatic improvement since last year when a 5.3% reduction in waste arisings since the baseline year was reported
- Performance against the recycling target reported good progress with a recycling rate of **35.0%**. However this was a slight drop compared to last year (38.5%)
- Biodiversity shows good progress against the target with 88% of SSSIs in target condition. Performance has improved from 82% of SSSIs in target condition last year
- Excellent performance has been made against the water consumption target, with a 17.8% reduction in water consumption. A marked improvement from last year's 0.1% reduction against the baseline year.

Mechanisms – Tools and initiatives departments should undertake to help achieve sustainability goals.

- Figures continue to show poor performance against the BREEAM commitment, with only 42% of total projects (new build and major refurbishments) achieving the required standard. However, this is up significantly from last year when only 8% of total projects achieved the required standard
- Implementation of Environmental Management Systems (EMS) has shown some progress towards full coverage across government with 54.7% of sites and 68.2% of staff covered. This still falls short of the 80%-100% coverage of staff and/or sites which would be considered good progress. However, this is a major improvement from last year when only 23.7% of sites and 26.5% of staff were covered

Procurement – The way in which public money is spent and how this supports sustainable development.

- All departments indicated that their Permanent Secretaries (or equivalent) have had the SOGE targets incorporated into their performance agreements, as opposed to 10 of 21 last year
- 14 of the 21 departments included clauses for Quick Wins/extended mandatory product standards in all relevant contracts. This is up from 12 departments last year, but is still very disappointing
- **19 of the 21 departments have reported using the Flexible Framework.** This is up from 17 out of 21 departments from last year.

Government must continue to maintain the positive momentum built up since the launch of SDiG 2007 in March 2008. Key initiatives have included the following

• The SDC has worked closely with government to improve its own governance structure and capability for delivery. The government's response to SDiG 07 announced the formation of the Centre of Expertise for Sustainable Procurement (CESP) in the Office of Government Commerce (OGC). CESP is tasked with ensuring appropriate government action and delivery on its



sustainable operations and procurement. CESP produced a Delivery Plan in July 2008 which set out the actions and trajectories government must undertake to achieve the SOGE targets. This included the acceptance of all 43 of the recommendations in the SDiG 2007 report. The SDC provided support and advice during the drafting of the Plan. The Delivery Plan is to be updated with the new 07/08 data for December 2008.

- In April 2008, the Environmental Audit Committee (EAC) held a session looking at sustainable operations entitled *Making Government operations more sustainable: A progress report.* The SDiG 2007 report was used as the core piece of evidence, and the SDC attended the session as witnesses to provide verbal evidence. The EAC's subsequent report pushed government for further improvements on this agenda. The report also highlighted the SDC's role in "stimulating Government to improve its performance".
- Machinery of Government changes and improved Environmental Management Systems (EMS) means that historical data is often not of a high quality. The SDC oversaw a process for improving the quality of data through reviewing departmental baselines for the SOGE targets. The SDC produced guidance for departments detailing when "rebaselining" is appropriate, as well as chairing a panel (including CESP and Defra) to approve rebaselining cases. With over 40 cases approved, data quality should be improved significantly this year.

In a report due in Spring 2009, the SDC will examine the factors behind this year's performance improvements, including the effect of improved data quality. We will also highlight issues that might act as impediments to future progress and greater sustainability in departments, and make key recommendations to drive this agenda further.

SDiG 08 Data

2007/08 data is available for review and download, along with the scoring system and brief commentary, on the SDC's website. The data includes:

- The "League Table" which summarises departmental performance based on the SDC's star rating system
- Departmental Summaries a summary of performance by each of the 21departmental families included in the process
- Summary analysis tables covering the SOGE Framework. These include the SOGE targets, the mandated mechanisms and the Sustainable Procurement Action Plan (SPAP) commitments
- Detailed analysis tables for each target area, mechanism and SPAP commitments, along with brief commentary.

