



Are We Measuring up to Sustainable Development?

Seminar

14 June 2005

Summary Report



SCOTTISH EXECUTIVE



Sustainable
Development Commission
Scotland



Scotland's
Global Footprint
Project

BACKGROUND

Scotland is developing a Scottish Sustainable Development Strategy, based on the UK Sustainable Development Framework. This seminar focused on what are the best ways for Scotland to measure and communicate overall progress on sustainable development. The results of the seminar serve as an input to the strategy development.

The seminar explored:

- the value of aggregate or high-level indicators
- the merits of different aggregate indicators to politicians, the public and policy-makers
- a process to determine the best set of aggregate indicators which will provide a rounded view of progress towards sustainable development in Scotland.

The following presentations were given:

- Measuring up to Sustainable Development: Nic Marks, Head of Well-being Research, nef (New Economics Foundation)
- Measuring Quality of Life: Emma Whittlesea, Director, SUSTAIN Consultancy and consultant to the Audit Commission
- Measuring Social Inclusion: Peter Kelly, Director, Poverty Alliance
- The Welsh 'basket' of high-level indicators: Simon Bilsborough, Countryside Commission for Wales and Welsh Assembly Government Sustainable Development Indicators Group
- Scottish Sustainable Development Strategy and indicators: Helen Mansbridge, Scottish Executive

This report provides a brief summary of the main issues presented and the key conclusions of the seminar. For a full set of the powerpoint presentations, please contact Nancy Nairn at WWF Scotland (nnairn@wwfscotland.org.uk) or download them from www.scotlandsfingerprint.org.

KEY POINTS RAISED

- A set of aggregate indicators can help communicate overall progress towards sustainable development
- The Welsh Assembly Government set of 5 aggregate headline indicators offers a good model: Biodiversity, Ecological Footprint, Gross Domestic Product, a measure of "genuine economic progress (The Index of Sustainable Economic Welfare is being tracked), and a measure based on the Index of Multiple Deprivation
- This model could be supplemented with a measure for well-being
- Aggregate indicators should be supported by policy specific indicators
- As well as measuring progress, a set of aggregate indicators can help promote a change of culture – understanding progress in the round rather than just GDP
- Adopt what aggregate indicators work best and then develop and improve
- National sustainable development indicators should provide a framework for local indicators
- Ecological Footprint helps to fill gaps in current indicator sets by making the link between local and global, future generations and measuring sustainable consumption impacts
- Consult on indicator sets and end objectives with stakeholders
- Indicators can help make decisions but leadership is required at all levels to act on the evidence indicators provide

Indicators – Why are they important?

Summarised from the presentation by Emma Whittlesea, Director, SUSTAIN Consultancy and Nic Marks, Director, Head of Well-being Research, nef

Indicators shine a light on performance, help track trends, stimulate public debate and are a catalyst for learning. Put simply, what gets measured gets done. If you don't measure results, you can't tell success from failure. If you can't see success, you can't reward it. If you can't see success, you can't learn from it. If you can't recognize failure, you can't correct it. And if you *can* demonstrate results, you *can* win public support.

Indicators can be broken down into different types: Resources (or Inputs), Means and Ends. Resources indicators measure the quantity and quality of the human, ecological and financial resources at our disposal. Ends indicators measure progress towards the ultimate objectives, eg human and/or ecological well-being. Means indicators measure success in the key components necessary for the ultimate end, eg education, employment, healthcare.

Governments tend to focus on the means indicators, without defining their ultimate end and measuring progress towards it. There is also little measurement of the resources required to achieve it.

The link between national and local indicator sets is important. Progress towards sustainable development at the local level is crucial and needs local level measures that tie in. Many of the relevant policy areas are the remit of the local authority or community planning partnership. This is particularly important now as local authorities have a duty to secure best value in a way that contributes to sustainable development.

Given some common measures, there will be a better understanding of where and why progress is made on sustainable development and how improvement can be made across Scotland.

Indicators are an opportunity to communicate sustainable development and can present a positive, visionary goal, as opposed to what will be lost. This focus on a positive end can help engage people with the challenge of sustainable development.

Points made in the discussion:

- Sometimes there seems to be a plethora of indicator sets, confusing everyone and pleasing no one.
- There could be an opportunity to use a new national sustainable indicator set as a framework for local authority and community planning indicators. The framework could allow for the inclusion of indicators of particular interest to a local area.
- The Audit Commission Quality of Life Indicator set (due to be published end of July 2005) offers a useful example for Scotland.

A Basket of Aggregate Indicators?

Summarised from the presentation by Simon Bilsborough, Senior Economist, Countryside Commission for Wales and Welsh Assembly Government Sustainable Development Indicators Group

The Welsh Assembly Government committed to developing a headline set of indicators in 2000. "Headline indicators would give us a broad overview of progress. They would also draw out the overall priorities for sustainable development, highlighting the aims that are common to us all. They could be a powerful way of simplifying sustainable development, so making sense of it for a broad audience." Welsh Assembly Government, *A Sustainable Wales: Measuring the Difference* (September 2000).

A set of 12 headline indicators did not give an overall view of progress. The next step was to focus on five issues which could convey the big picture: economic progress, social progress, resource use, environmental progress and overall quality of life. These are supplemented by a series of policy-specific indicators.

To represent these issues, the following indicators were chosen:

Issue	Indicator
Economic Progress	Gross Domestic Product/Gross Value Added
Resource Use	Ecological Footprint -A measure of the global environmental impact of the way we live, expressed in hectares of average world productivity per person.
Social Progress	Index of Multiple Deprivation - combines six dimensions of deprivation – income, employment, health, education, housing and access to services. At the moment, this index is more of a league table and work is underway to adapt it for use in the aggregate set, possibly by an indicator focused on the “gap” between the least and most deprived communities as measured by the IMD
Overall Quality of Life	The leading contender is the Index of Sustainable Economic Welfare (ISEW) . A measure of the underlying economic, social and environmental factors that create real progress. The index has as its base, personal consumption spending. A series of adjustments (including subtracting the costs of environmental damage) are made to consumption to arrive at the Index value for a given year. However, the final value can be sensitive to the methodology used to construct it. This indicator is still under development and has not been formally adopted.
Environmental Progress	% of Biodiversity Action Plan species and habitats which are identified as stable or increasing

Targets have not been set for the aggregate measures. It is probably not appropriate to do so because the indicators represent a collection of variable data. The key aim should be to have all aggregate indicators going in the right way eg ecological footprint reducing and quality of life increasing, over the same time period.

The Welsh Assembly Government has concluded that aggregate indicators are better at presenting the big picture than a suite of single issue indicators. A suite of policy-specific indicators is still required to sit underneath the headline set. A twin-track approach is required: adopt aggregated indicators as headlines; while accepting more refinement and improvement to the indicators is necessary.

One of the most important values of the set will be to promote a change in culture over time – measuring genuine progress of society, the environment and the economy, rather than just measuring progress in terms of economic growth.

Measuring Well-Being

Summarised from the presentation by Nic Marks, Head of Well-being Research, nef

Well-being is people's experience of their quality of life. Unlike the aggregate indicators mentioned above, well-being is a subjective measure. It measures aspects such as job satisfaction, trust in government, community well-being, fear of crime, etc.

Well-being is one of the most important ends, for individuals and societies. But despite unprecedented economic prosperity, people in the UK do not necessarily feel better individually or as communities. Data shows that whilst economic output in the UK has nearly doubled in the last 30 years, happiness levels have remained flat.

While government cannot directly make people happier or more engaged, it can shape the culture and society in which we live. Growing the economy has only a small effect on well-being and may be achieved at the expense of other factors that have a greater effect on well-being: work-life balance, the environment in which we live and the vibrancy of local communities.

A composite set of well-being indicators (including indicators such as life-satisfaction and well-being by various domains) should supplement any set of aggregate sustainable development indicators.

Points made in the discussion:

- The Scottish Executive is committed to sustainable development through a sustainable, innovative and productive economy that delivers high levels of employment and a just society that promotes social inclusion, sustainable communities and personal well-being.
- A well-being measure could help focus government efforts to promote a better life for its citizens and enhance well-being.
- The European Social Survey will conduct a pilot in the UK in early 2006 on such indicators, with main survey data available in 2007. The Scottish Executive could build on this work.

Ecological Footprint – Advantages and Limitations

Summarised from the presentation by Emma Whittlesea, Director, SUSTAIN Consultancy and consultant to the Audit Commission

The Ecological Footprint is a measure of the natural resources used to support current lifestyles in comparison with what is available. It aims to give an understanding of the link between economic growth, environmental protection and sustainable resource use. It can create a tangible link between local action and global environmental impacts, which is an area that the Quality of Life indicator set does not currently address adequately.

It is already being used successfully by local authorities and strategic partnerships – from promoting the environmental credentials of London's Olympic bid to being adopted as a headline indicator by the Welsh Assembly Government.

The tool is relatively new and evolving quickly. It has both advantages and limitations to consider:

Advantages

- It is a powerful awareness-raising tool which has resonance for the public, policy-makers and business
- The data sets for footprinting can be used to model different scenarios and examine their impact
- It can help identify unsustainable trends and opportunities for more sustainable resource use

Limitations:

- It is a quantitative measure of resource use and does not account for impacts on environmental quality. It does not include the impacts of pollution, use of water, or biodiversity.
- Some concerns remain about the robustness and transparency of data as it is an aggregated indicator.
- The footprint measure needs to be verified and supported with local data and should also consider economic and social indicators to give the whole picture.
- Different models and techniques can produce different results, though there is a process of standardisation now underway.

Points made in the discussion:

- The Global Footprint Network is producing an international standard for the ecological footprint now, which will include a certification process. The methodology is published and data sets are publicly available.
- The ecological footprint must be seen alongside a biodiversity indicator to provide both a quantitative and qualitative measure of the environmental.
- The Audit Commission in the Local Quality of Life Indicators Report (due out late July 2005) recognizes the use of the ecological footprint.

Linking Social to Environmental Indicators

Summarised from the presentation by Peter Kelly, Director, Poverty Alliance

The Index of Multiple Deprivation is an important measure because government tends to use it as a basis for funding allocation. However, it tends to focus on concentrations of poverty and misses out on those in rural areas. One interesting development would be to relate environmental justice to social justice by including physical characteristics in the Index of Multiple Deprivation.

Aggregate indicators of social inclusion are difficult to develop. A broad range of dimensions need to be included such as health, education, employment and participation. Further work is needed to define the end (eg what do we mean by social justice?) and ways to measure it. This work must be done in a participatory way to ensure common understanding.

Points made in the discussion:

- It would be useful to link environmental and social aggregates into one big sustainable development indicator (one example given was of research by Robert Prescott-Allan in Canada)
- an aggregate of aggregates could blur the message.
- It is vital for the indicator sets to encourage joined-up thinking across environmental, social and economic sectors (for example, eradicating fuel poverty).
- The headline sets can help track how progress in one area may be made at the expense of another (eg increased economic growth can lead to greater consumption, and thus an increase in the ecological footprint).

CONCLUSION: MEASURING UP TO SUSTAINABLE DEVELOPMENT IN THE NEW SCOTTISH STRATEGY

Councillor Maureen Child, the Chair, brought the seminar to a close commenting that she felt there was merit in aggregate indicators for Scotland and that the Scottish Executive should consider this approach as one method of measuring progress towards sustainable development goals.

The panel made the following points regarding the value of aggregate indicators:

- They help measure overall progress towards sustainable development
- They communicate the big picture of real progress towards identifiable ends, not just GDP
- They can provide a benchmark against which to measure trends and compare progress between economic, social and environmental areas
- Any set of aggregate indicators should be supplemented by a suite of policy-specific indicators to measure progress on activities set out in the strategy.
- It should also be supplemented by a composite set of well-being indicators, which offer a subjective means to assess personal well-being.
- This model provides a sound balance of resource, means and ends indicators.
- In some cases, the aggregate indicators are relatively new and still require refinement and may need to be adopted with a commitment to improve them.
- The Scottish Executive is expected to publish its Sustainable Development Strategy in Autumn 2005. It is presently considering a range of options regarding indicators as it develops the strategy.
- The indicators will only have value if they are used – for raising awareness, for understanding trends, for communicating the urgency of our situation. This requires leadership and values at all levels to promote a culture which strives for sustainable development.