

# Sustainable Development Action Plan



**Sustainable**  
Development Commission

## Department of Trade and Industry

Sustainable Development Minister:  
Lord Truscott

### SDC Assessment



# Checklist

## Sustainable Development Action Plan

1	Does the plan specify the period of time it will cover?	✓	The SDAP infers the specific timescale from targets in the plan.
2	Does the plan specify which organisations it covers?	✓	Plans lists all the agencies covered by the departmental plan.
3	Has the organisation articulated what SD means for them?	✓	
4	Does the plan describe the benefits of having an SD approach to the organisation?	✓	
5	Does the plan acknowledge the Government's sustainable development goal?	✓	
6	Does the plan acknowledge the priorities of <i>Securing the Future</i> ?	✗	Plan does not explain that <i>Securing the Future</i> sets out four priority areas for immediate action.
	Does the plan mention one or more of the priorities of <i>Securing the Future</i> ?	✓	Plan refers to priority areas.
7	Does the plan identify links to the priorities of <i>Securing the Future</i> ?	✓	Plan sets out some of the actions/ commitments in the context of the priorities.
8	Does the plan acknowledge the principles of <i>Securing the Future</i> ?	✗	The plan mentions the principles but does not acknowledge that these principles were set out in <i>Securing the Future</i> .
	Does the plan mention one or more of the principles of <i>Securing the Future</i> ?	✓	Mentions principles and explains they will encourage their stakeholders to contribute to them.
9	Does the plan identify links to the principles of <i>Securing the Future</i> ?	✗	Plan does not explain how the principles affect departmental work. Plan acknowledges need to integrate the principles but does not set out a commitment to do so.
10	Have the organisation's relevant executive agencies produced their own plan?	✗	No – but plan makes clear which DTI agencies it covers.
11	Does the action plan contain a work programme?	✓	
12	Does the plan include actions relating to commitments from the SD strategy?	✓	Plan contains actions around departmental commitments from <i>Securing the Future</i> .
13	Does the action plan cover government policy?	✓	
14	Does the action plan cover operations?	✓	

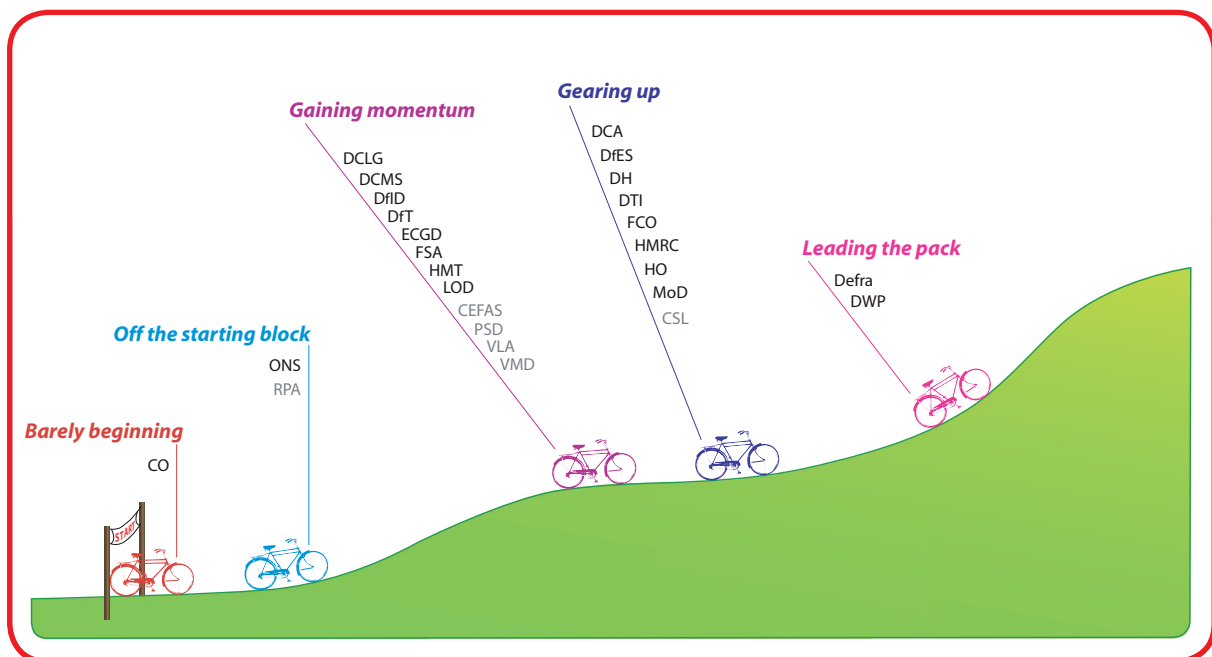
15	Was the plan publicly available by 13th January 2006?	✓	Draft was available by email request.
16	Does the plan outline any arrangements for strengthening SD capacity in the organisation?	✓	No specific targets but mentioned capacity building in the narrative.
17	Does the plan describe the infrastructure in place to deliver the plan?	✓	
18	Does the plan make it clear who signed it off?	✓	
19	Does the plan designate who is accountable for the delivery of the overall plan?	✗	DTI explained that <i>Securing the Future</i> Sustainable Development Director will be accountable for delivery of the plan.
20	Does the plan explain how the organisation will monitor progress against the plan?	✓	Sustainable Development Champions will monitor progress against commitments.
21	Does the plan describe how the organisation will report against the plan?	✓	Will report on progress in the Annual Report.
22	Does the plan describe how it links in to other reporting mechanisms within the organisation? E.g. the annual report	✓	
23	Does the plan commit to reporting against the plan on a defined regular basis?	✗	It is not made clear whether DTI will report on a regular basis.

**Senior Accountable Officer:** Tony Pedrotti, *Sustainable Development and Regulation Directorate*

Status of Plan: Published 31.03.06

**Please note that the SDC rating is based on a competency framework and not straight addition of the scores in the table above. Please see main report for full explanation of the methodology.**

## How is the DTI doing?



### Background

DTI's objective is working to create the conditions for business success and help the UK respond to the challenge of globalisation.

### Context

The Department of Trade and Industry has taken an active approach to producing its plan. It has made efforts to obtain contributions for the plan from across the department, based on the department's *Securing the Future* commitments and the relevant Sustainable Development Indicators. However, an internal setback – the lack of a Sustainable Development Director in place for a prolonged period – contributed to a plan which does not clearly set out the priorities for the Department over the coming year.

### Coverage

The SDAP covers the core department and lists the agencies covered in the plan. These are the National Weights and Measures Laboratory; Companies House; the Insolvency Service; the Small Business Service; and the Patent Office as well as UK Trade and Investment which DTI shares management responsibility for with the Foreign Office.

The Export Credits Guarantee Department, a separate Department that reports to the Secretary of State for Trade and Industry, has produced its own Action Plan. The Employment Tribunals Service moves to the Department of Constitutional Affairs on 1 April 2006 and DTI's SDAP explains that the agency will address sustainable development there.

## Departmental view of Sustainable Development

The plan acknowledges that DTI's PSA targets include sustainable development and that much of the department's work can contribute to achieving a more sustainable economy. The department's energy policy, promotion of

sustainable technologies and its involvement with the sustainable consumption and production agenda are some of the elements particularly explored in its plan.

### Benefits of taking a sustainable development approach

DTI's plan describes the benefits of taking a sustainable development approach but mainly with a narrow focus of sustainable development as "an aspect of improving business efficiency" in particular in relation to use of resources rather than a key driver for innovation and the transformation of markets, trading patterns and production and consumption models to meet the sustainability challenges of the 21st century.

The Plan acknowledges the DTI's role in improving the resource-efficiency of DTI's client base, particularly in business and industry and in relation to the UK's international trade. It notes that sustainable products and processes contribute to the sustainable growth of the nation's wealth and competitiveness in the long term because they are "more cost-effective and socially beneficial as well as more resource and energy efficient".

It is clear that the DTI does see the important link between sustainable development and

its innovation agenda – the DTI's Director of Innovation is responsible for the DTI's sustainable development objective and the DTI's plan acknowledges the department's role in encouraging commercial organisations to appreciate the changes required by sustainable development which "can lead to new opportunities." However, the plan also takes a rather apologetic approach to sustainable development by reassuring that these can be "relatively inexpensive, especially over the medium to long term" without also giving any indication of where the DTI sees these "new opportunities" arising.

At present, whilst the plan acknowledges how sustainable development fits with DTI's core business it gives the sense that DTI is still taking a very "issue" based approach to sustainable development rather than viewing it as an intrinsic driver of DTI's future strategy.

## Link to *Securing the Future*

### Guiding Principles

DTI's plan acknowledges that sustainable development "demands a sea change" in the way that the department develops, implements and communicates policy. It also states that this requires DTI to widen its "traditional economic approach to decisions so that they are seen to encompass the requirements of social equity and the environment." These are welcome statements. However, the Commission notes that much of the plan refers to addressing all three aspects of the "triple bottom line" (environmental, social and economic) when discussing the consideration and integration

of sustainable development into policy development and decision-making rather than *Securing the Future's* five guiding principles which it has been agreed across the UK should be used for this purpose.

It is only when the plan refers to the department's stakeholders that the five principles are mentioned and even then their purpose or origin is not explained which does not help to establish the principles as *Securing the Future* intended.

DTI explained in the bilateral that the department had found that the triple bottom line language resonated with senior officials and Ministers. As this is a successful means of

engagement in DTI, this appears to be helpful. However, DTI's future engagement work on sustainable development with staff would help define what key messages and language were used in future.

### Shared priorities for UK action

The plan includes actions aimed at contributing to the four priorities of *Securing the Future*, but does not set these out in this context.

For example, the plan includes action on greenhouse gas emissions, renewable electricity and resource use which can contribute to priorities on climate change and energy as well as sustainable consumption and production. However, lack of clear and SMART targets on many of the actions makes it difficult to get a real sense of what DTI's contribution might add up to or what gaps remain and need to be addressed in future plans.

## Policy priorities

The plan helpfully links a programme of actions to *Securing the Future* indicators. However, it does not set out clearly what DTI's priorities are for the life-time of its action plan. It was explained in the bilateral that the sustainable development team faced a difficult task in trying to gather contributions for the plan from across the department, as many parts of the department do not naturally view sustainable development as intrinsic or to their work. Moreover, the sustainable development team had no Director in place at the time of drafting the plan, which made the task of engaging with the relevant policy teams and prioritising departmental action on sustainable development extremely complex. The resulting plan therefore contains an un-prioritised, lengthy Annex of activities.

The new Sustainable Development Director in place has signalled that the priority for 2006/07 and the plan is to change mindsets within the department in order to build the required capacity for change. However, the current plan does not contain any SMART actions aimed at doing so.

The plan particularly highlights areas such as: energy policy and use, sustainable consumption and production, technology and innovation and materials. The related actions largely reflect existing activities and work programmes but there are a number of areas which the SDC would expect to see future DTI plans address:

- **Sustainable Construction**  
It is striking that given the priority

for Sustainable Buildings in achieving climate change reduction as set out in 'The Energy Challenge; Energy Review Report 2006', plus the impact of the construction industry on consumption of natural resources and generation of waste, it is very poorly represented in the plan – with only a paragraph in the appendix explaining that DTI will be undertaking a review of the Sustainable Construction Strategy within the context of the Energy White Paper and *Securing the Future*. This does not give detail of how the review will contribute to the aims of *Securing the Future*.

The SDC considers DTI to be in the key position to lead on sustainable construction, coordinating government activity in the highly important area of potential transformation in which government has major procurement and regulatory levers to effect a sustainable built environment. The SDC would expect to see deliverables, actions and milestones from the Strategy Review included in the next plan.

- **Opportunities and Innovation**  
Despite the increasing and encouraging recognition that sustainable development can drive new business opportunities and innovation, the actual sections/actions relating to innovation lack imagination and an understanding of the potential of new

product and service development to make a transformational contribution to sustainable development. The recent report of the Sustainable Consumption Roundtable<sup>1</sup> recommends that “the DTI should champion policies that can promote new markets for low-carbon, material-light goods and services. These should include product roadmaps and should ensure that sustainable consumption objectives are fully embedded in all government strategies towards business, with application to sponsorship, science and technology, innovation and skills.”

- **Trade**

The trade section seems to identify the “environment” business as the only industry to have export opportunities from sustainable development. The plan explains that there are “increased business opportunities for UK Trade and Investment customers in a number of sectors overseas including clean energy, environmental industries, agricultural development and improving the developing world market’s business environment”. The Commission would like to see DTI align this thinking more closely with innovation work on sustainable consumption and consider leading edge global products and technologies.

- **Regional Development Agencies (RDAs)**

The section states that one of the five statutory purposes of RDAs is to contribute to sustainable development. The SDAP explains that the DTI is providing guidance to RDAs on the preparation of Regional Economic Strategies (RES) and that DTI guidance “emphasises that both the strategies and actions to implement them must be based on the sustainable development principles set out in the UK Sustainable Development Strategy”.

The Commission would like to see DTI actively encourage and support RDA’s to interpret their sustainable development duty, and work to integrate the principles of sustainable development into their work.

The Commission would also like to like to see future DTI action plans consider sustainable development challenges for business such as, change in supply chain risk; trade policy and international market developments, opportunities for new products, value chains and systems, sustainable economy and energy/commodity poverty (e.g. the threat to SME’s in terms of commodity prices and resource accounting).

## Leading by example

DTI’s plan highlights some areas of current operational activity but it does not set out clear operational targets for the time-frame of the plan. The plan does acknowledge that DTI works to the requirements of the Government’s Framework for Sustainable Development on the Government Estate (SDiG) but only signposts the reader to the Government’s sustainable development website for the relevant performance reports. Whilst the Commission would not expect the department to set actions relating to all SDiG targets, it would expect the SDAP to set out priority areas for operational

improvements (eg relating to particular SDiG weaknesses) and associated targets for the time frame of the plan. These might go beyond the specific requirements of the SDiG targets or be operational activities specific to the department.

The plan explains that the expectation is for the DTI leased car fleet to continue to decline but if that is not the case the DTI policy for the provision of leased cars will be to offer only alternatively fuelled cars. The plan explains that a sustainable procurement strategy was published in December 2005 and

that guidance on sustainable procurement exists in the DTI Procurement Manual. The plan commits DTI to acting on the SDiG requirement to include appropriate environmental clauses in its specifications and contracts. However, specific actions, targets and milestones are

not included in the plan's work programme. These should be relatively easy for the department to include as the DTI is certified to the ISO 14001 environmental management system which requires appropriate arrangements for continuous monitoring and review.

## Securing the Future commitments

### Departmental commitments

*Securing the Future* specifies a large number of commitments for which DTI and Defra have joint responsibility in government. These mainly centre around Sustainable Consumption and Production, Environmental Innovations, Climate Change and Sustainable Investment.

DTI's plan does not set out the department's approach to prioritising and tackling these commitments. In addition, the ambiguity of many of the targets for 2006 makes it difficult to gain a real sense of how the department intends to address many of these commitments.

### Cross-government commitments

DTI's plan lists and acknowledges most of the cross-government commitments set out in

*Securing the Future*. However, the plan does not include actions aimed at tackling these in this plan, or explain that they will be tackled in future plans. The SDC would expect future plans to clearly set out how far the department is able to contribute to these cross-cutting commitments.

### Target setting

DTI's plan mainly sets out actions for 2006 but the department has set few, specific milestones within this timeframe. Some of the targets appear to contain descriptions of current activities with no clear and SMART targets outlined for 2006.

DTI will need to ensure that future plans set out SMART targets for all of the actions included in the plan.

## Policy making

### Sustainable development "proofing"

DTI's plan makes it clear how DTI's traditional economic approach to policymaking needs to change in order to account for sustainable development and how the department will benefit from this approach. However, it offers little in the way of explanation or actions as to how the department will improve its "sustainable development proofing" of decisions.

The plan explains that RIAs are prepared as part of the policy-making process and help policy makers to think through the consequence of their proposals. However, the plan does

not indicate what the DTI understands the current quality of RIAs to be, or whether the department needs to take action to improve current work. The bilateral revealed that while every regulation goes through the RIA process, the strength of the sustainable development element of assessment is questionable. DTI acknowledged that it was important that policy-makers and Better Regulation Units within departments were aware and trained on sustainable development for RIAs to be truly effective.

Whilst the plan acknowledges that *Securing the Future* sets out a new sustainable development purpose and a new set of

principles to guide policy-making, it does not include any actions which attempt to ensure the principles will form the basis of all policy making at the DTI.

### **Sustainable Development Skills**

DTI's plan commits the department to continuing to work towards a position where every member of staff understands how their work contributes to the sustainable development agenda. The plan helpfully makes clear that this contribution is relevant across the whole of the department and relates to key defining agendas eg an effective energy policy etc. The plan sets out the department's recognition that this commitment requires "improved training and awareness.

Bilateral discussions revealed that the department generally recognises that the level of knowledge of sustainable development issues is weak across the department. The new Sustainable Development Director felt that it was important for senior level buy-in that sustainable development was recognised as part Professional Skills for Government as an

essential component of skilling the civil service for the future. Sustainable Development has not been incorporated into the DTI skills audit.

DTI's plan describes some helpful activities aimed at increasing sustainable development capacity within the department. For example, the plan commits to sending Senior Civil Servants to the Cambridge Programme for Industry's Business in the Environment Programme events in 2006/07 as well as one-day sustainable development workshops run by the Cabinet Office. The DTI also intends to make Defra's sustainable development toolkit available to DTI staff, and run a series of lunchtime seminars and incorporate appropriate messages into the DTI's Departmental Learning and Development Strategy when it is updated later this year. However, the plan does not include any SMART actions relating to these activities. The Commission would expect to see future plans setting key milestones and making it clear what particular outcomes it is seeking to achieve by these actions and the key messages and approaches that the department is seeking to promote.

## **Achieving Sustainable Development outcomes**

### **Infrastructure**

The plan gives an indication of the infrastructure in place to deliver the plan. The accountability for the delivery of the plan rests with the sustainable development Director. The Director General of Innovation (responsible for the DTI's sustainable development objective) will nominate sustainable development champions from across the department. These champions will be tasked with ensuring the commitments identified in the plan are delivered within their division.

### **Engagement**

As noted above, the plan's narrative recognises "that for DTI, sustainable development demands a sea change in the way we develop, implement and communicate policy" as

well as a need to ensure that staff are more familiar with sustainable development and the contribution that they can make through their work with the department. The plan contains some good examples of how DTI is involving internal and external stakeholders in its work such as working with the Environmental Industries Action Group and working with industry. However, the plan does not explain what kind of approach the department intends to take to engage staff and stakeholders with its plan beyond raising general awareness that the plan exists.

The department had yet to launch the plan internally at the time the bilateral took place. The sustainable development team felt that the sustainable development champions needed to be in place before the plan was communicated to staff so that the plan could be promoted and supported sufficiently at all levels in a coherent

way. In addition, the Sustainable Development team are planning to engage with the DTI Communications Directorate to explore the most effective ways of communicating the plan to staff.

## Monitoring and reporting

DTI's plan clearly sets out the internal monitoring and accountability mechanisms that will be used (both current and intended) for its plan. These will be comprehensive if executed as intended. Sustainable Development Champions (once established) will be charged with monitoring performance in their area, especially against DTI's PSA targets. The DTI's Assessment Unit will work with the DTI's Sustainable Development team to ensure that

future SDAPs are developed with targets and objectives which are appropriate within the DTI's overall achievement framework. DTI's plan commits the department to establishing an informal external advisory group to review developing group plans and the responsible Director General will report on progress to the Departmental Board at least twice a year.

Progress against the plan will be reported in DTI's Annual Report.











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1. I will if you will – Towards sustainable consumption, May 2006, page 31

## Strengths to build upon

	Include specific actions on stakeholder engagement.
	Follow up the sustainable development skills commitments identified in the narrative such as sending Senior Civil Servants to the Cambridge Programme for Industry's Business in the Environment Programme events.
	Include specific actions aimed at addressing the cross-government commitments acknowledged in the plan.

## Challenges for 2007

	Make clear how DTI's action plan responds to the challenge of sustainable development for future markets, trading patterns, business operations etc.
	Produce more clearly prioritised plan which includes operational targets.
	Ensure that the plan has SMART targets for all commitments so that progress against the plan can be monitored effectively.
	Include actions to reflect the departmental priority on changing mindsets and increasing sustainable development capacity within the department.
	Ensure Agencies are effectively represented in future departmental plans.
	Include deliverables, actions and milestones from the Sustainable Construction Strategy Review in the next plan.
	Actively support RDA's in integrating the principles of sustainable development into their work.
	Explore the potential of new product and service innovation to make a transformational contribution to sustainable development, in line with the recommendations made in the Sustainable Consumption Roundtable Report.
	Expand the scope of 'contribution to sustainable development through trade' to consider leading edge global products and technologies.
	Expand scope of future plans into relevant areas such as trade policy and international market developments and resource accounting.



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