

Meeting
27/01/11

Agenda Item
20

Reference No
HEFCW/11/16

1 Issue

- 1.1 This paper sets out proposals to enable HEFCW to further embed sustainability both within decision making processes, and funding, as required within the 2010-11 remit letter.

2 Corporate Planning Implications / Rationale for paper

- 2.1 Annex A of the remit letter sets out three specific requirements on HEFCW in relation to the further development of sustainability within HEFCW and the HE sector in Wales:-

- To ensure that decision making is undertaken within a sustainable development framework which explicitly considers social, economic, and environmental impacts and manages any ensuing conflict.
- To ensure that the terms and conditions of funding and grant giving explicitly set out the need to abide by the principles of sustainable development (SD) within their decision making, procurement and other processes.
- To ensure that HEFCW contributes towards the broader long term well being of the people of Wales and provides examples of this within performance reporting.

- 2.2 The Welsh Assembly Government Sustainable Development Strategy One Wales One Planet ¹ regards the effective linkage between SD and decision making and funding as fundamental to achieving progress on this agenda, and has sought to achieve this not only within its own decision-making processes but also to ensure that this approach is followed by Assembly Government Sponsored Bodies .

3 Recommendations

- 3.1 The Council is invited to:

- i. Note the proposals to amend the existing equality impact assessment process to cover SD and to sign the Welsh Assembly Government Sustainable Development Charter

¹ <http://cymru.gov.uk/topics/sustainabledevelopment/publications/onewalesoneplanet/?lang=en&ts=4>

- ii. Note the proposal to require institutions to consider sustainability within applications for funding and for the inclusion of sustainability criteria where appropriate within new or updated strategy guidance.
- iii. Note the proposed inclusion of references to sustainability and well being within the annual report.

4 Timing for decisions

- 4.1 Council is asked to note the proposed measures at this time to enable work to be undertaken in accordance with the timescales required within the remit letter.

5 Council members' interests

- 5.1 No conflicts of interests have been declared in advance of the meeting.

6 Further information

contact Chris Cowburn (Tel 029 2068 2247; E-mail:
chris.cowburn@hefcw.ac.uk)

7 Background

- 7.1 Initiatives to support and encourage sustainability within the HE sector have to date largely been developed in response to the actions set out within the Welsh Assembly Government Education for Sustainable Development and Global Citizenship (ESDGC) Action Plan 2006-2009. In response to this agenda all HEIs in Wales completed a sustainability audit of their undergraduate curriculum in 2007. This work identified both the frequency and depth of references to SD within the curriculum. This information has enabled each institution to understand its performance in this area and to reflect on this when reviewing or updating modules. The Sustainable Development Good Practice Study commissioned by HEFCW in 2008 provided the sector with an overview of emerging good practice in SD and provided institutions with exemplars that they could utilise to improve their own performance in this area.
- 7.2 Environmental performance has been addressed through a requirement on each HEI to develop an externally verified environmental management system, and an ongoing partnership with the Carbon Trust Wales to provide consultancy and advice on energy and water management. The research agenda has also provided an important opportunity for the sector to contribute to SD, with Reaching Higher Capital being used to support the development of the Low Carbon Research Institute, Climate Change Consortium Wales, and the establishment of the Institute of Biological Environmental, and Rural Sciences. HEFCW has also established an ESDGC Group led by the Higher Education Academy, and required institutions to report on SD within their strategic plans.
- 7.3 The actions outlined above are all based on an approach of enabling and supporting the sector to understand and embed sustainability within the curriculum, the research agenda, and in their own management practices. The three requirements put forward within the remit letter and outlined at para 2.1 require HEFCW to adopt a values based approach in ensuring that the principles of SD appropriately inform both the sector's and HEFCW's decision making, management and funding. HEFCW is also required to demonstrate that long term well being of the people of Wales is reflected in our policies and evident within our reporting.

8 Incorporating SD Principles within Decision Making

- 8.1 Much of the work currently undertaken by HEFCW is already implicitly informed at a high level by the principles of SD. *For our Future* was developed within a decision making process based on the values set out within the One Wales One Planet Sustainability Strategy. Similarly the HEFCW Corporate Strategy has a vision of "Delivering sustainable internationally excellent HE". All of the twelve performance measures and targets within this document are based on achieving sustainable outcomes. However existing policy formation processes do not explicitly consider social, economic, or environmental impacts arising from these decisions. It is inevitable that within any substantial policy document there will be both positive and negative sustainability impacts. For example the aspiration to attract additional international students (measure 5) offers the possibility of additional income and diversity for the

sector but also detracts from the potential growth and benefit of higher education within developing countries, and may also contribute to the loss of the most talented students.

- 8.2 The fundamental requirement of making decisions within a sustainable development framework is that SD issues are explicitly identified and evaluated and where possible negative impacts are minimised or eliminated. This should be done at an early stage of the policy development process. Currently HEFCW reports a summary of equality issues, identified risks, and financial implications within each Council paper. This could be expanded to include SD issues as a way of demonstrating inclusion within sector facing policy making. As an interim measure during the first year to assist training and understanding by officers it is proposed that policies and decisions with a likely high SD impact should be the subject of a SD impact assessment undertaken by colleagues not directly informed in the policy or proposed decision.
- 8.3 Decisions made within a sustainable development framework need to be referenced to wider sustainability goals usually within a sustainability policy. Rather than develop an additional HEFCW sustainability policy it is proposed that HEFCW should utilise the Welsh Assembly Government Sustainability Charter as shown at Annex A. This sets out the key values of developing long term solutions, considering social, economic and environmental implications in decision making, and engaging and working with communities affected by decisions. Signing up to the charter would also demonstrate alignment between HEFCW policies and the Welsh Assembly Government Sustainability agenda.

Council is invited to note the proposals to amend the existing equality impact assessment process to cover SD and to sign the Welsh Assembly Government Sustainable Development Charter

9 Linking Funding and Grants to Sustainable Development

- 9.1 Linking grant payments and funding to the development of sustainable development processes provides an opportunity to secure both the outcomes and values HEFCW wishes to support, and to encourage the sector to demonstrate that systems are in place that deliver sustainable outcomes. This issue has already been addressed in part by the proposed changes to recurrent funding which links funding more closely to outcomes consistent with the 12 performance measures set out within the HEFCW Corporate Plan. There are however a number of policy and funding areas where HEFCW could both test and expect to see clear evidence of sustainability being considered. These include:-

- Reconfiguration and collaboration proposals
- Strategic development fund projects
- Strategy documents including regional strategies, innovation and engagement, learning and teaching and estates,
- The financial memorandum

Rather than impose a rigid framework or seek to limit SD to particular funding or strategy proposals it is suggested that HEFCW should seek to include appropriate criteria within all new or updated strategy guidance .Submissions

for funding should include a specific requirement to demonstrate how SD has been considered within the proposal and how any negative impacts have been minimised.

Council is invited to note the proposal to require institutions to consider sustainability within applications for funding and for the inclusion of sustainability criteria where appropriate within new or updated strategy guidance.

10 Reporting Sustainability and Contributing to Well Being

- 10.1 This requirement is about demonstrating that SD and well being is considered and measured explicitly within the overall performance of the organisation. As discussed earlier in this paper much of what HEFCW currently undertakes is already informed by SD but is not currently reported in these terms. The Annual Report provides an opportunity for HEFCW to consider how it has contributed to and shaped the financial, economic and social sustainability of the HE sector in Wales and the implications of this for the citizens of Wales. The report should also consider how sustainability and well being has been developed within the organisation and in its relationship with staff.

Council is invited to note the proposed inclusion of references to sustainability and well being within the annual report.

11 Financial implications

- 11.1 There are no direct financial implications arising from the actions set out within this paper.

12 Communications implications

- 12.1 It is proposed that HEFCW should announce its decision to sign the Welsh Assembly Government Sustainability Charter to the HE sector through the Newsletter. Detailed changes to individual strategy documents and funding applications will be incorporated within usual consultation and communication processes.

13 Diversity and Equal Opportunities implications

- 13.1 This paper has no implications for age, disability, gender, race, religious belief, sexual orientation or the Welsh language. However the values of sustainability and well being should compliment and build on the statutory requirements around diversity and equal opportunities.

14 Risk Assessment

14.1 The overall risks relating to these proposals are summarised below.

RISK	ACTION TO ADDRESS RISK
Failure to sufficiently develop and embed sustainability and well being within decision making ,policy and funding leading to reputational damage	Development of specific actions to ensure that sustainable development and well being will progressively be developed within decision making, policy formation, and performance reporting.