



Sustainable Development in ESF: Guidance

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1.0 Introduction

Ecotec and Action Sustainability were commissioned in September 2008 by the ESF Division of the Department of Work and Pensions to develop and deliver training to integrate sustainable development into ESF funded activity in England.

A number of training workshops took place between October 2008 and May 2009 for ESF staff in DWP, JCP, RDAs, GORs, LSC and other Co-financing Organisations. The training was part-funded by ESF Technical Assistance.

This document summarises the materials produced for DWP training sessions to serve as a resource for staff unable to attend or those wanting to refresh the original training. It complements the full set of training slides (available from Ecotec) and acts as a guidance manual for use of the ESF Sustainable Development Flexible Framework Toolkit, comprising a Policy Assessment Tool and Implementation Plan Assessment Tool. These tools are available at www.esf.gov.uk, or directly from CFOs.

This document builds on more general information contained in the overall ESF Guidance Manual for Cross Cutting Themes at Section 2.34 (available at www.esf.gov.uk). The overall ESF Guidance Manual sets out the regulatory basis for sustainable development in ESF as well as the developmental approach adopted here.

2.0 Setting the Scene

2.1 Introduction

This section sets out the background to sustainable development and sustainability, covering some of the key concepts which have informed the approach taken within ESF.

2.2 The Big Picture

2.2.1 Origins and Definitions

In 1987, the report of the **Brundtland Commission** ('*Our Common Future*'), provided a key reference point for the concept of sustainable development, warning that economic growth should not continue unchecked due to adverse effects on natural resources and damage to the environment. The report provided a defining statement in relation to sustainable development:

'Development that meets the needs of the present without compromising the ability of future generations to meet their needs'

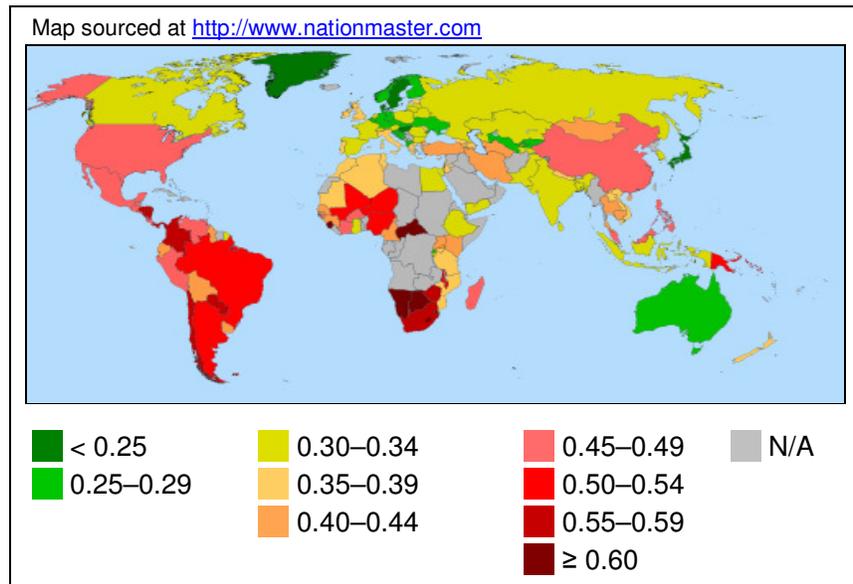
It also identified **three pillars of sustainable development**, which remain applicable today; environmental protection, economic growth and social equity. For many, sustainable development is inked to **environmental** issues, but it is important to remember the importance of **social** and **economic** aspects (which are particularly important in ESF).

2.2.1.1 *Living in an Unequal World*

Relating to social and economic aspects of sustainable development, the **Gini Coefficient** was developed by the Italian statistician Carrodo Gini in 1912. It is an index measure of income inequality in societies with values between 0 and 1, where 0 corresponds to perfect equality (everyone having the same income) and 1 corresponds to perfect inequality (where one person has all the income, while everyone else has zero income).

Figure 2.1 below illustrates the Gini Coefficient and income inequality globally, showing the disparity between high levels of income inequality in the northern / developed world and the south / developing world.

Figure 2.1 Gini Coefficient by Country



2.2.1.2 *Living within Environmental Limits*

Ecological Footprints illustrate human impact on the environment in terms of resource consumption. These are based on an analysis of the ecological capacity of the planet allocated per capita, against the number of hectares needed to support levels of consumption. The world average is currently 2.2 hectares per capita. In order to bring global consumption back to within the planet's capacity, the average needs to reduce to around 1.8 hectares per capita.

Similarly, **Carbon Footprints** measure the impact that human activities have on the environment in terms of carbon consumption and carbon dioxide (CO₂) emissions. CO₂ is a key greenhouse gas, generated by the burning of fossil fuels and contributing to global warming and climate change. The national average emissions are around 6 tonnes per capita. It is estimated that the sustainable CO₂ emission quota per capita is 2 tonnes per annum. The UK government aims to cut emissions by 34% by 2020, and by 80% by 2050.

Within parallel **ERDF** (European Regional Development Fund) programmes, a number of development projects have been subject to carbon foot printing calculations as part of their appraisal process. The nature of ESF projects do not lend themselves to this approach however, with many of the impacts being more indirect.

2.2.2 The Inter-Governmental Panel on Climate Change

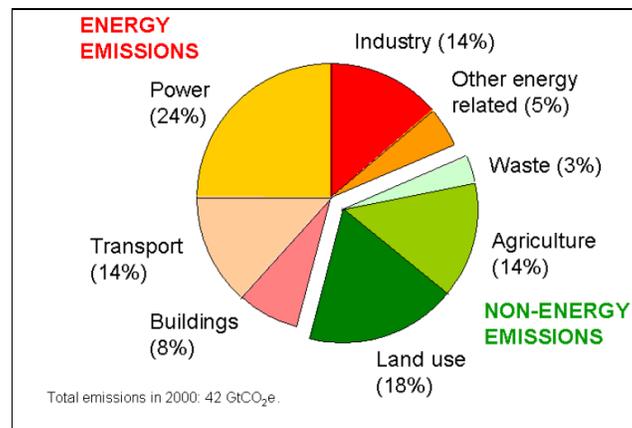
The **IPCC** is a collection of the world's leading scientists tasked to evaluate the risk of **climate change caused by human activity**. It has completed four comprehensive assessment reports to date, in 1990, 1996, 2001 and 2007.

The consensus of the IPCC is that global warming exists unequivocally as a result of human activity. They report that the amount of carbon dioxide in the atmosphere is at its highest level for at least 650,000 years and this rise started at the beginning of the Industrial Revolution around 250 years ago.

Carbon dioxide is the main greenhouse gas responsible for global warming and today's concentrations in Antarctic ice stand at 380 parts per million (ppm). The IPCC projects that atmospheric carbon dioxide levels could reach 450-550 ppm by 2050, resulting in higher temperatures and rising sea levels.

Figure 2.2 below illustrates that the majority (65%) of greenhouse gas emissions arise from burning fossil fuels in buildings, transport, industry and in particular, power generation (24%), with agriculture and changes in land use accounting for the remainder.

Figure 2.2 Sources of Greenhouse Gas Emissions in the UK

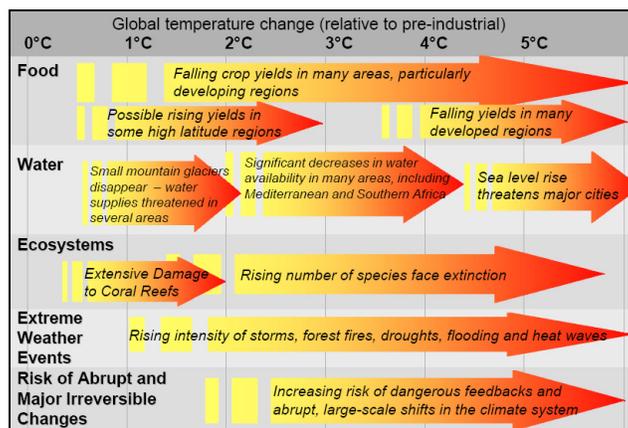


2.2.3 The Stern Review

The **Stern Review on the Economics of Climate Change**¹ was published on behalf of the UK Treasury in 2006 by the economist Sir Nicholas Stern. The report makes the economic case for **preventative action** to arrest climate change on the basis that worst impacts will result in the future. These projected impacts of a range of temperature increases up to 5 degrees are illustrated in the figure below.

¹ Stern Review: [http://www.occ.gov.uk/activities/eliasch/Full_report_eliasch_review\(1\).pdf](http://www.occ.gov.uk/activities/eliasch/Full_report_eliasch_review(1).pdf)

Figure 2.3 Projected Effects of Global Warming



2.3 The Challenge

2.3.1 Sustainable Procurement

Government has a crucial role in promoting sustainable development through its spending power and the procurement of goods, services and buildings. With a budget of some £150bn, the public sector can impact sustainable development and lead change in private sector behaviours.

The **Sustainable Procurement Task Force** was established in 2005, and was tasked with writing an Action Plan, *Procuring the Future*¹ (published in 2006), to bring about a step-change in public procurement so that the UK is among the **leaders in the EU** by 2009. The definition of sustainable procurement used by the Task Force is:

'Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.'

Sir Neville Simms, chair of the Sustainable Development Task Force also devised a shorter definition:

'Using procurement to support wider social, economic and environmental objectives, in ways that offer real long-term benefits'

¹ Procuring the Future: <http://www.defra.gov.uk/sustainable/government/publications/procurement-action-plan/documents/full-document.pdf>

He also went on to set out an imperative for change:

'Future generations will neither excuse us nor forgive us for ignoring the signals that we can see today. They will not accept that it was too difficult or too costly to keep our economic aspirations in balance with our impact on the environment and the effects our decisions would inevitably have on society'.

With **£2.3bn of ESF** to spend in England, the procurement of ESF activity has a potentially significant impact on sustainable development if it too adopts a sustainable procurement approach.

3.0 Policy Responses

3.1 Introduction

In the face of the challenges set out in Section 2, this section set out how the Government has responded to the challenge of sustainable development at the Global, EU and National levels. It explains how sustainable development is approached within ESF and also the specific sustainable development policy contexts of CFOs involved in delivering ESF.

3.2 Global Initiatives

In 1992, the first **Earth Summit** on sustainable development took place in Rio de Janeiro, Brazil. International leaders signed Conventions on Climate Change and Biological Diversity, endorsed the Rio Declaration and adopted **Agenda 21**¹, a plan for achieving sustainable development in the 21st Century. It was followed up a decade later in Johannesburg, where the important role of Non-Governmental Organisations (NGOs) was recognised.

The **Kyoto Protocol on Climate Change**² was adopted in Kyoto, Japan, in 1997 and enacted in 2005. It is an international agreement linked to the United Nations Framework Convention on Climate Change. The key aspect of the Kyoto Protocol is that it sets compulsory targets for 37 industrialised countries and the European community for reducing greenhouse gas emissions. This will be revised in Copenhagen in December 2009, following the agreement of a road map in Bali in 2007.

3.3 European Level

The European Union has devised a long-term Sustainable Development strategy³ to:

'dovetail the policies for economically, socially and environmentally sustainable development, its goal being sustainable improvement of the well-being and standard of living of current and future generations'.

¹ Agenda 21 available at <http://www.un.org/esa/sustdev/documents/agenda21/index.htm>

² Kyoto Protocol: <http://unfccc.int/resource/docs/convkp/kpeng.pdf>

³ Sustainable Development Strategy (2006): <http://register.consilium.europa.eu/pdf/en/06/st10/st10917.en06.pdf>

The overall aim of the **EU Sustainable Development Strategy** is to *'identify and develop actions to enable the EU to achieve a continuous long-term improvement of quality of life through the creation of sustainable communities able to manage and use resources efficiently, able to tap the ecological and social innovation potential of the economy and in the end able to ensure prosperity, environmental protection and social cohesion'*.

The strategy sets general objectives and tangible actions for the following key priorities until 2010:

- *Climate change and clean energy*
- *Sustainable transport*
- *Sustainable consumption & production*
- *Conservation and management of natural resources*
- *Public Health*
- *Social inclusion, demography and migration*
- *Global poverty and sustainable development challenges*

3.4 The ESF Programme 2007-2013

Sustainable development is a cross cutting theme for all Structural Fund programmes as required by the EU Regulation 1083/2006. The Regulation requires that sustainable development be integrated into ESF both **'horizontally' and 'vertically'** so that by 2010, a culture of continual improvement has been embedded into the programme. This means that sustainable development should feature across all ESF-funded activity (horizontal integration) as well as through direct action (vertical integration), using a **developmental** approach.

Following a review of the 2000-2006 programme, the focus for the 2007-13 ESF programme should be on **environmental** sustainability (given that ESF should inherently address social and economic aspects).

A national **ESF Sustainable Development Sub-committee** is responsible for overseeing the delivery of the Sustainable Development Mainstreaming Plan, which sets out how sustainable development will be delivered through the ESF programme in England and Gibraltar (via Regional ESF Frameworks, see below). This Sub-committee then reports on progress to the over-arching National Programme Monitoring Committee.

3.4.1 ESF Guidance Manual

The ESF Guidance Manual¹ covers the role, responsibilities and actions of the Managing Authority (DWP) and Intermediate Bodies (Government Offices for the Regions and CFOs) in England and Gibraltar for the programme. It sets out the **rules and regulations** for how ESF can be used and has a specific section on cross cutting themes and sustainable development. Section 2.34 of the ESF Guidance Manual identifies the regulatory basis for sustainable development before 2.34.10 gives an overview of the developmental approach which is detailed in this guidance.

3.4.2 The Regional ESF Frameworks

As the Managing Authority, the Department for Work and Pensions has overall responsibility for the ESF funds in England. The DWP manages the England ESF programme at a national level and liaises with the European Commission in Brussels.

Regional ESF Frameworks then set out the employment and skills priorities for each region as part of a hierarchy of plans that govern ESF. ESF funds are distributed to Co-Financing Organisations (CFOs) who procure ESF providers to deliver activity. CFOs bring together ESF and domestic funding for employment and skills so that ESF complements domestic programmes. Promotion of sustainable development should be traceable through all levels of this hierarchy, as set out in Figure 2.3 below.

Figure 3.1: The ESF Family Tree



¹ Guidance for the ESF 2007-2013 Programme: http://www.esf.gov.uk/docs/manual4_guide_req_esf_2007.pdf

3.4.3 Verification and Audit

The cross-cutting theme of sustainable development, and the CFO's role in promoting it, is monitored and evaluated throughout the lifetime of the current ESF programme. The Managing Authority (DWP) and regional intermediaries examine progress when they hold reviews with CFOs as part of **Article 13 audit checks**. As part of this, CFOs need to explain action taken to address any under-performance, and provide case studies and examples of good practice in relation to sustainable development.

3.5 The National Policy Agenda

The UK Government launched its ***national strategy for sustainable development, Securing the Future***¹, in March 2005. It aims to '*enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations*' and has four agreed priority areas:-

- *sustainable consumption and production*
- *climate change*
- *natural resource protection*
- *sustainable communities*

The strategy sets new commitments on ***sustainable procurement*** in the public sector to make the UK a leader within the EU by 2009. There is a Sustainable Procurement Action Plan (in place since 2007), a Sustainable Development Commission and a Department of Energy and Climate Change, established in 2008.

All Government Departments are required to integrate sustainable development into decision making processes and to build on the increasing focus on sustainable development across all sectors of society.

The UK passed legislation which introduces the world's first long-term legally binding framework to tackle climate change. ***The Climate Change Bill***² became law on 26th November 2008 and subsequently, a ***legally binding commitment*** was made by the Government to reduce carbon emissions by 34% by 2020.

The two key aims underpinning the Bill are:

¹ UK strategy for Sustainable Development Securing the Future:

http://www.defra.gov.uk/sustainable/government/publications/pdf/strategy/SecFut_complete.pdf

² UK Climate Change Act: http://www.opsi.gov.uk/acts/acts2008/pdf/ukpga_20080027_en.pdf

- *to improve carbon management and help the transition towards a low carbon economy in the UK; and*
- *to demonstrate strong UK leadership internationally, signalling commitment to taking a share of responsibility for reducing global emissions.*

3.6 **C0-financing Organisations Contexts**

This section sets out the specific policy contexts for ESF Co-financing Organisations which have dictated the approach taken to sustainable development, building on initiatives at a global, European and national level outlined above.

3.6.1 ***The Department of Work and Pensions***

As well as being the Managing Authority for ESF in England, DWP is also a **Co-financing Organisation**. Therefore, in addition to aligning ESF activity to meet policy objectives at a global, European and national level, DWP-funded ESF providers also need to align activity with policy initiatives at a departmental level.

In 2005, DWP produced a *Sustainable Development Policy Statement*¹ which set out sustainable development as being about:

'achieving a fair balance between people and community, economic and environmental factors in all internal and external policies, in decision making and procurement'.

Progress on sustainable development in DWP is publicly reported in annual reports², which incorporate an update on a **Sustainable Development Action Plan**³ published in 2007. Key to DWP's Policy and Action Plan is Sustainable Procurement, with a separate **Sustainable Procurement Strategy** (2007) based on the principles of:

- Efficiency – *using DWP influence to stimulate innovation an better product design across markets*
- Equality – *influencing suppliers to promote equality in their employment practices*
- Competition – *promoting supplier diversity in supply chains*

A dedicated **Sustainable Procurement Team** within DWP provides advice in all aspects of sustainable procurement in the Department. The team has developed a common approach to assessing sustainable development impacts, the **Sustainable Procurement Risk Assessment Methodology (SPRAM)** to ensure that the Department's sustainable

¹ DWP Sustainable Development Policy: <http://www.dwp.gov.uk/sus-dev/documents/policy.pdf>

² DWP Sustainable Annual Report 2008: <http://www.dwp.gov.uk/sus-dev/2008/annual-report-2008.pdf>

³ DWP SD Action Plan: http://www.dwp.gov.uk/sus-dev/2007/502273_DWP_SusDev_AnRpt_AW2.pdf

procurement targets and objectives are factored into all programmes. Linked to this, the **Sustainable Procurement Implementation Group (SPIG)** is responsible for developing ideas for key commodity areas and sharing best practice through the Department.

The 'Flexible Framework' approach outlined in this Guidance is fully compliant with SPRAM and SPIG.

The DWP strategy for sustainable procurement affects Contracted Employment Provision (CEP), which holds over 1,000 contracts with 500+ providers (including ESF). Sustainable development is addressed as early in procurement as possible and is set out in **Schedule 12 of the Terms and Conditions**.

DWP ESF providers therefore have **contractual obligations** to actively promote sustainable development as a result of this contract clause. It states that all providers should have a **sustainable development policy and action plan in place within 26 weeks** of contracting. This should include as a minimum the areas of impact listed below.

- *Minimisation of waste*
- *Energy and transport use*
- *Promotion of public transport*
- *Raising awareness amongst staff*

Providers shall also comply with the relevant environmental legislation and give full assurance of:-

- *waste disposal by a registered waste collector in accordance with the current government regulations¹*
- *the observation of Waste Electrical and Electronic Equipment (WEEE) regulations² with regards to disposal of electrical equipment*

The Flexible Framework Tools outlined in Section 4 of the guidance will help to ensure that DWP providers meet their contractual obligations to DWP as well as meeting wider policy objectives outlined above.

3.6.2 The Learning and Skills Council

The Learning and Skills Council (LSC) published its Sustainable Development Strategy¹, **'From Here to Sustainability'**, in 2005. The strategy states that *'The learning and skills*

¹ Environmental permitting regulations available at <http://www.defra.gov.uk/environment/epp/guidance.htm>

² WEEE regulations available at <http://www.defra.gov.uk/environment/waste/topics/electrical/weee-hazwaste.htm>

sector will pro-actively commit and contribute to sustainable development through its management of resources, the learning opportunities it delivers and its engagement with communities'. The Strategy has four objectives:

- *social progress that recognises the needs of everyone*
- *effective protection of the environment*
- *prudent use of natural resources*
- *the maintenance of high and stable levels of economic growth and employment*

The LSC is also working towards a **Sustainable Development Action Plan** for 2008/09. The plan sets out priorities and actions for the current year within the context of the Department for Innovation, Universities and Skills (DIUS) Sustainable Development Action Plan for 2008-09.

The LSC sponsors the **Green Gown Award** and encourages FE providers to seek recognition for their sustainability achievements. A free on-line sustainable development resource, the '**Sustainability Online Resource and Toolkit for Education**' (SORTED) is available for all providers in FE.

3.6.3 Regional Development Agencies

For RDAs, regional priorities for sustainable development are set out in the **Regional Sustainable Development Framework** (RSDF), set within the Regional Economic Strategy (RES). The aim of the RES is to improve the region's competitiveness and encourage economic growth, while protecting and enhancing the environment and tackling the causes of social exclusion, recognising the needs and contribution of everyone.

An Integrated Appraisal Toolkit (IAT) has been implemented by some RDAs. Its aim is to ensure that policies and projects developed regionally integrate economic, social and environmental objectives fully to ensure sustainable development.

RDAs have also developed a specific approach to Climate Change²: '**Tackling Climate Change in the Regions**', and within the framework of the RES, a number of RDAs have developed specific Regional Climate Change Action Plans.

¹ LSC Sustainable Development Strategy: <http://readingroom.lsc.gov.uk/lsc/2005/ourbusiness/strategy/from-here-to-sustainability-lsc-strategy-for-sustainable-development.pdf>

² RDA Policy on Climate Change: http://www.eeda.org.uk/files/tackling_Climate_Change.pdf

3.6.4 **Local Authorities**

The Government has set up a number of mechanisms to assist local authorities in delivering sustainable development through **sustainable communities**:

- The Local Strategic Partnership (LSP) *'brings together the views of the local private, voluntary and community sectors with the sustainable community strategy in an area, to turn the vision of a sustainable community into a reality'*.
- The Sustainable Community Strategy *'creates a long-term, sustainable vision in an area and sets the agenda for priorities in the local area agreement'*.
- The Local Area Agreement (LAA) is *'a three year 'contract' between a local area and central Government to deliver particular priorities as set out in its sustainable community strategy'*.

Information, case studies and links to help local authorities embed sustainable development into their communities, are available at:

<http://www.defra.gov.uk/sustainable/government/advice/local/localleadership.htm>

4.0 The Toolkit

4.1 Introduction

This section sets out the toolkit which has been developed for ESF providers to assess and improve their sustainable development performance. It builds on the policy context set out above and adapts a '**Flexible Framework**' approach devised by the Sustainable Procurement Task Force. There are two specific tools described here (and available on Excel spreadsheets at www.esf.gov.uk) relating to the two documents required from all ESF providers:

- *A Policy Assessment Tool*
- *An Implementation Plan Assessment Tool*

These have been designed as practical tools which can be used as part of a **self-assessment** process and integrated within existing monitoring regimes for CFOs. They give ESF providers a way to measure and improve progress towards sustainable procurement.

4.2 The Flexible Framework

The Flexible Framework sets out five procurement areas that organisations should develop and achieve:

- *People*
- *Policy, Strategy and Communications*
- *Procurement Process*
- *Engaging Suppliers*

The framework ensures a consistent approach to risk management and encourages CFOs to capture opportunities to stimulate innovation in their providers. It identifies five levels of 'maturity' for an organisation to reach, from Foundation to Lead. This enables all organisations to find a place on it, but also to stretch organisations already at the higher end. It is not a pre-requisite that all key areas of each of the levels are attained at the same time. This flexibility enables certain areas to be **targeted and prioritised**.

The overall framework is set out in Figure 4.1 below and has been adapted specifically for the purposes of ESF.

Figure 4.1 Flexible Framework Attainment Levels

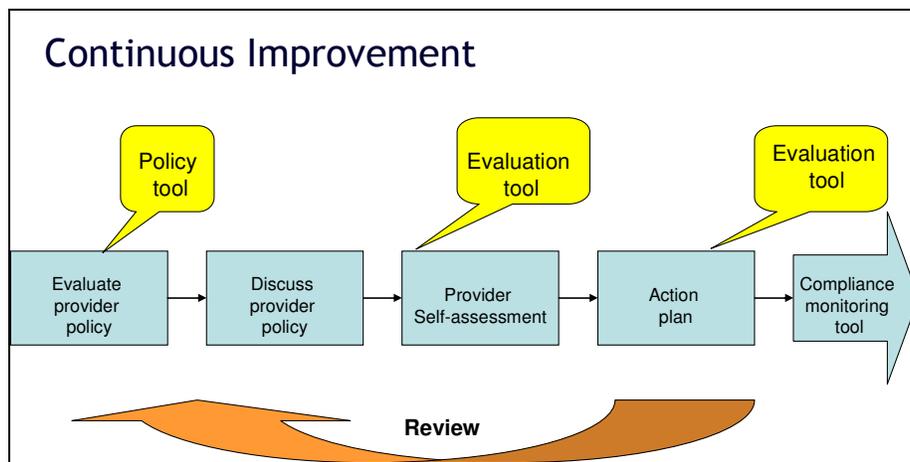
	Foundation Level 1	Embed Level 2	Practice Level 3	Enhance Level 4	Lead Level 5
People	Sustainable procurement champion identified. Key procurement staff have received basic training in sustainable procurement principles. Sustainable procurement is included as part of a key employee induction programme.	All procurement staff have received basic training in sustainable procurement principles. Key staff have received advanced training on sustainable procurement principles	Targeted refresher training on latest sustainable procurement principles. Performance objectives and appraisal include sustainable procurement factors. Simple incentive programme in place.	Sustainable procurement included in competencies and selection criteria. Sustainable procurement is included as part of employee induction programme.	Achievements are publicised and used to attract procurement professionals. Internal and external awards are received for achievements. Focus is on benefits achieved. Good practice shared with other organisations
Policy, Strategy & Communications	Agree overarching sustainability objectives. Simple sustainable procurement policy in place endorsed by CEO and approved by cabinet member. Communicate to staff and key suppliers.	Review and enhance sustainable procurement policy, in particular consider supplier engagement. Ensure it is part of a wider Sustainable Development strategy. Communicate to staff, suppliers and key stakeholders.	Augment the sustainable procurement policy into a strategy covering risk, process interrogation, marketing, supplier engagement, measurement and a review process. Strategy endorsed by CEO.	Review and enhance the sustainable procurement strategy, in particular recognising the potential of new technologies. Try to link strategy to EMS and include in overall corporate strategy.	Strategy is: reviewed regularly, externally scrutinised and directly linked to organisations' EMS. The Sustainable Procurement strategy recognised by political leaders is communicated widely. A detailed review is undertaken to determine future priorities and a new strategy is produced beyond this framework.
Procurement Process	Expenditure analysis undertaken and key sustainability impacts identified. Key contracts start to include where appropriate general sustainability	Detailed expenditure analysis undertaken, key sustainability risks assessed and used for prioritisation. Sustainability is considered at an early stage in the procurement	All contracts are assessed for general sustainability risks and management actions identified. Risks managed throughout all stages of the procurement process. Targets to improve sustainability are	Detailed sustainability risks assessed for high impact contracts. Project/contract sustainability governance is in place. A life-cycle approach to cost/impact assessment is	Life-cycle analysis has been undertaken for key commodity areas. Sustainability Key Performance Indicators agreed with key suppliers. Progress is

	Foundation Level 1	Embed Level 2	Practice Level 3	Enhance Level 4	Lead Level 5
	criteria. Where possible contracts to be awarded on the basis of value-for-money, not lowest price. Procurers adopt Quick Wins.	process of most contracts. Whole-life-cost analysis adopted.	agreed with key suppliers.	applied.	rewarded or penalised based on performance. Barriers to sustainable procurement have been removed. Best practice shared with other organisations.
Engaging Suppliers	Key suppliers spend analysis undertaken and high sustainability impact suppliers identified. Key suppliers targeted for engagement and views on procurement policy sought.	Detailed suppliers spend analysis undertaken. General programme of supplier engagement initiated, with senior manager involvement.	Targeted supplier engagement programme in place, promoting continual sustainability improvement. Two way communications between procurer and supplier exists with incentives. Supply chains for key spend areas have been mapped.	Key suppliers targeted for intensive development. Sustainability audits and supply chain improvement programmes in place. Achievements are formally recorded. CEO involved in the supplier engagement programme.	Suppliers recognised as essential to delivery of organisations' sustainable procurement strategy. CEO engages with suppliers. Best practice shared with other/peer organisations. Suppliers recognise they must continually improve their sustainability profile to keep the clients business.
Measurements & Results	Key sustainability impacts of procurement activity have been identified.	Detailed appraisal of the sustainability impacts of the procurement activity has been undertaken. Measures implemented to manage the identified high risk impact areas	Sustainability measures refined from general departmental measures to include individual procurers and are linked to development objectives.	Measures are integrated into a balanced score card approach reflecting both input and output. Comparison is made with peer organisations. Benefit statements have been produced.	Measures used to drive organisational sustainable development strategy direction. Progress formally benchmarked with peer organisations. Benefits from sustainable procurement are clearly evidenced. Independent audit reports available in the public domain.

4.3 Policy and Implementation Plan Assessment Tools

Tools developed by Ecotec and Action Sustainability for the 2007-13 ESF programme are based on the Flexible Framework set out above. The Framework has been adapted to the specific requirements of ESF as set out in the ESF Guidance Manual, as well as the specific requirements of CFOs. Figure 4.2 shows how the tools fit into an overall developmental approach towards **continuous improvement**. Therefore, it is anticipated that an SF provider will complete the assessment tools a number of times during the lifetime of an ESF project and that a CFO contract manger will be able to evidence improvements each time in sustainable development performance.

Figure 5.1 Assessment Tools within a process of Continuous Improvement



4.3.1 The Policy Assessment Tool

The **Policy Assessment Tool** is set out below and covers eight issues which a CFO contract manager should consider whilst assessing a provider sustainable development policy; Policy Statement, Revision History, Commitment, Scope, Objectives, Communication, Monitoring and Reporting. Each issue is scored from 1 to 10 against the criteria set out in columns 'Good Standard' or 'Advanced Standard'.

Figure 5.2 Policy Assessment Tool

Issue	Good Standard	Advanced Standard	Score
	Score up to 5	Score up to 10	Max 10
Policy statement	General statement of policy recognising the importance of the issue. Confirmation of intent to comply with relevant legislation.	Minimum standard plus commitment to continuous improvement.	
Revision history	Clear indication of when the document was issued and who approved it.	Revision history showing updates every 2 years or less.	
Commitment	Commitment from CEO (or equivalent)	Nominated director with accountability for sustainability on the board.	
Scope	Scope legal compliance with waste regulations, waste minimisation, energy conservation, transport and staff awareness raising, covers whole of organisation	Scope extends to other sustainability impacts such as resource use, recycled materials, water conservation, renewable energy sourcing, carbon management, supplier awareness and cascade of requirements through the supply chain, also covers partners and beneficiaries	
Objectives	Measurable objectives for each identified sustainability impact (should include waste disposal compliance, minimisation of energy and transport use, promotion of public transport)	Measurable objectives for each identified sustainability impact which demonstrate a commitment to continuous improvement	
Communication	Commitment to communicate to staff and to include in training programmes	Commitment to communicate to staff, beneficiaries, partners and suppliers	
Monitoring	Commitment to monitor key objectives in general accordance with recognised standard	Commitment to have results independently validated	
Reporting	Commitment to include sustainability issues and measures in annual report. Demonstrable success with easy wins	Commitment to have annual report independently validated. Demonstrable success with long term objectives	
Total			0

The expectation is that ESF providers will either produce existing policies or ESF-specific policies which can be assessed by CFO contract managers. Where weaknesses are identified, providers should be encouraged to revise and improve policies so that they can provide a sound foundation for Implementation Plans.

4.3.2 **The Implementation Plan Assessment Tool**

The **Implementation Plan Assessment Tool** is a more detailed tool for assessing how ESF providers are delivering sustainable development *in practice*. There is no 'right answer', the tool offers a process for providers and contract managers to explore sustainable development impacts of their ESF activity and to agree improvements that can be made in the delivery of the project. Questions are based on how an Implementation Plan is being applied in practice and evidence of progress should be collected wherever possible. An example section of the tool (for 'People') is set out in Figure 5.3 below.

The Tool covers the five flexible framework areas of; People, Policy, Process, Suppliers & Communication and Results. Providers should initially carry out a self-assessment by scoring each question from 1 to 10 against the evidence criteria set out in columns 'Score 5' or 'Score 10' of the plan. Each score should be substantiated by a narrative and **evidence** added in the 'comments' column. The assessment should then be reviewed by contract managers with providers as part of on-going monitoring activity, and any areas where practical changes can be made discussed and recorded as 'actions' in the last column of the plan.

This tool generates a graphic representation of progress as shown in Figure 5.3, which illustrates and measures how providers are doing over time as well as relative strengths and weaknesses.

Figure 5.2 Assessing Progress over Time

April 08 - October 08

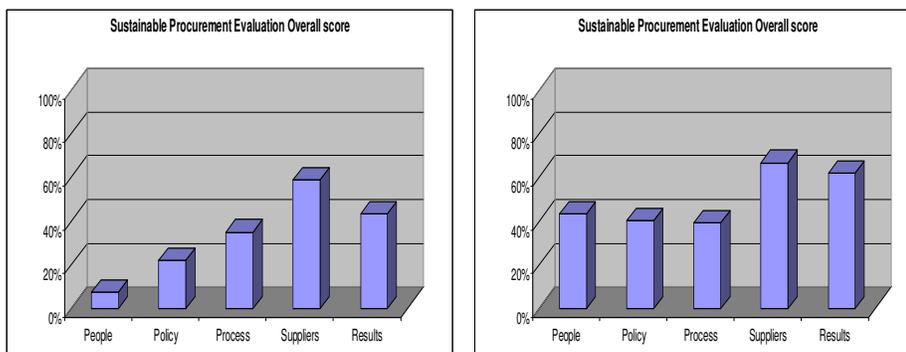


Figure 5.3: Implementation Plan Assessment Tool – 'People' Section

Questions - People	What to look for	Guidance - Score 5	Guidance - Score 10	Key Word Definition	Score (Max 10)	Evidence / Comments	Actions
Is there a sustainability champion identified in your organisation?	Job description and personal objectives for nominated champion.	There exists a Champion in the organisation but not at top level. May be team leader or head/director of a team.	Senior leadership. Role formally described in job description, personal objectives clearly mapped out.	A Champion is someone that leads, owns and is accountable for this agenda. The role should be held by a senior manager (board level) of the organisation and can include more than one member. It is important that leadership is shown across board level, senior management and delivery/operational levels This does not have to be a full time role.			
What sustainability training have your key staff received?	List of people trained and at what levels	Key staff have received basic sustainability training.	All key staff have received advanced training.	There is flexibility to define what "key" is for the organisation but this definition has to include those with major influence over business activity such as operations managers, product managers, procurement managers, finance managers etc. Basic training refers to an overview of the principles of sustainability and examples of good practice. Advanced will include examining the opportunity to include sustainability criteria in the various stages of the business cycle.			
What sustainability training have all your staff received?	List of people trained and at what levels	Most staff have received basic sustainability training. Possibly as part of an induction programme.	All staff have received advanced sustainability training.				
Is sustainability included in your key staff's personal development and appraisal process?	Copies of personal objectives In personal development plan	Some key staff have sustainability objectives.	All key staff have clear, sustainability objectives.				
Do you publicise your achievements in sustainability?	Examples of publications, case studies and reports.	We publicise our achievements externally, through articles in magazines, presentations at conferences.	Our communications' plan includes participation in and organisation of regular, external SD events				

