



House of Commons  
Environmental Audit  
Committee

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**Government Response  
to the Committee's  
Ninth Report of  
Session 2006–07: The  
structure of  
Government and the  
challenge of climate  
change**

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**First Special Report of Session 2007–08**

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## The Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

### Current membership

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### Powers

The constitution and powers are set out in House of Commons Standing Orders, principally Standing Order No. 152A. These are available on the Internet via [www.parliament.uk](http://www.parliament.uk).

### Publication

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at:  
[www.parliament.uk/parliamentary\\_committees/environmental\\_audit\\_committee.cfm](http://www.parliament.uk/parliamentary_committees/environmental_audit_committee.cfm).

A list of Reports of the Committee from the present and prior Parliaments is at the back of this volume.

### Committee staff

The current staff of the Committee are: Gordon Clarke (Clerk); Sara Howe (Second Clerk); Richard Douglas (Committee Specialist); Oliver Bennett (Committee Specialist); Susan Monaghan (Committee Assistant); Stella Kin (Secretary); and Elizabeth Gardner (Sandwich Student).

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# First Special Report

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## Structure of Government and the challenge of climate change — Government Response

1. The Environmental Audit Committee published its report on *Structure of Government and the challenge of climate change* on Monday 29 October 2007 as HC 740.
2. The Government's Response to the Committee's Report was received on Wednesday 19 December 2007 in the form of a memorandum to the Committee. It is reproduced as an Appendix to this Special Report.

## Appendix - Government response

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### INTRODUCTION

**Paragraph 13. Over the past decade the Government has failed fully to rise to the domestic challenge of climate change, particularly if its record is considered in the light of its self-imposed 2010 CO<sub>2</sub> reduction target of 20%. Although some of this failure is in part likely to be due to wider economic trends over which the Government has had only partial control, it is clear that the Government has not displayed the same level of ambition in willing the means as it did when first it willed the end of the 2010 target. The likely failure of the Government to reach its domestic target on CO<sub>2</sub> is of concern not only with regard to the actual release of greenhouse gases, but also to the impact that this will have on the UK's international leadership role in reaching a post-Kyoto agreement.**

The Government does not agree with the Committee's assessment; we are proud of the UK's record on tackling climate change. The UK is projected to go significantly beyond its Kyoto commitment and reduce our greenhouse gas emissions by about 23% by 2010 from 1990 levels (almost double what we are required to achieve under Kyoto). Meeting—and exceeding—our international greenhouse gas obligations does not constitute what the Committee refers to as 'failure'; rather, it is a significant achievement and one of the important reasons why the UK has a sound international reputation in leading on climate change.

In terms of carbon dioxide emissions, our latest projections, published in the recent Energy White Paper, suggest that, including the impact of the EU Emissions Trading Scheme, carbon dioxide emissions could fall to about 16% below 1990 levels by 2010—definite progress towards the domestic goal. Our domestic goal to reduce carbon dioxide emissions to 20% below 1990 levels by 2010 was designed to be stretching and, as we have acknowledged, it looks increasingly difficult to achieve.

We do not, therefore, underestimate the scale of the challenge faced in stabilising the global atmospheric concentrations of greenhouse gases, and keeping temperature rise to two degrees or less. Any long-term action plan to tackle such huge issues requires regular review to reflect changing circumstances. This is one of the key principles underlying our approach to the Climate Change Bill: under the Bill, the Secretary of State will issue a

report as soon as practicable after setting a carbon budget, describing proposals and policies for meeting the budget. The measures in the 2007 Energy White Paper will help towards meeting our longer-term carbon emission goals—cutting emissions significantly by 2020 relative to 1990 levels, even though the UK economy may double in size in the same period.

## THE INSTITUTIONAL LANDSCAPE

**Paragraph 20.** It is clear that the Government has responded institutionally to the challenge of climate change through the creation of new bodies to tackle specific climate issues. Although this process signifies the Government's willingness to tackle the issue, the organic process by which leadership and responsibility have evolved appears to have created a confusing framework that cannot be said to promote effective action on climate change. Although we accept that extensive rationalisation of climate change bodies might prove counter-productive there is clearly the need for a strategic review of Government bodies with a major stake in the climate change policy creation and delivery framework, to ensure that there is clear leadership and responsibility for the delivery of climate change mitigation and adaptation policies. This review must seek also to assess the opportunities for the minimisation of inter-institutional conflict, and to aid in the development of effective synergies, through the rationalisation of bodies along, for example, sectoral lines.

**Paragraph 21.** Ideally this review should have been completed prior to the creation of yet another body, the Committee on Climate Change, to ensure that it has suitable well-defined roles and responsibilities. Given that the time available precludes this, we recommend that the Committee itself conducts the review upon its creation.

The Government broadly welcomes the Committee's comments on the institutional arrangements in place. The oral evidence given to the Committee shows the range of views that there are on what is the right level and focus of organisations working in the broad areas of climate change, energy and wider environmental and sustainable development. The Government recognises the need to review these arrangements over time. The Government does not believe, however, that it should direct the Committee on Climate Change (CCC) to review these arrangements; whilst the existing delivery landscape is of course relevant to the CCC's advice on what budgets should be set, it is clear that the priority for the CCC should be providing this advice, and the advice on the UK's long-term target to 2050.

## CROSS-GOVERNMENT POLICY COORDINATION

**Paragraph 26.** Government policy in the past has failed to coherently address the need to reduce emissions. Added to this there appears also to have been a failure to ensure that cross-departmental structures are able to co-ordinate cross-government policies and their implementation. Therefore we welcome recent changes to governance arrangements to ensure that climate change policy is better coordinated, in particular the creation of the Office of Climate Change and a senior strategy board to manage climate change and energy policies. However, although these arrangements should improve knowledge of policy overlaps and therefore might facilitate more effective climate change policy, they will only lead to more consistent policy where there is the

**political will for more consistent policy. We will continue to monitor the Government in this respect, and will pay close attention as to whether the Government more effectively balances climate change and other objectives. The Comprehensive Spending Review will be a major test of the new arrangements, and we will scrutinise this in due course.**

The Government welcomes the Committee's comments on the improvements to cross-Government working that it has put in place. The Office of Climate Change has been successful in bringing together expertise across Government—as well as outside it—to undertake analysis of specific issues where a cross-Government perspective is needed. The Government will in addition continue to look at ways in which it can work better to deliver our common goals. The recent announcement of the new climate change Public Service Agreement—as part of the Comprehensive Spending Review—clearly shows that the Government fully recognises that this is an issue which requires the contribution of many departments and this has been formally recognised in departmental strategic objectives.

The Government has reinforced official-level governance of the climate change and energy programme, building on arrangements put in place following the 2003 Energy White Paper, to ensure even greater joined-up delivery. The Climate Change and Energy Strategy Board provides a cross-government focus on delivery and implementation of the climate change and energy programme, domestically and internationally. The Board and secretariat are working to continue to make improvements which will ensure that attention is focused on priorities and risks. At Ministerial level, the Energy and Environment Cabinet sub-Committee ensures collective ministerial decision making.

#### **ARE FURTHER CHANGES REQUIRED TO GOVERNANCE ARRANGEMENTS?**

**Paragraph 36. Due to the power and central co-ordinating function of the Cabinet Office, it is clear to us that it should have a far greater role to play in ensuring that all Departments pull together to ensure climate policy is coherent. We therefore recommend that a new Climate Change and Energy Secretariat be established within the Cabinet Office to oversee management of climate change policy, supported in some analytical form by the Office of Climate Change which should also move to the Cabinet Office. As well as helping to generate effective policy, this new body should seek also to focus on the implementation and delivery of policy within the Departments.**

**Paragraph 37. In addition, we recommend that the Secretariat is headed by a senior civil servant of sufficient authority to command the attention of those whom he needs to blend into a co-ordinated group. Although we believe that these changes will aid further the effective creation and delivery of climate change policies it still remains the case that unless the Prime Minister takes a strong lead in Cabinet by establishing climate change as one of his priorities, then individual departments will not be fully accountable for climate change nor give it the priority it needs.**

Climate change and energy are one of the highest priorities for Government Ministers. The Prime Minister's speech on 19 November further emphasised his wish to see the UK continue to lead in developing a robust post-2012 international framework for emissions reductions. Whilst machinery of Government changes are for the Prime Minister, it is nevertheless the case now that the Cabinet Office already has specific secretariat resource

covering climate change and energy issues. The Cabinet Office as well as No10 and HM Treasury are represented on the senior strategy board for climate change and energy.

The Office of Climate Change is already an independent resource that provides analytical support to all departments, including the Cabinet Office, and is jointly managed by BERR, Defra, FCO, CLG, DfID, DfT, Cabinet Office and HMT. It is not owned or directed by any one department, and this is one of the factors in its success. The Government will continue to keep these arrangements under review however, and the Committee's contribution to the debate is welcomed.

### **Cabinet Committees**

**Paragraph 41. The abolition of the Sustainable Development in Government Sub-Committee, the demotion of the Energy and Environment Committee to a Sub-Committee of the Economic Development Committee, and the chairing of the new Sub-Committee by the Chancellor rather than the Prime Minister, point to an apparent downgrading of climate change and other environmental issues in the Cabinet Committee process. One way in which focus could be maintained would be to create a new climate change Ministerial post with an automatic right to attend full Cabinet meetings. This Minister would not be a DEFRA representative but rather would have a cross-Government management function with overall responsibility for coordinating the Climate Change Programme and a Climate Change and Energy Secretariat, and with the duty to provide clear political leadership on climate change. Nonetheless it will remain that Cabinet Committee arrangements, although important, matter less than political leadership. Ultimately the proof of the new Prime Minister's and Cabinet's commitment to sustainable development and climate change will be in the decisions that are taken and the policies that are delivered.**

The Government will continue to show leadership on climate change and energy issues—both domestically and internationally—and welcomes the Committee's continued scrutiny of the Government's record in this area. Changes to Ministerial responsibilities are of course a matter for the Prime Minister.

The Prime Minister's new Cabinet Committee structure has been designed to strengthen the Committee system by having a fewer number of broader-ranging, more cross-cutting committees. In particular, the new structure is designed to reduce overlaps and improve joint-working across departmental boundaries. In doing so, the number of Committees has been reduced from 51 to 30, grouped around common themes such as domestic affairs, economic development or national security. The fact that the Environment and Energy Committee is a sub-committee of the overarching Economic Development Committee in no way lessens its importance—it is simply a different, more streamlined way of organising the Cabinet Committee system.

### **Public Service Agreements**

**Paragraph 48. Public Service Agreements as a management tool can lead to more effective cross-Departmental working where they act to reinforce an existing, or help to create, strong consensus within Government on an issue. Our evidence suggests that PSAs relating to sustainable development and climate change have been less than effective due to the absence of such a consensus. Therefore the proposed changes to the**

**Public Service Agreement framework under the Comprehensive Spending Review 2007, such as providing more information on the delivery and accountability for PSAs, although positive, are likely only to improve the effectiveness of delivery of cross-Government sustainable development and climate change objectives where there is a clear political will that this should be the case.**

The Government agrees that PSAs are an important tool in galvanising action and holding Departments to account for the delivery of their objectives. The Committee's comments are therefore welcomed. The international leadership that the UK has shown on climate change and on sustainable development is widely recognised—and this has been achieved through political will and the professionalism and dedication of officials. PSA Delivery Agreement 27, to lead the global effort to avoid dangerous climate change, requires action from six different Government Departments and to reflect this, objectives of the PSA are included in the Departmental Strategic Objectives of Defra, FCO, CLG, BERR, DfT, and DfID. This demonstrates consensus of the need for joint action on climate change and energy policy. Delivery of the PSA will be overseen by the Climate Change and Energy Strategy Board.

#### **Committee on Climate Change**

**Paragraph 52. due to the large number of organisations involved in climate change policy, in order for them to be effective it is paramount that their roles and duties are effectively defined. Failure to ensure that the Committee on Climate Change has clarity of purpose, and that it will function within a coherent institutional framework, will undermine its ability to function effectively. Therefore upon its creation the Committee should conduct a strategic review of Government bodies with a major stake in climate change policy.**

See the response above to paragraph 20 of the report. The Government will ensure the Committee on Climate Change has a clear remit and this will be debated and scrutinised during the passage of the Climate Change Bill.

#### **Departmental responsibilities**

**Paragraph 61. We congratulate DEFRA, DTI and other Departments involved in those climate change projects in which successful cross-Whitehall co-ordination has been achieved, such as the establishment of the Office of Climate Change. Nevertheless, although we agree that it is important to ensure that there are strong overarching cross-Government coordinating structures, we argue that bringing together climate change and energy into a single Department would have helped to minimise the risk of inter-Departmental conflict in these intricately linked policy areas and therefore it could have enabled more coherent policy in both these areas. We believe that the movement of the energy brief into DBERR rather than DEFRA constitutes a missed opportunity to mould governance structures into a shape more predisposed to coherent management of this complex policy area.**

Machinery of Government changes are a matter for the Prime Minister and the Committee's comments have been noted. However, climate change policy intersects with many other areas of Government policy; not just energy, but also planning, housing, transport, and international development. The key to effective and co-ordinated policy is

not to put all these briefs into a single government department, but rather to mainstream climate change as a consideration in all manner of policy decisions right across Government.

These connections are reflected in the Departmental Strategic Objectives for the five departments which come together under the climate change PSA for CSR07. Cross-Government co-ordination is being strengthened in relation to climate change and there are already recent successful examples of cross-Government working, such as the Climate Change Bill and the Energy White Paper, where Departments across Whitehall, including Defra and BERR, have worked closely together to develop climate change and energy policy. It is also worth noting that climate change and energy policies are brought together at official level in the Climate Change and Energy Strategy Board, and at Ministerial level in the ED(EE) Cabinet Committee, to ensure that strategy is set and decisions are taken in a coherent, joined-up fashion.

## A LONG-TERM FRAMEWORK

**Paragraph 64.** The publication of the draft Climate Change Bill would seem to signify the Government's desire to address the failures of its past record on reducing effectively carbon dioxide emissions, by introducing a clearer long-term emissions reduction framework. With the creation of an independent Committee on Climate Change, and by making emission reduction targets statutory, the political risk generated by failing to reach such targets should help to focus the minds of Ministers and officials on the need to reduce emissions. In addition, if the independent Committee is able in its analysis to indicate which policies or Departments have caused targets not to be reached, accountability, and potentially therefore performance, should be improved. Nevertheless, although this progress is welcome, aspects of the evidence that we have received for this inquiry have indicated to us that there is a need for an additional policy framework to lead to further emission reductions.

The proposals in the Climate Change Bill will build on the Government's position as one of the most ambitious and forward-looking nations in setting climate change strategy and introducing the policies and measures to move towards its targets. The Bill would make the UK one of the first countries to set a legally binding domestic framework to cut carbon emissions. It would set a long-term target for 2050 and will require the Government to publish proposals which will ensure we meet the carbon budgets for each period. This will involve ongoing work on the policy framework to ensure it is adequate to enable the Government to stay within the budgets set.

**Paragraph 68.** Through the adoption of significant emission reduction targets, the Government has stated its intention radically to transform the UK economy through the dramatic reduction of greenhouse gas emissions. Given the scale of the challenge there is a clear need for a long-term policy framework to identify the role everyone in Government has to play from individual policy makers up to Permanent Secretaries and Ministers. The starting point for this exercise should be an assessment of the likely structure of the UK economy in 2050, following at least a 60% reduction in carbon dioxide emissions. Developing policies back from an end-point in this way must lead to the Government deciding against policies that lock-in long-term emissions that will result in the UK missing emissions targets, or will at least ensure that where a

**particularly high emission policy is adopted other policies will reduce emissions by the same amount. Part of this exercise will include the development of individual sectoral strategies describing the necessary effort to be borne by different parts of the economy.**

In setting an emissions reduction target for 2050 the Climate Change Bill will set a long-term framework. This long-term emissions reduction framework will give a strong underpinning to the policy decisions being taken and investment being made in such a context. The Committee on Climate Change will be tasked with advising the Government of the optimal trajectory to meet the 2050 target. The Government will set the carbon budgets in the light of the advice from the Committee on Climate Change and will publish a report setting out its plans for meeting the budgets. As part of this it will be reviewing its policies and measures, including those identified in the Energy White Paper, to identify what further action is needed. The central purpose of such a framework is, as the Committee recommends, to commit the UK to a low carbon, rather than a high carbon, path.

Government policy is already influencing investment decisions which will set us on the right path for long term emissions reductions. For example, the Renewables Obligation requires licensed electricity suppliers to source a specific and annually increasing percentage of the electricity they supply from renewable sources. Similarly the zero-carbon homes programme will ensure that by 2016, housing infrastructure decisions result in carbon savings. In the transport sector, a series of agreements with European car manufacturers has seen the energy efficiency of new vehicles progressively improve. The second phase of the EU Emissions Trading Scheme has established a carbon price to shape lower carbon economic development. The UK is working hard to secure the place of carbon pricing in international frameworks. All of these existing measures are designed to ensure we are committed to low-carbon development.

**Paragraph 69. Given the long-term nature of such an assessment, various factors of risk will need to be included including the pace of technological advancement and an assessment of long-term trends. Although there is inherent uncertainty in the creation of such a policy framework, such uncertainty can be factored in, and a framework will ensure better that trade-offs are made in a rational manner with an eye to 2050 objectives. The development of such a framework must be transparent, participatory, and will heavily draw on external expertise.**

The Government's emissions projections are influenced by a whole range of factors including fossil fuel prices, population, weather, the developing science on climate change, pace of technological change, and consumer behaviour. The Government takes these risks into account wherever practicable, and works to ensure a shared analytical understanding of the risks across government.

In terms of technological advancement, the Government has an ongoing role exploring ways of encouraging investment in technological developments to assist in climate change mitigation. In October, the Government announced an extra £170 million for the Environmental Transformation Fund. The new domestic element of the fund will invest in the demonstration and deployment of low carbon energy and energy efficiency technologies within England and the UK, to help reduce carbon emissions and improve the security of energy supply. The Energy Technologies Institute is also being established as a

50:50 public-private partnership, to invest in research and development which will accelerate the development of secure, reliable and cost-effective low-carbon energy technologies towards commercial deployment. The Institute will play a major role in technology developments internationally in support of the UK's climate change goals.

**Paragraph 71. The Government must, in conjunction with a new long-term policy framework, create a new long-term climate change impact policy framework. This will include the use of scenarios to identify those areas in 2050 likely to suffer from the negative impacts of climate change, such as flooding or water shortages, and use this information to inform appropriate planning policies. This is particularly important given the Government's plans dramatically to increase house building, especially in light of recent floods. It would be disastrous if as a result of inappropriate planning today these new developments become the climate slums of tomorrow.**

The Government is developing a long-term framework to ensure the UK is adapting to the impacts of climate change. The Climate Change Bill includes a section on adaptation, which will require Government to undertake an assessment of the risks climate change poses to the UK and to develop a programme setting out proposals and policies to respond to these risks. The programme will have to contribute to the objectives of sustainable development and will therefore give due consideration to living within environmental limits and achieving a just society, by means of sustainable economy, good governance, and sound science. The Government will also be tabling an amendment to the Climate Change Bill to create new powers to require a public authority, when requested by Government, to report on its assessment of the risks of climate change to its operations and set out what action it needs to take in response. The Government will also be publishing statutory guidance to help public authorities assess and address the impacts of climate change. To support the legislative framework, the Government is developing an adaptation policy framework which will be published in Spring 2008. This will identify some of the key impacts that the UK is likely to experience, highlight some of the most vulnerable areas and identify some early measures that can be taken to address these issues before building a fuller picture once the risk assessment is complete.

For its part, the Government is already taking action to address the impacts of climate change that are expected. Departments are already working to ensure that their own work and their policies are dealing with the unavoidable impacts of climate change. For example, the supplement to Planning Policy Statement 1 on climate change, provides guidance on how to manage climate risks in planning, and will influence the house-building programme. This will be accompanied by practice guidance giving practical support to developers on how to integrate adaptation solutions into new developments (building on research done by Defra in 2005). In May Defra published guidance to conservation managers on behalf of the UK Biodiversity Partnerships, and the Department of Health has revised its 2001 report on the Health Effects of Climate Change and updated the National Heatwave plan in the light of experience of the 2003 heatwave.

Recognising the importance of regional and local government in adapting the country to climate change, an indicator on adaptation has been included in the new Local Government Performance Framework—a consultation on all the indicators has been launched by CLG. This will require Local Authorities to assess the risks climate change poses to the local area and develop an adaptation plan to manage those risks.

The Defra-funded UK Climate Impacts Programme (UKCIP) has been in place since 1997. UKCIP is an internationally renowned organisation which provides support to public and private sector organisations to help them assess their vulnerability to climate change and adapt accordingly. UKCIP shares this information, free of charge, with organisations in the commercial and public sectors to help them prepare for the impacts of climate change. Among UKCIP's tool kit are scenarios that show how our climate might change over the course of the century. These are produced in partnership with the Met Office Hadley Centre and other partner organisations. The next set of scenarios, UKCIP08, will be published in Autumn 2008, in partnership with the Hadley Centre, British Atmospheric Data Centre and Newcastle University. UKCIP08 will incorporate uncertainty in projections of future climate, including presenting a range of outcomes with associated probabilities rather than a single prediction, thereby encouraging users to consider their attitude to risk. UKCIP08 will include a weather generator tool specifically designed to create data at a daily and hourly level which is of particular use to the flood management community.

The Government is increasing the attention and resources it directs at planning the UK's adaptation to the impacts of unavoidable climate change. This is reflected in the CSR Public Service Agreement on climate change.

## THE CIVIL SERVICE

### Performance management and accountability

**Paragraph 82. there is an important role for the senior civil service to play in ensuring that climate change is addressed by Whitehall, especially in those policy areas which might fall between Departments. In order to ensure that climate change is addressed better by civil servants we recommend that a greater degree of performance management should relate specifically to climate change objectives. This should include performance assessment that values and rewards working practices that are required to tackle climate change, such as cross-Departmental working. More directly, performance-related pay could be connected to meeting climate change-related policies. We recommend that the Cabinet Office, in conjunction with the Office of Climate Change, explore the potential for aligning performance management of appropriate civil servants with climate change objectives.**

Departments already assess employees' performance against departmental competency frameworks, and against individual's objectives. Where employees are working towards the climate change programme, progress in advancing policy development and delivery are already reflected in an individual's objectives. The departmental competency frameworks allow an emphasis to be placed on cross-government collaboration and relationship-building to promote effective working.

For example, the performance management framework used within the Office of Climate Change already assesses the performance of staff, where appropriate, for capability and knowledge against climate change policy, the climate change landscape, climate change economics, and climate change science and technology.

However, it must be acknowledged that across Whitehall as a whole, the Government has several key priorities for improving public services and leading on international issues,

such as international development and security. Prioritising one objective throughout the civil service, over these other fundamentally important aims, through a specific performance framework tailored to climate change, would not fit with these broader Government goals. Departmental core competency frameworks, and setting individual objectives, are judged to be more effective ways of achieving the performance improvements the Committee has described.

In relation to performance related pay, the Cabinet Office has guidelines covering departmental reward strategies to ensure there is consistency across government. Senior Civil Servants are rewarded in proportion to their contribution to their department, their impact on delivery, and meeting their objectives and the Professional Skills for Government requirements.

### Skills

**Paragraph 86. It is too early to say whether the Capability Reviews and other programmes to ensure that the professional skills required by the Civil service to deal with climate change, such as effective project management, will be successful. Although on the face of it these professional skills appear not directly to relate to climate change, failure to address these general skill shortages will undermine attempts to move the UK to a low carbon economy. This fact should provide added impetus to the modernisation agenda in the Civil service. The Government and senior Civil service must continue to drive up professional skills and standards across the Civil service.**

The Government agrees that it is of fundamental importance that members of the civil service are equipped with all the professional skills and competencies required to deliver their work programme. That is why in 2004, the Government launched proposals for the Professional Skills for Government (PSG) programme, designed to improve professional skills throughout Government. PSG is a major and long-term programme overseen by Government Skills, the Sector Skills Council for Central Government, which provides a framework of skills for all civil servants. Employees are required to demonstrate skills and expertise in four areas to satisfy the PSG framework: leadership (providing direction for the organisation, delivering results, building capacity for the organisation to address current and future challenges, acting with integrity); core skills (analysis and use of evidence, financial management; people management, programme and project management); professional expertise; and broader experience.

This performance framework underpins efforts to constantly improve the professional skills, standards and capability across the civil service. This ongoing effort complements work underway across Government to implement the recommendations of the recently published Capability Reviews. Departments are working towards further ensuring high standards and actively managing individual and organisational performance.

### Secondments and external appointments

**Paragraph 91. We believe that external appointments have an important role to play in equipping the Civil service with the range of skills required to tackle climate change, especially in those areas where the Civil service is unlikely to be able to develop the skills itself. We agree with witnesses that policy makers are more likely to develop more effective policy for climate change where they act more like coordinators, bringing**

**together experts from all sectors, including the private sector, third sector and academia. We therefore call for a further increase in the movement of people into and out of the Civil service. However, any changes should be implemented in such a way that the benefits associated with the long-term employment of highly-skilled civil servants are not lost.**

The Committee's comments are welcome. The Government directly employs large numbers of specialist staff in climate change related policy work, including scientists and economists. The Government supports the view that external recruitment can make a valuable contribution to the Civil Service. Most departments, including BERR, Defra, and OCC, recruit specialists from outside government, from the public, private and third sectors, on short-term contracts to work on specific projects. A number of secondments have also been arranged from these sectors, for example with economic consultancies. We understand how important it is to ensure there is a good balance between retaining staff with expert subject knowledge, and an adequate level of turnover to bring in new analytical expertise.

The Professional Skills for Government programme encourages individuals to look beyond their departments or agencies to identify ways of broadening their experience. Across Government as a whole, in the 12 months to April 2007, 65 Senior Civil Servants were seconded out of the civil service. Departments and agencies have Interchange Managers responsible for promoting and advising on interchange as a development tool, and facilitating secondments in and out of the Service.

Aside from recruitment, the Government frequently consults external experts in policy consultation and project steering work. We have strong working relationships and networks with experts outside government, in the UK and beyond. This consistently renews and enriches our thinking.

**Paragraph 92. We recommend that the Government undertakes a study to identify climate change skill and knowledge gaps in Government for important sectors, including energy, transport and construction. On the basis of this evidence the Government and Civil service should seek to fill the identified gaps with those individuals that have the best credentials, whether or not the individual is appointed internally or externally.**

Specialist staff are embedded in policy teams working on climate change and energy policy across the Departments; including in Defra, BERR, DfT and CLG, to cover the three sectors identified by the Committee (energy, transport and construction). Economic and scientific specialists from different departments liaise through specialist networks across Government and its agencies, to support shared understanding and analysis. For example, the Interdepartmental Analysts Group meets frequently to discuss and peer review a variety of analytical issues. There is also regularly cross-departmental collaborative working, for example in the preparation of the Energy White Paper, and in the run up to international climate change meetings and negotiations.

Assessing employees' skills, knowledge, and suitability for role, is an ongoing process in the civil service. The results of a study of skill and knowledge gaps right across Government, as the Committee has suggested, would very quickly become out of date, because of the fast

pace of the work programme and the swiftly changing nature of the specific analysis required. Departments are becoming more strategic, responsive and flexible in the way they manage human resources. This focus will make it easier, once a staffing need has been highlighted, to identify people within departments with the best credentials for a role, and help identify where it is necessary to look outside the Department. Recent recruitment exercises indicate that the UK Government is well-placed to recruit world-class experts to contribute to climate change policy and delivery. The OCC has been established as a centre of analytical expertise to support policy development and analysis across Government on climate change issues.

# List of Reports from the Committee during the current Parliament

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The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

## Session 2007–08

First                    Are biofuels sustainable? HC 76

## Session 2006–07

First                    The UN Millennium Ecosystem Assessment, HC 77, *(HC 848)*  
 Second                The EU Emissions Trading Scheme: Lessons for the Future, HC 70 *(1072)*  
 Third                    Regulatory Impact Assessments and Policy Appraisal, HC 353 *(HC 849)*  
 Fourth                Pre-Budget 2006 and the Stern Review, HC 227 *(HC 739)*  
 Fifth                    Trade, Development and Environment: The Role of FCO, HC 289 *(HC 1046)*  
 Sixth                    Voluntary Carbon Offset Market HC 331  
 Seventh                Beyond Stern: From the Climate Change Programme Review to the Draft Climate Change Bill, HC 460 *(HC 1110)*  
 Eighth                Emissions Trading: Government Response to the Committee's Second Report of Session 2006–7 on the EU ETS, HC 1072  
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