

The use of Sustainable Development Indicators in the Welsh Government

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Executive summary

This report documents the findings of a case study on how the Welsh Government uses its headline Sustainable Development Indicators (SDIs). It finds that the indicators are not currently used effectively across Welsh Government policy-making due to a variety of barriers that result in them not being seen as having a meaningful role within the policy-making process. However, it describes a clear opportunity to clarify and strengthen the role of the SDIs through the Future Generations (Wales) Bill which the Government plans to introduce in 2014.

The case study was carried out by **nef** (the new economics foundation) as part of BRAINPOoL (Bringing Alternative INdicators into POLicy). This is a project, funded by the European Commission through the FP7 research programme, that seeks to help accelerate the use of 'Beyond GDP' indicators in policy-making. The case study involved a review of Welsh Government documents, meetings with key policy informants, semi-structured interviews with senior policy-makers from across Welsh Government and a workshop for policy-makers.

Despite the clear formal commitments of the Welsh Government to sustainable development (SD) goals, and the seemingly high-profile SDIs, we found that SD and the SDIs are not seen as top-level drivers of policy goals within Welsh Government. Instead, research participants pointed to a small number of ministerial-led priorities as encapsulating the Government's key goals (economic growth, promoting employment

and tackling poverty), and further referred to the Programme for Government as the key place where Government priorities were brought together.

Two findings about the policy context help in particular to set the scene for understanding the range of barriers to the effective use of the SDIs. Research participants displayed a range of attitudes towards the SD agenda in general, with a minority who saw the full range of Welsh Government SD themes as central to their work. Others focused on only those particular aspects of SD to which their work most strongly related, described SD as synonymous with the process of good policy-making rather than emphasising the role of specific SD goals or viewed SD as a minimum standard which must not be breached. Participants also described a somewhat mixed picture of how indicators in general are used within the Welsh Government policy process, noting that the indicators which have brought about change are those which received particular attention, not necessarily because they reflect the top priorities of Welsh Government, but often because of poor performance.

However, there is currently focused attention on improving the apparatus to help the Government address SD throughout its policy-making, with work on the Future Generations (Wales) Bill on-going (referred to by research participants and in this report as 'the SD Bill'), and this provides an important opportunity to address the barriers to the effective use of the SDIs.

The research identified eleven specific barriers to the effective use of the SDIs, clustered into four groups, as follows.

Barriers relating to lack of salience for key audiences

1. Lack of strong narrative
2. Lack of context and meaning
3. Too many indicators across Welsh Government
4. Poor design and selection of individual indicators

Barriers relating to lack of connection to priorities and action

5. Lack of connection to Government priorities and tension about how the SDIs *should* relate to them
6. Reluctance to prioritise within indicator sets
7. Lack of connection to policy action

Barriers relating to perceptions that the SDIs distort the true priorities of the Welsh Government

8. Seen as too weighted to environmental issues
9. Seen as a false technocratic solution

Barriers relating to political pressures affecting the use of indicators

10. Lack of fit between the evidence from indicators and the factors driving political decision-making
11. Pressure on politicians to be seen to be taking quick action

Reflecting on the findings, including the suggestions for changes made by research participants, we note that the barriers, taken together, suggest that that the SDIs are not seen as having a meaningful role within the policy-making process. But we point to the important and timely opportunities to develop such a role for the SDIs presented by the on-going work relating to the SD Bill.

In particular, we make four recommendations for action, to help the SDIs contribute effectively to policy-making across the Welsh Government:

1. The SD Bill legislation should establish a clear role for the indicators as an accountability mechanism for the contribution of Welsh Government (and other public sector) policy to sustainable development goals, with the indicators to be developed and owned by the SD body.
2. The SD body, working in consultation with the Welsh Government's SD policy unit, should re-develop the SD indicator set according to a set of design principles which ensure that it is fit for purpose for this role.
3. The SD body and Welsh Government, working together, should improve the communication of and narrative around the SDIs to ensure that they are viewed as meaningful and important.
4. The Welsh Government should create tools that help embed a focus on the SDIs within its core policy processes.

1. Introduction

BRAINPOoL (Bringing Alternative INdicators into POLicy) is a project funded by the European Commission through the FP7 research programme that seeks to help accelerate the use of 'Beyond GDP' indicators in policy-making. It is primarily a knowledge brokerage project working by helping the producers and promoters of Beyond GDP indicators and the potential users of these indicators come together, understand one another, and identify fruitful interactions. The project's understanding of Beyond GDP indicators is based on how indicators are used, describing them as:

“those indicators and indicator sets that have been proposed as necessary and central to the measurement of societal progress in a broad sense, other than those indicators, such as GDP or the unemployment rate, that are already playing this role.”¹

BRAINPOoL is being delivered by a consortium of partners across Europe, including **nef** (the new economics foundation)². Juliet Michaelson of the Centre for Well-being at **nef** carried out this case study. **nef** is an independent think tank based in London, which works on developing alternative economic solutions for achieving sustainability, social justice and well-being. The Centre for Well-being at **nef** leads a programme of work on the use of well-being and other Beyond GDP indicators in policy-making.

The first stage of the BRAINPOoL project (work package 1) explored the perspective of indicator producers and promoters – cataloguing the various initiatives, understanding the producers' intentions, and learning about the indicators' success or otherwise in achieving some form of impact either in policy or elsewhere. In the second stage of the

¹ Hák, T. (CUEC), S. Janoušková (CUEC), S. Abdallah (nef), C. Seaford (nef) and S. Mahony (nef). *Review report on Beyond GDP indicators: categorisation, intentions and impacts*. Final version of BRAINPOoL deliverable 1.1, A collaborative project funded by the European Commission under the FP7 programme (Contract no. 283024). CUEC Prague, 18 October 2012.

² The other partners are: The Netherlands Organisation for Applied Scientific Research (TNO); Université Libre de Bruxelles, Centre of Studies of Sustainable Development (CEDD); Erasmus University Rotterdam; Charles University Environment Centre, Charles University Prague; Université de Toulouse; and the World Future Council.

project (work package 2) we took a look from the perspective of the potential users of Beyond GDP indicators – understanding several selected national and supranational organisational contexts, and identifying the barriers to and opportunities for demand for Beyond GDP indicators.

In this, the third stage (work package 3), the BRAINPOoL partners have brought producers and potential users together in seven specific case studies at different geographical levels, from the local to the supranational. In each case study we have sought to identify a problem that Beyond GDP indicators might help solve, and explore steps towards them playing such a role.

The case study reported here is concerned with the Welsh Government, and examines the use of its set of headline Sustainable Development Indicators (SDIs) in its policy-making activities, and considers how they could be used more effectively. The case study was selected because of the Welsh Government's prominent commitment to the sustainable development (SD) agenda, of which the indicators form part, and because it offered an opportunity to explore the use of Beyond GDP indicators in a devolved government setting.

The remainder of this report on the case study is structured as follows:

- **Section 2** – Approach and methods used to carry out the case study.
- **Section 3** – Background to the Welsh Government and sustainable development in Wales.
- **Section 4** – First findings section: The current context for and use of the SDIs.
- **Section 5** – Second findings section: Barriers to the effective use of the SDIs.
- **Section 6** – Discussion of findings and recommendations for action.

2. Approach and methods

The case study has been carried out through qualitative and participative action research with policy officials across the Welsh Government.

The research has involved the following stages and methods:

1. **Initial discussions with policy officers within the Welsh Government**, to agree the scope for the case study. Our main contacts who acted as the liaison point throughout the project were policy officers responsible for SD across the Welsh Government, but we also attended an initial meeting with a set of 'key informants' – officials whose roles in Welsh Government gave them a particular interest in either the SD policy agenda or indicators, or both.
2. **Reviewing Welsh Government documents and other related grey literature** to understand the context of the organisation, how the SD agenda is interpreted and implemented in Wales, and in particular the history and use of the SDIs.
3. **Semi-structured interviews with policy officials**. Interviewees were recruited from a list, provided by our main contacts, of suggested officials across each of the main Welsh Government policy areas. Based on advice from our contacts, we aimed to recruit interviewees at the level of Deputy Director or Division Head i.e. they were two rungs below the Director General of the relevant policy Directorate.

The recruitment strategy was based on an introductory leaflet (produced in discussion with our main contacts) and sent by the **nef** researcher by email to recruitment targets, followed up by phone calls where email responses were not obtained.

Eight in-depth interviews were carried out on a one-to-one basis with the **nef** researcher (except in one case where two officials from the same policy area were interviewed jointly). Most achieved interviews were with officials with the intended seniority (e.g. Deputy Director level). While the aim was to cover a broad range of policy areas, many of the interviewees' job roles often gave them a particular interest in SD within their policy area – thus the sample was not one of 'SD neutral' officials. They represented a range of policy areas including those focused on economic, social, and environmental policy.

Interviews lasted around an hour and were audio recorded. The interviews were structured around a topic guide (revised after the first set of interviews) that focused on:

- Key goals of the interviewee's work area
- The role of SD within the work area and attitudes to the SD agenda
- The extent to which the SDIs had received attention in the work area
- What could help the SDIs have more influence
- How indicators compare to other means of policy change.

The full topic guide is shown in Appendix 1.

4. **Sense-checking with key informants.** After carrying out the initial interviews and summarising the main themes emerging from them, we held three in-depth conversations with key informants, whose roles gave them a particular insight into the SD agenda across Welsh Government and/or the use of indicators. These conversations were used to gain initial feedback on the emerging findings, learn about changes to the policy context since the inception of the case study, and develop a structure for the action-research workshop.
5. **Action research workshop.** The aim of the workshop was to generate further insights into the barriers to the effective use of SDIs across the Welsh Government and to stimulate discussions of changes and tools which could help overcome these barriers. On the advice of our main contacts, the workshop was framed around the effective use of indicators as a whole in Welsh Government policy-making, rather than the SDIs specifically. However, the initial findings from the interviews which focused on the SDIs were presented during the workshop, so that much of the discussion which took place was directly focused on to the SDIs and nearly all of it was relevant to them.

A leaflet about the workshop was produced in discussion with our main contacts, and was sent by them to a list of their colleagues across Welsh Government, which included those who had taken part in interviews. Recipients were asked to delegate if they were unable to attend themselves, and therefore those attending the workshop were, on average, less senior than the group of interviewees (although some interviewees did attend the workshop). Our main contacts also took part in the workshop, largely in participant roles.

The workshop lasted three hours and was facilitated by the main **nef** researcher together with a colleague from **nef**. Around 14 people participated. It included:

- A presentation on the Beyond GDP agenda and BRAINPOoL project
- A small group exercise discussing current use of indicators across the policy cycle in Welsh Government
- A presentation on initial findings from the interviews on the use of the SDIs
- A facilitated discussion on better use of headline indicators

The full workshop agenda is shown in Appendix 1.

The workshop sessions were audio recorded and transcripts produced.

6. **Analysis and write up.** A data-driven approach was used to analyse the findings from the interviews and workshop, classifying the content using an iterative approach to developing themes.

The findings have been presented in this report to protect the anonymity of research participants. This means that details of particular policy areas referred to by participants have been obscured where they would be likely to lead to the identification of individuals.

3. Background to the Welsh Government and sustainable development in Wales

This section provides a brief background to: the Welsh Government and its structure, the SD agenda within Wales as a whole, and the Welsh SDIs in particular. It is based on the review of grey literature and conversations with key informants which were carried out during the case study, and is also informed by interview and workshop findings.

3.1 *The history and current context of the Welsh Government*

The current Welsh Government is the executive body responsible for the twenty policy areas for which responsibility has been devolved to Wales from the UK Government. The devolved areas include agriculture, education, the environment, health, housing and local government but not general taxation, defence and foreign affairs, and social security, which remain the responsibility of the UK Government.³

Welsh devolution has undergone a number of different stages since 1997, which have contributed to the development of the current Welsh Government. Following a referendum in 1997 which secured a narrow majority for devolution, the National Assembly for Wales was created, with the first elections held in 1999. At first it was a corporate body with no formal distinction between the executive and legislature, but from 2002 efforts to make this distinction clearer were made, with the term 'Welsh Assembly Government' used to refer to the actions of the Cabinet. Following a review of the Assembly, the Government of Wales Act 2006 created a legal separation of executive and legislature, with additional legislative powers for the Assembly. A

³ <http://wales.gov.uk/about/history/devolved/?lang=en>.

referendum in 2011 further added to these powers.⁴ That year also saw the renaming of the executive body from the 'Welsh Assembly Government' to the 'Welsh Government', to make a clearer distinction between the Government and the National Assembly for Wales.⁵ The civil service of the Welsh Government replaces what was the Welsh Office of the UK Government pre-devolution. While it is therefore a new organisation in many ways, in some ways the civil service pre-dates the devolved government (for example, in its physical location, and with a number of members of staff who were previously employed by the Welsh Office).

The civil service is structured into seven Directorates between which the areas of the Welsh Government's policy responsibility are divided. Each Directorate is relatively broad in scope and is headed by a Director General. Directorates are structured into policy Divisions, which have responsibility for defined areas of policy. Divisions are headed by Directors who are in turn supported by Deputy Directors for specific policy areas within the Division.

The most recent elections to the National Assembly for Wales in 2011 resulted in a government formed by Welsh Labour (the Welsh section of the UK's main centre-left political party). After its election, the Welsh Government published the 'Programme for Government' (PfG) as a 'roadmap' for its actions during the Assembly term.⁶ The PfG document is structured into twelve chapters, each representing an area of policy (see Table 1b later in the report).⁷ Each chapter sets out a high-level aim, key actions to deliver, a narrative on 'how we will know our actions are on track', including indicators to be monitored, the 'big long-term challenges that our actions will contribute to meeting', the ministers accountable for delivery and who the key partner organisations in delivery will be. PfG progress reports have been published in 2012 and 2013, with an overview narrative detailing the key actions taken and outputs achieved within each of the twelve areas, and detailed tables describing progress on the large number of 'action commitments' within the PfG.

3.2 History and current state of the SD agenda in Wales

The Government of Wales Act 1998, which established the devolved government in Wales, included a requirement on it to make a scheme setting out 'how it proposes, in the exercise of its functions, to promote sustainable development', with requirements to keep the scheme under annual review, to remake or revise it when a new government was formed, and to carry out an effectiveness review of the scheme at the end of each government term. The duties were renewed in the Government of Wales Act 2006, though placed on the newly established executive body rather than the National Assembly. This commitment to SD in the founding legislation of the devolved government made it 'one of the few administrations in the world to have a distinctive

⁴ <http://www.assemblywales.org/abthome/role-of-assembly-how-it-works/history-welsh-devolution.htm>

⁵ <http://www.bbc.co.uk/news/uk-wales-politics-13389400>

⁶ Welsh Government (2011) *Programme for Government*.

⁷ The PfG policy areas are: Growth and sustainable jobs; Public services in Wales; Education; 21st Century Healthcare; Supporting People; Welsh Homes; Safer Communities for All; Equality; Tackling Poverty; Rural Communities; Environment and Sustainability; and the Culture and Heritage of Wales.

statutory duty in relation to sustainable development⁸. This set the tone for what has become the Welsh Government's high-profile public commitment to SD, which has persisted through a number of changes of government.

To date, there have been three SD schemes adopted, in 2000, 2004 and 2009. The statutory effectiveness reviews on the first two schemes, noted progress on building SD into policies and generating enthusiasm, but the review published in 2008 reflected that SD in the Welsh Government took place in 'innovative silos' rather than being mainstreamed.⁹

The third (and current) scheme, One Wales: One Planet, was published in 2009. It defines 'Sustainable Development in Wales' as follows:

"In Wales, sustainable development means enhancing the economic, social and environmental wellbeing of people and communities, achieving a better quality of life for our own and future generations:

- *In ways which promote social justice and equality of opportunity; and*
- *In ways which enhance the natural and cultural environment and respect its limits - using only our fair share of the earth's resources and sustaining our cultural legacy.*

Sustainable development is the process by which we reach the goal of sustainability."

It also introduced the concept of SD as the 'central organising principle' of the Welsh Government:

"sustainable development will be the central organising principle of the Welsh Assembly Government, and the steps we will take to embed this approach. Sustainable development should be a real organising principle, relevant to all sectors of society. It demands joined-up government with a focus on the long-term and serving the citizen".

Following the closure of the UK Sustainable Development Commission (SDC) in 2011, the Welsh Government appointed the former SDC Commissioner for Wales as the new Welsh Commissioner for Sustainable Futures with a role to provide leadership for SD, promote the embedding of SD into sectors and communities across Wales, and advise the Welsh Government on the implementation of SD.¹⁰

The statutory effectiveness review on the One Wales: One Planet SD scheme, published in January 2012, noted the appointment of the Commissioner for Sustainable Futures as a positive step, as well as noting positives on engaging with stakeholders and the creation of the post within the Welsh civil service of Director General for Sustainable Futures (the official who heads the Sustainable Futures

⁸ Welsh Assembly Government (2009) *One Wales: One Planet. The Sustainable Development Scheme of the Welsh Assembly Government.*

⁹ Flynn A, Marsden T, Netherwood A and Pitts R (2008) *Final Report: The Sustainable Development Effectiveness Report for the Welsh Assembly Government.* Cardiff University, Richard Pitts Associates and Netherwood Sustainable Futures.

¹⁰ <http://www.cynnalcyrmru.com/commissioner>.

directorate which is made up of five departments: Environment; Agriculture and Food; Office of the Chief Veterinary Officer; Housing and Regeneration; and Culture and Sport). However, it noted challenges which included: the fact that not all departments within Welsh Government had the same levels of understanding or clarity about how SD principles should shape policy, the SD policy branch being seen as marginal to the main activities of the Government, and that SD was seen as one of a number of competing priorities, rather than the means by which competing priorities were managed.¹¹

In May 2012, the Welsh Government launched an initial consultation on plans for a new piece of legislation, the Sustainable Development Bill. (The working title of this Bill was updated during the writing of this report to the 'Future Generations (Wales) Bill'¹², but as research participants referred to it as the 'SD Bill', this name will be used throughout this report). This proposed: a duty to be placed on the Welsh Government and a number of other public sector organisations in Wales to ensure that high-level decisions are consistent with a set of SD factors; a new role for the Auditor General for Wales to examine compliance with the duty; and a new statutory independent SD body, headed by a Commissioner, as a source of support, expert advice, guidance and constructive challenge for organisations subject to the duty.¹³

The responses to the consultation informed a White Paper for the Bill, published for consultation in December 2012. The White Paper stated that the new duty on public bodies would apply to strategic decision-making processes within organisations rather than specific high-level documents. It described how the duty will be based on the application of a set of key principles of SD:

- Integration and working across boundaries
- Long-term thinking and a focus on prevention
- Engagement and involvement
- International scope

While the legislation will not specify particular outcomes, organisations will need to clearly set out the outcomes that they are working towards, and have a way of measuring progress towards them. The White Paper notes a 'clear expectation' that this will be through an indicator system. It also states that the SD body will have responsibility for recommending and monitoring key indicators of progress.¹⁴

3.3 The Welsh SDIs

In addition to the wealth of indicators within the PfG, there is a set of SD indicators for Wales which has been evolving since 2000. In that year, the Welsh Government published a consultation paper with an initial set of 81 possible SD indicators, including

¹¹ PwC (2012) *Effectiveness Review of the Sustainable Development Scheme: A Report to Welsh Government*. PricewaterhouseCoopers LLP.

¹² <http://wales.gov.uk/topics/sustainabledevelopment/future-generations-bill/?lang=en>

¹³ Welsh Government (2012) *Consultation Document: Proposals for a Sustainable Development Bill*.

¹⁴ Welsh Government (2012) *White Paper: A Sustainable Wales. Better Choices for a Better Future. Consultation on proposals for a Sustainable Development Bill*.

a smaller set of 20 headline indicators (many of which were also included in the UK-wide 'Quality of Life Counts' publication). The consultation led to a reduced set of 12 headline SD indicators for Wales being adopted in 2001 (of which 9 were headline indicators for the UK) – this was regarded as an initial set with some indicators identified as requiring further consideration.¹⁵ In 2006, the SD Indicators Working Group made recommendations on a full suite of indicators, which the Government confirmed, although there were still some identified as requiring development.¹⁶

This indicator set, first reported on in 2007, embodied the basic structure of the current set of indicators, with headline indicators on the themes of economic output, social justice, biodiversity conservation and ecological footprint, and a range of supporting indicators that fell under a broader number of themes. The 2009 One Wales: One Planet scheme confirmed the headline indicators, adding one on 'the Wellbeing of Wales' and restructuring the supporting indicators, so that they fell within the same five themes as the headline indicators. These themes were used to structure much of the One Wales: One Planet document. As a result, in the indicator results published in 2010 and subsequently, the headline and supporting indicators are structured into the five themes of: Sustainable Resource Use, Sustaining the Environment, A Sustainable Economy, A Sustainable Society and The Wellbeing of Wales. Descriptions of the five headline and their supporting indicators are shown in Table 1a, based on the most recent publication of the indicators. For comparison, Table 1b shows the twelve PfG policy areas. (Note that the presentation of the headline and supporting SDIs in one table has been developed for this case study – the indicators are not presented together on one page in Welsh Government documents.) Results for the indicators are published annually in a 'Sustainable Development Indicators for Wales' booklet.¹⁷ This is a National Statistics publication, and therefore has the status of a statistical update on Wales as a whole, unlike the SD annual reviews (published as part of the statutory duty on SD) which report explicitly on government activity.

During the period of the research, plans to consult on and revise the SDIs were being discussed. The White Paper for the SD Bill sets out plans for the Welsh Government to review the PfG indicators, as well as to consult on the SDIs, and states that the legislation will set out 'the need for need for clearly defined outcomes and corresponding indicators that measure progress against them', which will be supported by the SD body.¹⁸ At our initial meeting, key policy informants made clear that the option producing an integrated set of PfG and SD indicators was being actively examined. Our later conversations with key informants also highlighted an on-going

¹⁵ Sustainable Development Indicators for Wales 2006, <http://wales.gov.uk/cisd/publications/statssustainable/2006/0330sustainable/sb212006en.pdf?lang=en>

¹⁶ Sustainable Development Indicators for Wales 2007, <http://wales.gov.uk/cisd/publications/statssustainable/2007/0329sustainable/sb162007en.pdf?lang=en>

¹⁷ Most recently in: Statistics for Wales and Welsh Government (2012) *Sustainable Development Indicators for Wales 2012*.

¹⁸ Welsh Government (2012) *White Paper: A Sustainable Wales. Better Choices for a Better Future. Consultation on proposals for a Sustainable Development Bill*. Paragraphs 4.7-4.10.

process, led by a cross-government steering group, to develop a set of 'national well-being' indicators in a similar vein to those which have been developed by the UK Office for National Statistics Measuring National Well-being Programme. While no plans had been approved at that point, the intention was to create a framework for measuring well-being, where 'well-being' was regarded as a broad concept relating to ideas of 'the state of the nation' (rather than specific measures of people's experiences of their lives as measured by subjective indicators of well-being). The framework would be populated with indicators from the PfG (if necessary flagging gaps where new indicators would be required) – hence the well-being measurement framework would be deliberately linked to the existing government programme, unlike the current SDIs which have the status of a separate statistical product. However, the idea of merging the SDIs with the new well-being measurement framework was being seriously explored. Hence this case study feeds into a context where changes to the SDIs are being actively considered across the Welsh Government.

| The SDIS | | | | | |
|------------------------------|---|---|--|---|---|
| Theme | Resource use | Environment | Economy | Society | Well-being |
| Headline indicator(s) | Ecological Footprint | Priority species status; Priority habitat status | GVA; GVA/head | % population in relative low-income households | Mental and physical functioning – 'health status' (SF-36); Life satisfaction |
| Supporting indicators | Greenhouse gas emissions | Bio-diversity: Short-term changes in bird population; Long-term changes in bird populations | Employment | Health inequality: Infant mortality; Life expectancy at birth | Education: % KS2 pupils achieving core subject indicator; % adults 19-21 qualified to NVQ L2; % working age adults qualified to NVQ L4 |
| | Waste by sector; Waste by disposal; | Ecological impacts of air pollution: sensitive habitat areas exceeding critical loads | Resource efficiency: CO2 emissions to GVA ratio | Benefit dependency: % working age people claiming out of work benefits | Child poverty: % children in low income households |
| | Household waste | Air quality: air pollution in urban sites; air pollution in rural sites | % electricity from renewable sources | Housing: energy efficiency rating of dwellings | Pensioner poverty: % pensioners in low income households |
| | Mobility: no of trips by main mode; % people travelling to work by mode | River quality | | Accessibility: % households where facilities reachable in under 15 minutes by foot or public transport | Worklessness: % children and adults to 64 living in workless households |

| | | | | | |
|--|--|---|--|---|---|
| | | Soil quality | | Crime: recorded serious acquisitive crime; HH crime from BCS | Active participation: % volunteering formally or informally at least once a month |
| | | Sustainable water resources: % areas with target deficits | | | Welsh Language: % KS1, 2,3 pupils assessed in Welsh First Language |

Table 1a: The Sustainable Development Indicators

Table 1b: The Programme for Government policy areas

- Growth and sustainable jobs
- Public services in Wales
- Education
- 21st Century Healthcare
- Supporting People
- Welsh Homes
- Safer Communities for All

- Equality
- Tackling Poverty
- Rural Communities
- Environment and Sustainability
- The Culture and Heritage of Wales

4. Findings: The current context for and use of the SDIs

This section and Section 5 describe the findings of the case study, largely based on its interview and workshop stages, but also informed by the document review and discussions with key informants. The findings in this section cover perceptions of the current policy context across Welsh Government, as relevant to the use of the SDIs. In particular: what drives overall policy goals, how indicators are used across the Government, how the SD agenda is perceived and ways in which the SDIs are currently used. Section 5 covers findings about barriers to the more effective use of the SDIs and research participants' views of changes which could help them to be overcome.

4.1 What drives overall policy goals

The interview stage of the case study revealed a clear sense of the overarching policy goals which were seen to be key priorities across all of the Welsh Government's activities. Most interviewees named a few headline goals. Tackling poverty and promoting employment emerged as strong themes. There were some differing views about the role of economic growth as an aim. One interviewee said that "GVA still dominates"; another said "the ultimate aim of the Government is GDP growth". But a third interviewee said that there "is a move away from GVA as trumping everything", and remarked that most ministers would say decent employment was a more important indicator for overall well-being than GVA. However even this third interviewee was clearly drawing on the assumption that GVA had dominated policy-making at least until very recently. Overall, there was therefore a strong sense that economic growth was the ultimate aim of the Welsh Government. While interviewees recognised SD as a cross-cutting goal across the Welsh Government, none of them mentioned the concept when discussing the Government's key headline goals.

There was no explicit transmission mechanism by which these goals – tackling poverty, employment, GVA growth – were recognised as the most important for the Welsh Government. They did not have official status in material published by the Government as a defined set of top goals. Instead, one interviewee talked in very general terms about GVA's "visibility" as "hard to get away from". Tackling poverty was described by another as "a big cross-government agenda" without further details of how it came to occupy this position; but another said "a clear priority on tackling poverty" had been set by the First Minister; and a third referred to the Tackling Poverty Action Plan as a means of articulating government priorities. The views of ministers, and agendas of particular ministers in setting the priorities of their departments were mentioned often (and the fact that the interviews were carried out during the period of and immediately after a Cabinet reshuffle perhaps brought this into sharp focus). The overall impression given was therefore that officials identified the most important government aims as those emphasized by ministers, likely both in their public roles and through their private interactions with officials.

4.2 The Programme for Government

The case study research suggests that the PfG is clearly seen across Welsh Government as the key place where government aims and priorities are collected.

The introduction to the PfG document states that it:

"represents a real commitment to delivery, and a move away from an approach to measuring success that placed too much emphasis on the amount of money spent,

*or the number of policies implemented, rather than the impact government is actually having on people's lives. In contrast, this document emphasises the outcomes we are working towards.*¹⁹

The PfG was referred to frequently by interviewees and workshop participants and clearly had a high profile within the organisation. But it was not generally seen as the *mechanism* by which the genuine highest-priority aims of the Government were set or communicated, rather as a means of collecting together and ensuring accountability for pre-existing emerging from across the Government's policy directorates. However it was seen as reflecting and driving the policy priorities which would contribute to achieving these aims. One workshop participant described the PfG as effective because it has the backing of the first Minister.

In line with its overall role in driving policy priorities, research participants frequently referred, in general terms, to the PfG indicators as encapsulating the highest-priority programme of work across Welsh Government. One workshop participant said:

"if there's any [indicators] which bind us together at the moment it would be the Programme for Government indicators".

However, there were no clear mentions by participants of specific examples of influential indicators within the PfG. The fact that it contained a very large number of indicators was often seen as a problem. For example, a workshop participant commented that it "has got 350 priorities". Unlike the informal top three priorities to which interviewees referred, the PfG document does not contain a succinct statement of top-line goals (see Section 3 for a description of its structure).

The perceptions that the PfG was a driver of policy priorities and that it contained an unhelpfully large number of indicators may seem somewhat contradictory, but seemed to be explained by the process through which the PfG was originally compiled. As described by participants, each policy team was asked to submit the key indicators relating to its work, resulting in a large number of indicators. (A similar process was described relating to the creation of the Tackling Poverty Action Plan). This led to a sense for most officials that the PfG reflected the key aims and indicators they were working to achieve, although this seemed to be a matter of PfG indicators reflecting their already existing priorities, rather than creating or helping to shape them. One interviewee described the PfG as:

"an attempt to put the Government's performance management system into the public domain, so that ministers are accountable for it and make it real for them".

This public accountability role for the Government's performance management system as a whole would explain why the processes around the PfG did not themselves seem to set or communicate the real top-priority policy aims of the Government.

4.3 The push towards joined-up working

Interviewees also described a concerted effort to ensure more joined-up working across the Welsh Government, via mechanisms including the Delivering Results Group which was bringing together policy-makers from "areas not normally seen as intersecting"; the Policy Log, described as a mechanism to enable policy-makers across the Government to get an overview of policies in development; and the PfG and SD Bill also cited as contributing to this agenda. The indicators within the PfG were described by one research participant as

¹⁹ Welsh Government (2011) *Programme for Government*. p iv.

being based on the Results-Based Accountability approach. This approach was mentioned by key informants and by many research participants as of growing importance across the Welsh Government. It aims to assess policy areas and programmes through a clear distinction between outcomes, outcome indicators and performance indicators. It has strong links to efforts to increase joined-up working – as illustrated by the comment from a workshop participant who described it as aiming

“...to demonstrate the idea that we're making a contribution towards an outcome, as opposed to achieving the outcome entirely in isolation”.

4.4 How indicators are used across policy-making

The overall sense given by research participants was that, in general, the role of indicators in the policy-making process was as a mechanism to reflect existing policy priorities, but that some particular indicators had gained a prominence which had led to meaningful policy changes.

As discussed above, the PfG indicators were frequently referred to as encapsulating the Welsh Government's priorities, but ultimately in a way which reflected pre-existing priorities, and research participants rarely referred to specific PfG indicators in discussing policy priorities.

The Results-Based Accountability approach also emerged as a strong theme in considering how indicators were used across the Government, with some worries expressed about whether it allowed sufficiently nuanced analysis. The existence of indicator sets of outputs and outcomes that related to specific government programmes was also highlighted.

Workshop participants provided a number of specific examples where indicators were seen to have had a genuine influence on the content and direction of policy. These were:

- The use of high-level economic indicators for regions and local areas to make the case for the need for policy intervention and funding in those areas.
- The teenage pregnancy indicator, which failed to show improvement for a number of years, which then led to a programme of concerted action and thus improvement in the indicator.
- The fly-tipping (illegal dumping of waste) indicator which was showing an improvement that did not reflect the “reality on the ground” reported by local authorities. This led to a push to develop a new policy strategy and new indicators.
- The OECD's PISA indicator which compares education systems internationally through measures of pupil performance at age 15. Wales performed very badly on this indicator, which led to what one workshop participant described as a “fantastic change” in the Welsh education system.
- A concerted focus on ambulance response times which had received a lot of public attention. Some participants suggested that there had been too great an emphasis on this single indicator to the detriment of attention to other indicators.

In many of these cases, indicators had risen to prominence because of poor performance, and the resulting attention then led to a drive for action. One participant said, giving the example of ambulance response times:

“the kind of indicators that drive us, they're the performance indicators which have a resonance with the public”.

Other than these examples of action-spurring and policy-content-shaping policy uses of indicators, some other types of uses were described. One related to what was described in the BRAINPOoL work package 1 review report as ‘conceptual’ uses of indicators, where they influence ‘how decision-makers define problems or provide new perspectives on problems’.²⁰ This was the idea that headline indicators “hold” or stand for ultimate outcomes, with indicators linked to long-term targets give a “mind-set for change”, while a second tier of more detailed indicators is used to identify policy options. However there was also a view that target-setting was potentially problematic because it drew public criticism for failure if target were not met and criticism for being set too low if they were.

Some other uses of indicators were described, relating to the way that the policy process functioned. One workshop participant described indicators as a mechanism to assign responsibility to particular government departments in order to “hold these sectors responsible” – requiring particular indicators to be designed that worked below the level of overall economic growth or well-being. Another use was a monitoring role during the implementation stage of the policy-cycle where output indicators in particular were used. Examples of this were the number of local authorities with relevant policies in place, and the amount spent on a programme, which were used as progress indicators. One interviewee said that using outcome measures as targets for external delivery organisations can lead to too narrow a focus on those specific areas

A related issue which emerged during discussions at the workshop was the role of evaluation during the policy process. One workshop participant described evaluation as a neglected stage of the policy cycle, attracting less attention than other stages, which resulted in a lack of effective mechanisms to end programmes which were not working. However, another participant suggested this was a problem of the past and described how policy guidance now aims to ensure that evaluation is given attention from the outset of a programme. Some other general problems with evaluation were discussed. Some other general problems with evaluation were discussed including that evaluators tended to highlight positive messages from their findings. At the policy assessment stage, the range of different assessment tools in use was seen to be difficult for policy makers. A further problem mentioned was the time lag before evaluation results became available, by which time they were seen as out of date and policy officers had often moved on to new roles, so that the feedback loop was not properly closed.

4.5 How the SD agenda is perceived

There was a high degree of awareness that SD was, at least nominally, a central part of the Welsh Government’s agenda. In the interviews, which particularly sought views of the SD agenda in general (before probing on the SDIs in particular), the responses suggested that SD was acknowledged as important, but was not often being used as a means to ensure that particular goals were being met within government. Four broad attitudes to SD could be distinguished, although these were not mutually exclusive – in some cases individual interviewees described aspects of more than one of these attitudes.

Two interviewees stood out in describing the **SD approach as being genuinely central** to their work – notably, both worked in policy areas relating to physical and natural

20 Hák, T. (CUEC), S. Janoušková (CUEC), S. Abdallah (nef), C. Seaford (nef) and S. Mahony (nef). *Review report on Beyond GDP indicators: categorisation, intensions and impacts*. Final version of BRAINPOoL deliverable 1.1, A collaborative project funded by the European Commission under the FP7 programme (Contract no. 283024). CUEC Prague, 18 October 2012. p22.

environments. One described SD as “an integrated approach to multiple benefits for the long-term”. The other said that SD was “the golden thread that runs through [the relevant policy area’s] activity”. Both of these interviewees described work creating sets of SD indicators which were applicable to their specific policy areas (see ‘Current uses of the SDIs’ below). It did not appear to be coincidental that these interviewees, who saw SD as central to their work, had done indicator work to help them achieve a balanced set of SD goals.

But while some other interviewees used the language of SD as the ‘central organising principle’ of government, there was substantial evidence that it was not as thoroughly embedded in ways of working as the phrase implies. For example, one workshop participant suggested that the extent to which SD was focused on in a given piece of policy work depended on the preferences of the particular minister involved. Others pointed to the fact that communication around SD was difficult and had failed to connect with the public. Many interviewees did not describe the SD agenda as pushing them to consider a balanced spectrum of outcomes (as represented by the five SDI themes) throughout their work.

Hence, of the other attitudes, one was the ‘**SD as a mirror**’ approach, suggested by interviewees whose descriptions of the SD agenda focused on the areas in which it reflected the priorities of their own area of work. They pointed to headline SDIs such as economic growth and poverty reduction, and described their activities towards one or other of these goals as evidence that they were addressing the SD agenda. But these interviewees did not describe a sense that the SD agenda was causing them to think more broadly in their work across the whole spectrum of SD themes.

Another attitude to SD was the idea, expressed by a number of interviewees, that **SD is synonymous with the process of good government**. For example, one interviewee said:

“SD should just be the way we work – it’s about improving lives in the long-term, and taking a collective focus on the biggest collective impact”.

Another said:

“It is no more than good government – there is a danger if it becomes something separate”.

This interviewee, when asked about the role of specific policy priorities within the SD agenda, emphasised the fundamental concept of SD as unchanging, and likened it to “equality” which needed to be mainstreamed in policy-making to avoid the sense that it was “somebody else’s job”. One workshop participant spoke particularly positively about a sense that SD was becoming already more mainstream and “bleeding obvious” in policy-making, citing as examples the acknowledged needs to “keep people well as long as possible” and “get everyone educated”.

This attitude to SD, in contrast to the first, recognised the breadth of the agenda, but potentially risked de-emphasising the role of specific goals within the agenda of the sort represented by the SDIs. It seemed to be linked to the view, expressed by a workshop participant that SD was “trying to do everything” and was “all encompassing”.

The ‘synonymous with good government’ view seemed to be motivated in part by a desire to counteract the impression that SD was overly weighted to the green agenda, something mentioned by a number of interviewees. For example, one interviewee said that “the majority of external partners interested in SD see it as a green agenda” but that the “three legs approach was not necessarily favoured by the environmental lobby”. Another talked about:

“the need to move beyond the environmental sphere” to avoid people thinking that SD means ‘green stuff’ which is ‘someone else’s job’ ”.

While the interviewees described this effort to counteract an overly green impression of SD in terms of the need for balance and effective cross-government working towards SD, the comments to some extent created the impression that the environmental aspect of SD was now being downplayed in many areas of the Welsh Government.

The fourth attitude to SD described it as a sort of **minimum standard** against which activity must be checked. When describing what the SD agenda meant for his area of work, one interviewee noted that the Government’s commitment to SD meant that he and his colleagues needed to ask “Is [any particular policy] outcome compatible with the SD approach?” even if they were “not actively thinking about it most of the time”. Another said his team “wouldn’t contemplate making policy without reference to SD”, saying “we have to check our work doesn’t mitigate against SD outcomes” and described this in terms of needing to also consider a range of other factors including “rurality, demographics, [service user] preferences etc”. These responses suggested a view of SD as only indirectly related to the policy areas which they owned, so that it would be considered only once the broad direction and content of the policy area had been decided.

These general attitudes to SD did not seem to be strongly linked to views of current innovations in the SD policy sphere, particularly the SD Bill, which was described positively by many interviewees. The new statutory advisory SD body which it would create was seen as important, and two interviewees also welcomed the new duty on the Auditor General for Wales to examine how successfully organisations have embedded SD, alongside the duty for standard financial scrutiny. One interviewee welcomed the effect of the Bill in being able to clarify a particular duty on local authorities relating to her policy area, “giving teeth” to this policy area. A number of interviewees, while positive about the Bill, described its role primarily as symbolic, noting that in creating the statutory duty to consider SD in decision-making it was enshrining into legislation an already well-established and broadly unchallenged commitment to SD across Welsh Government.

Two interviewees offered explanations for the lack of a stronger SD approach across much of Welsh Government activity. One pointed to the limits to the devolved powers of the Welsh Government – particularly its lack of broad tax-raising powers. As well as putting a limit on available policy levers, he noted that this was also linked to a lack of external scrutiny (and, it was implied, pressure for action) from the media and others. Another interviewee described the Welsh Government as “still immature” as a policy-making organisation, only in existence since 1999, with its predecessor body, the Welsh Office concerned only with “rebadging” policy made in London, although he noted that recent years had seen “more pro-active policy-making”. In addition, he described a general tendency for people to “go straight for an answer” or “action”, rather than take what he felt was the SD approach of “breaking down problems first”. Implicit across all interviewees’ responses, however, was perhaps the strongest reason for the lack of strong SD impact: the fact that SD priorities as a whole were not seen to be among the top three goals driving activity across the Welsh Government (as described in ‘What drives overall policy goals’ above).

4.6 Current uses of the SDIs

The clear overall message from research participants when describing the current use of the SDIs across the Welsh Government was their low profile and lack of prominent use.

Participants' comments about the overall role of the SDIs included: "the organisation is not lined up behind [them]", they "don't drive anything", "the SDIs measure stuff that we contribute to, but the agenda is set somewhere else", "we pay a lip service". Another said:

"the indicators are virtually unknown in our department. They're just totally disconnected from the work that goes on".

One participant explained the SDIs' position relative to his department's own indicators:

"I think each area has its own indicators. They're probably seen as more important than sustainable development ones, which are supposed to be the cross cutting ones".

Another compared them to the PfG indicators, saying that the SDIs have:

"quite low status...whereas the Programme for Government ones have a high status. So even indicators have a class system, if you like."

One interviewee reflected on the low profile of the SDIs by suggesting that expectations of how they would be used in an instrumental way were in fact too high, and that their role was a symbolic one in terms of expressing priorities:

"it's easy to overstate the value of headline indicators – but there is value in their clear expressions of priorities".

Probing during the interviews revealed that there was some degree of knowledge of the SDIs among interviewees. One said that he was not at all familiar with the indicators, but others seemed more aware of them (which was not unexpected, given that a number of interviewees had at least some remit for SD within their policy areas – a likely reason why they had volunteered or been delegated to take part in the interviews). In accordance with the 'SD as a mirror' view, some interviewees took the approach of focussing in on those indicators which directly related to their 'home' area of policy work – they felt a strong degree of ownership of these particular indicators, but not for all of the headline indicators within the set. Other indicators did not seem to have any champions among the interviewees.

Even those interviewees with a strong environmental focus in their work did not feel a sense of ownership of the headline indicators for resource use (Ecological Footprint) or environment (priority species status and priority habitat status). One of them said "It is difficult to argue that Ecological Footprint...is affected by [my policy area]". In some interviews, interviewees were probed about uses of the supporting economy indicator of resource efficiency – the ratio of carbon emissions to GVA – because prima facie it seemed a useful example of an indicator which tied together two key elements of SD (economy and environment), and which therefore may be the focus of some attention. But while one interviewee suggested that although he didn't work on the CO₂:GVA indicator himself, he expected that there were "people in a number of departments working on it", there was in fact little evidence of this, even among interviewees who worked across elements of environmental and economic policy.

Most interviewees did not, however, describe the lack of attention to the SDIs in the round as a problem, perhaps reflecting the attitude (expressed in the comment quoted above) that expectations of the effective instrumental use of the SDIs in the policy process had always been low. However, one interviewee, whose work had a strong focus on environmental sustainability, did see this as a problem. She said that the SDIs were:

“too linear, they promote linear thinking and don’t ensure that people address the full range of SD outcomes in the round. We need mechanisms for integrating – [because] it is human nature to narrow down [one’s] focus.”

This interviewee was one of the two, both of whose policy areas included a fairly strong element of environmental policy, who described the creation of a set of SD indicators specific to each of their areas of work. There did not seem to be a strong impetus in either case to mirror the structure of the cross-government SDIs within these bespoke indicator sets; rather, the aim was to create indicators which would measure aspects of SD in a way which would be genuinely useful and relevant to their work. However one of them did describe an explicit effort to ensure that their indicator set did:

“try to capture the balance of the three ‘legs’ [of SD] – we were conscious of trying to do that”.

In both cases there was a clear sense that simply using the cross-government SDIs, or a closely adapted version of them, would not have been as useful, because they would not have related as clearly or relevantly to the particular issues which their policy areas were dealing with.

Other interviewees, with a less strong environmental focus in their policy areas, described difficulties with using the SDIs in relation to their particular areas of work. One, responsible for a programme operating in local areas across Wales, explained the difficulties he had experienced:

“There are some aspects of the programme where the SDIs are very relevant – but SD is more useful to extend [our attention] beyond the three key areas [of the programme]... Measuring the SDIs at local level is very difficult – [instead] we need to find related action at local level.”

Another said:

“if we used the SDIs to measure the success of [our policy area] we would get big distortions”.

Other interviewees saw problems with the design of specific indicators within the SDI set, with some describing that the key indicator relating to their policy area was not the most appropriate or nuanced way of capturing the relevant issues. There were therefore seen to be difficulties of applicability of the SDIs to day-to-day policy as an indicator set as a whole, and in terms of individual indicators.

The interviews also revealed the lack of a sense that the SDIs were something for which policy-makers, teams or departments would be held accountable – reflecting their official status as an official statistics product, rather than a set of government indicators. One interviewee commented that he would not expect to be asked directly to report on his programme for the Sustainable Development Annual Report.

This reflects the observation within the commentary by Wales’s Commissioner for Sustainable Futures, Peter Davies, on the SD Annual Report for 2011-12, that:

“In parts, this report continues to feel like two separate reports, with little connection between the factual reports of progress against the indicators and the narrative report about delivery actions undertaken.”²¹

²¹ Welsh Government (2012) *One Wales: One Planet – The Sustainable Development Annual Report 2011-12*. pp 2-3.

It therefore seems that, at present, the SDIs are not being used very effectively as an accountability mechanism.

5. Findings: Barriers to the effective use of the SDIs

The research produced rich data on the barriers identified by officials to the more effective use of the SDIs across Welsh Government policy-making, which are explored in detail in this section.²² The barriers relate to four core problems with the SDIs: their lack of salience for key audiences, their lack of connection to government priorities and action, the perception that they distort the true priorities of Welsh Government and the political pressures which counter their effective use. We have identified eleven distinct barriers which relate to these problems, which we describe in this section. We also discuss the suggestions made by research participants for changes which could help address the barriers.

5.1 Barriers relating to lack of salience for key audiences

This group of barriers related to the indicators' lack of salience – that is, meaningfulness, comprehensibility and interest – for their key audiences, i.e. policy-makers, politicians and the public.

Lack of strong narrative

The lack of a strong, emotionally meaningful and comprehensible narrative accompanying the indicators emerged as a strong barrier.

During the workshop, participants were presented with a restructured set of the current SD indicators – the same indicators, but grouped differently into headline themes (the restructured indicator set is shown in Appendix 1). One participant reacted to this restructured set as follows:

“...there’s nothing there that I find exciting or inspirational or emotionally charged. Nothing I’d ever want to buy into myself, frankly. I think it’s very poorly [done] – as a communication, it’s weak. It’s not helping really with what the priorities are.

[Then asked by researcher: ‘What would it need to be doing to excite you?'] You need some sort of emotional language that people can touch on, really.”

A participant noted that it is the narrative around economic growth that “makes it a priority [so that] it sits at the top”. Another commented on the need to “excite the policy visions and excite the public”, noting that this meant indicators need to be “seen as important either for that policy area or for the Government or quickly understandable”.

The point about comprehensibility was emphasised by participants, and extended beyond lack of overall narrative to the design of indicators themselves. One participant said:

²² Many of the findings on barriers came from the workshop, which, as noted earlier, was framed overall in terms of the effective use of indicators in policy-making rather than the use of the SDIs specifically. Therefore participants were not always referring to the SDIs directly in discussing these barriers. However, the links between the barriers relating to the effective use of indicators in general, and the SDIs specifically, were strong, and thus the findings on barriers are presented here in a single section.

“...these are indicators that policy people develop, but the citizen doesn’t develop. Therefore it’s very difficult for citizens to get excited about something which is very policy speak.”

Ecological Footprint was highlighted as an example of an indicator that was

“quite complicated...The main in the street didn’t understand. Therefore, that can sometimes not lead to a push to improve on that measure”.

[Lack of context and meaning](#)

Participants noted that the presentation of the SDIs did not make their results seem meaningful, because they lacked the context of a form of robust comparison.

Workshop participants contrasted the SDIs to examples of indicators which had led to policy change (see section above on ‘How indicators are used across policy-making’). One theme which emerged from this discussion was the useful role that international comparison of indicators can play in drawing attention to performance on an indicator, with the PISA indicator referred to as a key example. While one participant noted a concern that international comparison may not give enough weight to differences in national context, another argued that it remained useful from both a benchmarking and communication perspective. A participant said:

“Say we had a league table. Wales is performing at the bottom of that, people can see that as being somehow worse, but if you just tell them something in isolation, then they’ve got to understand that. There’s not always that push to change resulting from media pressure.”

As the SDIs were not explicitly designed with international comparisons in mind, they do not benefit from this sort of attention-drawing and meaning-giving comparison.²³

Workshop participants pointed out that headline indicators often lacked context, because they are not presented comparatively or as a rate of change, with attention drawn to very small changes unlikely to be robust in terms of statistical significance.²⁴ One described this by saying that some form of comparison is vital to provide a sense of context and meaning to an otherwise ‘floating’ number:

“So from a data perspective, it’s better to have that, a level of international comparison that you can then benchmark yourself against. Without that, there’s no context to how well you’re doing.”

[Too many indicators across Welsh Government](#)

Workshops participants described a clear sense that, as a whole, the number of indicators across the Welsh Government was too high and this in itself was a cause of lack of salience for any particular indicators, including the SDI set.

²³ Some of the headline indicators are in fact available at national level for many countries, for example, Ecological Footprint and percentage of the population in households with below 60% of median income, but none are presented in the form of international comparisons

²⁴ A related specific problem was that of local areas in Wales tending to compare themselves to the Welsh average on a number of indicators, which does not help to drive improvements if the average is falling. This was contrasted to the benefits of indicators which make international comparisons.

Participants commented on the sense that the existence of a large number of indicators across the Welsh Government created a sense of a “mass of information” which makes it difficult to “determine the most significant indicators from amongst the plethora we have”.

Participants gave examples of the large number of indicators they were expected to respond to. Another talked about European obligations which come with their own sets of priorities and indicators, creating further complexity.

Poor design and selection of individual indicators

A further lack of salience for the policy-maker audience of the SDIs derived from the problems with the design and process of selecting individual indicators, so that there was reluctance to treat specific indicators as ‘standing for’ an entire policy area.

Within the SDI set participants pointed to the infant mortality indicator and the indicator based on achieved NVQ Level 2 as indicators which did not best represent the policy areas to which they related. In the case of NVQ Level 2, this was because evidence suggests that achieving NVQ Level 3 is more strongly related to better outcomes across the life course. In the case of the infant mortality indicator, it was described as not best representing the success of health policy because it reflected an outcome experienced only by a ‘tiny’ proportion of the population overall.

Interestingly, although the PISA indicator had been cited in the workshop as an example of success in bringing about policy change (see ‘How indicators are used across policy-making’ in Section 4), one participant also pointed to PISA as an indicator that, when looked at in detail, was not in fact seen as a useful standard within education policy. The fact that it had brought about change did not outweigh, for him, the problems he perceived in the detail of indicator construction that failed to reflect detailed policy priorities. This tension points to the different functions that indicators have across the policy cycle – here, both flagging a broad policy area as in need of attention and directing the details of policy activity.

There was also scepticism about the subjective well-being indicators within the SD set. For some research participants this seemed to be based on fundamental misunderstandings of the basic principles of subjectively measuring well-being – for example, one said “I think the problem with well-being is that people are jealous”, another referred to the fact that her “own personal well-being...changes from day to day” as a reason why the Government should not attempt to measure it. Others’ doubts centred on whether well-being measurement was a useful addition to the policy process. One suggested that it was “about recognising age-old policy goals, just recording them better”; another cited the “lack of change” over time in well-being measures as a “big challenge” and asked:

“...if well-being indicators just cut old problems, e.g. jobs, in a new way, what do they really add?”

These responses suggested that the case for the robustness and usefulness of using well-being measures in the policy process had not been made clearly across Welsh Government²⁵, so that these indicators were not salient for a number of officials.

²⁵ This case has been made for example in: Diener, E. & Seligman, M. E. P. (2004). Beyond money: Toward an economy of well-being. *Psychological Science in the Public Interest*, 5:1–31; Bok, D. (2010). *The politics of happiness: what government can learn from the new research on well-being*.

One spoke about the failure to make the case for why particular indicators were best suited to being used in a given situation, noting that a robust theory of change was not always set out as to why the use of particular indicators would help address an identified problem

In the case of the subjective well-being indicators, there was an oblique suggestion that part of the reason that they were viewed warily was that they were seen as deriving from a process external to the Welsh context:

“This is where I have some issues with the whole wellbeing agenda in the UK and other levels. Is it really addressing the core issues of what matters?”

These process concerns seemed to be part of a sense of unease about the resulting indicators that were chosen.

5.2 Barriers relating to lack of connection to priorities and action

This group of barriers related to the sense that the SDIs were disconnected from both the true priorities of Welsh Government and from the possibility of taking policy action to improve them – and thus that they were often disconnected from the real concerns that policy-makers are working on.

Lack of connection to government priorities and tension about how the SDIs should relate to them

A clear barrier to their effective use was the sense that the SDIs stood apart from the real priorities of the Welsh Government, although research participants also recognised the value in an indicator set that had more longevity than the programme of a single government. There was a sense of impasse about how to resolve this tension.

Given the clear sense of importance of the PfG to policy priorities noted earlier (see ‘How indicators are used across policy-making’), it is not surprising that a particular area of disconnect was seen to be the SDIs’ lack of adequate linkages to the PfG. However, while one research participant questioned the need for the SDIs “to be separate and sit outside” the PfG, another, while agreeing that all the SDIs should be included within the PfG, said it was still useful to “abstract an identified subset of SDIs from PfG indicators that embodies SD – until SD is totally merged with good policy-making”.

This issue can be seen as part of the wider one that received considerable attention during the workshop: whether a set of headline SD indicators would be more effective as a long-term structure, distinct from the programme of a particular government, or as a set of indicators which are more closely tied to government priorities. On the one hand was the idea that the indicators were so “fundamental” that they should not change with changing politics or governments, to allow them to be the “rock and foundation of the whole process”. On the other, was the disconnect from current political priorities that arises, as currently, when the SDIs are set apart from the Government’s programme, particularly as things “move on” over time, with the example given of youth unemployment only having become a key issue in recent years. Describing an example of the potential benefits of aligning the SDIs to the government programme, a participant said:

Princeton: Princeton University Press; Centre for Well-being (2011). *Measuring our Progress: The power of well-being*. London: New Economics Foundation; Helliwell, J. F., Layard, R. & Sachs, J. D. (2012) *World happiness report*. New York: The Earth Institute, Columbia University.

“...if the indicators were the voice of the government, then as you restructured your health service, you’re thinking about how you’re going to improve health inequalities.”

One participant said that the choice of indicators was not a neutral one but rather was part of the process of prioritising policy goals, and suggested that the tension between indicators sitting outside a government programme or in effect being policy targets was rarely clearly acknowledged:

“I think there’s a question for me about, when you’re setting indicators, in a sense, are you making policy decisions? If you’re setting indicators like teacher to child ratios, is that embedding policy positions? And if so, what should the process be for making those decisions and setting those indicators?”

Another participant summed up the dilemma:

“So you’ve got this difficult decision to make as to whether you have them separate. They’re long-term and they are an external monitoring of Wales as a whole. But yes, they don’t potentially have the ability to influence decisions. Or you have it within. That’s the real challenge.”

[Reluctance to prioritise within indicator sets](#)

A further barrier to the SDIs genuinely reflecting government priorities was a sense of a reluctance or inability to prioritise when designing headline indicators.

A research participant clearly described the barriers to effective focusing of policy work that the large number of priorities and indicators across government created, suggesting that the structure of Welsh Government made prioritising at headline level difficult:

“...part of the problem...is that we have so many priorities, some of which compete with one another. It is impossible for us, with the political arrangements that we have, to focus down on: ‘Well, if we do these five things then the citizens of Wales will benefit’. People have got more departments than that..”

The number and breadth of focus of the indicators within the SD set itself certainly seemed to represent a barrier to its effective use, creating a sense of uncertainty about the role of the indicator set as a whole and adding to the unclear relationship between the SDIs and the PfG indicators described as part of Barrier 5.

One workshop participant described the hypothetical situation that would address this lack of prioritisation, where headline indicators would express genuine overall goals across government:

“What do we want our population to be? We want them to be educated, fit, cultured, healthy, living in a decent environment and having prosperity. So...it seems to me that that should be the framework that we’re operating in, and the indicators should take us towards that being an ideal situation”

But despite the clear acknowledged problems of having too many indicators (Barrier 3), many participants described concerns relating to what is lost when a high-level summary set of indicators is used – and these concerns appeared to act as barriers to high-level prioritisation being implemented. They included a concern about the nature of headline indicators lacking sophistication – that “if you shrink the number of indicators by that much

that they become too blunt” and “over-simplif[ied]”, with the risk of attention falling on “silo-ed single headline grabbing indicator[s]” (with the example of ambulance response times cited). An interviewee summed up the problem, saying:

“the problem with prioritisation in indicator sets is difficult because it entails de-prioritisation”.

This understanding seemed to reflect the attitude expressed during the workshop that “the danger of having one headline set” of indicators was seen to be that “it’s not responsive enough” to particular interpretations or policy interests. For example, one participant cited the issue of ethnic diversity within communities as something which should be reflected in the SDI set.

The comment of one participant revealed an expectation that evidence should be able to help with the process of prioritisation, which sat to some degree in tension with his acknowledgement that prioritisation is ultimately a political process:

“I think it’s a lack of understanding and the evidence for the really critical things to do because you can select political priorities. We don’t then have the evidence to get evidenced-based priorities as well. Academics aren’t very good at looking and practising, they tend to do very narrow pieces of research which often creates another priority rather than actually what are the really significant things that we should be doing?”

[Lack of connection to policy action](#)

This barrier was can be summed up as the sense of a lack of ability to influence or ensure accountability for headline indicators.

One workshop participant said that there was a tendency for headline indicators “to be the ones we can’t change” because too many factors contributed to them. According to another participant, work on the SD Bill, which would place a duty to consider SD onto a wide range of public bodies, had highlighted that:

“You’ve got a set of indicators, [but] you can’t hold all these organisations accountable for achieving those targets”.

Participants did not seem to see a way in which smaller contributions towards an overall goal represented by a headline indicator could be taken account of in this context.

However, participants clearly acknowledged the need for action towards a headline indicator to be possible for it to be effective. One said that headline indicators need to be amenable to being impacted by Welsh Government action, but not so specific that they drive perverse actions which are overly narrowly focused. Another pointed to the example of teenage pregnancies as a successful indicator, arguing that a key part of this success was that “there was a very clear solution to the issue”, whereas for other indicators arriving at a clear solution was much more difficult:

“It’s no good having indicators where we haven’t got a clue what we’re going to do, so we never end up knowing whether we’ve succeeded or not”.

Furthermore, some indicators were seen as ineffective because they did not bring about action, even when this was possible – the need to “build in triggers within those indicators” which lead to quick action was highlighted. The timing with which indicators were updated were seen as part of this problem:

“...some of the things you get once a year and therefore it becomes quite difficult to use them meaningful. But if you have data on a quarterly or a monthly basis, you will rapidly react to the information that you’re getting.”

A particular example of lack of timeliness, discussed at the workshop, was the Ecological Footprint indicator for which new data had not been available for some years.

5.3 Barriers relating to perceptions that the SDIs distort the true priorities of the Welsh Government

This group of barriers derived from perceptions that, for a variety of reasons, the SDIs did not merely fail to reflect the Welsh Government’s true priorities, but in fact distorted them.

Seen as too weighted to environmental issues

Some participants expressed a sense that the SDIs were too weighted towards environmental issues – related to the similar point noted earlier about perceptions of the SD agenda as a whole (see Section 4).

Commenting on the fact that two of the five current headings within the SDIs (resource use and environment) relate to the environmental aspect of SD, one participant said:

“I know that some conversations I’ve had where we saw two columns of the environment was evidence that the environment tail was wagging the sustainability dog. Not necessary that I personally align to it, but it’s a well-worn comment and a well-known perception.”

Seen as a false technocratic solution

Two interviewees argued that the SDIs could not be used to resolve issues of trade-off between different policy aims, particularly between environmental and other aims, rejecting a supposed view that the indicators could provide a technocratic solution to difficult problems.

One said:

“You need a political argument about the right balance between the [pillars of SD]. For example, in the case of a new nuclear power station – this requires a value system about which of economic, social and environmental is most important – the evidence on each feeds into a value judgment – it is not a technocratic problem.”

The other spoke in similar terms:

“There is always a process of weighing things against each other – a need to make value judgements on the basis of the evidence – so officials weigh up the odds. Officials should use logic, evidence, but also need to take account of ‘the art of the possible’.”

What is interesting about these comments is not the fairly uncontroversial observation that indicators and evidence do not remove the need for political decision-making, but the sense that a belief existed in some quarters that the SDIs *could* do this – giving rise to the need to defend against an overly technocratic view of how the SDIs might work.

5.4 Barriers relating to political pressures affecting the use of indicators

Participants described political pressures on the policy process as another set of barriers preventing the effective use of indicators.

Lack of fit between the evidence from indicators and the factors driving political decision-making

Participants described a lack of fit between indicators and the evidence they provided on the one hand and the political pressures which were driving decision-making processes on the other. The specific pressures to which politicians are subject, to present policy-decisions in a media-friendly and appealing way, seemed to be at the root of this.

This included a pressure to ensure that the change in an indicator sounded meaningful enough to announce publicly, irrespective of the real significance of the change. It was also suggested that the evidence produced from indicators often did not meet ministers' real needs in terms of helping them make specific decisions.

Pressure on politicians to be seen to be taking quick action

A further barrier was the pressure on politicians to be seen to be taking action and making changes in response to an identified problem, which could bias the policy-making process away from concerted attention on headline indicators.

Participants described how this pressure could tend to result in a focus on short-term activity and outputs. In turn, this seemed to be linked to a focus on what was seen to be "measurable, whether or not it's actually useful". One participant suggested this led to a focus on measuring the "intermediate stuff" rather than outcomes. Another said:

"The danger is we just do what we do. We don't pay attention to this long-term ambition because we're too busy trying to sort out the immediate problem".

Hence there was a clear tension between these pressures and the use of headline indicators designed to provide a broad overview of policy progress.

6. Participants' views of changes which could help overcome the barriers

The detailed discussions during the workshop about the barriers to the effective use of indicators in policy-making also led to a number of suggestions from participants for changes which could help overcome the barriers. The suggestions made can all be considered applicable to the SDIs, although in some cases participants were discussing indicators in general when making their suggestions. The suggestions addressed the barriers relating to lack of salience and to the lack of connection to priorities and action.

6.1 Fewer indicators

Responding to Barrier 3 of having too many indicators, Barrier 5 of lack of connection of indicators to government priorities and Barrier 6 of reluctance to prioritise among indicators, a number of participants suggested moving to, as one described it, "fewer, better, more

coherent” indicators. Participants mentioned benefits of a smaller indicator set, including that “it’s easier to sell a message”. One participant spoke positively of her experience of working towards focused outcomes in the private sector:

“...the only three things I really worried about is cost, time and quality and everything else falls under it. So you can work towards those as your outcome, and I think that keeps you focused”.

Another talked about the benefits of a recent streamlining of indicators within his policy area, despite the fact that not all stakeholders approved of the change:

“...we set out two outcomes and ten indicators. We’ve had lots of people who are very unhappy with that. But it has had the effect of making people think more seriously about those areas”.

One participant specifically linked taking a Beyond GDP approach to the need to reduce the number of indicators:

“...there needs to be very few indicators if we want to take on something like GDP”.

6.2 More structure within indicator sets

The tension between the need for a set of fixed outcome indicators and the need for a set of indicators which could be more responsive to current policy priorities and action – that is, to Barriers 5-7– led some respondents to suggest the use of indicator sets with more internal structure, that could help them meet both needs.

In particular, two participants suggested a distinction between overarching outcomes and the indicators which sit underneath them. One talked about “headlines or outcomes” with “indicators under that are a lot more plastic”. Another spoke of the idea of:

“...going to outcomes as opposed to indicators, and how the indicators are supportive of the outcomes. And having more contextual indicators and narrative and ...communication side of things. So we can contextualise everything.”

Asked to clarify her use of ‘outcomes’, the participant said:

“I mean a broad aim that we’re trying to achieve as the top level, and then below that, an agreed, say, five high level indicators...[and] contextual indicators.”

A related point was the benefits of “shared responsibility and RBA [Results-Based Accountability] type approaches” which aimed to help demonstrate:

“The idea that we’re making a contribution towards an outcome, as opposed to achieving the outcome entirely in isolation.”

6.3 Clearer links to policy action

Responding to Barriers 5 and 7 of lack of connection of indicators to government priorities and action, participants suggested ways in which this gap could be bridged.

One participant described the importance of going through a process to identify possible courses of policy action in response to high-level indicators and their drivers:

“...we questioned the relationship between what we can actually do with these high level outcomes. Then we tried to decompose some of these measures, what drives

them? Then think about what policy we can use to influence them. So it's understand[ing] the high level indicators, but also breaking them down into what you can actually do."

Another participant talked about the need to recognise that while indicators "trigger the case for change" this "sits within a political context", implying that it may be best not to expect immediate action based on the result of an indicator. But other participants suggested that mechanisms to ensure that indicators were responded to might be useful. One said:

"You can create obligations to listen to [indicators] essentially, whether it's a reporting duty through the SD bill or payments for ecosystem services. There might be a policy process, a guarantee so that indicator will be taken into account and valued by future actions."

Another comment echoed this:

"...have [indicators] compulsory. A lot of people make choices and chose what to do and what not to do. They will choose to do the easy thing and the hard things you just push aside and don't do."

And one participant made the specific suggestion that the new 'SD body' being created by the SD Bill could be assigned a duty of overseeing responses to the SDIs:

"...the SD body would be monitoring and reviewing to see whether you're on track. So is the policy making sure that the indicators are allowing you to make the right kind of policy and get the right kind of interventions, as needed?"

6.4 Better communication

Participants responded to Barriers 1 and 2 relating to of lack of strong narrative, context and meaning of indicators by suggesting ways to improve the way they are communicated.

Reflecting on the discussion about how international comparisons of indicators have helped them gain a profile, it was suggested that "we should be looking at using internationally comparable indicators". A number of participants pointed to the need for better use of narrative, presentation and language to more effectively communicate the indicators to a broad audience. One participant pointed to the negative messages which are often encountered in relation to SD, and to the difficulty in talking about the technicalities of indicators:

"I think there's big messages around communication of sustainable development itself. The topic of KPIs is a very dry subject...'sustainability is about ruining Wales, putting wind farms there'. It's got a story which is just terrible. Try and get that right and get the messages right and get the politics right, and the other things will the come in behind it."

Another highlighted an example of success in using language to communicate about sustainability and indicators:

"Oxfam in Scotland...did [an indicator] called the Humankind Index. It had a lot of sustainability approaches, but without calling it sustainability. Coming back to the language...it made [it] so real in terms of what action could be taken."

The suggestion to change the structure of the SDI set was also picked up on as a means to help improve the narrative around the indicators. Referring to the suggested restructuring presented during the workshop (see Appendix 1), and the identified barrier that the SDIs were seen as too biased towards environmental concerns, a participant said:

“the rearrangement you’ve got there would address that perception. Perceptions are important, whether the facts back it up or not, you grab hold of anecdotes and information and filter information. So the perception is out there that there is too much on the environmental emphasis, so it perhaps goes some way to addressing that.”

7. Discussion and recommendations for action

In this section we discuss the findings from case study and draw out some key recommendations for action.

7.1 Discussion of findings

Reviewing the findings presented above leads us to make the overall observation that currently, there is no clear or shared understanding of the role of the SDIs across Welsh Government, but that the changes that will be brought in by the Future Generations (Wales) Bill (referred to here as elsewhere in this report as ‘the SD Bill’) provide a key opportunity for their role to be clarified and strengthened.

The four sets of barriers to the effective use of the SDIs that we have identified – that they are not seen as salient, or as connecting to government priorities, and that they are seen by some as in fact distorting the true priorities of Welsh Government, and (therefore) vulnerable to political pressures which risk them not being given full account in decision-making – all suggest that they are not seen as having a meaningful role in the Welsh Government’s political and policy-making activity. This seems to be at least partly linked to the findings about attitudes to the SD agenda as whole: most research participants (with a few exceptions) did not seem to approach SD from the point of view of aiming to embed all five of the One Wales: One Planet themes (see Table 1) into their day-to-day work. In particular, there was a clear resistance to a perceived over-emphasis on the environmental sustainability aspects of SD, suggesting that in fact, this is an area to which many across Welsh Government do not assign high priority.

However, the Welsh Government is in an excellent position to create a strong and meaningful role for the SDIs. In addition to its founding statutory duty to consider its progress in relation to SD, the coming changes to be brought in by the SD Bill will create an even stronger duty for SD to be given concerted attention during the policy-making process, together with new mechanisms, particularly in the form of the new SD body and broadened role of the Auditor General for Wales, to review the effectiveness of the SD apparatus across the Welsh Government (and wider public sector). The SDIs could therefore play a crucial role, as part of these mechanisms, in monitoring the effectiveness of the Welsh Government’s SD activity.

This role for the SDIs suggests an answer to the dilemma raised by research participants of whether the indicators should be more closely merged with the programme of the current government or kept distinct: as an accountability mechanism used by an independent body they would need to be formally separate from the day-to-day priorities of any particular government. A key means of making this distinction and clarifying what is unique about the SDIs in comparison with other sets of government indicators is, it seems to us, ensuring that they are genuinely indicators of *sustainable* development. Sustainability is fundamentally about ensuring that current government activity and public services are financially, socially and environmentally sustainable into the future. Therefore the indicators should not merely be indicators of the current situation in Wales, but be designed to be leading indicators, based on current data, of what is likely to happen in the *future*. In this way, they could help the new SD body monitor the extent to which current policy activity is contributing to genuine future sustainability. One implication of this is the need to counter scepticism about the SDIs

being ‘too green’ by championing the fact that the indicator set includes a focus on environmental issues alongside other sustainability priorities, because environmental degradation represents one of the clearest threats to the sustainability into the future of much current policy. At the same time, consideration should be given to redressing the perceived imbalance of the indicator set towards environmental issues which arises from its current structure. These activities are closely linked to the need to develop a new narrative around the SDIs (and the SD agenda more broadly).

The need for a new narrative around the indicators is crucial, because the findings make clear that the SDIs will not be an effective mechanism for ensuring that policy activity contributes to future sustainability if there are merely regarded as a ‘backroom tool’ to which only the SD body need pay attention. To help shape the direction and implementation of policy they need to be seen as meaningful and important across Welsh Government and beyond. This means there needs to be a clear top-line message about what the indicators aim to help achieve that has resonant content for policy, political and public audiences. Hence the indicator set itself should be simplified to ensure clarity and focus on the top priorities for sustainability of policy. It also means that there need to be mechanisms demonstrating clearly how the SDI set, as something which sits outside any particular government programme, nevertheless strongly links to current government priorities, creating the structure below headline indicators which research participants advocated. This is likely to include the SD body encouraging the Welsh Government to set specific headline targets linked to the SD indicators – such targets, unlike the indicators themselves would form part of particular government programmes. The SD body could also support the development of sets of SD targets or performance indicators within particular policy areas, which would have a clear relationship to the headline SDIs. In addition, there is a need for the development of other policy tools which will help embed attention to the SD indicators within policy-making processes.

7.2 Recommendations for action

The preceding discussion leads us to make four key recommendations to help the SDIs contribute effectively to policy-making across the Welsh Government:

- The SD Bill legislation should establish a clear role for the indicators as an accountability mechanism for the contribution of Welsh Government (and other public sector) policy to sustainable development goals, with the indicators to be developed and owned by the SD body.
- The SD body, working in consultation with the Welsh Government’s SD policy unit, should re-develop the SD indicator set according to a set of design principles which ensure that it is fit for purpose for this role.
- The SD body and Welsh Government, working together, should improve the communication of and narrative around the SDIs to ensure that they are viewed as meaningful and important.
- The Welsh Government should create tools that help embed a focus on the SDIs within its core policy processes.

These recommendations overtly address the first two sets of barriers to the effective use of the SDIs – the lack of salience for key audiences and the lack of connection to priorities and action. However, by setting up a clear, role for the indicators with a narrative that helps them to be viewed as meaningful and important we believe that they will also address the third set of barriers, because a result of this is likely to be a reduction in perceptions that the SDIs

distort the true priorities of the Welsh Government. The recommendations do not directly address the barriers of political pressures that can lead to indicators not being used effectively in the policy process, as it does not seem possible to deal with these barriers through activity around the indicators themselves. But on this point too it is possible (although perhaps less likely) that if the SDIs are viewed across Welsh Government as more meaningful and important then they may be given more account at the 'political end' of the policy cycle.

In what follows we briefly discuss each recommendation and suggest an outline of what we think will be required for its implementation.

1. **The SD Bill legislation should establish a clear role for the indicators as an accountability mechanism for the contribution of Welsh Government (and other public sector) policy to sustainable development goals, with the indicators to be developed and owned by the SD body.**

This recommendation is motivated by the need to create a clear role for the SDI set using the opportunity presented by SD Bill to embed the SDIs within the new accountability arrangements which it creates. It aims to strengthen the suggestions in the SD White Paper that the SD body will 'have responsibility for recommending and monitoring key indicators of progress' (paragraph 3.2) and a 'key role' in 'monitoring progress' (paragraph 4.7).²⁶ Defining a key accountability role and placing responsibility for the development of the indicators with the SD body will provide much greater clarity over the role of the indicators, particularly a clear differentiation between the SD indicators and indicators associated with particular government programmes. It will allow the indicators to be used to assess compliance with the new SD duty by the Auditor General for Wales, and for the results of these assessments to be used robustly by the SD body in its supporting and challenging role, particularly with respect to the Welsh Government.

Implementing this recommendation will require:

- **The SD Bill legislation to strengthen the expectation on the SD body that it will take ownership of, and responsibility for the development of, a set of SD indicators** that can be used to assess the success of policy towards key sustainable development goals for Wales.

We suggest that the recommendation will be most effectively implemented if:

- **The SD body works closely with others across Wales, particularly the SD policy unit of the Welsh Government, in developing the new indicator set.**

and once the indicators are developed, if:

- **The Auditor General for Wales uses the SDIs as a key tool** in its assessment of the Welsh Government's compliance with the SD duty.
- **The SD body pays close attention to the SDIs to aid its role of supporting and constructively challenging the Welsh Government** to improve the embedding of SD in its policy-making. This could include requiring directorates to provide a regular update on how their policy programme is contributing to each of the headline SD indicators, which the SD body would then synthesize and publish. It might include

²⁶ Welsh Government (2012) *White Paper: A Sustainable Wales. Better Choices for a Better Future. Consultation on proposals for a Sustainable Development Bill.*

developing mechanisms to oblige Welsh Government directorates to respond to the results of the headline indicators when they are updated. The SD body should also consider encouraging the Welsh Government to set specific headline targets linked to the SD indicators – such targets, unlike the indicators themselves, would form part of particular government programmes. The SD body might also support the development of sets of SD targets or performance indicators within particular policy areas, which would have a clear relationship to the headline SDIs.

2. The SD body, working in consultation with the Welsh Government's SD policy unit, should re-develop the SD indicator set according to a set of design principles which ensure that it is fit for purpose for this role.

The case study findings have clearly shown that many of the barriers to the use of the SDIs derive from the design of the indicator set itself. Therefore, to effectively play the accountability role described in Recommendation 1, we think it will be necessary to:

- **Simplify the structure and content of the indicator set so that it reflects only the key sustainable development priorities for Wales.** The headline indicators should represent a clear and succinct statement of these priorities. This will require boldness about the need to prioritise within the set. It will be particularly useful to consider whether the indicator set would be more effective with a single headline 'environment' theme rather than two, for clarity and to avoid perceptions of bias. The added value of having additional supporting indicators alongside the headline indicators should be closely examined, weighing the benefits of capturing additional priorities against the disadvantages of reduced clarity and focus resulting from a larger indicator set.
- **Ensure that individual indicators within the set are leading indicators of the sustainability of current policy into the future,** rather than simply indicators of current welfare or status. The indicator set should therefore be distinct from those indicators that measure the current 'state of the nation' or 'national well-being'.
- **Consider whether the indicators selected are fit for purpose in a monitoring role,** examining particularly the inclusion of indicators for which new data is not regularly available (such as Ecological Footprint within the current set).
- **Ensure that a meaningful consultation on the selection of indicators is carried out with colleagues across Welsh Government as well as other stakeholders,** so that there is, as far as possible, broad agreement that indicators chosen best represent Wales' SD priorities. Where particular indicators are used, there will be a need to make sure that a strong case for their robustness and usefulness has been made.
- **Give indicators context and meaning by presenting them in form of comparisons.** This could be in the form of comparisons against future goals (particularly where these are firmly agreed in legislation) or through using indicators which are in common use internationally. Simply presenting year-by-year change in indicators is unlikely to adequately address the need for meaning because such changes can be very small and incremental and do not provide a clear sense of the bigger picture.

- **Consider the communicability of particular indicators when making decisions about whether to include them in the set**, especially if there are potentially easier-to-communicate alternatives.

3. The SD body and Welsh Government, working together, should improve the communication of and narrative around the SDIs to ensure that they are viewed as meaningful and important.

This recommendation addresses the clear need for a strong narrative and communication strategy around the SD indicator set, so that it does not become seen as just a 'backroom tool'. Without this, however improved the indicators are in terms of structure and content, they are unlikely to be seen as an important means of guiding policy-making across Welsh Government. The attention to communication and narrative should be seen as part of an effort to better communicate the SD agenda as a whole, and should link strongly to communications around the SD Bill. Thus a starting point is likely to be the 'Future Generations' language now being used for this Bill – which could be very useful in helping communicate the focus on the future which we discussed in Recommendation 2.

Implementing an effective communications strategy around the indicators is likely to require actions to:

- **Draw on input from communications professionals to shape a strong narrative and communication strategy around the indicators.** This is likely to involve input from communication both from within and external to Welsh Government. The narrative should reflect the elements of the redesign of the indicator set suggested in Recommendations 1 and 2, particularly the focus on future sustainability and the central role of the indicators as a mechanism to improve Welsh Government policy-making.
- **Tie the indicator communication strategy to a broader strategy to more effectively communicate the goals of the SD agenda as a whole.** This will require using language that will best resonate across all sectors of Welsh society. Words and phrases which it may be helpful to consider in addition to 'Future Generations' are 'progress', 'the future of Wales', 'Measures of Wales: Now and Future'.
- **Consider using a public engagement exercise to help shape the narrative around SD and the indicators**, and potentially to add legitimacy to the indicators.²⁷
- **Plan a high-profile relaunch of the indicators, involving the backing and engagement of ministers**, as a clear statement of intent to reach both public and political as well as policy audiences with the indicator set.

4. The Welsh Government should create tools that help embed a focus on the SDIs within its core policy processes.

While we have recommended that the primary role for the SDIs should be as an accountability mechanism that sits outside specific government programmes, the findings

²⁷ The recent study of Beyond GDP measurement approaches by the Carnegie UK Trust and IPPR North found that involving citizens in indicator development processes can help mitigate the 'inherent risk in government programmes becoming technocratic'. Wallace J and Schmuecker K (2012) *Shifting the Dial: From wellbeing measures to policy practice*. Dunfermline: Carnegie UK Trust. p20.

have also made clear the crucial need to ensure that there are strong links between the indicators and current policy priorities and activity. Only in this way can the indicators help shape the way that policy-making is carried out to ensure that it addresses Wales's key sustainability priorities. Specific policy tools will be required to help embed them within the Welsh Government's policy-making processes.

Such tools are likely to include:

- **A database or 'menu' of possible policy responses to changes in the headline indicators within different policy areas.** This may involve holding discussions focused on particular indicators to stimulate detailed thinking about possible actions within and across policy areas.
- **Policy tools to enable the indicators to be used within the decision-making process,** for example, screening tools which encourage impacts across all indicators to be considered early in the policy process, as well as tools which help impacts to be quantified later in the process.

Appendix 1: Research documents

This appendix contains the key documents used to guide the interview and workshop stages of the research, in particular:

- Both version of the topic guide used to structure the in-depth interviews.;
- The workshop agenda.
- The diagrams used during the workshop to present the current SDIs and suggested restructured SDI set.

Topic guide: SD indicators and Welsh Government's policy activity

v1, 13th March 2013

- Introduce self, CWB, nef, recording and anonymity
- Your role
- Key aims of your unit / department
 - Where are its goals formally stated? (More than one place?)
 - What are key goals / objectives that really drive day-to-day work?
 - What is it about these that gives them bite?
 - How is progress towards goals measured?
 - Formally
 - Informally
- How far has work of your dept / unit taken on board SD as COP? (...given findings of variation between depts.)
 - Why / what has brought this about?
- How familiar are you with the SD indicators?
 - Prompt with table if appropriate
- To what extent have the SD indicators had attention / influence in dept's work?
 - Indicators as framing issues / Year-on-year changes in indicators
 - What has stopped them having more influence?
- What might allow these or revised SD indicators to have more influence / concrete effects in the future?
 - Setting targets / milestones? Possible to overcome barriers to this?
 - Shorter-term vs longer-term?
 - Personal objectives for individuals?
 - Results-Based Accountability approach?
 - Other way of setting intermediate indicators more relevant to your work?
 - SD Bill / duty?
 - Other?
- Views on plans to produce unified set of PfG and SD indicators
 - How easy is it to identify those areas / indicators in PfG to which your work relates?
 - Reflections on process of producing first set of PfG indicators?
 - How effective have PfG indicators been so far?
 - How could this be designed to maximise influence?
- How do indicators compare to other means of getting policy change
 - e.g. (suggested in PwC review of SD scheme): formal SD impact assessment; oversight role of eg. First Minister's Delivery Unit; use of grant aid / conditions and other procurement practice; SD body to challenge decisions

Topic guide: SD indicators and Welsh Government's policy activity

v2, 25th March 2013

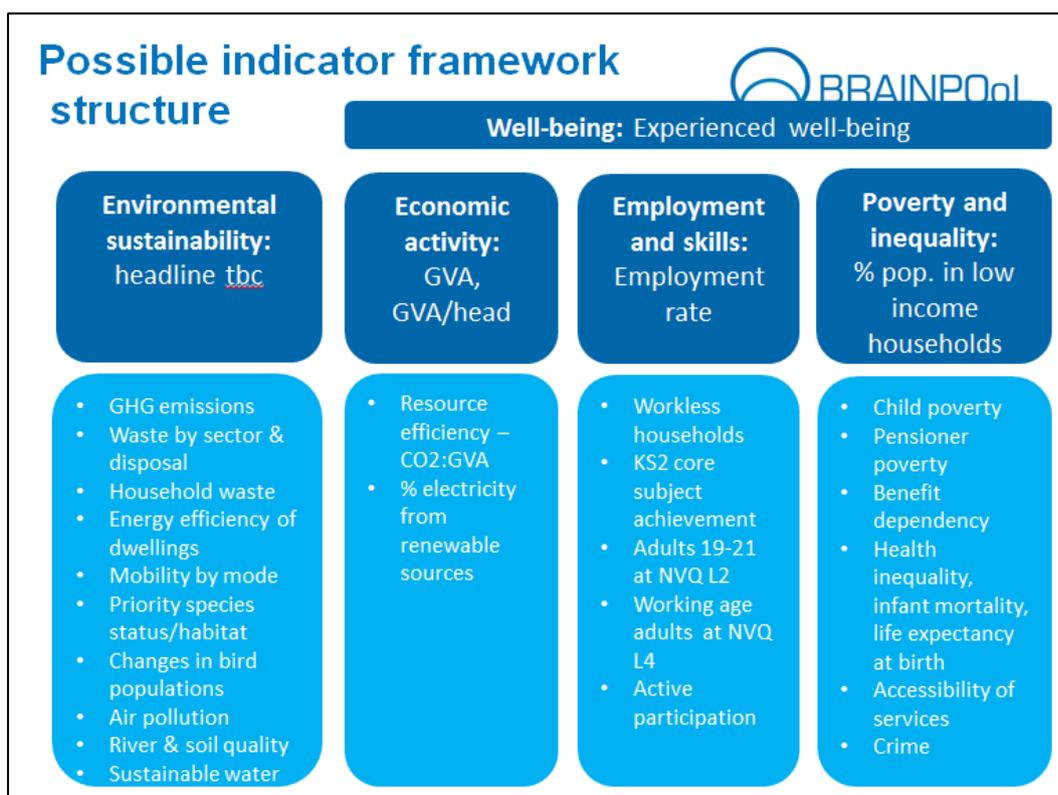
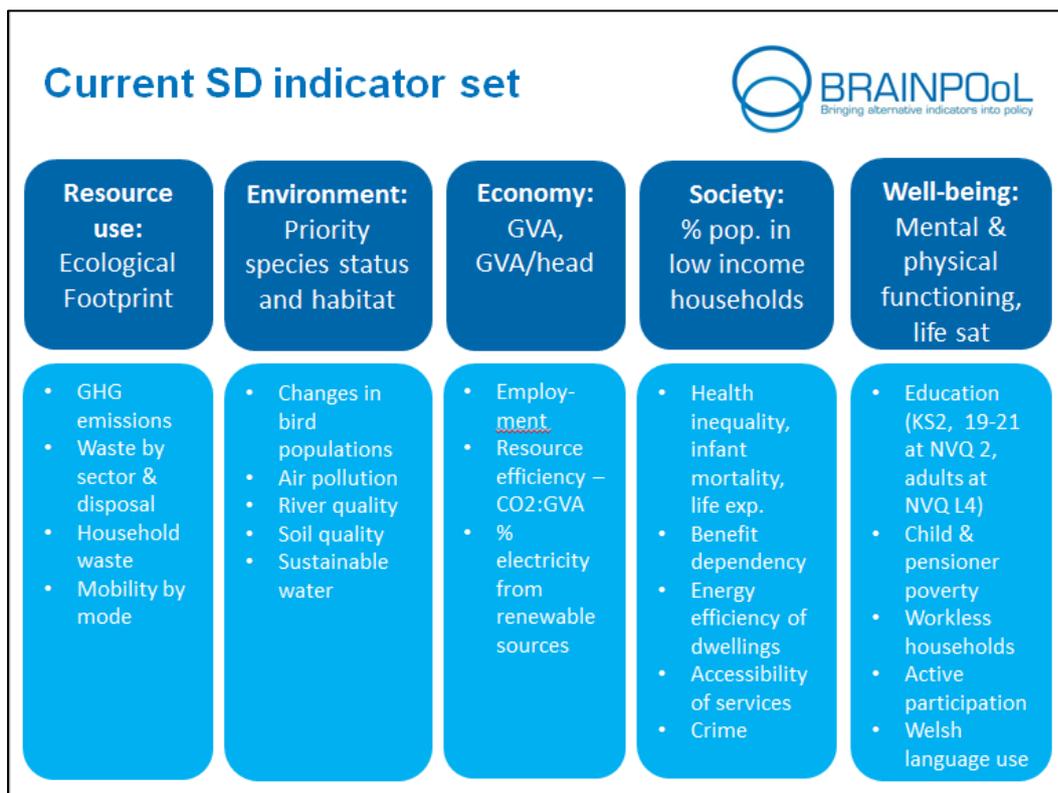
- Introduce self, nef, BRAINPOoL, recording and anonymity
- Your role
- Key aims of your unit / department (explore which most appropriate)
 - What are key goals / objectives that really drive day-to-day work? Why these?
 - How is progress towards goals measured (formally / informally)?
 - What are key live policy issues?
- How far has work of your dept / unit taken on board SD as COP?
 - Why / what has brought this about?
 - How much role have SDIs had?
- How familiar are you with the SD indicators? (Prompt with table if appropriate)
- To what extent have the SD indicators had attention / influence in dept's work?
 - Indicators as framing issues / Year-on-year changes in indicators
 - Different indicators pointing in different directions?
 - What has stopped them having more influence?
 - Particularly EF, well-being? Are they fit for purpose?
- What might allow these or revised SD indicators to have more influence / concrete effects in the future?
 - Setting targets / milestones? Possible to overcome barriers to this?
 - Personal objectives for individuals?
 - Other way of setting intermediate indicators more relevant to your work? Particular live issues where this might be relevant?
 - SD Bill / duty? *Who is driving this politically?*
 - Other?
- Views on plans to produce unified set of PfG and SD indicators
 - How effective have PfG indicators been so far?
 - How could this be designed to maximise influence?
- How do indicators compare to other means of getting policy change
 - e.g. (suggested in PwC review of SD scheme): formal SD impact assessment; oversight role of eg. First Minister's Delivery Unit; use of grant aid / conditions and other procurement practice; SD body to challenge decisions
- SD as 'just good policy making'
 - How do you make people consider the long-term?
 - Reticence about 'green' aspects? Isn't this just about welfare into the future?
 - Need for focus on specific to fulfil duty under the Bill?

Using headline indicators effectively in policy-making: Welsh Government seminar agenda

Friday 28 June, 2-5pm, Conference Room 6, Cathays Park Welsh Government building

1. Introductions and our objectives for the session (15 minutes)
2. Presentation: Beyond GDP and the BRAINPOoL project (15 minutes)
3. Small group exercise: Using indicators at each stage of the policy cycle (50 minutes)
 - Small group work
 - Feedback and discussion in plenary
4. Comfort break (15 minutes)
5. Presentation: Findings on the use of SDIs across Welsh Government (25 minutes)
 - Presentation
 - Questions and reflections
6. Facilitated discussion: What does it look like if we are using indicators effectively in policy-making? (40 minutes)
7. Conclusions and next steps (10 minutes)
8. Evaluation questionnaire (5 minutes)

Diagrams used in the workshop to present the current and suggested restructured SDI set



Note that the second diagram erroneously omitted the indicator on Welsh language use – this was explained as an error during the workshop, with the suggestion that it could fit under ‘Employment and skills’.

