

sustainable development commission

2007/08 Progress Report
against our Sustainable Development
Action Plan for 2007 – 2012
HM Revenue and Customs

October 2008

1 INTRODUCTION

This is HMRC's second progress report against its Sustainable Development Action Plan covering the financial years 2007 to 2012. The report charts progress made by HMRC and its Executive Agency, the Valuation Office, during 2007-08.

HMRC at a glance

Much of our day to day work supports sustainable development. The taxes we collect pay for schools and hospitals. Our benefits and credits payments provide extra help to families and our customs work at ports and airports reduces the amount of harmful products entering communities from illicit dealers. Our management of environment taxes contributes to action needed on climate change and our support for international communities is helping to build civil administrations.

In 2007-08 we gathered £457 billion in tax and duties and paid out tax credits and benefits of over £30.3 billion. Our customer base included the 31.6 million people in the UK with tax liability, nearly 2 million active VAT registered traders, 7 million families in receipt of child benefit for over 12.3 million children and the 20 million people who claim a tax credit. We employed approximately 91,000 people in about 500 offices across the UK. We used over 250 computer systems, 4,160,000 KWh of power, mostly electricity, and 725,000m³ of water

Sustainable Development focus

For 2007-08, we agreed an Internal Departmental Objective (IDO) to reduce our carbon emissions and increase energy efficiency. Robust plans to make this happen have been developed by our Estates & Support Services and Information Management Services teams, with close scrutiny from our Performance Management Committee. These plans also support the findings of an independent carbon diagnostic study we commissioned on our estate, IT and travel. Our Directors responded to this work by setting environmental challenges within their business areas to reduce their carbon footprints and to produce less waste. In reaching out to local communities we supported 47 voluntary and community sector organisations with grants totalling £2m to enable them to provide advice to our most vulnerable customer groups.

Highlights

We reduced our road mileage from 79 million miles in 2006-07 to 69 million in 2007-08, which translates to an 18.3% overall reduction in carbon emissions from road vehicles. We cut office paper usage by 8% and achieved savings in forms through a 31.5% increase in on-line filing of Income Tax returns. Where appropriate, we recycled goods seized by customs staff at ports and airports eg 1,839 tonnes of tobacco generated electricity to feed the National Grid, 871964 litres of DERV were recycled and sold to cement factories and 5,809 pallets of alcohol were processed into fuel for the Trent Water Authority.

We gave 2,500 paid days off for our staff to participate in their local communities as school governors, magistrates and NHS trustees. Ten percent of our staff donated over £2m to charities through the Payroll Giving scheme. We have produced a Corporate Responsibility (CR) Report for 2007-08 to showcase our achievements in the SD and CR arenas.

Going forward

In taking forward sustainable development, we will be reworking our SD action plan to bring it up to date with current thinking and priorities and to incorporate our CR agenda.

2 EMBEDDING SUSTAINABILITY

All departments are required to embed sustainable development thinking into their operations. We were asked to consider whether the activities arising from our SDAP enable us to capture the opportunities of sustainable development for our customers, partners and staff and, if so, how.

- Policies
- People
- Operations (i.e. operations policy)
- Governance, monitoring and reporting.

The following scale was used for scoring:

We have allocated a score out of 10 for our performance on embedding sustainable development in our:

1	2	3	4	5	6	7	8	9	10
Starting out		Some progress			On course			Fully integrated	

Criteria:

- Some alignment of policy with Government SD Strategy, UK Framework and related guidance
- Some joining-up policy goals under the SD umbrella
- Some signalling SD in external partnerships and relationships
- Some embedding SD in policy approval processes / Regulatory Impact Assessments (RIAs)
- Some effective stakeholder engagement
- Some building SD capacity among delivery partners

HMRC's comments in support of this rating:**(i) Alignment of policy with Government SD strategy**

HMRC's key responsibilities are to collect tax that is due and pay credits and benefits to which people are entitled. Shortfalls in taxes hit government services like health and education from which we all benefit.

Our management of environmental taxes incentivises behavioural change through taxing activity that is not environmentally friendly, eg:

- **Landfill tax** increases the price of waste disposed of at landfill, encouraging more sustainable ways of managing waste, such as reuse, recycling, or composting. It has been very successful with overall quantities of waste recorded at landfill sites registered for the tax falling by around 26 per cent since the tax's introduction in 1996.
- **Climate change levy** is the UK 's energy tax required under the European Directive on energy products. It increases the cost of energy used by business and public sectors to encourage energy efficiency in these sectors. In doing so, the levy is successfully contributing towards the UK 's legally binding targets for greenhouse gas emissions reductions.
- **Aggregates levy** increases the price of commercially exploited sand, rock and gravel, ensuring that the external costs associated with their extraction are reflected in the price. It also encourages the use of recycled aggregate.

(ii) Joining up policy goals under the SD umbrella

The decision making process for all new HMRC policies and processes now includes an assessment if the impact they will have on the environment. This ensures we are conscious of the resources we use in setting up new ventures and that we think ahead to the full cost of clean-up when we finish or have to renew equipment.

Examples of where we have linked policies with the SD agenda include:

- **Summer flooding** - relaxing the rules on payment of tax and submission of returns for businesses adversely affected by the floods in the summer of 2007 and for those in the supply chain.
- **Counterfeit medicines and medical devices** – extending our policies on the smuggling of counterfeit medicines to combat their importation and working with the pharmaceutical industry to educate communities about the health threat they pose.
- **Tax returns and paper** – making significant paper reductions through the promotion of on-line filing for tax returns. We

produced a pod cast to demonstrate this. We also set printers to print both sides and purchased only recycled paper for office use.

- **Business travel** – our travel policies now challenge the need for travel through increased use of video and telephone conferencing. They also expect a lower emission mode of travel e.g. train instead of car. These policies extend into health and well being as our staff benefit from fewer journeys.

(iii) Signalling SD in external partnerships and relationships

Recycling of Seized Goods - HMRC is responsible for the prevention of smuggling. Our Queens Warehouse (QW) sites provide a secure facility for storing goods. They have made a positive impact on the environment by developing innovative methods for recycling these seized goods in conjunction with external partners. In 2007/08:

- 1,839 tonnes of tobacco were shredded and burned to generate electricity to feed the national grid;
- 5,809 pallets of alcohol were recycled. The alcohol is processed into fuel for Severn Trent Water Authority for the generation of electricity. All the packaging is recycled;
- 871,964 litres of DERV were recycled and sold to cement factories, raising revenue of £272k;
- 1477 seized vehicles were sold, raising revenue of £1.54 million;
- numerous pallets of household goods, such as washing powder, were donated to In-Kind Direct, a voluntary organisation that assists 4000 charities. Other goods have been sold at auction, minimising material sent to landfill.

Universities - one of our pioneer business units worked with final year students at Lancaster University to develop an environment plan for its sites in Preston. We also used our partnerships with the National Union of Students and the Association of Student Money Advisors to offer a tax refund calculator on Facebook and tax videos on YouTube as part of a Student Tax Aware Week. One in four students accessed the campaign.

PFI providers – in addition to producing green procurement and IT strategies, we worked with our estates and IT PFI providers to introduce a stronger environment focus into the services they provide for us eg we insisted on more accurate and robust data from our estates provider as well as waterless urinals as part of our refurbishment programme. Our IT provider is developing compatible Wake-up Lan software so we can switch computer base stations off overnight

(iv) Embedding SD in policy approval processes / Regulatory Impact Assessments

We develop Policy using the Cabinet Office guidance - http://www.cabinetoffice.gov.uk/regulation/ria/toolkit/specific_impact_tests.asp

The guidance enables policy-makers to consider how their proposals contribute to the five guiding principles of sustainable development to which the Government is committed.

Examples of Impact Assessments where environmental issues have been considered include:

Removing landfill tax exemption for the land filling of waste from contaminated land

<http://www.hmrc.gov.uk/ria/sub-order-annxc.pdf>

Improving PAYE arrangements for students

<http://www.hmrc.gov.uk/ria/modernisation-of-student-tax.pdf>

Company car tax 10% Band for lower CO2 emission cars

<http://www.hmrc.gov.uk/ria/ria-company-cars.pdf>

Fuel scale charges for cars emitting lower CO2 emissions

<http://www.hmrc.gov.uk/ria/1-fuel-scale-charge.pdf>

Relieving rebated heavy oils from excise duty

<http://www.hmrc.gov.uk/ria/ria-north-sea-taxation.pdf>

Office closures – all our office closures have been subjected to rigorous impact assessments, which consider the impact on our staff and our local communities. They also involve consultation with local councils, MPs, local businesses and local customers.

EQIAs – we use Equality Impact Assessment (EQIA) to ensure that we improve our understanding of the diversity needs, circumstances and experience of those who are affected by our activities. In 2007-08 our assessments covered IT accessibility and the impact for customers of filing their tax returns on-line.

(v) External partnerships and relationships and stakeholder engagement

As well as developing taxes with Treasury, we work with other government departments and agencies, the European Commission, business and environmental organisations to ensure that the management of our taxes and benefits is in tune with broader strategies and regulations and delivered in a customer focused and cost effective manner.

We work with other government departments, businesses, and voluntary and community organisations to benefit society. For example in 2007-08:

- Our Tax Credit Office visited Sure Start Nurseries to offer advice on the tax credits claims process. These visits provided valuable feedback on the cost to young mums of using their mobile phones to contact us and the confusion that exists between bank account sort codes and account numbers.
- In partnership with the Chartered Institute of Taxation and Sustainability, we hosted a responsible tax debate to consider

whether tax should be a CR issue.

- We have also engaged with internal policy representatives on travel, purchasing, Queens Warehouses, HR and Learning to ensure that SD is being integrated and properly considered in these work areas. Examples of the results of this engagement include the publication of sustainable travel and procurement guidance and the establishment of a 'model office' at our Residential Training Centre.

(vi) Building SD capacity among delivery partners

Internally - In addition to training and intranet guidance on the environment, community activity and corporate responsibility, we fed SD into the development of our new training programme for managers.

Through commissioning an independent carbon diagnostic study of our carbon generating activities such as our estate, IT and travel, we are now much clearer how our internal and external delivery partners can work together to reduce our carbon footprint.

Externally - Work with our PFI partners at (iii) above and recycling of seized goods is building the SD capacity among these partners as is our work with Voluntary and Community Sector (VCS) partners like the Citizens Advice Bureau. As well as supporting VCS partners in 2007-08 with grants totalling £2m to enable them to provide advice to lone parent families, disabled people, etc we also helped them to invest in the future by supporting 18 projects to develop the skills and knowledge of their volunteer and professional workers.

On the international scene we collaborated with the Ghanaian drug detection authorities to keep illegal drugs with a street value of over £65 million off the streets of the UK and Europe. This has been achieved through us sharing our expertise in anti smuggling and intelligence gathering.

On a small scale our pioneer business units have influenced their catering providers to supply fair trade products and to replace plastic crockery and cutlery with reusable or recyclable products.

<p>Score: 5</p>	<p>People: Some progress</p>	<p>HMRC's comments in support of this rating:</p>
<p>Criteria: SD is partially reflected in:</p> <ul style="list-style-type: none"> • Core vision and values • Training and development (e.g. core skills, induction, leadership development) • Performance management (e.g. competency framework) • Recruitment • Career planning and placements • Internal communications • Volunteering • Fund raising 		<p>SDAP – People</p> <p>Core vision and values SD is linked into:</p> <ul style="list-style-type: none"> • Our current vision and values • Understanding our customers and their needs • Making it easy for our customers to get things right • Believing that our customers are honest and treating everyone with respect • Being passionate in helping those who need help • Protecting information • Behaving professionally and with integrity • Doing our own jobs well and taking pride in helping our colleagues to succeed • Developing the skills and tools we need to do our job well • Driving continuous improvement in everything we do <p>The vision is linked into our Corporate Responsibility Strategic Framework, which can be found at: http://www.hmrc.gov.uk/about/corporate-responsibility/cr-strategy-plans.pdf. The strategic framework sets out the rationale, direction, focus and benefits of HMRC's SD activity.</p> <p>Training and development Our Induction programme for all new entrants covers SD principles and encourages staff to adopt sustainable working practices. SD principles have also been built into our new leadership and management training.</p> <p>All leadership development candidates attend an SD / CR master class. In 2007-08 Judy Greevy, Head of CR, Diversity and the Environment, delivered a presentation to our fast streamers. Opportunities are available for senior managers and leaders to take part in community awareness programmes. Front line staff are encouraged to take up outreach opportunities to increased their customer awareness and develop new skills eg participation at Business Advice Open Days and local radio broadcasts, meeting with local community groups.</p> <p>All staff are given the opportunity to join the Prince's Trust personal development programme aimed at building confidence and motivation through community involvement. 130 staff took part in the programme in 2007-08, which involved working with young people who are unemployed and unskilled and, very often, about to leave the criminal justice system or care.</p> <p>Junior grades were offered the opportunity to join Spring School – a programme to develop and motivate aspiring managers to 'Make a difference' in HMRC.</p> <p>Green teams for some of the buildings on our estate have been</p>

resourced by volunteers keen to promote the green agenda at their sites.

Our residential training centre at Lawress Hall took up the challenge to embrace SD into all its activities thereby setting an example to all attendees and insisting that they abide by SD rules during their stay. This SD focus involves everything from composting waste food to water powered clocks.

Performance management

The Department's targets and associated business unit plans feed directly into our performance management process. We agreed an environmental Internal Departmental Objective (IDO) earlier in 2008 to reduce our carbon emissions and increase energy efficiency. IDOs were also agreed for workplace diversity and corporate responsibility. The Performance Management Committee is monitoring these objectives. Where appropriate, SD has also been included in the performance indicators for staff in roles with strong SD links.

Recruitment

Our recruitment process encourages applications from minority groups through targeted advertising. Workplace adjustments are available in support of disabilities and we also promote family friendly policies e.g. term time working, home working, health and wellbeing. Diversity requirements are built into external recruitment to ensure they do not unjustifiably discriminate.

Career planning and placements

Our new leadership development programme enables all managers, whatever their level, to develop the skills and behaviours needed to motivate their staff and to develop their own careers. Spring Schools assist in the career panning of our junior grades. We offer professional routes for accountants, solicitors, tax professionals, analysts, HR etc.

As part of our office closure programme we have been able to find long term jobs for the majority of our staff who wish to continue working for HMRC. We have also assisted people who wish to retrain for new roles in the public sector, such as teachers and nurses.

Diversity is built into our career planning policies and monitored as part of our appointments and gateway processes. Placements and secondments are available to assist with development and career moves, The environment impact of these moves is kept to a minimum.

Our Diversity Delivery Plan covers career development, appointments, recruitment etch<http://www.hmrc.gov.uk/about/diversity.htm>

Volunteering

Volunteering is part of our community activity programme, which extends to public duties eg school governor, outreach activity and volunteering.

Inn 2007-08 we offered staff up to five matched days paid time off

for volunteering activity. This is changing in 2008-09 to three days, with no matching requirement. All volunteering activity is required to have a win:win activity for the individual, our customers and the local community. Volunteering brings us closer to our customers and communities, it produced business benefits, increases morale and it provides development opportunities for our people that would not otherwise be met through usual training routes

Examples of volunteering work that our staff have participated in this year include: helping individuals to develop financial literacy, information technology skills or business skills, which could benefit them in a number of ways including enhancing their ability to obtain or use HMRC services in the future; reading, writing and interview practice with young people; work experience; working with Young Enterprise and Business Education Partnerships to raise standards of financial literacy and understanding of taxation; and mentoring students from ethnic minority backgrounds as part of National Mentoring Consortium programme. This year we also gave 2,500 days special leave to our school governors, magistrates and health authority trustees.

Taking a more specific example, our Tax Credit Office invited its staff from different ethnic backgrounds to help residents on a deprived estate in Preston to understand tax credits. They found that some claimants with disabled children were unaware that they may be eligible for additional tax credits. They also liaised with a local college on simplifying forms and leaflets, and produced literature in different languages

Internal communications

Our internal communications underwent an overhaul during 2007-08. Our intranet site has been redesigned so staff can find it easier to find out how to reduce energy and waste and what plans are in place to make improvements. SD features in our communication strategies and plans. Our two in house magazines: Pulse – for all staff and 20/20 for managers both run SD and CR articles every month.

Fund raising

Fund raising is carried out at a local level and like volunteering is being focussed on causes, which link to our business activity. We actively support Children in Need through Call Centre staff taking phone pledges on the night. In 2007-08 we raised £50k for Children in Need and plan to double this amount in 2008-09.

This year we received a gold award from the Payroll Giving Scheme in recognition of the 10% of our staff who donated over £2m to charities in this way.

<p>Score: 5</p>	<p>Operations: Some progress</p>	<p>HMRC's comments in support of this rating:</p>
<p>Criteria: Some structure around the Framework for Sustainable Development on the Government Estate including elements such as:</p> <ul style="list-style-type: none"> • Management systems (e.g. EMS) • Energy, water, waste (resource efficiency, recycling etc.) • Travel • Sustainable procurement (e.g. efficient, green, fair, local, healthy) • Construction and refurbishment. • Biodiversity • Positive social and community impact 		<p>The Corporate Responsibility & Diversity Unit co-ordinates activity to meet Government SD targets, liaising with key stakeholders such as Commercial Directorate for sustainable procurement and travel issues; Information Management Services for energy issues relating to IT use and Estates for building related activities that impact on Government targets, e.g. energy, water and waste management. The day to day management and operation of our buildings rests with a number of PFI contractors who are managed by our Estates business unit.</p> <p>Management systems We currently maintain environmental management systems certified to the international standard, ISO 14001, at two of our large sites covering approximately 16 per cent of our staff. For the rest of the estate we are developing a corporate environmental management system.</p> <p>Energy, water and waste. Carbon emissions related to our building energy use have increased by 4.82% since 2005-06. Whilst we are disappointed with this, we do feel that the plans we are putting in place, particularly those that result from our carbon diagnostic study, should enable us to reduce our consumption in line with government targets.</p> <p>We have a sustainable IT strategy that includes work which is underway for switching off computer base units and improving the efficiency of our data centres. Printer rationalisation and the replacement of old printers with double sided models is part of this strategy. A carbon reduction programme has been developed by our estates management team. It focuses on making the most significant reductions in high energy consumption buildings and reducing wasted energy.</p> <p>Figures for water usage for 2007-08 show that we have reduced consumption by over 16% since the baseline year 2004/05.</p> <p>We piloted a full recycling scheme in 26 of our buildings in 2007-08 and will roll out recycling across our estate by summer 2009. We have contracts in place to ensure that all office furniture resulting from office closures is recycled.</p> <p>Travel We reduced road travel by more than 10 million miles between 2006-07 and 2007-08. We reduced our fleet by 1026 vehicles in the same period. Internal Audit continues to review car use within the Department, to ensure that sustainable management policies improve.</p> <p>Sustainable procurement</p>

We developed our sustainable procurement strategy and take sustainable development criteria into account at the start of all procurement exercises. Internal Audit (IA) reviewed the Strategy in 2007 and were satisfied that the principles of sustainable development were fully integrated into procurement processes and given appropriate weighting. From a sample review of contracts including Capita Health Solutions for Occupational health and screening services; Lloyds TSB Auto lease for Car hire and Delta Power Group for Cutter maintenance, IA concluded that an effective sustainable procurement policy is in place. A supplier engagement programme has been developed and sustainability is a central theme of this – encouraging contractors to support the Department's SD goals and reduce our environmental impacts.

Construction and refurbishment

Sustainability criteria are included in guidance for all our capital works projects. We have one new build currently in the final stages of construction – the Lillyhall Contact Centre. Practical completion of building work is scheduled for December 2008 with phase one occupation starting January 2009. Final occupation is scheduled for the end of the financial year, March 2009. The building is being BREEAM assessed with a target rating of 'very good or at a minimum 'good'.

Biodiversity

Our PFI contractor let a new grounds maintenance contract, which includes requirements to support and promote local wildlife and habitats. Whilst we do not have SSSIs on the estate, our PFI contractor intends to carry out further work next year to assess our impacts on SSSIs located near our estate.

Positive social and community Impact

Examples of our community activity have already been described in earlier sections of this report. It is also covered in our Corporate Responsibility Report for 2007-08 at – <http://www.hmrc.gov.uk/about/corporate-responsibility/cr-rep-0708.pdf> .

To summarise: much of our day to day work supports sustainable development. The taxes we collect pay for schools and hospitals. Our benefits and credits payments provide extra help to families and our customs work at ports and airports reduces the amount of harmful products entering communities from illicit dealers. Our management of environment taxes contributes to action needed on climate change and our support for international communities is helping to build civil administrations.

Examples of work we have undertaken in 2007-08 include: donating Tesco and Sainsbury's vouchers to local schools; giving advice to on tax issues to business councillors for the Kickstart scheme in Birmingham; working with the London Development Agency to facilitate the trouble movement of competitors, supporters and equipment for the 2012 Olympics; working with customs authorities in the Caribbean and West Africa to modernise and upgrade their procedures for the control of

international trade and travel; working with pharmaceutical companies to educate people about the dangers of counterfeit medicines and to tackle the increased smuggling of these goods eg in May 2007 we seized 100,000 Durex branded counterfeit condoms branded as rubber gloves; working with Contact a Family (CAF) to provide vital tax credit advice via their helpline; consulting local MPs, councillors, community groups, transport providers and local businesses about our office closure programme; donating 530 boxes of seized bananas to the Monkey World Ape Rescue Centre; producing a payroll package for small businesses without payroll software; providing simplified information on National Insurance for migrant workers; organising Business Advice Open days for small and medium business; offering staff the opportunity to work with the Prince's Trust, and paid time off to become school governors and magistrates; having stands at local fairs to promote Child Trust Funds.

Score: 5	Governance, Monitoring and Reporting: Some progress	HMRC's comments in support of this rating:
<p>HMRC scored itself based on how it felt it is progressing on creating and embedding the appropriate mechanisms and processes to record and report progress of SDAPs, and sustainable development generally. This was a subjective assessment, with no pre-defined criteria.</p>		<p>Governance</p> <p>The HMRC Board and its Executive Committee has overall responsibility for SD and CR and discussed it twice during 2007/08. The Chief People Officer is the Board's champion for SD and CR. Judy Greevy, Director of the Corporate Responsibility & Diversity is responsible for leading the agenda on SD and CR issues.</p> <p>In 2007-08 the direction for SD and CR was set by the Corporate Responsibility & Diversity Committee, which was a sub Committee of the Executive Committee. From 2008-09 this committee will be replaced by a new Board sub Committee for Ethics.</p> <p>Monitoring and Reporting</p> <p>We have been striving to improve data management and monitoring processes to ensure that we are on track to meet targets and improve performance. The Performance Management Committee has set new targets to reduce energy and paper usage for 2008-09 and is closely monitoring our progress. In 2007-08 Internal Audit devoted 50 days to SD and CR assurance. Further assurance, based on risk, is provided monthly as part of the Chief People Officer's report.</p> <p>We revised our trajectories and against new baselines. We also reported SD progress in the HMRC Annual Report for 2007-08 and the CR Report for the same period. In the latter new challenges with measures have been published for 2008 -10.</p>

3 TAKING STOCK

SDC asked HMRC a series of questions designed to reflect on the success, barriers and progress of its SDAP, and to identify what helped or hindered. HMRC's responses to these questions are detailed below.

1. What has helped your organisation to deliver its SDAP? e.g., capacity, funding, culture, leadership, policies, procedures and/or organisational arrangements.

HMRC secured top level commitment for the delivery of its SDAP. Board level representation has been provided by the Chief People Officer, who champions Sustainable Development across the Department, and also from Board members (including Non Executive Directors) sitting on the Corporate Responsibility & Diversity Committee. The independent carbon diagnostic study has provided ideas and direction for achieving the government's carbon targets relating to our estate, IT and travel. This in turn has helped to secure the finance to develop a sustainable IT strategy and extra resources within our Estates and Support Services team. It has also given us specific IDOs and focussed the Performance Committee on the need to improve data and monitor progress. The enthusiasm of our six pioneer business units to embed CR and SD into all their business activities

has engendered a commitment in these business units for SD activity and driven up their performance. Other business units have now committed to mainstreaming SD in their business activities. Monthly communications in our in house magazine to promote SD and CR stories have revealed a staff passion for the green agenda and community activity and lead to green teams and innovative ideas.

2. What has hindered the delivery of your SDAP? e.g., capacity, funding, culture, leadership, policies, procedures and/or organisational arrangements.

Departmental priorities, in particular the office closure programme and data security, have understandably dominated managers' minds over the last year and therefore restricted the capacity and resource available for SD activity. Our PFI contract arrangements have hindered the ability of our Estates Management team to make significant progress on energy efficiency and the sustainable management of our buildings. The complications of the roll out of our new computer system, integrating the old Inland Revenue and Customs systems, prevented all staff from being able to switch computer base units off overnight. These setbacks are now being resolved. We are also reviewing resources, and roles and responsibilities dedicated to our SD agenda to ensure that we are able to maximise our effectiveness.

1. What information do you hold and collect relating to the sustainable development impact of your organisation's overall policies/projects/activities? e.g., Regulatory Impact Assessments (RIA).

Policies

RIAs and EQIAs are published on the Department's internet site – <http://www.hmrc.gov.uk/ria/index.htm#full> and include analysis of the economic, social, equality and environmental impacts. The new impact assessment tool developed by the Cabinet Office, which includes a checklist for policy makers to consider how their proposals contribute to the five guiding principles of sustainable development, is incorporated into our policy development guidance and procedures. See earlier Policy development section for examples.

Projects

We are committed to ensuring that sustainable development criteria feature in all our projects and major transformation programmes. Sustainability appraisals are undertaken as part of our Workforce Change Programme and are part of the decision making process in relocating work and closing buildings. Issues such as travelling time, staff views expressed during consultation exercises, financial implications for staff and impact on the local economy are all taken into account in the decision making process.

Day to day activities

Sustainable development guidance has been made available to all staff, promoting the need for more sustainable behaviour in the working environment, e.g. using fewer resources – printing less, turning equipment off when not in use, travelling less and opting for telephone and video conferencing instead. Senior Responsible Managers for each building on our estate have sustainable development responsibilities included in their role profiles and they promote environmental best practice in their buildings. Our PFI contractors are all fully aware of HMRC's drive to reduce energy and waste and they are charged with implementing sustainable management practices.

4. Were there any key updates/changes to your SDAP? Please briefly list.

Three of our objectives were reviewed in August 2006 by our Customs and Frontiers Team and have been amended to provide a more relevant focus for the work that is underway in this area and the results that have been achieved.

We reviewed the SDAP again in June 2008 as we developed new trajectories against each of the Sustainable Operations targets. A reorganisation of resources and reprioritisation of objectives has led to the need for a total overall of our SDAP during 2008-09. Our aim is to ensure that the SDAP provides an accurate reflection of our work to integrate sustainability into our operations and to improve our environmental footprint.

4 PROCUREMENT

Procurement is an area of key importance to delivering sustainable development. Sustainable procurement (policy, processes and operations) should be embedded into all areas of organisations, and should be incorporated in the whole SDAP process.

The Flexible Framework (detailed in *Procuring the Future*¹) identifies 5 key themes which are, in effect, the key behavioural and operational change

programmes that need to be delivered in each public sector organisation to deliver sustainable procurement. For each theme, compliance criteria for five levels are detailed.

For each theme in the Flexible Framework, HMRC identified the level it has reached, and provided information in support of this self-assessment.

¹ *Procuring the Future*, The Sustainable Procurement Task Force National Action Plan. Department for Environment, Food and Rural Affairs, June 2006.

HMRC’s response

PEOPLE	
Level 1: FOUNDATION	
<p>Criteria: Sustainable procurement champion identified. All procurement staff have received basic training in sustainable procurement principles. Sustainable procurement is included as part of a key employee induction programme</p>	<p>HMRC’s comments: Good aspects – Procurement staff have access to online training, as well as some staff becoming procurement experts; and workshops to debate and discuss topical issues and promote learning have taken place. SD is included in induction packages. Training / development opportunities are provided. Barriers – The roll out of more in depth training for staff has been delayed but will be revisited next year along with ensuring performance objectives are included in development plans</p>

POLICY, STRATEGY & COMMUNICATIONS	
Level 1: FOUNDATION	
<p>Criteria: Agree overarching sustainability objectives. Simple sustainable procurement policy in place endorsed by CEO. Communicate to staff and key suppliers</p>	<p>HMRC’s comments: Good points – we have in place basic guidance, an assessment tool and a sustainable procurement strategy. We are engaged with all our key suppliers on our sustainability agenda and we are working with them to make improvements that will benefit HMRC as well as their own organisations. Commercial Directorate held a Supplier Conference at the start of 2008 and sustainable development was a key theme. This drew a lot of interest from suppliers keen to green their operations and offer more sustainably managed services. SD risks are included as part of the CR & Diversity team risk assessment, the Chief people Office Risk assessment and IA assessments. Barriers – we have yet to carry out a detailed supplier spend analysis and are unable to identify our suppliers with the greatest sustainability impact</p>

PROCUREMENT PROCESS

Level 1: FOUNDATION

Criteria:

Expenditure analysis undertaken and key sustainability impacts identified.

Key contracts start to include general sustainability criteria.

Contracts awarded on the basis of value for money, not lowest price.

Procurers adopt Quick Wins

HMRC's comments:

Good points – We asked Internal Audit (IA) to review our procurement strategy and to verify that sustainable development criteria are included in all new contracts. IA examined a sample of contracts and concluded that the Department has an effective Sustainable Procurement Strategy in place, which includes sustainable development targets, sustainable procurement aims and links to 'Securing the Future'. Whole life costings are applied to all contracts and Quick Wins are adopted.

Barriers –Some of our long term PFI contracts have been difficult to manage due to the nature of the contracts, but key issues are now being addressed. Products can still be ordered that do not meet minimum quick wins standards but we are actively working with suppliers to expand the range of sustainable products and services.

ENGAGING SUPPLIERS

Level 1: FOUNDATION

Criteria:

Key supplier spend analysis undertaken and high sustainability impacts identified.

Key suppliers targeted for engagement and views on procurement policy sought.

HMRC's comments:

Good points – we have embarked on a supplier engagement programme with the full backing of senior management.

Barriers - progress with establishing sustainability data has been slow but we are making progress with some of our biggest suppliers particularly to reduce our IT energy consumption.

MEASUREMENTS & RESULTS

Level 1: FOUNDATION

Criteria:

Key sustainability impacts of the procurement activity have been identified

HMRC's comments:

Good points – Internal Audit commended Commercial Directorate's appraisal of sustainability impacts of procurement activity. Commercial Directorate are working towards more transparency, which will enable better risk management. Sustainability impacts related to our major IT and Estates contracts are now being given greater focus and effective management of environmental risks is being viewed as a priority.

Barriers – competing priorities and pressure on resources resulted in slower progress in this area than we would like. We have yet to effectively manage high risk impact areas.

5 PROGRESS AGAINST ACTIONS

The tables on the following pages report HMRC's progress against specific actions in its 2007 - 2012 SDAP. The table was designed by the SDC as part of the self-assessment tool for departments, and encourages critical assessment of the value of each action, as well as the progress achieved.

Progress is represented using a RAG+ Analysis (red, amber, green, +blue) (column E), and provides a subjective indication of the completion of an action towards its stated objectives:

- **Complete** indicates that an action is complete, and the associated output/outcomes fully realised
- **On target** indicates the action is incomplete in one or more aspects, but is still on target
- **Recoverable** indicates that an action is behind target, but recoverable
- **Behind target** indicates that an action is far behind target and that recovery is unlikely.

Column F details evidence to verify the reported progress made, such as:

- Published strategies, policies, Bills, guidance, literature
- Objective performance measures, indicators and associated sources of data
- Reports of events, particularly outcomes and next steps
- Auditable correspondence
- Auditable activities.

In column G, HMRC reported whether this evidence is readily available for scrutiny by the SDC.

While each action is important in itself, the aim of the SDAP is to help organisations fulfil their contributions to the government's wider sustainable development priorities for immediate

action, as set out in its 2005 strategy, *Securing the Future*². These are:

² *Securing the Future – Delivering the UK Sustainable Development Strategy*, HM Government, March 2005.

- Sustainable consumption and production
- Climate change and energy
- Natural resource protection and environmental enhancement
- Sustainable communities.

Column H contains HMRC's critical assessment of how each action impacts on these priority areas, using a scale of 1-4 (see table below).

Column H Score	Contribution of action to one or more of the priority areas
1	Zero or small
2	Fair
3	Good
4	Outstanding

Appendix A – Her Majesty’s Revenue and Customs (HMRC) SDAP Progress Report

A	B	C	D	E	F	G	H	I
Ref	Action	Target	Responsibility	RAG	Comments in support of RAG analysis	Evidence used to measure progress or success	Evidence available	Impact (1-4) with rationale
1	To work with business areas and PFI contractors to reduce carbon emissions in line with the target and relative to baseline levels.	Annual energy returns produced on time and on target – showing a steady reduction in energy consumption per year relative to baseline levels.	Estates & Support Services		Due to concerns about our energy consumption increases over the last two years, we commissioned an independent carbon diagnostic study in 2007 to audit our PFI contracts and to make recommendations on actions that should be taken to reduce energy consumption. ESS has employed new resources to manage down our building related energy consumption.	Minutes from meetings and email correspondence.	Yes	3 – fair contribution to the climate change priorities
2	Pioneer business units to reduce their energy consumption by a minimum of 1% year on year	Actions taken by pioneers contribute to overall reductions in energy consumption.	Pioneer businesses		Pioneer businesses have Corporate Responsibility Action Plans that contain a range of activities aimed at reducing energy consumption. Difficulties have been encountered in obtaining specific energy data for some of their buildings	CR Action Plans are available on the Departmental intranet site.	Yes	2 - fair contribution to the climate change priority in terms of embedding SD within business activities
3	Develop and publish a communication strategy to raise awareness of climate change and encourage staff to turn off PC monitors, non-essential equipment and mobile phone chargers through communications	Awareness raised and actions outlined in annual SD reports	Corporate Responsibility & Diversity Unit; Communications & Marketing		Developed a communication strategy two years' ago and revised it in 2008. Raised awareness in 2007-08 through intranet announcements, guidance, staff magazine articles, staff phone ins, meetings and road shows	Intranet announcements and journal articles Quiz and Top 10 list of things everyone can do.	Yes	2 – fair contribution to the climate change priority in terms of changing behaviour

	campaign							
4	Support Defra's Act on CO2 campaign by: Taking part in events such as 'Lights Out London'	Reports on initiatives undertaken published on Departmental intranet. Energy monitored as a result of actions taken.	CR&D Unit; ESS		ESS agreed 'lights out' strategies with our PFI contractors to support Defra's campaign. The issue of switching off non essential lighting in out of office hours in buildings across our estate is being addressed with PFI contractors.	Intranet announcement Took part in Lights out London	Yes	1 – fair contribution to the climate change priority
5	Support Senior Responsible Managers playing an active role to change staff behaviors	SRMs demonstrate a positive impact on behavior change in their buildings.	SRMs		Developed guidance and supported road shows for SRMs. Promoted activities they could sponsor in their buildings –behaviours as well as well as ways in which their own business activities could be managed more sustainably.	Roadshows; SRM Steering Group minutes; SRM guidance	Yes	1 – fair contribution to the climate change priority
6	Agree systems and processes to provide regular updates on SD and CR for Directors	Directors demonstrate accountability for achievement of SD and CR objectives. Annual performance reviews.	CR&D; HR& Learning (HR&L); Knowledge Analysis and Information (KAI)		Performance Management Committee is now responsible for monitoring performance against an Internal Departmental Objective to reduce our carbon emissions and increase energy efficiency. Recently developed reporting system for each line of business based on travel, paper usage etc. Energy usage is more difficult as many buildings are occupied by more than one line of business.	Monitoring developed by CR&D in liaison with HR&L, Commercial, KAI and ESS	Yes	3 - fair contribution to natural resource protection and the climate change priorities in terms of changing behaviour and embedding SD within business activities
7	Calculate Business Unit carbon footprints to provide a baseline for measurement	Carbon footprints published.	CR&D; ESS		Reviewing this action because of the difficulties in assessing the carbon footprint of business areas that occupy shared space with others. Instead we are focussing on our top 20 energy consumption sites. ESS developing specific carbon reduction plans to bring energy down.	Agreement at November 2008's Performance Committee meeting.	Yes	3 – good contribution to the climate change priority.
8	Investigate shared savings schemes with Estates and PFI contractors to finance	Achievements reported annually in CR / SD reports.	ESS		ESS liaising with our main PFI contractors to assess the feasibility of introducing shared savings initiatives. This work is being progressed by the new environment	Meetings. Correspondence	Yes	2 – fair contribution to the climate change priority if

	energy saving projects such as low energy lighting and more sophisticated heating controls.				manager in ESS.			our PFI contractors can be incentivised to manage the energy use in our buildings down.
9	Estates contractors to install automatic 'smart' meters for the sub 100 kWh sites to improve data monitoring and identification of areas requiring improvement.	Accurate energy consumption available for all sites on the estate. Reliable energy reports produced.	ESS		Changes in our energy procurement strategy have led to a set back in our plans to install automatic meters. We will work closely with OGC and our suppliers to achieve this in 2009/10.	Meeting minutes; correspondence	Yes	2 – fair contribution to the climate change priority as access to accurate and reliable live data will enable us to monitor more effectively.
10	Work with IMS on the development of a sustainable computing strategy for HMRC, including implementation of Wake on LAN software; improved efficiency of our data centres; and rationalisation of our office printers including the introduction of multifunctional printers to replace single device photocopiers and scanners	Savings made in line with projections as projects are implemented.	IMS; CR&D		HMRC's Sustainable IT Strategy developed by a dedicated team within our Information Management Services in response to carbon diagnostic study. The Wake on LAN project will be fully implemented by May 2009. Other energy saving projects and plans to rationalise and bring in double sided printers are currently being considered and will be prioritised in December 2009 according to impact and finance available.	Meeting minutes, project plans	Yes	2 – fair contribution to the natural resource protection and climate change priorities by reducing paper use and energy consumption.
	Reduce road transport carbon emissions to meet and possibly							

	exceed Government target early by :							
11	Reducing carbon emissions related to road travel by an average of 3% per annum.	15% reduction in carbon emissions related to road travel achieved by 2010-11.	Commercial; Businesses		We have reduced emissions related to road travel by 18 per cent since the baseline year of 2005/6. We have 857 fewer fleet compared with 2006-07. All replacement vehicles have either smaller or more fuel efficient engines. Measures to discourage staff travelling by car and to consider if travel is necessary have been included in sustainable development guidance within an ongoing SD communication campaign to reduce all forms of business travel. Video and telephone conferencing facilities have increased and continue to be promoted as a means of reducing business travel.	Data from our fleet management team Intranet Video conferencing data	Yes	3 – Good contribution to climate change priority.
12	Improving the fuel efficiency of the fleet and reducing the maximum CO2 of pool cars and ACS cars down to 130gkmCO2. as well as hire cars (using lower CO2/km vehicles)	HMRC cars are low carbon vehicles			We are on course to meet the target in advance of the 2010-11 deadline. In addition to this we are currently baselining average CO2 emissions from our operational fleet with the aim of setting our own internal targets to reduce this in the future. On the ACS scheme we have a cap on CO2 emissions which reduces by 5g CO2 km every 6 months. We also have 100 hybrid vehicles on our pool fleet and are aiming to buy mainly Fiesta sized vehicles where possible in the future.	Data supplied by Commercial Directorate.	Yes	3 – Good contribution to climate change priority.
13	Promoting the use of hire cars for longer journeys over the use of personal vehicles	Reduced grey fleet mileage	Commercial; CR&D unit		This has been achieved through guidance and grey mileage has reduced accordingly.	Data from Travel and Subsistence claims.	Yes	1 - small impact on climate change priority
14	Promoting the use of video/telephone conferencing and improving facilities	Carbon savings are published in CR / SD reports.	Commercial Directorate; CR&D Unit		The number of video and telephone conferencing facilities has increased and continue to be promoted as a means of reducing business travel. We are currently	Yes. This is held in contract documentation. Video conference	Yes	2 – Fair impact on climate change priority

		A 10% increase in use of video and telephone conferencing facilities			reviewing our facilities to ensure they meet the increasing business demand. We are exploring ways in which we can measure the carbon savings as a consequence of the increased use of these facilities.	data		
15	Discouraging domestic air travel	Using the Transport and Travel intranet site to publicise CO2 comparisons between equivalent rail and air journeys	Commercial Directorate		This has been completed and has been published on our new Corporate Responsibility intranet site.	Intranet site.	Yes	1- small impact on climate change priority
16		Annual reports on air travel show a year on year reduction.	Commercial Directorate		We have established baseline data for 2007-08 for air mileage. We are obtaining data for 2008-9 on a quarterly basis and early indications show that we have significant work to do in this area to balance the convenience of time and cost with that of the impact on the environment.	Data from Commercial Directorate	yes	1 – small impact on climate change priority
17	HR Pay and Awards to consider how the Department can encourage cycling e.g. review the advance of salary available to purchase bicycles	Increased use of bicycles for official travel	HR & Learning		We have decided not to implement the Cycle to Work scheme in HMRC at the present time. We continue to encourage cycling and have improved the advance of salary available to purchase bicycles for commuting to work. We are improving workplace cycle facilities across our estate including cycle parking and shower facilities.	Intranet site.	Yes	1 – small impact on climate change priority
	Work towards making the department's estate carbon neutral by 2012:							
18	Continuing to discourage domestic air travel	1% reduction in flights taken year on year	CR&D		See 15 above			1- Small contribution to climate change priority
19	Continuing to offset carbon from official air	Carbon offsetting schemes monitored	Commercial Directorate		Completed and ongoing.	Payments made to the Government's	Yes	2- Fair contribution to

	travel	and maintained for all official air travel				Carbon Offsetting Fund		climate change priority
20	Setting up mechanisms to offset carbon from official road and rail travel	Carbon offsetting schemes monitored and maintained for all official rail travel	CR&D		We are concentrating our efforts on reducing our energy use before extending our carbon offsetting to road and rail travel. However we are taking part in the Government wide consultation on extending the offsetting programme and have expressed reservations on the grounds of cost and social propriety	N/A	N/A	2- Fair contribution to climate change priority
21	Developing a carbon management programme for the estate	Action Plan published.	ESS		We employed consultants to conduct a carbon management diagnostic study. Their report with recommendations was endorsed by our Executive Committee early in 2008. As a result IMS has developed a sustainable IT strategy and ESS has worked up a carbon management programme for our buildings. Both strategies are incorporated into our trajectories for each of the SOGE targets.	Diagnostic report	Yes	2- Fair contribution to climate change priority
22	Investigate the feasibility of installing a wind turbine and / or micro generation plant on the estate	Plans in place to generate renewable energy on the estate	E&SS		A suitable trial application is being considered next year	Meetings with Mapeley		1 – small impact on climate change priority
23	Work with the DECC on the Carbon Reduction Commitment to ensure the PFI of our estate is fully considered in its development	Guidance is agreed and published on how departments with PFIs will be affected by the CRC.	CR&D; ESS		Work continues to progress this over the next 12 months. HMRC, and not our PFI contractors, will have CRC accountability.	N/A	N/A	2- Fair contribution to climate change priority
24	Estates to consider low cost invest to save projects	A ring fenced fund is established for energy efficiency projects	ESS		Projects ongoing, scheme implemented in one of our largest buildings to alter radiator thermostats.	Data from Estates		2- Fair contribution to climate change priority

25	Recycle HMRC's Confidential and Restricted waste paper as efficiently as possible.	Plans for the roll out of recycling across the estate agreed and published.	Commercial: ESS		Arrangements for recycling in some of our largest sites have been agreed and will be rolled out in 2009	Meetings, minutes and correspondence from Commercial and Estates		2- Fair contribution to natural resource protection and climate change priorities
	To work with Estates, IMS and our PFI contractors to:							
26	Increase energy efficiency of buildings, relative to 2005/2006 levels.	Grants and schemes identified and projects underway. Shared saving schemes agreed. Greater priority given to managing and monitoring contractors' performance on energy and waste targets.	ESS		<i>Energy efficiency programme being introduced with supporting initiative data being created via the creation of 460 display energy certificates. Accurate waste arising and recycling data is now being issued on a monthly.</i>	Data from estates		2- Fair contribution to climate change priority
27	Promote HMRC's work in administering and developing the climate change levy, vital for the Government to meet UK and international targets for reducing CO2 emissions.	CCL is promoted and appropriate revenue is collected efficiently, while business burdens are minimised. Impact of levy in the UK is monitored and reported on by government as part of Budget process.	CCL Policy team		We continue to incentivise behavioural change through taxing activity that is not environmentally friendly. Landfill tax, climate change levy and aggregates levy have all succeeded in delivering carbon savings during the year and are on track to meet 2010 targets.	Data from Environmental taxes.	Yes	3- Good contribution to climate change priority
28	Endorse sustainable development criteria as part of Impact	Guidance reviewed and updated by December 2008.	CR&D; Policy Impact Assessment		On track for completion by the end of the year.	N/A	N/A	2 – Fair contribution to climate change priority.

	Assessments.							
	To work with business heads to reduce paper consumption by:							
29	Increasing online filing of returns	Progress reported in annual SD/CR reports.	Customer Operations business unit		Online filing of self assessment for income tax has increased by 31.5 per cent in the last 12 months with 46 per cent of people now using a computer to file their return	CR Report	Yes	2 – Fair contribution to climate change priority.
30	Double sided printing becomes the norm. The related reduction in paper consumption is reported in SD/CR reports.	Reduce paper consumption by 5% per annum	IMS/Business Units		We reduced office paper usage by 8% this year. Double sided printing used wherever printing facilities allow.	Data from Commercial Directorate	Yes	
31	Increase in duplex printers in place across HMRC.		IMS		Printer rationalisation and the replacement of old printers with double sided models will form part of our Sustainable IT Strategy.	Sustainable IT Strategy	Yes	
32	5% reduction in paper used for printed publications per annum.		Commercial / Business Units		See 30 above			
33	5% reduction in desktop copier paper consumption per annum.		Commercial; CR&D; Businesses		See 30 above			

34	Develop a co-ordinated approach between Estates, PFI contractors and business heads to: raise awareness of the need to reduce waste and to increase recycling levels of general office waste	Provision of reliable data on current waste levels and recycling by PFI contractors.	ESS		Work continues to ensure that our data is accurate and ongoing discussions with our PFI contractors support this.	Meetings Minutes Correspondence	Yes	2 – Fair contribution to natural resource protection and climate change priority
35	Provide consistent arrangements for recycling confidential and restricted waste paper across the estate.	Comprehensive paper recycling facilities rolled out across the HMRC estate to all PFI sites by December 2008.	ESS; Commercial		We have established a confidential waste recycling contract which will be rolled out across the estate in the next 6 months.	Minutes, Meetings, Correspondence	Yes	2 – Fair contribution to natural resource protection and climate change priority
36	Install recycling facilities for paper, glass, cans and plastic across the HMRC estate	Roll out of recycling facilities to all Mapeley sites during 2007 and 2008.	ESS		We piloted a full recycling scheme in 26 of our buildings in 2007/8 and have plans in place for recycling to be rolled out across our estate by summer 2009.	Meetings Minutes, Correspondence	Yes	2 – Fair contribution to natural resource protection and climate change priority
37	Recycle all surplus office furniture and supplies arising from the Estates Consolidation Programme	Furniture recycling contract let to manage surplus furniture as a result of the Estates Consolidation Programme Summer 2007.	ESS; Commercial		Contract has been established.	Contract Documentation	Yes	2 – Fair contribution to natural resource protection and climate change priority
38	Formalise and	Recycling	Commercial; IMS		Recycling arrangements are in place and	Data From	Yes	2 – Fair

	implement recycling facilities for non-IT disposal e.g. toner cartridges, CDs, video cassettes etc.	arrangements are put in place and systems are developed to provide regular reports.			quarterly reports are available.	Commercial Directorate		contribution to natural resource protection and climate change priority
39	All seized goods to be disposed of in an environmentally responsible manner.	Disposal statistics and methods to be reported annually. Provision of annual assurance that the most effective methods/locations for disposal have been used.	Detection		Disposal of seized goods is in place and reports are available.	CR Report	Yes	2 – Fair contribution to natural resource protection and climate change priority
40	Whilst we have no SSSIs on the HMRC estate, we will promote and protect biodiversity and natural habitats.	Progress reported in annual CR / SD reports	ESS		Limited work done in this area at the present time.	N/A		1 – Small contribution to natural resource protection
41	Improve the condition of the historic estate.	Estate managed in line with English Heritage requirements.	ESS		Estates PFI contractors manage the estate in line with English Heritage requirements.	Bi - annual reports produced	Yes	1 – Small contribution to natural resource protection
42	Improve the biodiversity at HMRC's staff college, Lawress Hall,	Progress promoted on intranet and included in CR / SD annual reports.			Kitchen waste composted, reusing leaf mulch, creating a herb garden for use by kitchen staff	Intranet CR Report	Yes	1 – Small contribution to natural resource protection
43	Reduce water consumption by 5% per annum on the office and non-office estate by 2010, relative to 2004/05	Targets met and performance published in CR / SD reports.	ESS; Businesses		Water consumption reduced by 16 per cent in 200-08 relative to the baseline year of 2004-05.	Data from ESS CR Report	Yes	2 – Fair contribution to natural resource protection

	levels							
44	Reduce water consumption to an average of 3m3 per person/year for all new builds or major office refurbishments	Estates Projects team to ensure that this target is met.	ESS		Good progress is being made on the reduction in use of water. Projects such as waterless urinals have been installed and are being monitored for effectiveness before rolling out to other suitable sites.			2 – Fair contribution to natural resource protection
45	Stop ordering bottled water for meetings and encourage and facilitate the provision of filtered tap water.	Point of Use water units replace bottled water in main sites.	ESS		Completed.	Data from ESS	Yes	2 – Fair contribution to natural resource protection
46	Review sustainable development assessments related to construction and refurbishment projects and ensure that adaptation to climate change is fully incorporated into project specifications.	Estates to provide annual updates on improvements in energy efficiency and steps taken to adapt sites to Climate Change. Business Continuity guidance updated.	ESS		New procurement framework for new builds and major refurbishments goes live April 2009, which will incorporate sustainable development initiatives.			1 – Small contribution to climate change priority
47	To continue to take account of our impact on emissions, landscape, noise and infrastructure of local communities.	Environmental assessments to be conducted for all new projects.	ESS		Completed.	Data from ESS	Yes	2 – Fair contribution to all priorities
48	To continue to incorporate SD into impact assessments for all changes to the estate; and to encourage diversity,	Sustainability assessments incorporating energy efficiency and diversity issues	ESS; Workforce Change		Completed. Gold status (94.5% achievement) awarded in 2007 BITC Corporate Responsibility Index, which covers all these issues.	Data from ESS and Workforce Change	Yes	2 – Fair contribution to all priorities

	wellbeing, worklife balance, and community involvement with business benefits for HMRC staff.	incorporated into risk analysis and information maintained within Workforce Change on footprint of buildings (where requested). Business in the Community Index submitted November 2007 – improvement on position for the environment.						
49	Policy:- to develop a proactive closer working programme with marginalised customers through working in partnership with environmental, voluntary and community organisations, and feed learning back to HMRC customers units	Regular reports on progress to People Committee	Business and Individual Customer Units; Tax Credits Office		Pilot completed focussed on areas on deprivation. Full programme rollout awaiting agreement from new Ethics Committee.	Minutes of meetings. Correspondence.	Yes	2 – Fair contribution to Sustainable Communities
50	CR Committees to be established to drive forward this Action Plan.	Improved performance against targets and mandates and SD is embedded into culture.	CR&D		New Ethics Committee – sub committee of Board – will take on this responsibility	Minutes of Meetings Correspondence	Yes	2 – Fair contribution to all priorities
51	Play leading role in cross Government SD	Active role played and full support for	CR&D		Represented at all key cross Government SD Working Groups including CESP and	Minutes of Meetings	Yes	2 – Fair contribution to all

	Working Groups	cross Government initiatives and projects.			SPOB. Gov't Diversity Champions' Network, represented on cross gov't Volunteering Committee and leading on PSA 16			priorities
52	Enhance SD communications to demonstrate HMRC's commitment to this agenda.	Communications Strategy in place, giving SD a high profile within HMRC. Intranet to be reviewed and re-launched on 2008 A series of Pulse articles are planned and published SD stall provided for all Spring School events	CR&D; CaM		Communications strategy revisited. New intranet launched in November 2008 and Pulse articles published throughout the year.	Intranet and in house magazines	Yes	1 – Small to fair contribution to all priorities
53	Incorporate SD into training and appraisal processes e.g. induction training and personal development plans.	'Sustain IT' package updated and relaunched. Processes in place to update Sustain It annually.	CR&D		Induction training includes a module on sustainable development. SD incorporated in new management training package.	Training Prospectus	Yes	1 – Fair contribution to all priorities
54	Incorporate SD into business planning processes and guidance.	Plans in place to review and update guidance as appropriate on an annual basis.	CR&D		Pioneers Business Units have completed this and have produced action plans. Roll out to other business units is ongoing. IDOs for environment, CR and diversity.	Action Plans	Yes	2 – Fair contribution to all priorities
55	Ensure that all new builds and major refurbishments meet the BREEAM excellent standard	Capital works projects are all appropriately assessed.	ESS		We have one new build currently in the final stages of construction – the Lillyhall Contact Centre. Practical completion of building work is scheduled for December 2008 with phase one occupation starting January 2009. Final occupation is scheduled for the end of the financial year, March	Data From Estates		2 – Fair contribution to natural resource protection and climate change

					2009. The building is being BREEAM assessed with a target rating of 'very good or at a minimum 'good'.			
56	Ensure that objectives set out in HMRC's sustainable procurement strategy on whole life costs, energy efficiency and waste management are taken into account for all contract specifications and negotiations	Commitment met and covered in CR / SD reports.	Commercial; ESS; IMS		Quick Wins have been agreed by ESS and Commercial and will be included in all new purchases.			2 – Fair contribution to natural resource protection and climate change
57	To work with OGC on meeting the Property Benchmarking Scheme commitments.	Progress reported in Annual CR / SD reports	ESS		ESS has been fully involved with the OGC stakeholder forum but we have not joined the property benchmarking scheme.	Minutes of Meetings, Correspondence	Yes	1 – Small contribution to climate change priority
58	Develop a corporate EMS for the whole estate not yet covered by ISO14001	Corporate Environmental Management System in place by 2012.	CR&D; ESS		An environmental management system certified to 14001 standard is established at two of our large sites (100 Parliament Street and the Newcastle Estate). A Corporate EMS is being developed and will be rolled out to the rest of the estate.			2 - Fair contribution to natural resource protection and climate change
59	Improve data collection and monitoring processes	Businesses and CR Unit able to monitor performance on a regular basis	CR&D; Commercial; KAI; HR&L		We are continuing to develop our data collection and monitoring processes. New reports will be presented to the next meeting of the Performance Committee. Monthly reports required as our Estates data has been given 'Red10' risk status.	Data from ESS, Commercial and KAI	Yes	1 – Small contribution to all the priorities

60	Develop and launch a new Community Volunteering Policy, which will be more business focused	New volunteering guidance published in 2008.	CR&D		Developed and agreed. Due to be published in December 2008.	Will be available on our intranet site from the 1 December 2008	Yes	2 – Fair contribution to sustainable communities
61	Maintain the current levels of electricity purchased from renewable sources at 100%.	Annual SD / CR reports.	ESS		We are currently purchasing 88 per cent of our electricity from renewable sources and continue to pursue cheaper options.	Data from ESS	Yes	1 – Small contribution to climate change priority
62	Estates and PFI contractors to establish the feasibility of sourcing electricity from CHP schemes.	Recommendations adopted.	ESS		ESS and our PFI contractors have agreed not to pursue this target and have instead concentrated on sourcing renewable energy from other means.	N/A		

HMRC response signed by:

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SDC review and commentary:

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Authorised by: Jonathon Porritt, SDC Commissioner

Sign-off date: