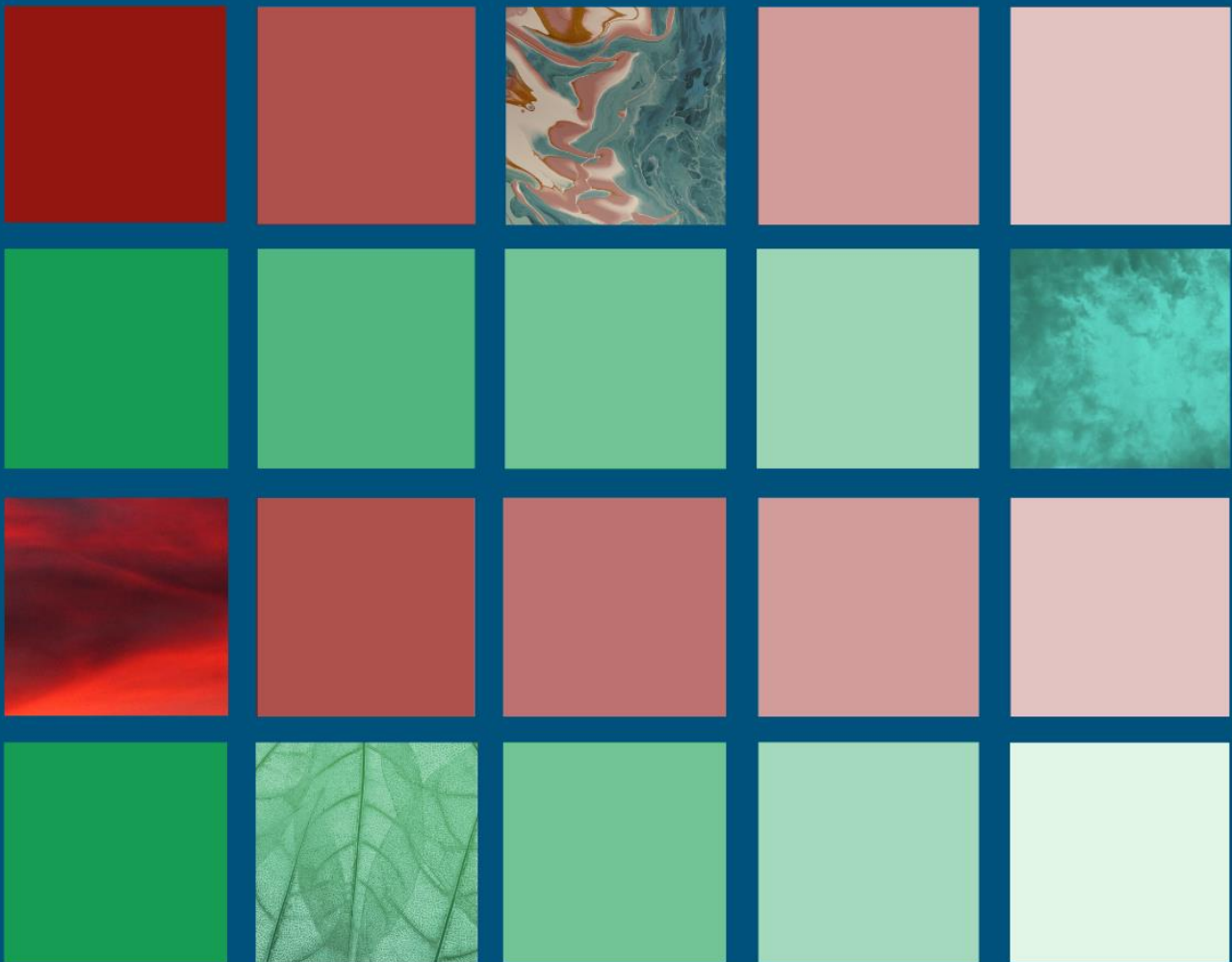


Integrating climate into strategy and planning in universities

Where are we? Where are we going?

Executive summary



Thomas Owen-Smith



Foreword

One of HESPA's fundamental aims is to support its institutional and individual members to have the skills and expertise needed to navigate their operating environment and achieve their strategic goals.

The HESPA community comprises over 3,000 individuals from over 150 institutions, all playing an increasingly vital role in supporting, running and steering their universities. Given the size and complex nature of higher education institutions, strategic planners add huge value by joining up conversations and multi-function activities, and combining their "big picture" strategic view and technical analytical skills to enable the development and delivery of cross-institution agendas.

Sustainability is one of these. It is increasingly recognised as a horizontal dimension – imperative for every part of a university and its work. Taking a joined-up approach in a context of competing priorities is essential.

Strategy and planning professionals have a unique skillset and the potential to make a substantial contribution to the sustainability agenda, both at their own institutions and collectively at sector level. Many members of our community are keen to engage in this, leveraging their strong relationships with sustainability teams, finance, estates and academic colleagues towards shared goals.

One key challenge is the scale and complexity of sustainability as a topic, which makes critical cross-institution collaboration difficult – particularly as we sometimes lack a common language and clarity around roles and degrees of involvement. There is a perceived need for appropriate upskilling in our strategic planning community, and this has been a catalyst for this work with SUMS Consulting and our developing agenda in this space.

This initial work focuses on climate change and carbon emissions. It helps us to understand the state of play regarding institutional maturity, and how we can learn from each other and other sectors to move this agenda forward. We will continue our work to embed sustainability knowledge in our community, and support collaboration with other groups via our dedicated HESPA Special Interest Group, about which there are more details in the report.

SUMS Consulting is our partner in this shared agenda. As sector organisations, we are both committed to supporting universities and the sector to be key players in our track towards a sustainable future. We are grateful to SUMS for the sharp lens they have brought to this agenda, their ability to connect with our members and to connect our members with new developments. We look forward to collaborating further in this space, which will continue to move quickly.

We hope that HESPA members and others find this report useful, and we very much welcome colleagues to get involved through the Special Interest Group.

Jen Summerton

Executive Director, Higher Education Strategic Planners Association
October 2023

About this report

This report examines the state of the UK higher education sector's practice around **integrating climate change and carbon emissions into university strategy and planning**.

It emerged from conversations with colleagues across functional specialisms (prominently strategy and planning, sustainability, estates and finance) as well as academic leaders across a number of institutions, which suggested a diverse picture of how closely universities have engaged with this topic, and the approaches they are adopting for doing so.

In addition to providing a stocktake of the current landscape, the report aims to promote successful integration of climate and carbon as key strategic drivers through highlighting effective practices already diffusing across the sector, drawing insights from other sectors where new approaches are being tested and adopted more widely, and exploring models used at different institutions for organising their response to the strategic dimensions of the climate challenge. This builds on an existing body of work focusing on various strands of the agenda (see Appendix 1 of the main report for further reading).

The report is primarily aimed at **strategy and planning professionals** (also known as **strategic planners**), however we hope the insights here will also prove useful to other professional communities and colleagues working in this area, and aid collaboration between them.

This report is the result of a collaborative cross-sector project between SUMS Consulting and the Higher Education Strategic Planners Association (HESPA). The project was conducted over the first half of 2023, and included the following activities which contributed to the report's content:

- research and engagement with experts inside and outside the higher education sector
- exploration of key questions with the higher education strategy and planning community through a workshop session at HESPA conference in March 2023
- a sector survey disseminated through HESPA's network (provided in the report Appendix 2)
- follow-up conversations with a set of institutions willing to feature as case studies.

The Association of University Directors of Estates (AUDE), British Universities Finance Directors Group (BUFDG) and Alliance for Sustainability Leadership in Education (EAUC) provided helpful insights from the perspectives of the estates, finance and sustainability communities in the UK HE sector. Thanks are due to many people who kindly lent their time to support this work. A full list for acknowledgement and thanks is provided in Appendix 3 of the report.

The report's scope is limited to climate and carbon. To ensure clarity of focus within the expansive sustainability terrain, other strands of environmental sustainability such as nature and biodiversity, and questions around social and economic sustainability and governance have been kept out of scope for this piece, despite the many linkages between these and climate issues. We hope that these will be explored further in future work.

As a final point to this introduction, we were encouraged by the fact that survey respondents came from a range of groups in addition to strategic planners, and to discover that planners had collaborated with sustainability colleagues and others to complete the survey in a number of cases. Collaboration is a core principle that we wish to promote through this project; it was heartening to find out how much of it is happening, in a range of forms, as the sector engages with this critical agenda.

Dr Thomas Owen-Smith
Service Lead for Sustainability, SUMS Consulting
October 2023

Executive Summary

The context for universities and strategic planners

As the climate and nature crises deepen, climate change and carbon emissions are to be found amongst the most important strategic drivers for all organisations.

This plays out differently across different sectors. For private companies, climate risks threaten their future profitability and business models and, in a competitive business environment, push them to innovate. For universities, climate risks threaten their future viability and ability to achieve their mission.

Universities' strategic response to climate change must see them reduce their carbon emissions while still creating value and positive impacts through their education and research, all the while navigating an operating environment of growing uncertainty and risk.

The road is daunting and will bring difficult and complex decisions for university leaders, already juggling multiple drivers and constraints.

Much of this agenda speaks to strategic planners' core skillset. By its nature, climate is a complex, whole-institution issue. The coordinating and integrative role of strategic planners puts them in a position to make substantial contributions towards their institutions' transition to net zero carbon emissions and their adaptation and resilience to the changing climate.

Specifically, strategy and planning professionals can contribute through:

- i) supporting development and delivery of **institutional mission around climate**
- ii) helping their institutions **navigate developments in the operating environment**
- iii) enabling the planning and delivery of **technical interventions**
- iv) developing practices which **change the modes of core university business and decision-making** to reduce their climate impacts.

To do this, planners need a shared knowledge base and common language which they can use with the other specialist groups – including sustainability professionals, estates, finance, academic colleagues and others – with whom they must work collaboratively to progress this agenda.

This report is a response to a need identified by the strategy and planning community to develop their knowledge around climate, enabling them to contribute to the agenda most effectively. To this end, the report:

- sets out why climate is a strategic driver for universities
- considers the role that strategy and planning professionals can play in their institution's response, both through their own core skills and collaboration with other groups
- highlights practices which enable the strategic integration of climate in real terms, linking these to the climate action journey and general good practice in strategy and planning
- examines approaches that different institutions have adopted to engage with this agenda, and which are more successful in progressing it.

These points are set in context through an exploration of the current state of practice in the UK higher education sector.

The current state of practice in the UK higher education sector

The report examines the current state of practice around integrating climate into strategy and planning at UK institutions, based on a sector survey of around 50 participants and discussions with experts and practitioners inside and outside the sector. Key insights from the survey are as follows:

- The main impetus for putting climate on the agenda at universities is the views of their leadership and stakeholders. This reflects the values-led ethos of higher education institutions.
- Measures for integrating climate into institution strategy and planning are at variable stages of adoption across the sector. While some are now widely adopted and can be considered standard practice, others are diffusing or emergent, used at only a small number of institutions at present.
- Integration measures map to stages of the climate action journey, meaning that institutions further advanced on their journey are likely to have adopted more of the practices. Most are at a mid-point stage, with an “integration score” of between three and seven practices adopted.
- In institutions’ self-assessment of the effectiveness of their practice around integrating climate as a strategic driver, around half (47.9%) agree or strongly agree their practice is effective, around one third (32.9%) disagree or strongly disagree, with the rest (19.2%) expressing no strong view.
- There is a correlation between institutions’ “self-efficacy scores” based on their self-assessment data and the number of specific measures they have adopted. This, perhaps unsurprisingly, suggests that capability around achieving general good strategy and planning practice (which would apply to any strategic driver) translates into an ability to implement specific practices around climate; but may also indicate confidence resulting from successful implementation of integration measures.
- A wide range of models, roles and responsibilities for leadership around climate is evident across the sector. This is due to the agenda’s relative novelty and the diversity of institutions’ size, overall structures and models for the sustainability and strategic planning functions in particular.
- No specific model has a definitive relationship with higher integration and self-efficacy scores, in terms of which role or function leads the strategic agenda.
- The variable which *does* appear linked to higher scores is collaboration between the planning and sustainability teams, which is a stronger factor for progress than leadership by any specific function.

Where from here?

The report is intended as an initial contribution towards upskilling planners around climate, enabling them to support its strategic integration at their institutions more effectively.

It makes recommendations for integration of climate into strategy and planning through:

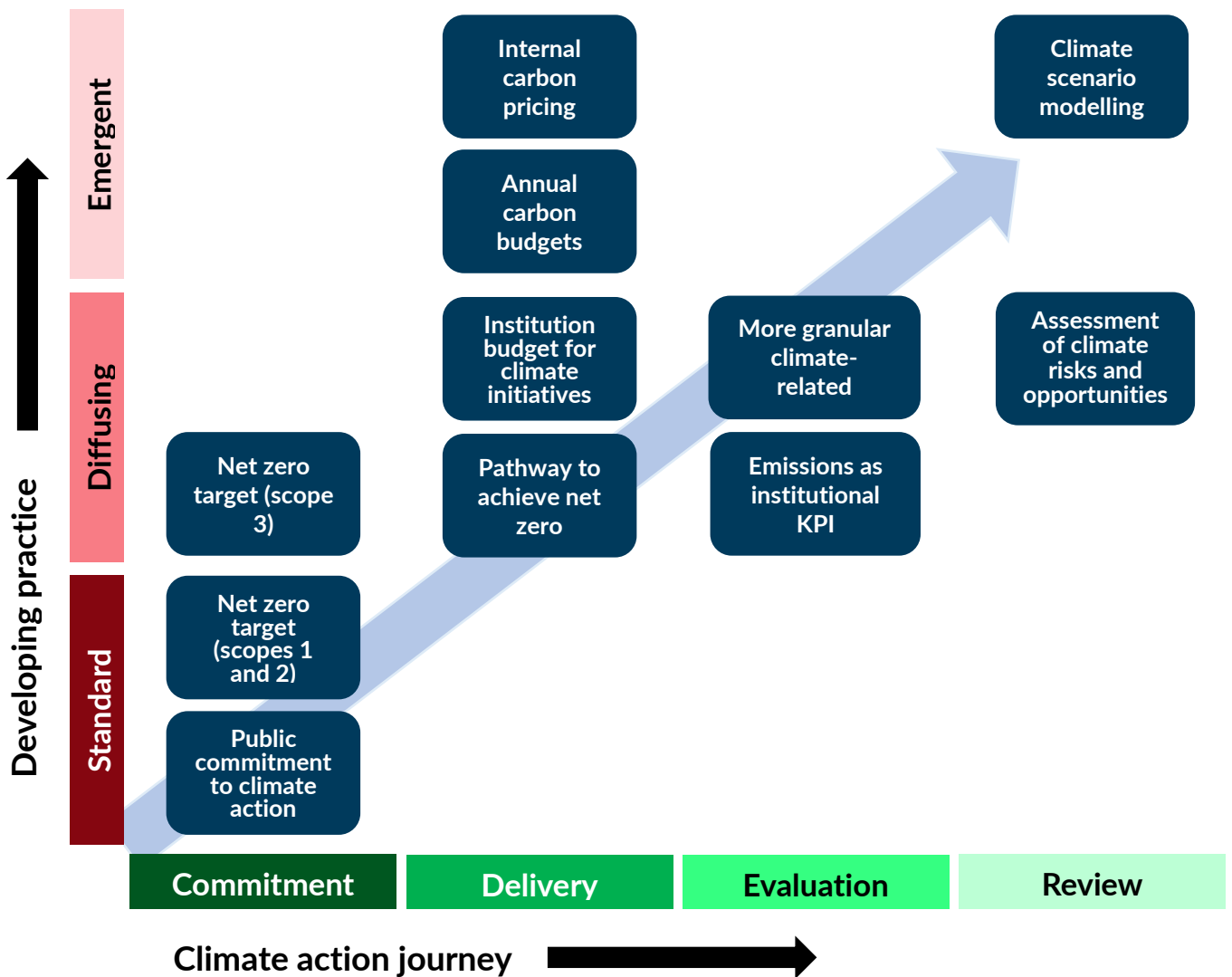
- adopting the measures presented in the report (Part Two)
- using the recommendations of the Task Force on Climate-Related Financial Disclosures (2017) for an overall strategic framework
- deploying existing sector work around specific strands of the agenda
- clarifying roles and responsibilities for leading and coordinating the agenda
- promoting collaboration between professional groups.

This learning and development agenda will be continued through a Special Interest Group run jointly by HESPA and SUMS Consulting, focusing on Sustainability in Strategy and Planning. Further details are provided in the report (Part Three) and more information is available from info@hespa.ac.uk or sums@reading.ac.uk.

Recommendations for integrating climate into strategy and planning

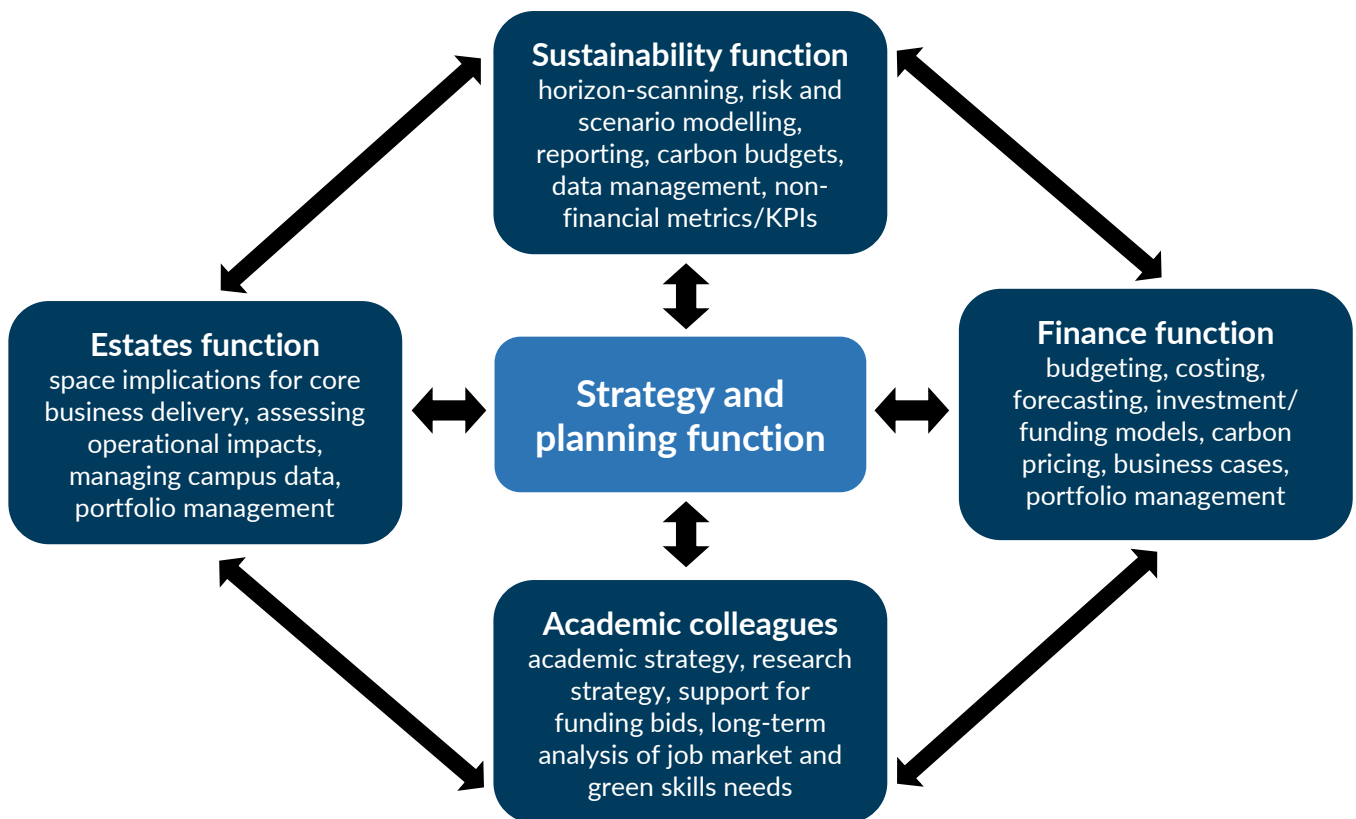
This report recommends that strategic planners and their institutions take the following actions:

1. **For specific measures towards strategic integration**, set in place or reinforce an agenda to adopt the measures explored in Part Two of the report, also set out below.
 - For measures which are currently diffusing or emergent in the higher education sector, this may initially involve experimentation and testing.
 - Adoption of the measures should be considered alongside the institution’s climate action journey, and should reinforce the momentum of the journey through their role in setting a commitment, delivering commitments, evaluating progress and reviewing approach.



2. **For an overall strategic framework**, adopt the recommendations of the Task Force on Climate-Related Financial Disclosures (2017). These provide a rigorous standard for ensuring that climate is appropriately integrated into an organisation’s governance, strategy, risk management, metrics and targets.
3. **For measuring and reporting carbon emissions**, use the *Standardised Carbon Emissions Framework (SCEF) for Further and Higher Education (2023)*, developed by EAUC in consultation with the sector to standardise practice around emissions reporting.

4. **For assessing the outline costs of technical interventions**, use the approach set out in AUDE, BUFDG and EAUC's *The Cost of Net Zero* (2023), which can inform more detailed cost modelling.
5. **For clarity of roles and responsibilities**, if not already defined, establish or confirm which individual or function at the institution is:
 - Responsible for integrating climate-related objectives into institutional strategy
 - Responsible for integrating carbon into overall planning at the institution level
 - Accountable for progress against the institution's net zero targets (it is advisable for this to be a member of the institution's leadership team)
 - The owner of the institution-level budget for climate-related initiatives (establish such a budget if none exists at present)
 - Responsible for compiling carbon data
 - Responsible for publishing carbon data.
6. **For enabling collaboration between professional groups within institutions**, establish formal mechanisms for deploying the specialist expertise and skills of different functions, integrated where possible into existing vehicles such as the annual planning process to ensure a coherent institutional approach.
 - A working model of areas for potential collaboration between the strategy and planning function and other groups is provided here. This is intended to be indicative rather than exhaustive, and approaches will of course play out differently in institutions according to their specific context.



7. **For supporting upskilling and collaboration across institutions**, colleagues with an interest in this agenda may wish to consider joining HESPA and SUMS Consulting's Special Interest Group focusing on Sustainability in Strategy and Planning. The group is aimed primarily at strategic planners but colleagues from other professional groups are welcome.



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