

Transcript of One Question Podcast – Climate Governance 1: Public Sector Obligations

[Will] (0:00 - 0:23)

Welcome to the One Question Podcast from O'BRIEN / Governance Design, who specialise in corporate governance for the public and not-for-profit sectors. I'm Will Francis, and for this mini-series of three podcasts, I ask Trish O'Brien a series of questions on the topic of climate governance in the public sector. For this opening podcast, the question is, what are the climate action obligations of the public sector?

Hi Trish, how are you?

[Trish] (0:24 - 0:26)

Hi Will, I'm good, thanks very much. How are you?

[Will] (0:26 - 0:34)

I'm very well, thanks. So, as I understand it, we're going to be focusing on climate governance in the public sector for the next few podcasts, is that right?

[Trish] (0:34 - 0:39)

It is. This has been on my mind for quite a long time, so I'm pleased that we're finally getting around to it.

[Will] (0:40 - 0:47)

Yeah, same here. So, considering climate issues have been in the headlines for a very long time, why didn't we look at the governance aspect of this sooner?

[Trish] (0:48 - 1:13)

Yeah, to be honest, I think I was a bit overwhelmed by the subject matter. Our area of experience and expertise is around governance, you know, we're not climate experts, and I think that made me hesitate, even though I think it's a very important area and issue. I even pursued some academic courses in this area, and I still felt like I was grappling on the fringes, and actions just felt intangible to me for some reason.

[Will] (1:13 - 1:19)

Yes, well, it's a huge topic. But why now? I mean, what made you decide to do these podcasts now?

[Trish] (1:20 - 2:25)

A few things. I think one thing I just have come to terms with is that it's an evolving area. You know, sometimes evolving areas are just not very clear. They're not very tangible. And maybe it's okay not to be an expert on it, just to be a student of it. The second reason is that, as I thought about it, I felt that if we feel that way, then surely members of public sector Boards, and those supporting public sector Boards, and those who are implementing climate actions, they must be feeling a little bit of the same, perhaps. And if that's the case, maybe we should actually be providing some support, if we can. And then the third thing is that, you know, the *Code of Practice for the Governance of State Bodies*, which is the document that we use when we're doing external evaluations of Boards, it is intended that

that's going to include reference to climate governance; that really brings it right into our area. So I think that was something else that we felt was making it a very tangible area that we could now contribute to.

[Will] (2:25 - 2:31)

Yeah. Could you start by telling me, what are the climate obligations of the public sector in Ireland today?

[Trish] (2:32 - 3:15)

There are a number of them, but I'm going to focus just on a few pieces of documentation. And I won't get into too much detail, but maybe it's important just to mention them. And these are really in the last five years. So firstly, there was a piece of legislation in 2021, which is important. And that kind of gave this legal underpinning to the climate action obligations of the public sector. And really all policy is being driven from that. There was a climate action plan, which was published in 2021, and that's updated annually. And that speaks about the public sector leading by example on climate action to reach Ireland's climate targets.

[Will] (3:16 - 3:19)

Well, that term leading by example, that's interesting.

[Trish] (3:20 - 3:38)

Yeah, I agree. And it goes to something fundamental about the public sector and its role in society. And it kind of suggests that beyond reducing its own impact, that the public sector has this important role in influencing behaviour that contributes to meeting the national climate objective.

[Will] (3:38 - 3:46)

It does. It's such a visible part of Irish life that it will be a huge influence. So what came after the climate action plan?

[Trish] (3:47 - 4:04)

So we talk about this leading by example element. Another document called the Public Sector Climate Action Mandate was published. And that was to try and help public sector bodies to be more specific, I suppose, in terms of their obligations under that climate plan that we mentioned.

[Will] (4:05 - 4:09)

So run me through what kind of areas are covered by the mandate?

[Trish] (4:10 - 5:27)

So we put together just an online presentation that we have on our website because there's quite a lot of detail in this, and I won't get into all of it here. But just to give you the headlines. So under climate targets, it references current targets around reducing greenhouse gas emissions and improving energy efficiency.

It then gets into some specific actions under the headings of people, ways of working, buildings and vehicles. So I'll give you a couple of examples. Under people, it talks about establishing and resourcing green teams, providing climate action and sustainability

training, and that includes at leadership level, and having these staff workshops to engage on climate issues.

And then under ways of working, it talks about implementing energy management programmes, implementing green procurement, progressively eliminating single use items and using segregated waste collection services. And then we've got the heading of buildings and vehicles, a couple of examples under that, promoting and facilitating the use of bicycles and shared mobility options, and then also retrofitting existing buildings and developing a portfolio building stock plan, and that's for public bodies with large estates, or a basic building stock analysis for smaller public bodies.

[Will] (5:28 - 5:38)

I know that's not a totally exhaustive list of things in the mandate, but it strikes me that some of those examples you've given seem quite a lot easier to approach than others, right?

[Trish] (5:39 - 6:01)

Yeah, I think so. But, you know, even the things that seem to be more easily implemented, you know, you think you could look at training and workshops and feel, well, that's very achievable, and it is, but those actions aren't necessarily going to have any impact if they're not implemented in the context of a climate action plan that's a holistic plan and that's overseen by an integrated governance system.

[Will] (6:02 - 6:14)

Yes, true. So I know we're going to talk about the incorporation of climate governance into the Code of Practice in a minute, but just at the moment, tell me, do public bodies report on how they are addressing the mandate?

[Trish] (6:14 - 6:26)

Well, all relevant public sector bodies are supposed to produce what's called a Climate Action Roadmap, and that details how they will meet the climate action mandate that we just spoke about.

[Will] (6:26 - 6:28)

Yeah, and has that actually been happening?

[Trish] (6:30 - 6:58)

Well, some of them are published online, so you can see them very easily identified, and you can see that some of them actually go well beyond the mandate, which suggests that climate conversation and climate actions are becoming more embedded and they're getting more contextualised in some settings. The roadmaps themselves are supposed to go to the SEAI, which is the Sustainable Energy Authority of Ireland, and to the parent department of the public body.

[Will] (6:58 - 7:03)

Okay, so let's go back to governance and the Code of Practice. You mentioned that there's expected to be an update to that.

[Trish] (7:04 - 7:51)

Apart from the legislation and the action plan that we mentioned and the mandate, there was another document published, which was called the Public Sector Climate Action Strategy, and that's for 2023 to 2025, and that focuses more on governance and reporting. So that continues to acknowledge the current reporting on progress against the mandate, including in the form of the roadmap and also annual reporting. But it places an emphasis on the role of governance structures that set organisational policy and direction, risk appetite and culture.

And it also talks about how, and this is a quote from it, 'awareness and prioritisation of climate considerations will provide the appropriate tone at the top, which is essential for embedding a culture of leading by example on climate action'.

[Will] (7:51 - 7:58)

Yes. So beyond the public sector leading by example, Boards also need to lead by example for the organisations that they oversee, right?

[Trish] (7:59 - 9:07)

They do, I think. And that word culture, which we've talked about previously in the podcasts that we've recorded, it can be difficult to quantify, but it's very important. And Boards, they can set expectations about behaviours. They do that in lots of different ways, you know, particularly in the questions that they ask and the things that they prioritise. There's no question that they should have a role in terms of climate governance: overseeing the obligations that public sector bodies have in terms of meeting national climate priorities. And I would like to just give one quote, if I may, it's just in the Public Sector Climate Action Strategy. It's the specific bit about the Code of Practice. It's on page 15. It says the reporting requirements relating to the mandate will be reflected in the Code of Practice for the governance of state bodies: 'This will enable parent departments to include climate considerations as part of the existing reporting structure for monitoring compliance, statutory and governance requirements'. So that's very much setting out the intention in terms of incorporating these issues into the Code of Practice.

[Will] (9:08 - 9:13)

And so as things stand today, has the Code of Practice been updated to reflect the climate mandate?

[Trish] (9:14 - 10:27)

No, it hasn't as yet. You know, the reasons for that, I'm not sure. I would hope to see that happening sooner rather than later. And it absolutely would be inconceivable that any update to the Code of Practice wouldn't reference climate governance. There's no reference to it in the current Code of Practice, which dates back to 2016. It's had some amendments since, but nothing very significant.

But in a way, I think we should just be proceeding as if it's there because we can guess what it will look like. It's got to reference public sector climate obligations. It'll formally include that policy area under the oversight responsibilities of the Board. It will connect climate obligations with strategy. It'll incorporate it into its principles and provisions on risk

management, resources, and procurement, audit, reporting. So we know what it's going to look like.

I think what Boards and secretaries to Boards have the chance to do now is to start or to continue, because a lot of organisations and Boards, I appreciate, are ahead of the game in terms of this. But for others, it gives them a chance to build their governance structures to meet these requirements when they do actually emerge.

[Will] (10:27 - 10:29)

And is there a timeline for that update?

[Trish] (10:29 - 10:37)

That strategy document that the reference is in dates from 2023 to 2025. So certainly it should be happening within the term of that strategy.

[Will] (10:38 - 10:42)

So what are we going to talk about to aid in that readiness in our next podcast?

[Trish] (10:43 - 11:01)

Well, in the next podcast, keeping in mind the climate mandate and the need to integrate climate governance into the Board's oversight responsibilities, I think we should look at some of the areas that a Board should be assuring itself about. And we're going to propose a framework of statements, which we very much hope is going to help with that.

[Will] (11:02 - 11:26)

Look forward to it. See you then. [Trish] Thank you very much, Will.

So having looked at public sector climate action obligations, in our next episode, we'll be talking about what the Board needs to satisfy itself about when taking responsibility for the oversight of those actions. I hope you'll join us, and don't forget, you can find out more and access other podcasts, resources, templates and One Question Guides at obriengd.ie. Thanks for listening.