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Welsh European Funding Office

European Structural Funds 2014-2020

Cross Cutting Themes Key Document European Regional Development Fund

Integrating the Cross Cutting Themes across the 2014-2020 European Structural Funds.

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Foreword

The Cross Cutting Themes (CCTs) also referred to as horizontal themes are issues that touch on general principles such as democracy, equality, sustainability and good governance. They require action in multiple fields and as such need to be integrated into all areas of the European Funding programmes and be addressed in the dialogue on development of the programmes.

For the 2014-2020 programmes, the CCTs are Equal Opportunities and Gender Mainstreaming, Sustainable Development and Tackling Poverty and Social Exclusion.

Set within an evolving policy context, the picture of integrating the CCTs in Wales is one of steady progression and improvement from previous programmes. Increased awareness, positive developments in legislation and policy, matched by changes in attitudes has, combined with lessons learned and a clear focus from the European Commission to push the agenda forward. The Welsh Government has developed policies across the range of its statutory responsibilities including Sustainable Development, Equality and Diversity and also Tackling Poverty.

The aim is to continue with the progress made and ensure the benefits of the 2014-2020 programmes are spread equitable to the people and communities within the region, thereby maximising the impact of the programmes and showing the true added value of successful integration of the CCT principles.

The aim of the Cross Cutting Themes (CCTs) is to improve the quality and the legacy from each of the operations supported by the Structural Funds and to add value to programmes as a whole. They will require action in multiple fields and will be embedded within the design and delivery of all operations. There are three CCTs: Equal Opportunities, Gender Mainstreaming and the Welsh Language; Sustainable Development and Tackling Poverty and Social Exclusion.

Finally, we would like to acknowledge and thank the organisations who reviewed the draft version of the CCT guidance documents, whose comments have been incorporated in the final versions.

How to use the guidance

The following guidance is aimed anyone involved in the development of 'Operations', especially 'Lead of Operations' and Welsh European Funding Office staff with a view to ensuring maximum integration of the cross cutting themes.

The CCT guidance for the EDRF Programmes consists of this Key Document and a Cross Cutting Theme (CCT) Matrix. This document sets out:

- a definition of the three cross cutting themes along with the specific objectives
- the policy context and objectives for the cross cutting themes for the 2014-2020 Structural and Investment Funds
- the legislative framework and;
- the monitoring and evaluation process which will be used to assess the success of the integration of cross cutting themes across the ESI programmes.

The CCT matrix provides a list of actions, broken down by individual Programme and Priority, which 'Operations' must consider incorporating with a view to maximising the potential for CCT delivery.

Introduction

The Regulations governing the European Programmes stipulate that all operations funded through European Structural Funds **must** integrate Equal Opportunities and Gender Mainstreaming and Sustainable Development as horizontal themes, as well as taking action to Tackle Poverty and Social Exclusion. These cross cutting themes will add value, raise awareness and understanding while ensuring maximum participation and mitigating adverse impacts. This will help operations move beyond compliance and develop systems which support best practice.

Guiding Principles:

The following common principles will guide future selection of operations across all Investment Priorities:

- Interventions should seek to integrate economic, social and environmental outcomes, consistent with the central organising principle of sustainable development and contributing to the outcomes of the cross cutting themes.

Equal Opportunities and Gender Mainstreaming

The equal opportunities and gender mainstreaming cross cutting theme aims to reduce injustice and promote social cohesion., This will provide the opportunity for all eligible beneficiaries to participate and use their skills and abilities to raise the levels of GDP in Wales. This in turn will help to address the imbalance in earning for women and men and others with protected characteristics.

Key equality objectives for the ERDF programme in Wales are to:

- Encourage entrepreneurship and business start-up initiatives to encourage more take up from young people, women, Black and minority ethnic people , disabled people and LGBT people
- Support the creation of an environment which supports inclusive work places and promotes equality of opportunity for staff, including reconciliation of work and private life
- Ensure access to technology is available and accessible to all, particularly for people in rural areas, older people, disabled and others affected by the 'digital divide'
- Support RD&I which seeks to address societal challenges, such as supporting active ageing, opening up employment and training opportunities for individuals and supporting independent living
- Support access for disabled people and those from BME backgrounds to training and employment opportunities, including through sustainable transport solutions
- Identify and support opportunities to promote and facilitate the use of the Welsh language
- Supporting the competitiveness of the childcare sector where it meets the objectives of the related Priority Axis
- Support the creation of an environment which supports inclusive work places, which promotes equality of opportunity for staff, including the reconciliation of work and private life
- Encourage entrepreneurship and business start-up initiatives to encourage more take up from women

Sustainable Development

“Development which meets the needs of the present without compromising the ability of future generations to meet their own needs.”

Brundtland Report “Our Common Future” 1987

Sustainable development is the central organising principle of the Welsh Government. The inclusion of sustainable development as a cross-cutting theme is a crucial element to ensure that programmes and operations meet social, economic and environmental objectives simultaneously. A high quality, attractive environment plays a key role in enticing and retaining people to live and work in Wales, as well as providing the quality of life for Welsh residents.

The key ERDF programme objectives to achieving sustainable development are:

- Promoting research and innovation in the Grand Challenge area of low carbon, energy and environment, building on the significant investments made in this area under the 2007-2013 programmes;
- Developing the low carbon, energy and environment sector through business advice and support and business finance under the SME Competitiveness Priority;
- Promoting resource efficiency, including energy efficiency, through interventions under the SME Competitiveness Priority;
- Increasing the potential to generate renewable energy through support for R&I, and enabling infrastructure investments in the marine energy industry in Wales;
- Increasing the number of small scale and community renewable energy projects;
- Improving the energy efficiency of Welsh Homes, in particular in areas of fuel poverty and deprivation (as measured by WIMD);
- Promoting low carbon energy schemes for urban and rural areas;
- Supporting low carbon and sustainable transport solutions, including through linking unemployed and economically inactive individuals with work and training.

Tackling Poverty and Social Exclusion

Tackling poverty and social exclusion is a European Commission and Welsh Government commitment which will focus on actions to create employment and progression opportunities and will help people to access those opportunities. The key tackling poverty objectives for the Welsh Programmes are:

- Focus on the creation of jobs and growth providing employment opportunities for those who are out of work. For example through increasing the competitiveness of SMEs
- Tackling barriers to employment. For example addressing poor skills and lack of childcare through the ESF, complemented by addressing transport barriers to accessing employment through the ERDF
- Focusing on growth. For example through support for key knowledge-based sectors through the ERDF, aligned with skills development interventions enabling those experiencing in-work poverty to access more highly-skilled, better paid jobs through the ESF.

Statutory Obligations and EU Funding Eligibility

Actions that the lead beneficiary would have needed to implement and fund, irrespective of the EU operation, because of statutory obligations are always ineligible costs.

However, actions needed as a consequence of the EU operation, in order to adhere to statutory requirements, are eligible costs, e.g. reasonable adjustments to remove barriers (Inc. physical barriers) to participation in an operation. The eligible costs should only be the incremental costs i.e. the additional actions (and costs) beyond which the organisation would have needed to implement, even if the EU operation did not exist. This should always be discussed and agreed with WEFO in advance to ensure available budget etc.

Policy Context and Legislative Framework

Equal Opportunities and Gender Mainstreaming

The integration of equal opportunities, gender mainstreaming and the Welsh language (which we also include in the Equal Opportunities CCT) is important. This is not only for legal reasons, but also because overcoming inequalities between different social and demographic sections of society contributes to the overall effectiveness of the activity delivered by the programmes.

REGULATION (EU) No 1303/2013 Article 7 - Promotion of equality between men and women and non-discrimination states:

‘The Member States and the Commission shall ensure that equality between men and women and the integration of gender perspective are taken into account and promoted throughout the preparation and implementation of programmes, including in relation to monitoring, reporting and evaluation.

The Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation and implementation of programmes. In particular, accessibility for persons with disabilities shall be taken into account throughout the preparation and implementation of programmes.’

Europe 2020 is the European Union’s ten-year growth strategy. The strategy aims at addressing socio-economic shortcomings whilst creating conditions for growth in a smarter, sustainable and inclusive manner. Targets include:

- 75% of the 20-64 year olds to be employed
- Reducing the rates of early school leaving below 10%
- At least 40% of 30-34 year olds completing third level education
- 20 million fewer people in or at risk of poverty and social exclusion

Other legislation which Operations need to take into account includes:

- United Nations (UN) Convention on the Rights of the Child (UNCRC)¹
- United Nations Convention on the Rights of Persons with Disabilities (UNDRDP)²

¹ UNCRC, includes ‘Rights of Children and Young Persons (Wales) Measure 2011’: <http://wales.gov.uk/topics/people-and-communities/people/children-and-young-people/rights/uncrc/?lang=en>

² UNCRPD: <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities.html>

The Welsh Government launched its Strategic Equality Plan (2012-16) and equality objectives on 2 April 2012. These highlight how the Welsh Government is fulfilling its legal obligations as well as its strong commitment to equality and inclusion. The Strategic Equality Plan was developed in-line with public sector equality duties under the Equality Act (Statutory Duties) (Wales) Regulations 2011.

The Equality Act 2010 places a duty on the public sector, known as the public sector equality duty (PSED), which states that public authorities must have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- An Equality Impact Assessment (EIA) has been undertaken which highlights potential impacts the ESF programmes might have on various groups in Wales. The evidence collected by the EIA covers the nine protected characteristics, which helps to support the Welsh Government's compliance with the Public Sector Equality Duty (PSED) and Strategic Equality Plan.

There is also a range of legislation that underpins the equality agenda including:

- The Equality Act 2010
(Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race and Ethnicity, Religion and Belief, Sex / Gender and Sexual Orientation)
- Public Sector Equality Duty (including the Specific Equality Duties in Wales)
- National Assembly for Wales (Official Languages) Act 2012
- Welsh Language (Wales) Measure 2011
- Welsh Language Act 1993
- s35(2) Government of Wales Act 2006
- Rights of Children and Young Persons (Wales) Measure 2011

Gender Pay Gap Reporting

On the 6th of April 2017 Gender Pay legislation was introduced, which requires voluntary, private and public sector employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The UK is one of the first countries to introduce such legislation.

The snapshot date on which to base calculations for the public sector is 31st of March and for the private and voluntary sectors it's the 5th of April. Employers will have a year from the relevant date to publish their data. Further information on this can be found [here](#).

Welsh Government policies / strategies that support equal opportunities and gender mainstreaming include:

- Framework for Action on Independent Living
- The Strategy for Older People in Wales 2013-2023 (This strategy identifies older people in Wales as being 50+ years)
- Travelling to a Better Future – A Gypsy and Traveller Framework for Action and Delivery Plan
- Strategic Equality Plan (and Objectives) 2012-2016
- A Living Language: a language for living - Welsh Language Strategy 2012-2017

The Equality Impact Assessment (EIA), which accompanies this programme, provides a robust assessment of the needs of those who may be at risk of exclusion, disadvantage or discrimination as a result of one or more characteristics protected under the Equality Act (2010) and their specific needs in terms of supporting access to employment and skills.

The EIA highlights that groups with characteristics protected under the Equality Act 2010 can face specific issues that impact upon their ability to access and progress within the labour market, and which place them at greater risk of poverty and exclusion. The EIA also shows that BME groups are disproportionately affected by unemployment, with ethnicity closely linked to income poverty.³

Code of practice: Ethical employment in supply chains

All organisations that receive funding from Welsh Government, either directly or via grants or contracts, will be expected to sign up to this code. Other organisations in Wales are encouraged to sign up.

The code commits public, private and third sector organisations to a set of actions that tackle illegal and unfair employment practices.

The commitments in the code help ensure that workers in our supply chains are employed fairly.

<http://gov.wales/topics/improvingservices/better/vfm/code-of-practice/?lang=en>

Welsh Language

The Welsh Government wants Wales to be a truly bilingual nation where people can choose to live their lives through the medium of either Welsh or English or both and where the presence of the two languages is a visible and audible source of pride and strength to everyone. In order to fulfil that vision, the Welsh Government has made a commitment in 'A living language: a language for living', the National Action Plan for

³ Equality Impact Assessments European Structural Funds 2014-20 <http://gov.wales/funding/eu-funds/2014-2020/delivering-your-project/monitoring/programme-evaluations/?lang=en>

a Bilingual Wales and its Welsh Language Scheme to mainstream the Welsh Language across policy areas. The implementation of the Structural Funds Programmes will reflect this commitment. Lead beneficiaries will be expected to follow the terms of the Welsh Language Commissioner's document 'Grants, Loans and Sponsorship: Welsh language considerations'⁴. Costs to comply with Welsh Language requirements will need to be included in the financial projections for the operation.

European Structural Funds can play an important role to support efforts to grow the Welsh language within the context of economic growth and job creation. Operations can contribute to these aims by:

1. Ensuring that all operations and grant-funded services are available through the medium of Welsh and that these services are actively promoted;
2. Ensuring that all operations contribute to positive outcomes for the Welsh language, such as:
 - a. increased use of Welsh by participants;
 - b. increased provision and use of Welsh language services;
 - c. improved Welsh language skills;
 - d. enhanced economic opportunities in Welsh-speaking areas;
 - e. increased awareness of the benefits of the Welsh language for future employment opportunities and economic development.
3. Monitoring progress and positive outcomes regarding the Welsh language.

In addition to contributing to the Welsh Government's strategic aims for the Welsh language, implementing the above measures would contribute towards compliance with the requirements of the Welsh Government's Welsh Language Scheme and, in due course, Welsh Language Standards under the Welsh Language (Wales) Measure.

Welsh Language (Wales) Measures 2011

The Welsh Language (Wales) Measure 2011 received royal assent on 9 February 2011 and establishes a framework for Public Sector bodies, some private companies and third sector organizations to comply with standards, and gives the Commissioner the power to require a company or an organisation to comply with a standard.

Some of the areas covered by this Measure include:

- gives the Welsh language official status in Wales
- makes provision for promoting and facilitating the use of the Welsh language
- makes provision about standards relating to the Welsh language
- establishes the principle that the Welsh language should be treated no less favourably than the English language
- makes provision for the investigation of interference with the freedom to use the Welsh language

⁴ Grants, Loans and Sponsorship:
<http://www.comisiynyddygydraeg.org/English/Publications%20List/20120402%20DG%20S%20Dogfen%20Cynghor%20Grantiau%20f1.pdf>

- establishes a Welsh Language Tribunal and abolishes the Welsh Language Board

Detailed information about how public organisations and crown bodies, private companies and third sector bodies can comply with the standards and a list of the types of private companies and third sector organisations that come under the Measure and can be found on the Welsh Language Commissioners Website ⁵

Sustainable Development

The General Regulations governing the European Programmes stipulate that all operations funded through the Common Strategic Framework, which includes structural funds, must integrate Sustainable Development under Article 8.

The objectives of the ESI Funds shall be pursued in line with the principle of sustainable development and with the Union's promotion of the aim of preserving, protecting and improving the quality of the environment, as set out in Article 11 and Article 191(1), TFEU, taking into account the polluter pays principle.

The Member States and the Commission shall ensure that environmental protection requirements, resource efficiency, climate change mitigation and adaptation, biodiversity, disaster resilience, and risk prevention and management are promoted in the preparation and implementation of Partnership Agreements and programmes.

Member States shall provide information on the support for climate change objectives using a methodology based on the categories of intervention, focus areas or measures, as appropriate, for each of the ESI Funds.

Europe 2020⁶ is the European Union's ten-year growth strategy. The strategy aims at addressing economic shortcomings whilst creating conditions for growth in a smarter, sustainable and inclusive manner.

Europe 2020: Sustainable Growth (EU Strategy) details the following objectives:

- Emphasis on resource efficiency;
- Greener more competitive economy;
- Lower carbon emissions (20% reduction in green house emissions 1990-2020) ;
- Environmental protection, reducing emissions and preventing biodiversity loss
- Develop green technologies;
- Smart electricity grids (20% reduction in consumption);
- Improved business environment and support customers

⁵ Welsh Language Commissioner's Website:

[http://www.comisiynyddygydraeg.cymru/english/commissioner/law/the%20welsh%20language%20\(wales\)%20measure%202011/Pages/The-Welsh-Language-\(Wales\)-Measure-2011.aspx](http://www.comisiynyddygydraeg.cymru/english/commissioner/law/the%20welsh%20language%20(wales)%20measure%202011/Pages/The-Welsh-Language-(Wales)-Measure-2011.aspx)

⁶ Europe 2020: https://ec.europa.eu/info/strategy/european-semester_en

UK Environmental Legislation which is applicable to Wales is detailed as the following:

- Climate Change Act 2008
- Natural Environment and Rural Communities Act 2006
- Clean Neighbourhoods and Environment Act 2005
- Countryside and Rights of Way Act 2000
- Wildlife and Countryside (Amendment) Act 1991
- Environmental Protection Act 1990
- Control of Pollution Act 1974
- The Conservation of Habitats and Species (Amendment) Regulations 2011
- The Waste (England and Wales) Regulations 2011
- The Environmental Permitting (England and Wales) Regulations 2010

The National Assembly for Wales has a duty to promote sustainable development as stipulated under Section 79 of the Government of Wales Act 2006⁷, which states:

The Welsh Ministers must make a scheme (“the sustainable development scheme”) setting out how they propose, in the exercise of their functions, to promote sustainable development.

The Welsh Ministers—

- (a) must keep the sustainable development scheme under review, and,*
- (b) may from time to time remake or revise it.*

The Programme of Government sets out the Welsh account of sustainable development, namely “an emphasis on social, economic and environmental well-being for people and communities; embodying our values of fairness and social justice.” The European Commission definition alongside that of the Welsh Government’s vision of sustainable development will be combined to fully contribute to the integration of the sustainable development cross cutting theme.

The Wellbeing of Future Generations Act (2015) strengthens existing governance arrangements for improving the well-being of Wales to ensure that present needs are met without compromising the ability of future generations to meet their own needs.

The act:

- identifies goals to improve the well-being of Wales
- introduces national indicators, that will measure the difference being made to the well-being of Wales
- establishes a Future Generations Commissioner for Wales to act as an advocate for future generations
- puts local service boards and well-being plans on a statutory basis and simplifies requirements for integrated community planning.

⁷ Government of Wales Act 2006:

<http://www.legislation.gov.uk/ukpga/2006/32/notes/division/5/3/8>

For further information on the Act please visit: <http://gov.wales/topics/people-and-communities/people/future-generations-bill/?lang=en>

The Environment Act received Royal Assent on 21 March 2016. It aims to introduce new legislation for the environment. This positions Wales as a low carbon, green economy, ready to adapt to the impacts of climate change.

The act will develop significant economic, social and environmental benefits for Wales. It has been carefully designed to support and complement our work to help secure Wales' long-term well-being, so that current and future generations benefit from a prosperous economy, a healthy and resilient environment and vibrant, cohesive communities.

The key parts of the act are:

- Part 1: Sustainable management of natural resources;
- Part 2: Climate change ;
- Part 3: Charges for carrier bags ;
- Part 4: Collection and disposal of waste ;
- Parts 5 & 6: Fisheries for shellfish and marine licensing;
- Part 7: Flood & Coastal Erosion Committee and land drainage;

For further information on the Act please visit:

<http://gov.wales/topics/environmentcountryside/consmanagement/natural-resources-management/environment-act/?lang=en>

The Planning (Wales) Act gained Royal Assent on 6 July 2015.

The act sets out a series of legislative changes to deliver reform of the planning system in Wales, to ensure that it is fair, resilient and enables development.

The act addresses 5 key objectives:

- a modernised framework for the delivery of planning services;
- strengthening the plan led approach;
- improved resilience ;
- frontloading and improving the development management system ;
- enabling effective enforcement and appeals ;

For further information on the Act please visit:

<http://gov.wales/topics/planning/legislation/planning-wales-act-2015/?lang=en>

The Welsh Government is committed to aiding the development of sustainable development through its green growth agenda which presents a new approach to economic growth, puts human wellbeing at the centre of development, while ensuring that natural assets continue to provide the resources and environmental

services to support sustainable development⁸ By explicitly accounting for the environment and the value of natural assets, green growth expands traditional definitions of wealth to include well-being, and the quality of growth and development. The concept of green growth is narrower in scope to that of sustainable development, and provides a policy agenda that can help achieve concrete, measurable progress at the interface of the economy and the environment. Green growth promotes a cost-effective and resource efficient way of guiding sustainable production and consumption choices. When designed to reduce poverty and manage near-term trade-offs, green growth can help developing countries achieve sustainable development.

The structural funds regulations are in keeping with the UK Sustainable Development Strategy⁹ and the One Wales: One Planet¹⁰ sustainable development scheme. The scheme aims to enhance the economic, social and environmental wellbeing of people and communities, achieving a better quality of life for future generations:

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

Protecting the environment and ensuring it is preserved and enhanced for future generations is a commitment by the Welsh Government to ensure issues such as loss of biodiversity, fly tipping, littering and graffiti are regulated and the necessary enforcement is issued. The 'Polluter pays' principle is a guiding standard of the UK Sustainable development Strategy¹¹ and as such forms part of the Welsh Government's organising principle of sustainability.

The Welsh Government plans to ensure that Wales leads the way in sustainable waste management through the overarching strategy document "Towards Zero Waste"¹². The waste strategy outlines that the prevention of waste is the most preferred option, followed by minimisation, re-use, recycling, energy recovery and finally disposal. Promoting resource efficiency, including energy efficiency and waste management, in the delivery and implementation of the operation's activity should be promoted through following the waste hierarchy¹³ to improve waste management.

⁸ OECD publication "Putting Green Growth at the Heart of Development":

<http://www.oecd.org/greengrowth/>

⁹ Securing the Future – UK Sustainability Development Strategy:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69412/pb10589-securing-the-future-050307.pdf

¹⁰ One Wales; One Planet:

<http://wales.gov.uk/docs/desh/publications/090521susdev1wales1planeten.pdf>

¹¹ Securing the Future – UK Sustainability Development Strategy:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69412/pb10589-securing-the-future-050307.pdf

¹² Towards Zero Waste :

<http://wales.gov.uk/docs/desh/publications/100621wastetowardszeroen.pdf>

¹³ Waste Hierarchy frequently asked questions: <http://www.environment-agency.gov.uk/business/regulation/129223.aspx>

Sponsor organisations must work out how they segregate and store materials for recycling and how these materials can be safely collected from the site. The WEEE (Waste Electrical & Electronic Equipment) Directive¹⁴ requires organisations to be responsible for both procuring ICT equipment that is capable of being recycled and ensuring that the equipment is recycled at the end of its life. Operations should maximise opportunities to use resources more efficiently, which would bring significant financial savings. The adoption of an Environmental Sustainability Strategies (ESS) would have an important role in meeting this objective such as ISO 14000¹⁵. Methods that minimise the unnecessary use of raw materials should be developed and adopted.

The next step should be to use secondary and recycled resources in construction, manufacturing or refurbishment wherever possible. The use of these materials impacts positively on the environment in two ways: they reduce waste to landfill; and they reduce the need to produce new materials thereby saving energy and natural resources. If reused material can be salvaged on-site, then travel costs, energy and emissions would also be reduced.

Any existing buildings or infrastructure on-site should be re-used if possible. Where reused materials are not available, recycled material sources should be explored. Targets for the percentage of secondary materials used in construction should be adopted and monitored by the operations beneficiary. WEFO as part of the Welsh Government requires that a minimum of 10% of the total value of materials used should derive from recycled and reused sources. Operations should also aim to source at least 25% of aggregates used from secondary or recycled sources, in order to contribute towards the objectives set by MTAN 1: Aggregates¹⁶.

Where the use of reused or recycled materials is not practical, materials should be sourced as locally and sustainably as possible. Sustainable resources are those that are managed so as not to deplete the levels of natural resources available, for example timber sourced from woodland that has achieved Forestry Stewardship Council (FSC)¹⁷ accreditation. Natural Resources Wales (NRW) can also provide guidance on this¹⁸

Water efficiency is also an important consideration for operations. Water conservation measures such as time-limited tap flows and water storage should be installed. Water could also be conserved through water storage and recycling schemes (which recycle 'grey water'*). The grey water can then be re-used for lavatories and irrigation. Drainage systems can contribute to sustainable development and improve urban design, by balancing the different issues that influence the development of communities.

¹⁴ Waste Electrical and Electronic Equipment Directive:

<http://www.businesslink.gov.uk/bdotg/action/detail?itemId=1086950582&type=RESOURCES>

¹⁵ ISO 14000: <http://www.iso.org/iso/home/standards/management-standards/iso14000.htm>

¹⁶ Minerals Technical Advice Note (Wales) 1: Aggregates

<http://wales.gov.uk/topics/planning/policy/mineralstans/2888891/?lang=en>

¹⁷ Forestry Stewardship Council (FSC): <http://www.fsc.org>

¹⁸ Natural Resources Wales (NRW): <https://naturalresources.wales/splash?orig=/>

Approaches to manage surface water that take account of water quantity (flooding), water quality (pollution) and amenity issues are collectively referred to as Sustainable Urban Drainage Systems (SUDS)¹⁹ or Welsh Waters 'Rainscape'²⁰ programme which demonstrates various forms of blue infrastructure.

In terms of climate change mitigation and adaptation specialist training and advice will be directed at specific issues with beneficiaries. The Welsh Government is committed to tackling both the causes and consequences of climate change²¹ and has set a target to reduce emissions by 3% per year in areas controlled by the Welsh Government. The Welsh Government is committed to developing a robust method to monitor and evaluate the performance of climate change adaptation and its achievement.

Operations should consider Climate Resilient infrastructure²² (where appropriate) at design stage. Adapting to the changing climate is fundamental for the future and there is a need to build resilience to these unavoidable changes. The global importance given to adapting to climate impacts to ensure our future resilience is consequently growing. For example, green infrastructures such as green roofs and walls, gardens, parks, productive landscapes, green corridors, and blue infrastructure such as bio-swales, porous paving and rain gardens as well as sustainable urban drainage systems (SUDS), play a vital role in creating climate-resilient development. Continuing to take immediate action to cut and sequester greenhouse gas emissions is therefore crucial if we are to hope to keep future climate change impacts to manageable levels.

Operations should look to include as part of climate resilient infrastructure the concept of embedding small scale green infrastructure strategies into operation design. Green infrastructure can take a variety of forms²³, for example it can take the form of small scale urban meadows, green roofs and bee hotels to larger scale planned parkland, wildflower set-aside areas and community urban agriculture grow plots. Further information can be found in the accompanying CCT ERDF matrix. <http://gov.wales/docs/wefo/publications/160318-erdf-matrix.pdf>

WEFO as part of the Welsh Government requires that all new buildings achieve BREEAM 'Excellent' environmental building standards certification. The 'Excellent' score must be verified at the Post-Construction stage and the BREEAM certificate presented to the sustainable development adviser in WEFO for confirmation.

¹⁹ Susdrain – Sustainable Urban Drainage: <http://www.susdrain.org/delivering-suds/using-suds/background/sustainable-drainage.html>

²⁰ Rainscape: <http://www.dwrcymru.com/en/My-Wastewater/RainScape/What-can-you-do-to-help.aspx>

²¹ Sustainable Development and Climate Change annual report: <http://gov.wales/topics/environmentcountryside/climatechange/publications/sustainable-development-and-climate-change-annual-report-2015/?lang=en>

²² Climate resilient infrastructure: Preparing for a changing climate: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69269/climate-resilient-infrastructure-full.pdf

²³ Green Infrastructure: Wildlife Trust http://www.wtwales.org/sites/default/files/green_infrastructure.pdf

Meeting BREEAM 'Excellent' building standards will ensure that long term social, economic and environmental objectives are achieved. . Also, buildings should look to achieve the Wildlife Trusts Biodiversity Benchmark Award²⁴. The Biodiversity Benchmark is the only award for business to recognise and reward continual Biodiversity/green infrastructure improvement. Biodiversity Benchmark can complement existing environmental management systems such as ISO14001 and BREEAM by integrating biodiversity into the systems of an organisation. Alternatively it can operate as a standalone system.

The first step in reducing an organisation's contribution to carbon emissions should always be to reduce the amount of energy used. Receiving the correct advice at an early stage from an appropriately skilled advisor is crucial and can provide significant economic savings later in the operation. Advice and guidance is available from Resource Efficient Wales²⁵ and Business Wales²⁶ in terms of advice.

From an energy point of view any new building or refurbishment design should consider:

- the topography of the site
- opportunities to maximise wind protection
- opportunities to maximise solar lighting or heating
- passive solar design and effective building insulation
- fabric first approach to design and the minimisation of energy demand and carbon footprint
- energy efficient lighting
- energy efficient heating, for example installing Grade A high efficiency appliances such as energy efficient boilers with combined heat and power units.

By improving energy efficiency, you can reduce operating costs, gain competitive advantages in the marketplace and reduce negative impacts on the environment.

Once a building is operational, an energy efficiency premises plan should be produced and implemented. This plan will outline actions that need to be taken to reduce energy use including switching off all unnecessary heating, lighting and unused appliances. This in itself will provide significant economic savings. Operations should be aiming to follow the 'energy hierarchy':

1. Use less energy;
2. Use energy efficiently;
3. Use renewable energy.

. If operations cannot achieve BREEAM excellent for technical reasons then 'exceptions' will be considered on a case-by-case basis. The Welsh Government has

²⁴ Biodiversity Benchmark: <http://www.wildlifetrusts.org/biodiversitybenchmark>

²⁵ Resource Efficient Wales: <http://resourceefficient.wales.gov.uk/?lang=en>

²⁶ Business Wales: <https://businesswales.gov.wales/efficiency-wales>

provided a report²⁷ and justification template if an operation fails to meet BREEAM excellent requirements. Operations involving civil engineering works should obtain an award under the CEEQUAL²⁸ assessment scheme, which seeks to ensure high environmental quality. This award scheme is complimentary to the BREEAM scheme for new buildings and building refurbishments. Whilst not a Welsh Government policy requirement, the scheme has been used on operations in Wales.

After energy efficient design features and operational measures have been considered, it may be possible to install technology for producing renewable energy such as solar water heating, photo-voltaic (PV) solar panels, biomass or wind turbines. It is crucial that expert advice is obtained before any renewable energy options are installed, as not all systems may be suitable in each case. The installation of wind turbines in particular must always be preceded with an expert assessment of whether the building is suitable for such an installation. If the installation of renewable energy facilities is not practical, it would still be possible to switch to an electricity company that supplies energy from 100% renewable sources.

Tackling Poverty and Social Exclusion

Europe 2020 is the EU Platform against Poverty which supports the Commission's focus on tackling poverty and social exclusion and will deliver to the EU2020 target of 20 million fewer people in poverty.

Tackling poverty is a key priority for the Welsh Government. All Welsh Government departments are taking forward actions aimed at tackling poverty and improving outcomes for low income households. The Tackling Poverty Action Plan (TPAP)²⁹ sets out the targets and milestone being taken forward by Welsh Government to reduce poverty in Wales.

Contained within the TPAP under the objective of 'Mitigating the impact of poverty' is the target of ensuring fair and equal access to high quality health, housing, financial and digital services regardless of where people live or what their incomes are. Sitting under this are two further targets that can be aligned to the ERDF programme's Priority's, these are; a TPAP target for housing is to achieve 7,500 additional affordable homes (social and intermediate) by 2016, which aligns itself with the ERDF programme Priority Axis 3 of Renewable Energy and Energy Efficiency whereby improvements to the energy efficiency of housing stock are undertaken; secondly a target for increasing digital inclusion for those people that are unemployed, economically inactive, residents of social housing and people aged over 50 years of age, which would correlate with the ERDF programme's Priority

²⁷ Welsh Government BREEAM Exception report
: <http://gov.wales/docs/wefo/publications/170412-cct-breeam-document.pdf>

²⁸ CEEQUAL – Civil Engineering Environmental Quality Assessment & Award scheme:
<http://ceequal.com>

²⁹ Tackling Poverty Action Plan: <http://wales.gov.uk/topics/people-and-communities/tacklingpoverty/publications/taking-forward-tack-pov-plan/?lang=en>

Axis 4 Connectivity and Urban Development (Priority Axis 4 Connectivity in East Wales) which has the goal of increasing the number of premises with broadband access (households).

The TPAP has aligned one of its targets under the object of 'Helping people into work' with the ESF programme target to direct at least 20 percent of the 2014-2020 ESF funds to be invested in tackling poverty and social exclusion through helping people to find and maintain sustainable employment, the ERDF programmes would compliment these actions by increasing the competitiveness of SME's consequentially increasing their capacity for job creation and growth.

The ERDF's focus is to stimulate economic growth and the creation of sustainable jobs across the programmes, while enhancing the connectivity between areas of economic growth and the needs of disadvantaged individuals. The programme will look to connect people, skills and jobs, increasing their mobility and opportunities to gain sustainable employment which would support an individual's journey towards a life free from poverty. The programme aims to improve the energy efficiency of housing stock with the aim of reducing household energy bills and lifting individuals out of fuel poverty.

These aims align with the Welsh Government's Fuel Poverty Strategy³⁰ target to as far as reasonably practicable ensure that there would be no-one in Wales living in fuel poverty. An additional objective of the programme is to increase the number of households with broadband access of at least 30 mbps. The benefits of increased broadband access would allow, for example greater compliance with the Job Centre Plus requirements around accessing Universal Jobmatch system. This would therefore provide a regular window for monitoring vacancies with greater convenience and efficiency; expand opportunities for individuals with little to no IT experience to gain confidence and reduce their levels of digital exclusion in turn this would increase their opportunity to carry out, for example comparison searches to ensure they have the best priced energy suppliers or household insurance.

Section 5 of the Operation Programme is entitled 'The Specific Needs of Geographical Areas most affected by Poverty or Target Groups at Highest Risk of Discrimination or Social Exclusion, with Special Regard to Marginalised Communities and Persons with Disabilities', outlines that the focus will be on linking target groups with economic opportunity, improving connectivity in specific geographical areas where deficiencies are often cited as being a barrier to accessing employment.

Children's Rights Impact Assessment (CRIA)

In 2011 Wales became the first country in the UK to incorporate children's rights into domestic law with the introduction of the Rights of Children and Young Persons (Wales) Measure 2011. The Measure embeds consideration of the United Nations Convention on the Rights of the Child (UNCRC) and the optional protocols into Welsh law.

³⁰ Welsh Government's Fuel Poverty Strategy
<http://gov.wales/topics/environmentcountryside/energy/fuelpoverty/strategy/?lang=en>

The Children's Rights Scheme sets out the arrangements that Ministers must have in place to comply with the duty to have due regard to the United Nations Convention on the Rights of the Child (UNCRC). This Scheme was revised on 1 May 2014 to reflect further commitment to children's rights.

The Children's Rights Impact Assessment (CRIA) has been developed to ensure Welsh Government Departments support Ministers to comply with the duty to have due regard to the UNCRC. The CRIA is a six step structured tool to guide the user through the process of having due regard to the UNCRC and to ensure compliance with the duty under section 1 of the Measure.³¹

Lessons learnt from previous programmes.

A Strategic Environmental Assessment³² has been undertaken identifying potential impacts of the Structural Funds programmes on the environment and to aid the development of the 2014-2020 programme. It sets out to ensure that the Programme contributes positively to a high level of environmental protection, as well as supporting the goal of the Welsh Government of working towards sustainable development.

The assessment has been carried out in accordance with the requirements of the European SEA Directive (2001/42/EC) and the implementing regulations for Wales, the Environmental Assessment of Plans and Programmes (Wales) Regulations 2004 (Welsh Instrument 2004 No. 1656 (W.170)). The assessment concluded that the proposed Programme offers an opportunity to promote positive effects on the environment, particularly on energy conservation, carbon reduction, waste management, re-use of redundant land and local health and well-being issues.

The Habitats Regulation Assessment at a strategic level and stage, set out to identify as far as possible any risks of significant effects that might result to features (habitats and species cited in site notification and designation, and by 'European sites' we mean Special Areas of Conservation (SACs), Special Protection Areas (SPAs) and Ramsar sites associated with European sites, as well as to the integrity of the Natura 2000 network³³³⁴. The conclusions were that the majority of potential risks of significant impact appeared to be associated with shoreline and marine infrastructure development, and with expansion or upgrading of the road network. Given the proximity of some European sites to settlements, some risk of impact from urban development is possible.

On the other hand, there is a potential for positive effects from enhanced design and added value linked to some proposals, such as green infrastructure improvements and providing corridors and refuges, using natural systems for drainage, heating and

³¹ The Children's Rights Impact Assessment (CRIA):

<http://intranet/English/PolicyDelivery/AppraisingPolicy/Social/Pages/ChildrensRights.aspx>

³² Strategic Environmental Assessment: <http://gov.wales/funding/eu-funds/2014-2020/programme-evaluations/?lang=en>

³³Natura 2000: <http://ec.europa.eu/environment/nature/natura2000/>

cooling, and flood and catchment management. Finally, it was unlikely that any individual proposal would stand alone, and the resultant synergies might cause future pressures.

Strategy for the Implementation of the Cross Cutting Themes

A strategy for implementing cross cutting theme is set out in the Structural and Investment Funds Operational Programme document and includes the following:

- On-going specialist advice will be made available to beneficiaries. Specialist input will be provided at an early stage to maximise take-up of the opportunities to promote the three cross cutting themes.
- CCT assessment at all stages of the development of Operations.
- A programme of awareness raising and training will be provided to Welsh Government staff and beneficiaries on how to integrate the cross cutting themes, supported by other WEFO colleagues on the monitoring and evaluation aspects.
- Guidance will be prepared together with best practice case study examples that will provide specific information on how beneficiaries can address the three cross cutting themes within their operational plans.
- Regular monitoring of progress.
- Update reports to the Programme Monitoring Committee (PMC) and other stakeholders.
- A range of Priority level indicators will also be used to promote the cross cutting themes.

Cross Cutting Theme Formal Indicators

Cross Cutting Themes indicators and targets have been set to support the delivery of the programme CCT objectives. Projects supported by the Structural Funds are required to contribute to the attainment of these targets.

ERDF

Priority 1 Research and Innovation

- % of enterprises adopting or improving their equality strategies and monitoring systems
- % of enterprises adopting or improving their sustainable development strategies and monitoring systems

Priority 2 SME Competitiveness:

- % of enterprises adopting or improving their equality strategies and monitoring systems

- % of enterprises adopting or improving their sustainable development strategies and monitoring systems

There are no specific Tackling Poverty CCT indicators but there are programme indicators which contribute to the agenda e.g. Community energy schemes supported; Households with improved energy consumption classification; Public transport services created etc.

Cross Cutting Theme Indicators and Targets

The inclusion of formal targets is an important driver to encourage projects to address the CCTs. It also enables the monitoring of progress to take place systematically over the life of the programme. However, in 2014 /2015 WEFO carried out an evaluation of how the CCTs had been integrated into the 2007-2013 European funded programmes. One of the key issues identified from the evaluation was that stakeholders (those running projects and those delivering activity) wanted a better way of being able to show that they were successfully delivering activity which contributed to the CCTs. The formal indicators were seen as too blunt and often not relevant to the project activity. In response to this feedback, additional project level CCT indicators were identified, which enable WEFO to capture a broader range of activity. Formal indicators are still relevant but they are no longer relied on to tell the whole story of how projects are successfully delivering CCT activity.

Below is the list of project level indicators which have been identified to date but these can be added to if additional activity is delivered. **Only some will apply to your project depending on the activity you are delivering:**

Equal Opportunities and Gender Mainstreaming

- Positive action measures supporting women
- Positive action measures supporting BME people
- Positive action measures supporting young people
- Positive action measures supporting older workers
- Positive action measures supporting disabled people
- Positive action measures supporting other
- Activities which challenge occupational segregation
- Equal Pay activity
- Activity supporting female participation in STEM
- Activity promoting the Welsh language
- Activity supporting speakers of the Welsh language.
- Disability Access Group engagement
- Workplace health programmes supported
- Childcare provision
- Other care provision

Sustainable Development

- Develop an organisational Eco Code –
- Local sustainable supply chain development
- Integration of small scale Green infrastructure
- Integration of small scale Blue infrastructure
- Activity which is supporting bio-diversity on a site funded through SF's
- Development of an organisational Travel Plan and sustainable transport initiatives
- Resource efficiency measures
- Site environmental management plans
- BREEAM excellent where applicable
- Attainment of CEQUALL for construction activity
- Use of Sustainable Urban drainage Systems (SUDS) where applicable

Some of the positive outcomes for EO&GM and TP&SE CCT's are inter-related and as such can be counted for both CCT's.

Tackling Poverty and Social Exclusion

- Activity which builds skills within the community
- Mentoring / advocacy activity
- Peer support activity
- Volunteering schemes
- Organisations paying the living wage

Cross Cutting Themes general

- Stakeholder engagement good practice activity
- Developing / engaging CCT champions
- Integrating Social Clauses into activity
- CCT Toolkits, health checks, base lining mechanisms Apps etc.
- CCT Training packages developed
- CCT staff training programme introduced
- Activity which contributes to the CCT formal indicators in priorities / objectives where they are not present.

Monitoring and Evaluation

WEFO has responsibility for Programme-level evaluations relating to Structural Fund Programmes, including providing advice to operations on monitoring and evaluation. Further guidance on monitoring and evaluation, including explanations of terminology, has been produced by WEFO Research, Monitoring and Evaluation (RME) Branch and is available from the WEFO website

<http://gov.wales/funding/eu-funds/2014-2020/wefo-guidance/monitoring/?lang=en>

The cross cutting themes team will provide on-going advice, support and monitoring of all approved 'Operations' as well as requesting and checking the evidence which supports claims against CCT-related Indicators.

CCTs and Project Closure:

When preparing an operation for closure, the CCT Team would expect that:

- CCT-related Indicator evidence sample has been received and confirmation obtained from the CCT Team that it meets WEFO requirements
- CCT Milestones, CCT Special Conditions or Issues / Actions raised by the CCT Team against the operation have been met and agreement received from CCT team for them to be closed.
- CCT team has seen and commented on the operation's final evaluation (which needs to report against the operation's CCT aims, objectives and commitments as well as any CCT indicator achievement, successes or difficulties delivering the CCTs)

Cross Cutting Themes Fact Sheets

A series of fact sheets are available which highlight how operations have delivered against a range of equal opportunities and sustainable development indicators and wider commitments.

These fact sheets can be found at:

<http://gov.wales/funding/eu-funds/2014-2020/wefo-guidance/cross-cutting-guidance/factsheets/?lang=en>

Evidence which Supports the Cross Cutting Themes

Guidance on appropriate evidence to demonstrate integration of the cross cutting themes has been drafted and informs part of the 'ERDF Indicators and milestones' guidance document, which can be found at:

<http://gov.wales/funding/eu-funds/2014-2020/delivering-your-project/erdf-indicators/?lang=en>



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CCT Guidance Control Version Document



CCT Guidance Update Log version 3 - January 2017

EO&GM

Date and version number updated
Updated UNCRDP web-link page 8
Include Formal CCT indicators info page 24-25
Insert CCT Case Level Indicator info page 25-26
Update web-link to RME M&E guidance pg 26
Remove unnecessary text from Fact sheets pg27
Update web-link to CCT Factsheets pg 27

SD

Removed The Planning (Wales) Act gained Royal Assent on 6 July 2015 page 13
Removed The Planning (Wales) Act gained Royal Assent on 6 July 2015 page 13
Inserted The Environment Act received Royal Assent paragraph with bullet points 13-14
Removed The Environment Bill paragraph page 14
Removed The Sustainable Development Annual Report / Indicators for Wales / The Environment Strategy for Wales with factsheets pages 15-16
Factsheet WRAP changes on Page 17 Natural Resources Wales factsheet added page17
Removal of second half first paragraph with mention of Development Charter page 18
Factsheet updates page 18
Inserted CCT ERDF matrix with link page 19
Removed Operated by Bre 20 or equivalent page 20
Inserted Business Wales 33 in term of advice page 19
Removal of BRE Website 34 and WG SD web links page 19
Biodiversity web link added page 19
Wales Business web link added page 19
Couple small paragraphs removed on page 20
Removal of Energy Saving and Claw web links page 20
Factsheet updates page 21

Inserted Cross Cutting Themes formal indicators texted and bullet points inserted
pages 24-26

Removal of EO G&M paragraphs page 27

TP&SE

Case level indicators updated and sentence on TP&SE included to show interrelated aspects with other CCTs case levels.

CCT Guidance Update Log version 4 - June 2017

EO&GM

Date and version number updated

Inserted Gender Pay Gap Reporting text - page 9

Inserted Code of Practice on Ethical Employment text - page 10