

Summary

1 On 14 May 2010, the Prime Minister announced his intention for his administration to be the 'greenest government ever'. As part of this, the government announced a target to cut central government carbon emissions by 10 per cent in the following 12 months and raise public accountability by publishing headquarters buildings' real-time emissions data on-line. The target covers the properties used by UK central government departments but does not apply to the devolved administrations.

2 This briefing for the Environmental Audit Committee sets out how departments have sought to meet the government's target to reduce carbon emissions by 10 per cent in 12 months (the 10 per cent target). The scope of this briefing is set out in Part One. Part Two summarises the government's performance and assesses the reliability of the data used to assess that performance. Part Three sets out how far departments have followed a structured approach to reducing office carbon emissions and the initiatives used to help meet the target.

3 The main sources of evidence for our briefing were: a review of the adequacy of the Cabinet Office's systems used to collate departmental office carbon emissions data; a review of the office carbon emissions data in the four departments with the highest level of carbon emissions (the Department for Work and Pensions, the Ministry of Justice, the Ministry of Defence and HM Revenue and Customs); case studies of initiatives to reduce carbon emissions in these four departments; and a survey of the 17 Ministerial central government departments covered by the 10 per cent target to identify and assess their approaches to reducing energy use.

Key findings

4 In the 12 months to 13 May 2011, departments reduced the carbon emissions of their office buildings, through lower energy use, by 13.8 per cent, exceeding the 10 per cent target by 3.8 percentage points. The Cabinet Office estimates this has reduced government energy bills by some £13 million. Our checks of data validity revealed no issues that cause us to believe that the reported consumption data are not fairly reported.

5 Energy use in the buildings included within the 10 per cent target has fallen at a faster rate in one year than was achieved under the first 10 years of the Sustainable Operations on the Government Estate (SOG E) target, when office carbon emissions fell by 17 per cent between 1999-00 and 2009-10, an average of 1.7 per cent a year.

The wider SOGE target required a reduction in carbon emissions of 12.5 per cent by 2010-11 relative to 1999-00 levels.

6 The buildings covered by the 10 per cent target included only central government's office estate, comprising some 3,000 buildings compared to the 48,000 included under the SOGE initiative. The 10 per cent target resulted in a total carbon emissions reduction of 103,000 tonnes of carbon dioxide (tonnes CO₂) in the target year. Under SOGE, carbon emissions reduced by an average of 50,000 tonnes CO₂ a year, from 2.92 million tonnes CO₂ in 1999-00 to 2.42 million tonnes CO₂ in 2009-10 (the data relating to performance for 2010-11 are not yet available). The number of buildings covered by the 10 per cent target was considerably smaller than that for the SOGE initiative principally because it covered the Ministry of Defence's civilian office estate but not its military estate. The military estate continues to be covered by the SOGE targets. Performance against SOGE targets will be reported in autumn 2011.

7 A Ministerial Working Group held departments to account for meeting the 10 per cent target. This Group, and senior management engagement from the Cabinet Office, the Department of Energy and Climate Change and other departments, helped raise the profile of efforts to achieve the 10 per cent target. The Department of Energy and Climate Change and the Cabinet Office's Centre of Expertise in Sustainable Procurement have supported departments' efforts by reviewing performance, providing good practice advice and encouraging the sharing of knowledge, building on the progress made under the previous SOGE targets.

8 We identified four main stages in a structured approach to reducing energy use:

- drawing up a carbon reduction strategy;
- assessing energy use;
- identifying and implementing carbon reduction initiatives; and
- evaluating initiatives to inform a revised strategy.

9 Departments have generally followed the stages of the structured approach outlined above. All departments had carbon reduction strategies and most had assessed their energy use in most of their buildings. We identified the following factors as key in helping them meet the 10 per cent target:

- **Devoting sufficient resources to the initiative, such as investment funding and staff with relevant skills.** A number of departments identified additional funding from within their overall budgets to deliver the 10 per cent target. Their spending ranged from nothing to some £13 million. Departments which reported relatively lower costs typically used behavioural change and greening IT projects to meet the target. In contrast, those departments which used technological initiatives to deliver their reductions typically reported relatively higher costs.

- **Gaining support from facilities management partners, such as through gain share agreements.** Facilities management partners are widely used and are crucial to delivering carbon savings because they often understand the most appropriate initiatives to use, have relevant skills to implement projects effectively and, where contractually obliged, provide funding for initiatives.
- **Thoroughly reviewing energy use data to determine how best to make the greatest savings and where.** We found departments were sharing lessons on the relative effectiveness of different energy saving approaches.
- **Making the most of support from senior managers.** The Prime Minister's announcement raised the target's profile. Senior managers pledged their support to delivery of their target, made more funding available and monitored progress against their target more frequently.

10 In July 2011, the government set a further target for reducing departmental carbon emissions, requiring a total reduction of 25 per cent compared with 2009-10 by 2014-15. Our review found scope remains for further carbon reductions. Departments have an incentive to continue to reduce their carbon emissions because of the savings available through lower energy consumption and because of the Carbon Reduction Commitment Energy Efficiency Scheme, which will require all central government departments to purchase allowances to match their carbon emissions. The Committee may wish to consider the following issues for improving departmental carbon reduction efforts:

- the level of challenge posed by the government's recently set carbon emission reduction target for the rest of the current parliament;
- whether the baseline for the carbon emission reduction target is sufficiently wide;
- opportunities and barriers for further departmental carbon emission reductions (for example, in relation to resources, facilities management, estate rationalisation and the need to collect more accurate data);
- the case for central coordination and leadership of departmental efforts to reduce carbon emissions; and
- the need for evaluation of carbon reduction projects to assess their impact and to help better identify good practice.