

## Annex A

### Issues for consultation and response form: carbon reduction target and strategy (HEFCE 2009/27)

1. Respondents should complete this form to respond to the HEFCE consultation. Text boxes may be expanded to the required length.
2. Completed forms should be e-mailed to [sustainabledevelopment@hefce.ac.uk](mailto:sustainabledevelopment@hefce.ac.uk) by **Friday 16 October 2009**.
3. We will publish an analysis of responses to the consultation. Additionally, all responses may be disclosed on request, under the terms of the Freedom of Information Act. The Act gives a public right of access to any information held by a public authority, in this case HEFCE. This includes information provided in response to a consultation. We have a responsibility to decide whether any responses, including information about your identity, should be made public or treated as confidential. We can refuse to disclose information only in exceptional circumstances. This means responses to this consultation are unlikely to be treated as confidential except in very particular circumstances. Further information about the Act is available at [www.informationcommissioner.gov.uk](http://www.informationcommissioner.gov.uk).

#### Respondent's details

Are you responding:	On behalf of an organisation
(Delete one)	<del>As an individual</del>
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## Consultation questions

**Consultation question 1:** What should the sector target be for 2020 and 2050 and should there be milestones? If yes, what should these milestones be?

Any sector-wide target will be challenging for institutions to meet and whilst we agree with the overarching UK Government target of emissions reductions of 34% by 2020 and 80% by 2050 we consider a sector-wide target beyond those stipulated as being overly ambitious at this stage. However, that overarching sector-target should be reviewed as progress against initial targets is assessed.

Using a 1990 baseline may present a problem because of the significant growth that many institutions have experienced in the last 20 years. For example, many former polytechnics experienced growth in the 1990s, a period which saw these institutions transform from small HEIs to major universities. An absolute reduction is therefore almost certainly unattainable and further consideration should be given to whether reductions should be based against growth.

With uncertainty over carbon off-setting in terms of actual positive impact on the climate, credibility of schemes and robust monitoring systems it is too early to commit, or even aspire to, a carbon neutral target. This should be reviewed when the UK definition of Carbon Neutral has been revised to include transport and when there is a better understanding of Scope 3 emissions, especially in terms of procured goods and services. Therefore, in the short to medium term we recommend an aspiration of low carbon campuses rather than carbon neutral estates.

It should be noted that targets set under the Carbon Reduction Commitment (CRC) *do* allow for sector growth and can be normalised in relation to turnover. To ensure consistency with CRC you may wish to review the position in relation to paragraph 30, first bullet point.

Milestones in line with government milestones of 2012 and 2017 would make sense. However, we would recommend that HEFCE verifies 1990 CO<sub>2</sub> emissions and 2008 emissions recorded as part of the CRC to ensure assumptions made in assessing the 1990 baseline levels for the sector are reasonable. This may result in a revised target for the sector that is based on more accurate baseline data.

It is unclear from the consultation document how individual institutions will determine what contribution they should make towards the sector-wide targets. All universities will start from different positions. Some institutions have relatively low asset bases and already use their space efficiently and there is therefore less scope for them to make significant early improvements compared to the universities with larger, sprawling campuses. How will HEFCE determine that institutions have established appropriate targets for their size of institution and related activity? The sector as a whole must have confidence in one another that each institution is contributing fairly to the overarching sector target and therefore consideration must be given to how these targets will realistically translate to individual institutions. HEFCE may want to consider making the requirements proportionate to an individual institution's unique circumstances and profile; or provide some proportionate allocation of funding. HEFCE's approach to setting and monitoring *Widening Participation* benchmarks at institutional level, recognising the unique circumstances of each HEI, might be a useful precedent.

**Consultation question 2:** What should be the key elements of a strategy to support the HE targets and what should the role of HEFCE, UUK and GuildHE be?

It is essential that any targets are supported by a strong and coherent strategy that outlines how the targets will be achieved and provides the necessary resources and investment which are essential if the sector is to meet this challenge. All the key elements necessary to achieve significant carbon reductions are covered by the strategy in the consultation document and these elements should be provided through training, guidance documents, seminars and funding arrangements.

Key barriers to effective carbon reduction include the initial cost of implementing carbon reduction measures; the lack of financial and human resources; the impact of growth plans on carbon emissions; and the existence of structural issues such as planning constraints relating to, for example, on-site renewable energy generation.

A further barrier is the need to balance carbon reduction with other strategic goals, such as further investment in academic and student accommodation; internationalisation strategy; the need to increase recruitment of international students and partnership activity that may involve increased staff and student travel; and any changes in academic strategy, such as mode of attendance.

HEFCE have a key role to play in helping the sector overcome these barriers and in driving sector change. This will be achieved in part by incentivising carbon reduction through a link with capital funding that seeks to reward good performance. Some institutions instantly recognise their responsibility to make significant changes to the way they manage their day-to-day operations in order to reduce their carbon footprint. However, to make the sort of step change reduction in emissions that is required will mean significant capital investment in the sectors' estates.

Best practice from funded programmes should be disseminated widely and in a timely manner to allow sector-wide benefit. The consultation document notes that a central repository for advice and good practice on sustainable development would be useful. Through the provision of our Continual Professional Development Programmes, online case studies, collaborative networks, Annual Conference and Green Gown Awards this is already a key role for the Environmental Association for Universities and Colleges (EAUC). Over 80% of English universities actively participate as members of the EAUC and therefore we would welcome any opportunity to consolidate our role with HEFCE's vision of a repository for advice and good practice in carbon management. We suggest that this central repository also includes a formal feedback mechanism on various management and accreditation schemes, such as the Carbon Trust's HE Carbon Management Programme, so that the sector can learn from others' activity, including carbon and cost reductions and any problems relating to those particular activities. Again, this is something that the EAUC is well placed within the sector to coordinate.

**Consultation question 3:** Do you think that the monitoring and reporting arrangements in relation to the sector-level target are appropriate? How can the measurement of the sector's total carbon emissions be improved?

A key consideration must be to ensure consistency and compatibility of monitoring and reporting protocols which must be aligned with other carbon accounting requirements, such as the CRC. This will considerably reduce the reporting and administrative burden.

Whilst using Estates Management Statics is appropriate, it should be further developed to reduce the possibility of human error. For example, it should not rely on institutions converting energy into CO<sub>2</sub> and manually inputting that figure into the system. The 2009 returns have highlighted that some institutions have used different conversion factors to the conversion factor stated in the guidance was out of date due to a new release from DEFRA.

It can be further improved by:

- 1) Helping institutions forecast carbon emissions for the CRC and EU Emissions Trading System so they can purchase carbon credits with a reasonable amount of accuracy
- 2) Incorporating a whole-life-costing model (which includes carbon) that can be used by HEI's when procuring goods and services and making investment decisions for new build and refurbishments.
- 3) Producing effective tools to deal with refurbishment and to analyse building components against cost in use.
- 4) Linking the reporting with the outputs of other projects such as the 'building specific benchmarking project'.
- 5) Being able to produce a carbon footprint for institutions that will fulfil the requirements of the Carbon Trust Standard and CRC.

In addition, HEFCE may also want to consider establishing an external verification process for Estates Management Statistics to ensure consistency in institutions' carbon related data.

In terms of Scope 3 emissions relating to procurement, managing supply chain emissions will be a huge challenge. Obtaining good data across the vast range of HE procurement supply chains will require a vast effort across all procurement units at institutional level plus significant input from purchasing consortia. We recommend that universities require carbon labelling to be applied by suppliers on high spend items. The EAUC welcomes the role of The Centre of Excellence in Sustainable Procurement in supporting the challenge of delivering significant change in procurement practices across the sector.

**Consultation question 4:** Do you have any comments on the guidance on developing carbon management plans? Is there a need for further support and guidance? If so, what is this?

There needs to be one single guidance document. The various examples cited in the consultation document already give rise to confusion and the link between these and the GHG protocols adds further confusion. Whichever guidance is used needs to minimise bureaucracy and support the key elements listed in the strategy (paragraphs 37 – 77). We recommend that further consultation is taken specifically on this issue with a paper detailing the advantages and disadvantages of each existing guidance document so that HEFCE can make an informed

decision on which guidance document is most appropriate to promote use in support of the proposed strategy.

We note that HEFCE will not specify how carbon plans should be developed or what they should contain however given the emphasis between the production of Carbon Management Plans and future capital funding, HEFCE may want to consider outlining some basic criteria to be included in a plan. Furthermore, without some stipulation of minimum content there is likely to be variation on what is reported, which risks invalidating the process. HEFCE may therefore want to consider adopting the approach used by ISO14001, i.e. stating that institutions need a policy which makes commitments to issues such as prevention of pollution but does not stipulate how to implement those commitments across the institution.

HEFCE should also give serious consideration to specifying which carbon footprinting tool/s institutions should use. As 85 institutions have already completed phases 1-5 of the Carbon Trust's HE Carbon Management Programme (HE CMP), perhaps all institutions should be encouraged to participate so that Carbon Management Plans will be subsequently developed and delivered consistently across the sector.

**Consultation question 5:** HEFCE is required to link capital funding to performance against carbon management plans. Do you have any comments on how we will use CIF2 to assess this and how it should affect capital allocations?

The consultation offers a range of financial options and Option c (*Increase funding for those who have good or outstanding environmental performance*) would indeed satisfy the grant letter in a manner that is most motivating for institutions. Options that seek to reduce funding for those that do not satisfy the environmental performance criteria will only serve to widen the gap between those with poor performance and those with good or outstanding performance, making it impossible for those who have had funding withheld to improve. We recommend that a certain percentage is given to those demonstrating improvement against their Carbon Management Plans and that a further percentage is given to institutions that have exceeded basic carbon reduction activities. For example, institutions that can demonstrate effective monitoring of building performance and how this monitoring will affect future design decisions, affective partnerships with contractors to influence the construction sector or give a financial commitment to cutting edge standards such as Passivhaus. However, this should also be supported by the use of process options and both Option e (*Require specific and detailed justification for any projects that lead to net increases in floor space from HEIs that appear to have sufficient floor space*) and Option f (*Require BREEAM attainment to specified levels*) could be used effectively, the latter bringing arrangements in England in line with those in Scotland and Wales.

**Consultation question 6:** Do you have any other comments?

HEFCE should consider with the sector how carbon reduction aligns with other policies and potentially conflicting priorities that will increase the sector's carbon footprint, such as internationalisation and associated increases in staff and student international travel.

In terms of estates management, the EAUC suggests that the focus should be on refurbishment and retrofit rather than simply on BREEAM ratings for new build campuses as the maintenance

of existing estates is an inherently sustainable activity. Refurbishment and retrofit often have longer payback periods, both in terms of carbon and cash which exceeds Salix funding criteria and therefore this should be addressed to reflect HEFCE's and the sector's longer-term carbon goals. Similarly the issue of institutions not benefitting from enhanced capital allowances when installing low carbon technologies must be addressed to align the sector with the private and commercial sectors and to encourage further investment in sustainable campuses.