



APSE response to the carbon reduction commitment

This briefing provides details of APSE's response to the Department of Energy and Climate Change consultation on the draft order to implement the Carbon Reduction Commitment. This briefing is provided to APSE member authorities throughout the UK.

Key Issues:

- This APSE briefing includes APSE's response to the draft order to implement the Carbon Reduction Commitment
- Highlights areas which require further clarification in the guidance
- APSE is holding a seminar on Frontline services, climate change and the carbon reduction commitment on 16 July 2009, please click link: <http://www.apse.org.uk/seminar-flyers/index.aspx>

1. Introduction

The carbon reduction commitment is the UK's first mandatory carbon trading scheme and will cover both public and private sector organisations, including local authorities. It is designed to encourage large non-energy intensive organisations in the UK to reduce their CO2 emissions. The aim of the carbon reduction commitment is to reduce the level of carbon emissions by approximately 1.2 million tonnes of CO2 per year by 2020. As a Climate Change Bill commitment, the scheme is aiming for a 80% reduction in CO2 emissions by 2050.

APSE has already issued a briefing paper outlining the main provisions of the Carbon Reduction Commitment (<http://www.apse.org.uk/briefings/09/09-04%20Carbon%20reduction%20commitment.pdf>). APSE are holding a conference on 16

July 2009 on 'Frontline services, climate change and the carbon reduction commitment; please click link: <http://www.apse.org.uk/seminar-flyers/index.aspx>

The Department of Energy and Climate Change issued a consultation on the Draft Order to Implement the Carbon Reduction Commitment in March 2009. The remainder of this briefing replicates APSE's response to the consultation.

APSE response to DECC draft order to implement the Carbon Reduction Commitment

The Association for Public Service Excellence (APSE) represents officers and members involved in the management and provision of quality public services. APSE's mission statement positions the organisation as 'networking organisation which consults, develops, promotes and advises on best practice in the delivery of public services'. APSE is currently working with almost 300 authorities within the United Kingdom. APSE also attended one of the Carbon Reduction Commitment consultation workshops.

APSE agrees that the Carbon Reduction Commitment has benefits in terms of reducing carbon emissions and therefore greenhouse gases impacting adversely on the environment. It is also an opportunity to identify and reward best performing authorities both in terms of financial payments and recognition from the league tables. Having reduced their carbon emissions, organisations will also enjoy long-term financial benefits from reduced energy costs.

APSE would also like to highlight the following areas which require further clarification in the draft guidance:

1. The carbon reduction scheme could have a financial impact on local authorities due to the delay between the purchase and recycling of allowances and also due to the financial effects of performance in the league table. It would be welcomed if DECC could provide scenarios which quantify the potential financial impact this could have on organisations, whilst we appreciate that these will need to be theoretical at this stage until the baseline for performance is known.

2. The guidance is clear that PFI (where there is no parent with a greater than 50% controlling stake) will participate as individual CRC organisations and that schools will be included within local authority's sources. Further clarity needs to be provided in the guidance for how outsourced contracts are dealt with, especially where there has been a

change in management type and the local authority has chosen to in-source or outsource its services or move to another vehicle such as a joint venture or a trading vehicle. It is our understanding at the moment that this depends on who pays the energy bill but this needs to be clarified in the guidance.

3. The transport definition requires further clarity in the guidance, particularly where vehicles are only 'fixed' for a certain period of time such as construction vehicles and also where the vehicles are used for the transport of 'people or goods' and also used to deliver services. An example is in grounds maintenance whereby a vehicle is transporting the operator from the depot to the area which is going to be maintained (i.e. transporting a person) and then is used to maintain the park or open space. Another example is refuse collection vehicles where again they will transport the front line operatives but are also being used to carry out an essential public service.

4. APSE understands that within a scheme such as the Carbon Reduction Commitment which are self-reporting, there needs to be a set of measures to enforce the scheme. However, APSE also believes that in order to enforce a scheme, there needs to be clear guidance on what is expected in terms of non-compliances such as 'incorrect reporting' or 'failure to keep adequate records'. Therefore further clarity needs to be provided on what would constitute these non-compliances and what details need to be kept by organisations, such as an audit pack. APSE would welcome the creation of a model template for the reports required as part of the Carbon Reduction Commitment.

5. APSE believes that there should be a package of support for those organisations who appear lower in the league table and who have to contend with not only the demoralising effect of 'naming and shaming' but also the financial penalties. In addition, the Carbon Reduction Team at DECC should be pro-active in assisting organisations through the early stages of the scheme, particularly in relation to reminding organisations of the deadlines rather than resorting to enforcement.

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