



Consultation on amendments to the CRC Energy Efficiency Scheme Order 2010

CIBSE Response

This response is submitted by the Chartered Institution of Building Services Engineers (CIBSE), the learned and professional body for building services engineering in the UK.

It has been prepared with input from members working in the property sector, in local government and in energy management, as well as in discussion with other industry bodies.

About CIBSE

CIBSE is the learned and professional body for building services engineers, with a global membership of almost 20,000. The Institution exists to 'support the Science, Art and Practice of building services engineering, by providing our members and the public with first class information and education services and promoting the spirit of fellowship which guides our work.'

CIBSE is the standard setter and authority on building services engineering in the UK. It publishes the CIBSE Guide, Codes and other guidance material which are internationally recognised as authoritative, and sets the criteria for best practice in the profession.

Buildings account for almost 50% of carbon emissions. Whilst building services systems which heat, cool, ventilate and power everything within the building are responsible for the bulk of these emissions, innovative services design and operation can dramatically improve their energy efficiency. Our members continue to design and create the most environmentally friendly systems in many major projects across the globe.

Whilst many building services engineers design energy using systems for buildings, other CIBSE Members have a professional interest in the operation of building services. Facilities managers are responsible for day to day running of buildings, and seek ways to improve their energy performance and reduce waste. Many CIBSE members are accredited energy assessors, and a number have contributed to the preparation of this response. In addition, a number of other CIBSE members have contributed to the preparation of the following comments on the consultation paper.

CIBSE members have the skills and knowledge to deliver carbon reduction in buildings through more energy efficient design and operation, and are therefore key people in the achievement of the objectives of the Carbon Reduction Commitment Energy Efficiency Scheme.

Administrative Information

Response submitted by Dr Hywel Davies, Technical Director, CIBSE

222, Balham High Road, London, SW12 9BS

hdavies@cibse.org

Please add Mr Chris Breslin, cbreslin@cibse.org to your list of contacts for emails about further consultations

CIBSE is a professional and learned society, a registered charity and licensed by the Engineering Council for the accreditation of professional engineers. It has just over 19,500 members at present.

Question 1	Do you agree with Government's proposal to extend the introductory phase and the associated amendments?
<p>Yes. If the government is committed to simplification then there is a need to consult on the simplification options, and the extension is probably required. If the amendments provide an opportunity to consult on the CRC-EES simplification options in a reasonable timescale, and to make any further amendments prior to the start of phase two on 1st April, then the extension is probably acceptable. However, many participants who have spent a great deal of time and effort already to prepare for the CRC may feel that this effort has been wasted, whilst those who have not prepared (and in some cases not even registered) are being rewarded for their behaviour.</p> <p>CIBSE received some arguments that the whole introductory phase should be scrapped and CRC re-engineered more fairly, to promote carbon reduction and not just to be a source of additional tax revenue. It was argued that the recycled payments should be retained, and if CRC is to become Carbon Reduction Tax, with allowance payments not recycled, these should be clearly ring fenced for environmental spending only.</p> <p>One possible consequence of the change from a scheme which recycles the payments to a tax is that it becomes a compliance exercise, rather than an incentive scheme. Has the government considered the risk that industry will not consider it cost effective to employ resources to reduce energy consumption, but might instead employ resources minimising the tax liability instead?</p> <p>CIBSE welcomed the change of name to CRC Energy Efficiency Scheme, as it is important to consider using less energy and using the energy that we do use more efficiently. It is important not to focus directly on carbon, as this can lead to perverse or unintended outcomes. CIBSE believes that in further simplifying the scheme, it is important not to lose that focus, but instead to re-engineer the scheme to promote more efficient use of energy as well as reduced carbon emissions.</p>	
Question 2	Do you agree with Government's proposal to remove the information disclosure requirement?
<p>CIBSE understands the government's wish to reduce burdens on smaller registrants. However, the consultation contains no indication of how much information was actually submitted, nor does it offer any commitment to analysis and publication, in aggregated form, of that data. Given the concerns about the levels of registration that were being expressed earlier in the year, we would have some reservations about the quality of the data actually received. We believe that it is important to inform policy going forward that government and industry are clear about what was learned from the data gathered in the phase one registration phase. We believe that the removal of the disclosure requirement must be linked to a clear commitment to analysis of the data received to date.</p>	
Question 3	Do you agree with Government's proposal to amend the landlord/ tenant rule in respect of Northern Ireland departments?
<p>No. Large institutional property investors are faced with the same problems as government departments in Northern Ireland, and have been very frustrated that despite considerable effort to explain this to government, it has not been acknowledged. This amendment appears to offer one rule for government and another for the private sector. Officials have previously taken a very tough stance on the treatment of landlords and it seems exceptional, inconsistent and unfair that relief should be applied to the public sector now.</p> <p>The more experience that all government departments gain in operating under the same system as is being introduced for the private sector, the quicker any inefficiencies or failures in the scheme will be identified and corrected. Please see additional response relating to para. 27 of the consultation about landlords' responsibility for emissions.</p>	
Question 4	Do you agree with Government's proposal to redistribute the administrators' responsibilities?
<p>Again, unless we have knowledge that the proposals don't meet the needs of one or more administrators then a yes is the obvious response. The redistribution of responsibilities is complementary to the roles for which the main and devolved administrators are responsible.</p>	

Question 5	Do you agree with Government's proposal to update reference errors in the original order?
Yes.	
Question 6	Do you agree with Government's proposal to update the interpretation definitions?
Yes.	