

Outcomes of consultation on a carbon reduction target and strategy for higher education in England. Summary of written responses.

Introduction

1. In July 2009 HEFCE, Universities UK (UUK) and GuildHE jointly consulted on a carbon reduction target and strategy for higher education in England (HEFCE 2009/27)¹. The objectives of this consultation were to:

- gain agreement to a sector target(s) to reduce carbon emissions to levels that at least meet government targets
- seek views on the proposed strategy for supporting carbon emission reductions
- receive comments on the proposed guidance on developing carbon management plans
- seek views on HEFCE's initial thinking for linking capital funding to performance against carbon management plans
- raise the profile of the sector's role and increase commitment to developing a carbon reduction culture in higher education (HE).

2. As part of the consultation we held two seminars² to provide a forum for delegates to share experiences of reducing carbon emissions and to discuss the consultation.

3. The deadline for consultation responses was 16 October 2009 and 120 written responses were received from higher education institutions (HEIs), individuals and other organisations. The breakdown of responses was:

1994 Group	18
Council of Church Colleges and Universities	3
GuildHE	12
Million+	17
Russell Group	15
University Alliance	14
Other English HEIs	18
Non-English HEIs	2
Other organisations	16
Individuals	5

¹ All HEFCE publications are available at www.hefce.ac.uk under Publications.

² Further information, including speaker presentations, is available at www.hefce.ac.uk under More events/Recent events.

4. This report summarises the written responses and outlines the actions we have taken in response to comments made. We have published a revised carbon reduction target and strategy for higher education in England³ in the light of the feedback received through consultation.

Baseline and targets

Sector-level targets and milestones

5. Almost all responses were supportive of a commitment by the HE sector to meet the government targets for carbon emission reductions of 34 per cent by 2020 and 80 per cent by 2050, both against a 1990 baseline. Many respondents considered these targets to be challenging. It was also noted that these targets were set within a national framework and would apply to a number of sectors such as health and schools, and it would be appropriate for HE to align with other sectors.

6. A number of responses suggested that HE should go further than the government targets and aim for a 50 per cent reduction by 2020 and a 100 per cent reduction by 2050.

7. However, a number proposed that as well as making commitments that match the government targets, the sector should also outline its aspiration to go further in carbon emission reductions and that appropriate incentives should be developed to encourage reduction beyond the commitments. Several respondents commented that the technology did not currently exist to enable a 100 per cent reduction to be achieved but that this could be reviewed again as technology, and indeed performance against targets, progressed.

8. The sector-level targets have been set in line with UK targets and are a reduction in scope 1 and 2 emissions⁴ of 34 per cent by 2020 and 80 per cent by 2050, both against a 1990 baseline. A commitment to working towards achieving a sector target for reduction is included in the UUK/GuildHE university leaders' statement of intent on sustainable development.

9. Milestones were considered to be essential by almost all respondents and useful in focusing institutional strategies, but there was some variety in the dates suggested by respondents. A significant number were in favour of 2012 and 2017, in line with the requirements of the Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES)⁵, whereas others suggested a five-yearly focus with the initial period running

³ 'Carbon reduction target and strategy for higher education in England' (HEFCE 2010/01).

⁴ The World Resource Institute developed a classification of emission sources around three 'scopes': 'scope 1' emissions are direct emissions that occur from sources owned or controlled by the organisation, for example emissions from combustion in owned or controlled boilers/furnaces/vehicles; 'scope 2' accounts for emissions from the generation of purchased electricity consumed by the organisation; 'scope 3' covers all other indirect emissions which are a consequence of the activities of the organisation, but occur from sources not owned or controlled by the organisation – for example, commuting and procurement.

⁵ The CRCEES is a mandatory emissions trading scheme starting in April 2010 that aims to promote energy efficiency and help reduce carbon emissions. It is UK-wide, covering large businesses and public-sector organisations, and around 80 universities and colleges are likely to be within its scope. It

from 2010-2015. Several respondents suggested that institutions should undertake annual checks on their own performance against their carbon management plans with sector-wide reviews on a less frequent basis. This view is consistent with the adoption of five-yearly milestones in 2012 and 2017.

10. The milestones proposed in the carbon reduction research ('the SQW report')⁶ and consultation were 10 per cent by 2012 and 30 per cent by 2017, against a 1990 baseline. Against a 2005 baseline these equate to 29 per cent by 2012 and 45 per cent by 2017. There was a 9 per cent reduction in energy-related emissions between 2005 and 2006 but emissions rose back to 2005 levels in 2007. When the milestones were proposed the 2007 data were not available and in retrospect we believe that these were too ambitious. To take account of sector growth since 1990 the milestones have been set at a 1 per cent increase by 2012 and 18 per cent reduction by 2017 (with a target of 34 per cent reduction by 2020). Against a 2005 baseline this is equivalent to a reduction of 20 per cent by 2012 and 35 per cent by 2017 with a target of 48 per cent by 2020. In 2012 we will review the 2017 milestone in the light of experience.

11. A number of respondents indicated that more work is needed to define and research scope 3 emissions and welcomed the suggestion that specific targets in this area should only be developed once improved measurement tools have been developed for scope 3 emissions. A number of respondents recommended the development of appropriate measurement tools for scope 3 emissions including waste, water, travel and procurement.

Institutional targets

12. Several respondents highlighted the significant diversity of the sector, with its range of missions, priorities, histories, subject mix, infrastructure and research. This necessitates some flexibility at institutional level to enable each institution to develop plans and performance measures that are appropriate to their individual circumstances but within the national target framework.

13. A small number of respondents misunderstood the requirements in relation to institutional targets, believing that their institutional target must be the same as the sector target. Institutions will be required to set their own targets according to their particular circumstances. These must cover scope 1 and 2 emissions and be set to 2020 against a 2005 baseline to ensure consistency across the sector, but institutions may choose to set additional targets for scope 3 emissions. HEFCE intends to collate these targets through the next Capital Investment Framework (CIF2)⁷ and assess whether collectively these are sufficient to meet the sector target. Institutional performance in reducing emissions will be assessed through CIF2 which is discussed further in paragraphs 55-59.

was previously known as the Carbon Reduction Commitment. For more information, see www.decc.gov.uk under What we do/A low-carbon UK/CRC Energy Efficiency Scheme.

⁶ The full report 'Research into a carbon reduction target and strategy for higher education in England: a report to HEFCE' (SQW, July 2009) is available at www.hefce.ac.uk under Publications/Research & evaluation.

⁷ For more details see 'Capital Investment Framework: Consultation on the assessment process' (HEFCE 2009/48).

Baseline

14. Some respondents were content with the proposal to use 1990 as the baseline for measuring carbon emission reductions at a sector level, but a significant number of respondents expressed considerable reservations about using the 1990 baseline and indicated that a 2005 or 2006 baseline was more appropriate at the institutional level. A number of institutions did not exist, or did not exist in their current form, in 1990 and many have experienced significant growth since then. A number of institutions indicated that data for 1990 were either limited or non-existent, and were concerned about extrapolating figures to create a 1990 baseline.

15. Several respondents indicated that use of a more recent baseline would not recognise the work of institutions that had been committed to reducing their carbon emissions over a longer period and that had achieved significant progress before 2005.

16. A number of responses highlighted issues around growth in that it will be harder to make absolute reductions in carbon emissions if the level of activity has increased. These concerns related to two areas of growth: the expansion of the sector since 1990 and future growth over the next few decades. However, the UK targets are absolute and set against a 1990 baseline year. Taking into account sector growth between 1990 and 2005 the sector-level target is a 48 per cent reduction by 2020 and 84 per cent by 2050 against a 2005 baseline. Some institutions have grown faster than others and this will be a factor when setting their own targets.

17. The sector-level target will be set against a 1990 baseline because this is consistent with UK targets and will recognise efforts to reduce emissions before 2005. We are asking institutions to set their targets against a 2005 baseline. This year is being used instead of 1990 because it is also used for reporting against UK targets, and the SQW report demonstrated that robust data for scope 1 and 2 are available for that year at institutional level. This will provide consistency across the sector against which progress can be monitored and reported.

18. Many respondents commented that a carbon baseline from procurement should be established for a year where reliable data are available, recognising that this is likely to be a future year. We intend to measure a procurement baseline as part of the work to assess what is required in order to monitor and report scope 3 emissions (paragraphs 46-47).

19. In the light of these comments on the baseline and targets the following revisions have been made to the strategy:

- the sector-level targets are set at a reduction in scope 1 and 2 carbon emissions of 34 per cent by 2020 and 80 per cent by 2050 against a 1990 baseline
- there is an aspiration to achieve reductions beyond the sector-level targets
- milestones are set to measure progress against the sector-level target. To recognise growth in the sector since 1990 these are a 1 per cent increase by 2012 and 18 per cent reduction by 2017 against a 1990 baseline. Against a 2005 baseline this is equivalent to a reduction of 20 per cent by 2012 and 35 per cent by 2017. In 2012 we will review the 2017 milestone in the light of experience
- a commitment to measure a baseline of carbon emission from procurement by the end of 2012
- a commitment to set a target(s) for scope 3 emissions by the end of 2013.

Strategy

20. Generally respondents considered that all key elements of a strategy were present, although most made comments on specific aspects. Some commented that the proposed 'carrot' and 'stick' approach was needed. Institutions welcomed the recognition of diversity and that they will be able to develop their carbon management plans according to their individual circumstances.

Funding for carbon reduction

21. Many respondents stated that further funding will be required to achieve carbon emission reductions on the scale required. Respondents asked that HEFCE, UUK and GuildHE lobby for further funding to increase the size of the Revolving Green Fund (RGF)⁸ and seek additional capital to construct low-carbon buildings. Respondents suggested that: RGF payback periods should be lengthened to enable more carbon reduction projects to be undertaken; that any future funding should be prioritised for tested technologies; and that barriers to entry into the RGF should be addressed. We will seek further funding for carbon reduction projects through future spending reviews and have commissioned an evaluation of the RGF, which will gather evidence to support a case for further funding and consider lessons learned from the process. This evaluation will be published in summer 2010.

Scenarios

22. Some respondents suggested that a gap analysis measuring existing emissions of building stock and desired targets is needed to help understand the size of the challenge. Some respondents suggested that research should also be undertaken on how to achieve the desired targets and include visioning, scenario planning and practical advice. The schools sector⁹ and NHS¹⁰ have both produced a range of scenarios for how different levels of emission reductions can be achieved. We propose to commission a similar exercise for HE which would consider whether a review of delivery patterns is necessary to meet the 2020 or 2050 targets.

Role of UUK and GuildHE

23. Respondents believed that UUK and GuildHE should focus on advocacy and building support from heads of institutions and governors. Suggestions included: ensuring a high priority for carbon reduction in communications with heads of institutions; providing a development programme on carbon management and sustainable development; and championing the unique position of the sector. Several respondents explicitly welcomed the development of the UUK/GuildHE declaration (now named a 'statement of intent') on sustainable development.

⁸ For more information on the RGF see www.hefce.ac.uk under Leadership, governance & management/Sustainable development/Revolving Green Fund.

⁹ 'Carbon Emissions from Schools: Where they arise and how to reduce them', available at www.sd-commission.org.uk under Publications.

¹⁰ 'Fit for the Future: Scenarios for low-carbon healthcare 2030', available at www.forumforthefuture.org under Library.

Renewable energy generation

24. The generation of renewable energy was frequently cited as a key element of the sector carbon strategy. Several respondents indicated that national strategies around the energy supply mix would have a significant impact on the ability of institutions to achieve targets. Many respondents commented that the sector has significant potential to produce renewable energy and that support is needed to fully realise this. Suggestions included: providing funding for renewable energy projects; using the purchasing power of the sector to stimulate further generation of renewable energy; requiring all institutions to undertake an assessment of their potential for on-site renewable energy; and facilitating ways for smaller institutions to participate in renewable energy generation.

25. Several comments were made on the method of accounting for the use of renewable energy. A small number of respondents commented that green tariffs should be zero-rated because institutions are encouraged to purchase these tariffs because they are popular with students, and that this should be recognised within carbon accounting methods. Several highlighted that a key aspect of the business case for on-site renewables is often the income from selling Renewable Obligation Certificates but this means that the institutions cannot claim credit for the carbon savings.

26. It is important to follow the Department for Environment, Food and Rural Affairs' guidelines for carbon accounting and these state that green tariffs should not be zero-rated to avoid double counting. This is because most renewable electricity supplied under green tariffs in the UK is generated and supplied through a statutory requirement, the Renewables Obligation. Only where institutions can demonstrate that the green electricity they purchase is additional to the Renewables Obligation (that is, where the Renewable Obligation Certificates have been retained) can this be counted as zero-carbon and either not included in the baseline or counted towards meeting the carbon reduction target. This is consistent with Estate Management Statistics (EMS) and emissions trading schemes such as the EU Emissions Trading Scheme and CRCEES. Institutions may highlight the use of green tariffs in their carbon management plans and public reporting.

Carbon offsetting

27. Some participants requested clarity on the role of carbon offsetting. Offsetting is not seen as a useful way forward for the HE sector in seeking to meet its carbon emission reductions target, although it was noted that offsetting could enable 100 per cent reductions to be achieved. Following advice from the Department of Energy and Climate Change, the revised strategy clarifies that offsetting may not be used to meet targets but may be used as part of a carbon management plan to compensate for unavoidable emissions by paying someone else to make an equivalent carbon dioxide saving.

Capacity and expertise

28. The responses contained several comments relating to the capacity of institutions to develop and deliver carbon management plans. Many highlighted the value of the services provided by the Carbon Trust. Several stated that in order to meet the targets, internal capacity would need to be increased and that there would be costs associated with this. One respondent suggested that institutions should be required to employ environmental or carbon managers. The majority of respondents from small institutions commented that their institutions would appreciate additional support because many are

not in a position to employ a dedicated carbon manager. We will investigate, with the Association of Managers in Higher Education Colleges, a shared service to provide carbon expertise to small institutions.

Space management

29. Many respondents commented that space management is very important, and that better utilisation of the estate and assets will lead to carbon reduction while also allowing institutions to grow without increasing the estate. Between 2004 and 2008, the HEFCE-funded UK HE Space Management Group (SMG)¹¹ produced tools and reports whose over-riding purpose is to promote better utilisation of space in HE. The Association of University Directors of Estates (AUDE) has received support from HEFCE's Leadership, Governance and Management (LGM) Fund for further development of the work of the SMG. It remains our intention to evaluate the work of the SMG as part of a proposed Estates Framework. This will assess current and future infrastructure requirements and challenges in the context of HE policy and practice.

Construction and refurbishment

30. Several respondents commented that there should be more focus on refurbishment because a major challenge is to make existing buildings more efficient. It was commented that this will require investment in research to establish the most effective and cost-efficient ways of retrofitting buildings.

31. There was a mixed response to the use of Building Research Establishment Environmental Assessment Method (BREEAM) ratings¹². A number of respondents pointed out that requiring a specific standard of BREEAM would bring England into line with Scotland and Wales and also would provide a level playing field. Others thought that BREEAM would be an inappropriate tool to use; they did not think that it could be applied easily to existing infrastructure and that the benefits of refurbishment over new-build are not truly reflected. HEFCE is not requiring specific levels of performance for capital projects, but BREEAM is expected to play an important part in CIF2.

Conflicting priorities

32. Some responses highlighted that there are tensions between reducing carbon emissions and other government priorities. One respondent commented: 'It is our opinion that the sector is right to position itself at the forefront of carbon reduction efforts. However, the greatest impact that the sector can hope to deliver is in the research development, demonstration and deployment of new technologies/behaviours with climate mitigation/adaptation potential. Similarly, there is a major role for the sector in the education of home and overseas students in the areas of climate mitigation and adaptation. Any sector-wide target should therefore not jeopardise individual institutions' ability to support such groundbreaking research and teaching activity.'

¹¹ For more information see www.smg.ac.uk

¹² BREEAM can be used to assess the environmental performance of buildings, rating them on environmental impacts. For further information see www.breeam.org under Schemes/BREEAM Higher Education.

33. Another commented: 'The real challenge will be for HEFCE to find an economic model for the sector which enables it to meet its carbon emission targets while continuing to meet the Government's objective of increasing the number of students benefiting from higher education. If care is not taken one unintended consequence of target setting around carbon emissions may be to discourage HEIs to increase their student numbers. If the basic HE model remains growth in student number and research outputs emission targets based on absolute levels will be considerably harder to achieve than might appear to be the case.'

34. Some respondents believe that there needs to be further debate on these issues and we will consider facilitating such debates with key stakeholders including institutions, Research Councils, other funders and Government. The responses contained suggestions on how energy-intensive research could be undertaken while reducing carbon emissions. These included: greater use of shared research facilities; a national research strategy to reduce duplication of research and facilities; and for targets to include scope 3 so that individual institutions can make choices about the areas in which they reduce emissions. A role suggested for UUK and GuildHE was to address with their membership how carbon reduction targets will affect their current strategies and business models.

Building and disseminating good practice

35. Many respondents stated that a key role for HEFCE, UUK and GuildHE is to facilitate and disseminate good practice and advice through events, guidance documents, funded projects and good practice case studies. There were several suggestions of areas where specific guidance would be appreciated, including:

- typical internal working temperatures for different types of space
- post-occupancy evaluations
- indicative future carbon conversion factors to aid with planning (because this would highlight the potential role of decarbonisation of the electricity supply in meeting targets)
- the most cost-effective projects and the expected level of carbon reduction by type of space
- examples of carbon management plans that have and have not been successful
- research into comparative benefits of renewable technologies
- information on appropriate consultancies to provide advice.

36. Several respondents stated that a central repository for advice and good practice on sustainable development would be useful. Its roles would include: identifying examples of good practice and areas where guidance was needed; disseminating good practice through publications, events and online resources; facilitating the sharing of good practice between institutions; and promoting partnership working. Several respondents commented that this function is in part already provided by, and could be co-ordinated by, the Environmental Association for Universities and Colleges.

37. Several respondents requested that the strategy include information on how to manage scope 3 emissions, in particular, approaches to managing emissions from waste, water and travel. Some asked us to facilitate knowledge transfer through, for example, think-tanks and sector debates on social and cultural topics such as international students and conferences, investments and energy-intensive research.

38. We will work with sector bodies to facilitate and disseminate good practice and guidance. In addition, we have introduced a deadline-constrained invitation to bid for funding from the LGM Fund¹³ for projects that support the implementation of HEFCE's sustainable development strategy¹⁴ and the UUK/GuildHE statement of intent on sustainable development. This is an opportunity for institutions to lead collaborative projects in all areas of sustainable development, including those suggested through this consultation.

Carbon hierarchy

39. Responses suggested that the strategy should include the carbon hierarchy, which is an approach to managing carbon emissions in a cost-effective way. This hierarchy outlines that emissions should be managed by: reducing use; replacing fossil fuels with renewable energy sources; and neutralising unavoidable emissions through carbon offsetting schemes. Responses also highlighted that institutions also need to consider how they will adapt to the unavoidable effects of climate change as well as reducing emissions.

Barriers

40. Respondents cited the following barriers to reducing carbon emissions:

- lack of time and financial resource
- listed buildings
- annual funding cycle and separation of capital and revenue
- town planning constraints and lack of community acceptance for on-site renewables
- balancing carbon emissions against other strategic priorities.

41. Several respondents requested further information on where the boundary of an institution's carbon baseline should be drawn, suggesting that all sites, including international campuses, should be included. Respondents also raised the issue of how emissions from shared services, third-party residences and joint HE/NHS operations are handled, commenting that the allocation of these emissions needs to be addressed so that some institutions are not unfairly disadvantaged.

Revisions to the strategy

42. In response to the comments on the strategy the following key revisions have been made:

- an intention to seek further funds to increase the size of the Revolving Green Fund
- a commitment to commission work to produce a range of scenarios for how different levels of emission reductions can be achieved

¹³ For further information see www.hefce.ac.uk under Leadership, governance & management/LGM Fund/Leading Sustainable Development in Higher Education.

¹⁴ 'Sustainable development in higher education: 2008 update to strategic statement and action plan' (HEFCE 2009/03).

- clarification that offsetting may not be used to meet targets but may be used as part of a carbon management plan to compensate for unavoidable emissions
- a commitment to investigate with stakeholders, for example the Association of Managers in Higher Education Colleges, the development of a shared service to provide carbon expertise to small institutions
- inclusion of details of a deadline-constrained invitation to bid for funding from HEFCE's LGM Fund for projects that support the implementation of our sustainable development strategy and the UUK/GuildHE statement of intent on sustainable development
- inclusion of information on the carbon hierarchy, the management of scope 3 emissions and adaptation
- a commitment to conduct research and consult with stakeholders to understand the issues, barriers and possible solutions.

Monitoring and reporting

43. The consultation proposed to monitor progress against the sector target through the EMS, which will be collected by the Higher Education Statistics Agency (HESA) from 2010. Alongside the move to HESA, provision of data on carbon emissions will become mandatory to enable progress to be measured consistently and to inform assessments under the Capital Investment Framework. Sixty-five per cent of respondents agreed with the proposed monitoring and reporting arrangements, although many made additional comments on the quality of data submitted through EMS.

44. Twenty-four per cent of respondents commented that work was needed to improve consistency in the use of definitions within EMS. One example is institutions interpreting differently the treatment of green tariffs, with some applying the standard electricity conversion factor and others rating them as zero-carbon. We believe that this feedback has already been addressed through improved definitions for the 2008-09 EMS data collection launched in November 2009¹⁵. Sixteen per cent of respondents stated that data submitted through EMS should be quality-assured to improve reliability. We will introduce a stronger system of quality checks to provide greater confidence in the data. In practice this will take place through the audit process that supports CIF2, and by asking HESA to consider quality assurance of EMS.

45. Respondents requested clarity on whether the reporting period would be by calendar, financial or academic year. Around 80 institutions will be required to participate in the CRCEES, which requires participants to report on a financial year. Many respondents who will be required to participate in this scheme asked that the reporting year be aligned with the CRCEES. The EMS collects data on an academic year. In addition, the use of an academic year mirrors other reporting requirements, for example HESA, and therefore would align with data that could be used to produce relative metrics such as student numbers and income. When asked, the AUDE Executive recognised that not all reporting requirements could be aligned and expressed a preference for the academic year.

¹⁵ For further information see www.opdems.ac.uk

46. The consultation did not specifically ask whether scope 3 emissions should be monitored and reported. However, there is strong support for this demonstrated through respondents explicitly stating that scope 3 emissions should be monitored and reported: 34 per cent for waste, water and business travel; 30 per cent for procurement; and 30 per cent for staff and student commuting including international flights. It should be noted that 3 per cent of respondents explicitly stated that staff and student commuting should not be reported because institutions do not have direct control over these. Several respondents stated that scope 3 emissions should only be measured when there is confidence in the methodology.

47. We will consider how best to assess what is required in order to monitor and report scope 3 emissions within HE, recognising that some institutions already measure and manage these emissions and that it is important that reporting is done on a consistent basis. We expect that institutions' carbon management plans will cover aspects of scope 3. The metrics will follow World Resource Institute reporting guidelines but we have been advised that institutions may find it challenging and resource-intensive to collate the necessary data. Therefore, we are considering funding a small number of pilots to explore efficient internal data collection systems.

48. The revisions to the strategy made in the light of comments on monitoring and reporting are:

- the reporting period is the academic year so that carbon data links directly with other institutional and sector data
- a commitment to assess what is required in order to monitor and report scope 3 emissions with the intention of including these emissions in the Estates Management Statistics by 2012.

Carbon management plans

49. Several respondents commented that carbon management plans should be mandatory for institutions. This is in line with the requirement set out in our 2008 grant letter from the Secretary of State¹⁶. Therefore, the consultation on revisions to the funding agreement between HEFCE and institutions¹⁷ proposes that the Financial Memorandum is revised to include a requirement for institutions to have carbon management plans.

Guidance on developing carbon management plans

50. The consultation asked for comments on good practice guidance for developing carbon management plans. This guidance complements existing guidance and sets out our requirements in relation to carbon management plans.

51. Overall, the majority of respondents supported the draft guidance and it received mainly positive comment. There were a number of useful recommendations including:

¹⁶ The full letter and our report on our plans may be read at www.hefce.ac.uk under Finance & assurance/Finance and funding/Grant letter from Secretary of State.

¹⁷ 'Revisions to Financial Memorandum: Consultation on changes to the funding agreement between HEFCE and institutions' (HEFCE 2009/46).

- providing clearer definitions to ensure a level of consistency across carbon management plans
- further guidance on measuring scope 3 emissions (particularly procurement, waste and travel)
- clarifying certain specific areas such as the use of offsetting and accounting for green electricity.

52. Responses emphasised the need for ongoing support and guidance over a number of years, particularly through sharing good practice and evaluating and disseminating the work of institutions that have implemented carbon management plans to date. However, a limited number of respondents believed sufficient training, guidance and information is currently available and making these tools more accessible should be the priority.

53. Responses varied on the guidance and tools provided by the Carbon Trust: the majority of responses support the use of the Carbon Trust's Higher Education Carbon Management Programme, but a small number of responses suggest that solely using this programme would create an unfavourable, universal approach. The updated guidance emphasises that institutions will be required to develop individual carbon management plans based on their particular circumstances and that they do not need to conform to a particular programme.

54. The guidance has been revised in the light of the comments outlined in paragraph 51 and published as 'Carbon management strategies and plans: A guide to good practice' (HEFCE 2010/02). There are some areas, such as embedding life cycle analysis, that are outside the scope of this guidance and we will facilitate dissemination of good practice in these areas separately, for example through the Sustainable Procurement Centre for Excellence.

Linking capital funding to performance against carbon management plans

55. HEFCE is required to link future capital funding to performance against carbon management plans, as requested in our 2008 and 2009 grant letters from the Secretary of State for Innovation, Universities and Skills. CIF2 will have a greater focus on carbon and we used this consultation to test initial thinking on how to link capital funding to performance against carbon management plans.

56. The carbon aspect of CIF2 will require institutions to demonstrate past performance in reducing emissions and to have a carbon management plan showing commitment to making further reductions. Consultation respondents generally agreed with the principle of linking capital funding to carbon performance. However, several asked that relative reductions are allowed in order to access funding. A number of responses identified a need for the metrics to be robust but also sensitive enough to deal with the progress made to date by institutions.

57. There were concerns expressed that investment in projects that aim to reduce carbon emissions would favour refurbishments rather than new build. It was suggested that this may have an adverse effect on institutions' research agendas. A number did express concern that the funding addresses only the physical estate whereas institutions' carbon management plans cover a much wider brief.

58. The views expressed regarding the performance on carbon and future capital allocations varied widely. A number of alternative funding solutions were mooted. In general there was an opinion that whatever process was implemented it should be motivational and provide incentives to continuously improve. Some commented that, at this early stage, it would be preferable to reward those that reached the required standard rather than penalise those that had not. It was mentioned that the Carbon Reduction Commitment Energy Efficiency Scheme already imposed penalties and, if we were to implement a similar system, some institutions could be penalised twice. There was also recognition by some that those in greatest need may not receive the required funding.

59. The consultation feedback on this aspect has helped inform the development of the next Capital Investment Framework. We are consulting on our proposals for the next Capital Investment Framework until 12 March 2010¹⁸. These proposals include allowing absolute or relative reductions in order to access capital funding.

¹⁸ 'Capital Investment Framework: Consultation on the assessment process' (HEFCE 2009/48).

List of abbreviations

AUDE	Association of University Directors of Estates
BREEAM	Building Research Establishment Environmental Assessment Method
CIF2	The next Capital Investment Framework
CRCEES	Carbon Reduction Commitment Energy Efficiency Scheme
EMS	Estate Management Statistics
HE	Higher education
HEFCE	Higher Education Funding Council for England
HEI	Higher education institution
LGM Fund	Leadership, Governance and Management Fund
RGF	Revolving Green Fund
SMG	Space Management Group
UUK	Universities UK