

# Improving energy efficiency

## *Summary impact report*

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### Report findings and recommendations

1. The joint Accounts Commission and Auditor General for Scotland report *Improving energy efficiency* was published on 11 December 2008.
2. The report looked at how councils, the NHS and central government bodies in Scotland are improving energy efficiency in relation to buildings and transport use. It found that the public sector had made some progress in improving its energy efficiency with energy consumption falling, but spending on energy had increased in the three years to March 2007 due to rising energy prices. It found a lack of formal monitoring and reporting on performance, and noted that stronger leadership was needed both from the Scottish Government and within public bodies, to ensure the public sector makes the necessary changes to use energy more efficiently and demonstrate leadership in this area.
3. The report contained nine recommendations for the Scottish Government and the public sector. Details of specific progress against these recommendations are listed at Appendix 1, and charted against our impact criteria.

### Immediate impact

4. The report received media coverage on the day of publication and subsequently, including discussion on broadcast news, coverage in local and national newspapers, and coverage in public sector and finance publications. Twelve months after publication, the report and key messages document had been downloaded from our website 2,308 and 209 times respectively, and the podcast had been downloaded 382 times.

### Parliamentary scrutiny

5. The Scottish Parliament Public Audit Committee first considered the report on 17 December 2008. The Committee agreed to write to the Principal Accountable Officer on a range of issues. The Committee was particularly interested in the leadership being demonstrated by the Scottish Government to improve energy efficiency across the public sector; the guidance provided by the Scottish Government to public bodies; the possible reasons for the poorer performance of the central government sector relative to the local government and NHS sectors; and the systems for monitoring the progress being made by public bodies in improving their energy efficiency.
6. The Committee discussed the response from the Principal Accountable Officer at its meeting on 25 February 2009, and agreed to refer the report and the response to the Enterprise, Energy and Tourism Committee to inform the latter's ongoing energy inquiry.

7. The Economy, Energy and Tourism Committee took evidence from Audit Scotland on the *Improving energy efficiency* report on 25 February 2009 as part of its energy inquiry. The findings of the *Improving energy efficiency* report and Audit Scotland's evidence to the Committee are referred to in the Committee's report on 'Determining and delivering on Scotland's energy future' (June 2009).

### **Significant changes / progress**

8. Since the *Improving energy efficiency* report was published, there have been a number of relevant developments:
  - The Climate Change (Scotland) Act was passed by Parliament in 2009 and includes provisions relating to energy efficiency, many of which will impact on the public sector.
  - The Scottish Government issued a consultation on its Energy Efficiency Action Plan for Scotland in October 2009. The draft action plan refers to the *Improving energy efficiency* report, and highlights the report's recommendations. The final action plan is due to be published in spring 2010.
  - The Scottish Government commissioned a review of environmental reporting across the public sector, which will examine ways to standardise monitoring and reporting of environmental performance, including energy efficiency.
  - The CRC Energy Efficiency Scheme will be introduced in April 2010, which will provide a financial incentive to reduce energy use by putting a price on carbon emissions from energy use. The Scheme will apply to large public and private sector organisations, including most councils, the larger NHS boards and large central government bodies.

### **Follow up work**

9. A commitment was made to the Scottish Parliament Public Audit Committee to follow up the *Improving energy efficiency* report within two years.

**Appendix 1 - Summary of report impact against Audit Scotland's framework for measuring impact**

<b>HOLDING TO ACCOUNT AND HELPING TO IMPROVE</b>		<b>Assurance and accountability</b>	<b>Planning and management</b>	<b>Economy and efficiency</b>	<b>Quality and effectiveness</b>
<b>General Impacts</b>					
Action taken by the Scottish Parliament Public Audit Committee and Economy, Energy and Tourism Committee		●			
Invitations to disseminate findings of report (e.g. at conferences in Scotland and Europe)					●
<b>Impact of report's recommendations</b>					
The <b>Scottish Government</b> should demonstrate leadership by providing clear guidance for all public bodies on the actions that are required to improve energy efficiency and reduce CO <sub>2</sub> emissions.	In October 2009, the Scottish Government issued a consultation on its draft Energy Efficiency Action Plan. This includes a chapter on the public sector, and references the recommendations in the <i>Improving energy efficiency</i> report.  The Scottish Government's 'Leading by Example' initiative aims to raise the environmental performance of the public sector, by demonstrating ownership of environmental issues (including energy efficiency) at a senior level.	●	●		●
The <b>Scottish Government</b> should establish robust monitoring arrangements to ensure the performance of public bodies in improving energy efficiency can be accurately assessed and reported publicly against national and international targets.	The Scottish Government is conducting a review of environmental reporting across the public sector. Following the results of this review, the Scottish Government will decide the best approach to standardise monitoring and reporting of environmental performance (including energy efficiency) across the public sector.	●	●		●
The <b>Scottish Government</b> should work with the public sector to disseminate good practice, coordinate networks to share information and establish appropriate energy efficiency benchmarks.	Once a standardised system for monitoring and reporting environmental performance has been established (see recommendation above), there may be an opportunity for benchmarking across the public sector.		●	●	

<b>HOLDING TO ACCOUNT AND HELPING TO IMPROVE</b>		<b>Assurance and accountability</b>	<b>Planning and management</b>	<b>Economy and efficiency</b>	<b>Quality and effectiveness</b>
The <b>public sector</b> should ensure that effective strategies are in place to improve energy efficiency and reduce CO <sub>2</sub> emissions throughout all areas of public sector activity. These strategies should be supported by comprehensive plans detailing the actions to be taken to achieve agreed objectives and time-related targets.	Impact not known without carrying out more detailed work. May be considered in follow up study.		●		●
The <b>public sector</b> should ensure that senior staff play a key role in improving energy efficiency and reducing CO <sub>2</sub> emissions through leading on the implementation of strategies.	Impact not known without carrying out more detailed work. May be considered in follow up study.		●		
The <b>public sector</b> should identify and implement a coordinated programme to raise awareness of energy efficiency among staff. Public bodies should actively seek expert advice and input to design programmes which focus on encouraging changes to culture and staff behaviour.	Impact not known without carrying out more detailed work. May be considered in follow up study.	●		●	
The <b>public sector</b> should ensure staff with the necessary skills are made available to support implementation of energy efficiency activities. Formal reporting frameworks should be used to monitor progress against the aims, objectives and targets outlined in energy efficiency strategies.	Impact not known without carrying out more detailed work. May be considered in follow up study.	●	●		●
The <b>public sector</b> should collect accurate and consistent data on energy consumption within all sites which they own or lease and in their transport use. Public bodies in multiple occupancy buildings need to work with landlords and other occupiers to establish procedures for identifying local consumption data.	The Scottish Government is conducting a review of environmental reporting across the public sector. Following the results of this review, the Scottish Government will decide the best approach to standardise monitoring and reporting of environmental performance (including energy efficiency) across the public sector.				●

HOLDING TO ACCOUNT AND HELPING TO IMPROVE		Assurance and accountability	Planning and management	Economy and efficiency	Quality and effectiveness
The <b>public sector</b> should ensure that energy efficiency is considered in the procurement of goods and services and in the planning and design of capital projects.	Impact not known without carrying out more detailed work. May be considered in follow up study.		●		●