

Audit Committee

AC(3)-12-08 (p2) Welsh Assembly Government Response

Date: 13 November 2008

Time: 1.30- 3.55pm

Venue: Committee Room 3

Welsh Assembly Government Response to the report of the National Assembly Audit Committee's report on Delivering the Home Energy Conservation Act in Wales

Committee Report AC (3) 07-08 - September 2008

We welcome the findings and offer the following response to the five recommendations in the report.

The recommendations in the Audit Committee's report cover issues that we are considering as part of the development of the National Energy Efficiency and Savings Plan.

I anticipate the consultation on the National Energy Efficiency and Savings Plan will take three months starting in January 2009. We will then need to assess the responses and develop final proposals in light of those responses. Following the conclusion of that process, I will write to the Chair of the Committee setting out how all the recommendations are being implemented. I anticipate that I should be able to provide this update around May 2009.

i. We endorse and repeat the Auditor General's recommendations that the Assembly Government should:

- a. set targets that are specific, measurable, achievable, realistic and time related;
- b. establish a consistent and robust council-level baseline assessment of energy efficiency;
- c. develop a reliable performance measurement framework to enable cross comparisons between councils, including full exploration of the feasibility of using household consumption data held by utility companies: and
- d. effectively monitor and report performance against the targets.

Recommendation Accepted.

We will consider the implementation of these recommendations in developing a National Energy Efficiency and Savings Plan (Plan) and the wider One Wales commitment to achieve annual greenhouse gas emission reductions of 3%.

We have already undertaken initial workshops throughout Wales to engage a wide range of stakeholders, including the local government sector, on proposals for the Plan including those relating to target setting and monitoring. We aim to launch a full consultation by the end of 2008.

I will write to the Chair of the Audit Committee setting out in detail how we will implement this recommendation when we have firm proposals following the consultation.

ii. We recommend that as part of its new national energy efficiency and savings plan, the Assembly Government, in collaboration with the Welsh Local Government Association develops robust arrangements to ensure it receives the required level of cooperation from councils.

Recommendation accepted.

The Assembly Government has a commitment to reduce fuel poverty in Wales and local authorities have a vital role to play in helping deliver that commitment.

We will consider, in consultation with the Welsh Local Government Association, the most effective arrangements to secure the collaboration of local authorities through the development of the National Energy Efficiency and Savings Plan.

I will write to the Chair of the Audit Committee setting out in detail how we will implement this recommendation when we have firm proposals following the consultation.

iii. We recommend that the Assembly Government, in collaboration with the Welsh Local Government Association, assesses the effectiveness of the HECA Forum, and develops proposals for how collaboration can be improved in the context of the new national energy efficiency and savings plan.

Recommendation accepted.

We have endorsed the Wales HECA Forum and its activities in promoting partnership working, sharing good practice and accessing additional funding sources.

We will be considering proposals for more effective collaboration as part of our work on the National Energy Efficiency and Savings Plan.

I will write to the Chair of the Audit Committee setting out in detail how we will implement this recommendation when we have firm proposals following the consultation.

iv. We recommend that measures to influence the behaviour of people living in privately-owned households, in respect of domestic energy use and efficiency, should feature prominently in the new national energy efficiency and savings plan.

Recommendation accepted.

This will be looked at and consulted on as part of the work on the National Energy Efficiency and Savings Plan. One of the key issues that we will look at is creating synergies between our Home Energy Efficiency Scheme (HEES) and the energy suppliers' Carbon Emissions Reduction Target, CERT programme.

I will write to the Chair of the Audit Committee setting out in detail how we will implement this recommendation when we have firm proposals following the consultation.

v. We recommend that the Assembly Government evaluates the impact of its information and awareness-raising proposals and applies the lessons learnt in the development of future campaigns.

Recommendation accepted.

We fully recognise the importance of public information and communication with the public to help to improve energy efficiency and of the need to undertake comprehensive evaluation of its effectiveness.

We have recently launched a major communications campaign which aims to inform Welsh householders about simple steps they can take to reduce energy use and as a result reduce their carbon footprint and save money.

The campaign was designed on the basis of Wales' specific audience research and pre and post campaign research and evaluation is being undertaken. We also drew on the lessons learnt from similar campaigns from across the UK and from other Assembly Government campaigns aimed at promoting behavior change.

The campaign will continue to develop over time, informed by research and evaluation of its effectiveness.