### **Sustainability Committee**

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### **Wales Environment Link**

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#### **Consultation - NAW Sustainability Committee - Household Carbon Emissions**

Wales Environment Link (WEL) is a network for voluntary environmental and countryside organisations in Wales, most of whom have an all-Wales remit. WEL is officially designated the Intermediary Body between the government and the voluntary environmental sector in Wales. Our vision is to increase the effectiveness of the environmental sector in its ability to protect and improve the environment through facilitating and articulating the voice of the sector.

Many of WEL's members will be responding individually to this consultation, our joint response therefore focuses on key issues of collective concern.

#### How WEL has come to agree this response

The production of consultation responses within the WEL network is an inclusive and comprehensive process. Whilst WEL recognises that all consultation responses must be given equal treatment, we would ask the Committee to note WEL's protocol for writing consultation responses, as well as the number of organisations that have signed up to this response.

1. WEL's Energy and Transport Working Group met to discuss and agree common positions within the group.

2. Attendees were asked to contribute to drafting the response.

3. Co-ordinator circulated first draft around WEL members via email, members provided comments and suggested improvements to wording.

4. Any point over which there was disagreement has been further discussed via email.

5. A second draft was sent around the relevant WEL e-groups and Council, inviting further comments and sign-up.

6. The final draft was circulated to WEL Council and relevant e-groups offering a final chance to sign up.

WEL is pleased to be given this opportunity to respond to the consultation document of the Assembly Sustainability Committee concerning household carbon emissions and their reduction.

#### Summary of response

WEL calls on the Committee to seek clarification as to the definition of the 'areas of competence' within which the Welsh Assembly Government (WAG) is empowered to act, and as to what WAG believes it can do to deliver on the 3% target within the 'areas of competence' specified in One Wales

WEL is of the opinion that the One Wales target is not sufficient to enable Wales to make its full contribution to meeting UK-wide targets on a number of levels and, in particular, due to the fact that it is restricted to devolved areas of competence, and it is only an 'aim' rather than a commitment to deliver.

WEL believes that Wales' emission reduction target should be based on the 'production' model in relation to externally agreed target levels, but based on the 'consumption' model when informing the Sustainable Development Scheme and Action Plan for Wales.

WEL believes that the challenges faced by Wales in reducing carbon emissions from households include: public behaviour; the age and condition of housing stock; and the inadequate provision of, and use of, funding.

WEL would suggest that such challenges could be overcome by: a public awareness campaign; funding and incentives for private homeowners; and a stronger lead from WAG to ensure appropriate remedial action by Local Authorities and Housing Associations.

According to most recent household emissions data, and the recent Welsh Audit Office report, 'Delivering the Home Energy Conservation Act in Wales', WAG has not been entirely successful in utilising the powers available to it to reduce household carbon emissions.

WEL believes that alternative targeting of WAG financial resources, into heat conservation and microgeneration financial grants-in-aid; a public awareness campaign; improved public access to expert, impartial advice; and hypothecated funding for Local Authorities would lead to greater household emissions reduction than is currently being achieved.

WEL suggests that the Committee refer to examples of best practice such as the London Climate Change Action Plan and the Borough of Woking; and research such as the 40% House and Zero Carbon Britain. WEL also strongly recommends that the Code for Sustainable Homes is adopted in Wales at the earliest opportunity.

WEL is of the opinion that the reduction of carbon emissions by statutory energy efficiency standards for new build could only be achieved by the introduction of legislative competence over Building Regulations; and suggests that the powers could also be sought over Local Authorities if necessary to allow the hypothecation of funding.

WEL believes that sectoral targets should set the requirement for change in all sectors to ensure that stakeholders are in no doubt as to what is required.

#### **General Questions**

1a) Is the proposed three per cent annual reduction target by 2011 'in areas of devolved competence' sufficient to enable Wales to make its full contribution to meeting UK-wide targets?

This question is phrased with reference to the aim set out in the section 'Tackling climate change' in One Wales (June 2007), to achieve 'annual carbon-equivalent emission reductions of 3% per year by 2011 in areas of devolved competence'. It raises the following issues:

What are the WAG 'areas of devolved competence'?

Which are the UK-wide targets to be met?

What is meant by Wales' 'full contribution' to these targets?

#### Taking each of these issues in turn:

#### Areas of devolved competence

One Wales says that specific sectoral targets will be set for each of the residential, public and transport areas, while WAG will 'work with' the heavy industry and power generation sectors to reduce their respective emissions. It is unclear just how much 'competence' - presumably legislative - WAG currently has to manage directly carbon emission reductions, even within the three sectors suggested in One Wales. Powers of exhortation do not equate to 'competence'.

At an immediate level, the Assembly Government should be asked both to define the 'areas of competence' within which it is empowered to act, and to clarify what it believes it can do to deliver on the 3% target within these areas. Additionally, the Assembly Government must both examine urgently its current scope for influencing downwards carbon emissions from Wales-based sources, and also identify areas for extending, in particular, its powers to regulate behaviour in homes and businesses through an appropriate Legislative Competence Order or Orders.

Schedule 5, Part 1, of the Government of Wales Act 2006 lists the policy Fields for which primary legislative powers in the form of Measures could be sought by means of Legislative Competence Orders. Of particular relevance to this consultation, Schedule 5 lists agriculture, economic development, environment, highways and transport, and housing as being within the potential legislative remit of the Assembly. No exceptions or restrictions are listed.

WEL believes that WAG should continue to press for the transfer of planning responsibility for all power generation projects located in Wales, irrespective of capacity, together with full powers in relation to Building Regulation standard-setting.

Schedule 7 of the Act, however, lists exceptions to those Matters for which such legislative competence could be sought, but only with reference to Acts of the Assembly under section 103 et seq. Exceptions listed having relevance to this consultation on carbon emissions include:

Generation, transmission and supply of electricity, apart from pollution.

Energy conservation, apart from the encouragement of energy efficiency otherwise than by prohibition or regulation.

Oil and gas, apart from pollution.

Road freight transport services...

Regulation of use of motor vehicles and trailers on roads...

Provision and regulation of railway services, apart from financial assistance, which (a) does not relate to the carriage of goods...

Aviation, air transport, airports and aerodromes, apart from (a) financial assistance to providers or proposed providers of air transport services or airport facilities or services, (b) strategies by the Welsh Ministers or local or other public authorities about provision of air services...

According to Schedule 7, therefore, significant public policy areas relating to carbon emission reduction are outwith even the potential 'devolved competence' of the Assembly Government; (although there is no similar restriction in the provisions of Schedule 5). Moreover, of course, much private sector activity in general, including industry and the household sector, lies beyond the Assembly Government's

legislative or regulatory remit.

However, a lack of powers must not become an excuse for Wales not to reduce carbon emissions. Joint working with the UK Government in non-devolved areas, including areas of competence that are likely to remain at the UK level, should be urgently sought and reported upon. Delivering the requirements of the Climate Change Bill, once enacted in 2008, will test the resources of the Assembly Government and its sharing of responsibilities with Westminster.

#### **UK-wide targets**

The UK-wide targets to which the One Wales emissions reduction target might be expected to relate include:

CO2 emissions reduction of 20% by 2010 from the UNFCCC baseline year of 1990 (domestic UK Government target).

Greenhouse gas emissions reduction target of 12.5% by 2010 from 1990 (Kyoto Protocol target within the EU 'basket' reduction of 8%).

Climate Change Bill provisional targets of 26/32% by 2020 from 1990 and of 60% by 2050 from 1990.

EU CO2 emissions reduction of 20% by 2020 from 1990, rising to 30% with broader global participation.

The One Wales emissions target clearly fails on two fronts: the restriction to 'areas of devolved competence' - 3% of only a part of total Welsh emissions, rather than of all Welsh emissions; and the commitment only to 'aim to achieve' - not even to 'deliver' - by 2011, thus only an aspiration and, of course, missing the 2010 UK/Kyoto targets.

With regard to the 2020 and 2050 UK and EU CO2 targets, clearly the One Wales target cannot deliver on its own. Firstly, emissions reductions will be required from all sectors of the Welsh economy and society, extending well beyond the limited competence of the Assembly Government; and secondly, Wales will need to deliver at least a 20% CO2 emissions reduction from current levels in just 13 years - or nine years if from a baseline of 2011.

Wales-based CO2 emissions in 2004 were 0.3MtCe higher than for the base year of 1990, and have been rising since 2002. These increases, of course, have largely been driven by rising emissions from heavy industry in Wales, but they point up the seemingly unmanageable task faced by WAG, at least with existing policies.

#### **Full contribution**

Whether the Assembly Government target will prove 'sufficient' to enable Wales to make its 'full contribution' to UK emissions targets has been answered in the negative above.

This conclusion is made on the basis that Wales should be required to contribute to emissions reduction pro rata to its share of the UK population. However, while Wales accounts for around 5% of the UK population, it contributes 7% of CO2 emissions, which, in turn, is the result of Wales having a disproportionately large heavy industrial base and being a net exporter to England of electricity generated from carbon-emitting fossil fuel sources.

A further consideration is the low per capita GDP of Wales compared to most regions of England, especially London and the South-East, suggesting the possibility of lower direct household and transport emissions per capita. This circumstance might suggest a lower reduction target for Wales, relative to share of UK population, balanced by a higher target for the wealthier regions of England (on the 'contraction and convergence' model of emissions reduction). This issue is considered further in answer to question 2 below.

#### 1b) If not, what targets should be put in place?

In its policy priorities for the National Assembly for Wales 2007 document, WEL has asked for a commitment to a target of at least a 3% annual reduction in greenhouse gas emissions in all sectors, not just those specified in the One Wales document.

General scientific opinion now believes that the necessary CO2 emission reduction target for the UK and other industrialised countries by 2050 should be 80% and not 60%. Wales is coming late to the task of cutting carbon emissions, but practical ways forward are available under current areas of competence, and should be acted upon with urgency.

The forthcoming Energy Route Map will play a key role in driving forward a low-carbon energy strategy for Wales, as too should the new Sustainable Development Action Plan and the refresh and implementation of the Wales Spatial Plan. Wales: A Vibrant Economy should be abandoned and an economic development plan for Wales, written from SD principles, produced.

The new Climate Change Commission for Wales will need as a matter of urgency to draw up a suggested comprehensive programme of action for WAG on climate change mitigation for Wales. To deliver the scale of required emissions reduction, this programme will require the full involvement and understanding of the people of Wales, in their homes, in their ways of travelling to and from work, and in their work places.

A major public awareness campaign must be undertaken by the Assembly Government, setting out both the potential global climateinduced catastrophe that we face if we continue to live as now, and also the practical steps that people can and must take in all areas of their daily lives to avert this catastrophe. This campaign should actively engage the press and broadcasting media in their daily news reporting and comment; it cannot be left just to advertising, NGOs and Ministerial speeches.

## 2) Should the emission reduction target be based on Welsh consumption, or production, or both (i.e. should it take into consideration the carbon dioxide generated in Wales (production), or the carbon dioxide emissions that Wales' residents are responsible for, regardless of their source (consumption)?

National or country emissions of CO2 and other greenhouse gases are conventionally measured from sources within the territory concerned; this is how the UNFCCC, EU, UK and WAG have measured carbon emissions. For international comparative purposes, therefore, Wales should continue to measure emissions - and set targets - with reference to Wales-based sources, i.e. the 'production' approach.

However, the alternative 'consumption', or footprint, approach provides a measure that is more relevant to sustainability, since it gives a truer expression of the impact of human activity in Wales on global carbon emissions, including net global resource consumption. This measure is certainly relevant to the SD Scheme and, noting the net 'export of emissions' from Wales associated with the outputs of heavy industry and energy generation, gives a more accurate picture of Wales' contribution to overall UK carbon emissions.

The 'production' model shows per capita CO2 emissions for Wales 40% higher than for the UK as a whole, while the 'consumption' or footprint model shows Welsh emissions slightly lower than for the UK overall. Consumption of Welsh-produced steel and electricity outside Wales needs to fall in order to bring down Wales-sourced emissions while, conversely, reduced Welsh consumption of imported products will bring down CO2 emissions globally.

Both models for measuring Welsh CO2 emissions, therefore, have value, and data for each should be collected and used, as appropriate: the 'production' model should be used in relation to externally agreed target levels, while the 'consumption' model should be used to inform the SD Scheme and Action Plan.

#### Questions specific to household emissions of carbon dioxide

Wales Environment Link does not possess particular expertise concerning the household sector and CO2 emissions; our answers to the following questions are, therefore, of a general nature.

### 3) What particular challenges does Wales face in reducing carbon dioxide emissions from households, and how can these challenges be overcome?

One of the main obstacles to cutting CO2 emissions from households is behavioural. Public awareness of the problem and causes of climate change is rising, but this awareness is not translating sufficiently into behaviour change (as is demonstrated in the Sustainable Development Commission's report "I Will If You Will"). Householders must be supported and enabled to act e.g. one stop shop for advice and guidance on energy efficiency and grants, but will need the backing of generous grant-aid schemes to be effective.

More particular to Wales, the following challenges include the inadequacy of the provision of, use of and access to, funding to support households in making the necessary changes to reduce carbon emissions. The recently published Welsh Audit Office report on the Delivery of the Home Energy Conservation Act in Wales (September 2007), highlights the challenges and opportunities for improvement in achieving energy savings and carbon emission reductions from households in Wales.

It reports that significant amounts of funding and expert advice from external organisations are available to Local Authorities in order to help them achieve improvements in home energy efficiency, but not enough time and resources are currently being dedicated to the uptake of these opportunities. It also highlights the fact that legislation, policy and funding has focused improvements in energy efficiency on fuel poor households and public sector housing, rather than the majority owner occupier sector; and recommends that owner occupiers need incentives to invest in energy saving measures.

For example, Wales suffers from the lack of a dedicated Welsh grant scheme for microgeneration. Demand for the Low Carbon Buildings Programme grants outstripped availability massively. WEL would therefore suggest that the Committee investigates how well Wales accessed this programme, and consider whether a Welsh promoted and run scheme be better.

Further challenges in Wales include:

The age and poor condition of the housing stock, plus the fact that funding for the renovation of Local Authority housing in Wales reportedly has become available much more slowly than in other parts of the UK.

Wales is behind schedule in achieving its target for eliminating fuel poverty.

## 4) To what extent has the Welsh Assembly Government been successful in utilising the powers available to it in order to reduce household carbon dioxide emissions?

Wales-based data covering the period1999 to 2002 show greenhouse gas emissions from the residential sector rising significantly, from 1.2MtC to 1.4MtC.

The potential drivers for reducing carbon emissions from the household sector are:

Conservation in the management of electricity consumption for lighting and appliances, and in the management of heat consumption for space temperature control.

Appliances and lighting that consume less electricity per unit of output.

Micro-generation of electricity and heat from renewable sources, replacing grid consumption from fossil fuel sources.

Reduction, reuse and recycling of waste.

Use of sustainable transport

WEL would suggest that WAG could better use the powers available to it, and seek to influence these drivers by:

The initiation of a public awareness and education campaign (as referred to above).

Providing a stronger lead to ensure appropriate remedial action by Local Authorities and Housing Associations.

The minimisation of planning and financial obstacles so that the Assembly Government's ambitious Micro-generation Action Plan targets can be met.

Making the reduction in the number of car journeys made by households a key part of any strategy - given that carbon emission from cars account for 13% of the UK's total, and that transport is devolved (to be discussed in greater details in WEL's response to the Committee's next consultation).

The development of new Local Authority targets and delivery mechanisms for the next Sustainable Development Action Plan (the Welsh Audit Office Report has highlighted deficiencies in the data collected for the years 2004-2007).

## 5) Could alternative targeting of Welsh Assembly Government financial resources lead to greater household emissions reduction than is currently being achieved? If so, where could additional resources lead to greatest impact?

As referred to above, WEL believes that alternative targeting of WAG funding that would lead to greater household emissions reduction should include:

Significant provision for financial grants-in-aid, to support both heat conservation measures in homes and, also, the installation of microgeneration technologies.

A funding allocation sufficient to pay for a major and comprehensive public awareness campaign about the causes and consequences of climate change, together with guidance concerning mitigating steps that people can take in their own homes.

Funding for Local Authorities, hypothecated upon the delivery of Sustainable Development and climate change policy objectives within their powers and responsibilities.

Easy to access, readily available, impartial expert advice on home energy efficiency to be available, linked to grants and other tools to support people to green their home.

## 6) What examples from other administrations (devolved, UK, and overseas), where other means have been used to achieve reductions in household carbon dioxide emissions, could be adopted in Wales under current powers?

WEL suggests that the Committee should examine both the Climate Change Action Plan for London and the policies and practices of the Borough of Woking. Research such as the 40% House and Zero Carbon Britain should also be considered.

The 40% House, published by the Environmental Change Institute, University of Oxford, in February 2005, sets out a strategy to 2050 for reducing carbon emissions from UK households by 60% using existing technologies. The report notes that two-thirds of the dwellings standing in 2050 are already in existence, leading to the need for a major programme to upgrade these houses, especially with reference to efficient space heating. However, the report further suggests that up to 14% of the existing UK housing stock are beyond improvement, leading to the need for a targeted demolition strategy, which would be four times the current demolition rates. Older, solid-walled houses will be particularly vulnerable to this escalated demolition programme.

We strongly advise that the Code for Sustainable Homes is adopted to provide a clear market signal to the industry in Wales, and to unite us with a common approach to sustainable homes. In addition and in time, A Code for Sustainable Buildings and A Code for Existing Buildings would represent strong contributions to the policy tools for reducing emissions from buildings.

# 7) In the context of the Government of Wales Act 2006, which further means of reducing carbon dioxide emissions from households could only be achieved with the introduction of further legislative competence for the National Assembly for Wales?

As referred to above, WEL is of the opinion that the reduction of carbon emissions by statutory energy efficiency standards for new build could only be achieved by the introduction of legislative competence over Building Regulations.

Additionally, one relevant policy field in Schedule 7 for which the Assembly Government is empowered to seek legislative competence would appear to be 'the powers and duties of local authorities and their members and officers'. The Assembly Government might wish

to seek powers over Local Authorities in order to allow the hypothecation of funding - see answer to question 5 above - but, of course, cannot regulate for improved efficiency.

As outlined in our answer to Question 1 there are a number of policy areas - Exceptions - that are excluded from potential Assembly Government competence in Schedule 7 of the GoW Act 2006. These exceptions include energy conservation, other than the encouragement of energy efficiency. It would seem that the Assembly Government is empowered to fund conservation measures, but not to seek powers of regulation or prohibition. The prohibition on the generation of electricity would seem to exclude legislative competence over the installation, but not the funding, of micro-generation technologies.

### 8) If specific carbon dioxide emissions targets are to be set for Wales, should these targets be subdivided into shares by sector? If so, what share of the total should reductions by households comprise?

Sectoral targets should set the requirement for change in all sectors to ensure that stakeholders are in no doubt as to what is required. It should be clear that the targets will need partnership working to deliver them, but the same is true for any business or government. It is not something that can be achieved alone. Further sectoral modelling will help determine exactly what is achievable per sector but the key objective of an 80% decrease in emissions by 2050 in order to play an active part in reducing the threat from the worst impacts of climate change should continue to frame the context within which these targets are set.

Wales Environment Link values the opportunity to take part in this important consultation process and trusts the above response will be taken into consideration by the Sustainability Committee.

The member organisations of Wales Environment Link that sign up to this consultation response are:

Butterfly Conservation Wales

Friends of the Earth Cymru

Groundwork Wales

Keep Wales Tidy

RSPB Cymru

Sustrans Cymru

Wildlife Trusts Wales

WWF Cymru

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