

Carbon management: governance & accountability

Guidance for public sector organisations



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About this document

Resource Efficient Scotland has produced a suite of guidance resources, prepared and written by specialist carbon management consultants, to assist public sector organisations in developing, revising and maintaining their Carbon Management Plans, activities and supporting documentation.

This guidance is currently made up of a series of four inter-related documents, on the following themes:

- Organisational boundaries.
- Setting targets.
- Reporting.
- Governance and accountability.

These documents can each be read on their own, though there are connections between them – for example, the guidance on organisational boundaries has implications for target setting and for reporting (and vice versa). You will find references across the guidance to where more detailed information on particular points may be found in one of the other documents in the series.

Governance & accountability

Successful implementation of a Carbon Management Plan will always require cross-organisational support, with clearly established and serious commitment and accountability from senior management and through all levels of the organisation.

In public sector organisations this often includes political and governance commitments, for example from Elected Members of the Council in local authorities. For most organisations there will be a formal governing body of some kind. Successful carbon management requires that this governing body - members of NHS Boards, University Courts, General Councils and other similar entities that oversee the governance of public organisations - have made clear their commitment and that they carry out their governance duties on an on-going basis.

This means your governing body needs to be holding senior management accountable for the dissemination and implementation of the carbon management policy, strategy and targets, ensuring that these are understood and adhered to in all levels of the organisation. Central to this is that they ensure a robust Carbon Management Plan (CMP) is in place and is being implemented and kept up to date.

To maximise the opportunity and impact of this, carbon management must be perceived as meaningful and relevant for the governing body and senior management: so, to succeed your CMP must also clearly demonstrate how it is aligned to and will contribute towards the key priorities of the organisation. The CMP and the drivers for action to implement the plan must therefore reflect the changing economic, environmental and regulatory drivers faced by the leadership of your organisation. These will be particular to your own organisation, though common examples currently seen in public sector organisations may include: cost saving; a move to shared services models; engagement of external and private sector finance to achieve value for money where public finance is constrained; the engagement of wider local partners and collaboration in area-wide leadership / joined up community planning and action; and so on.

To establish a strong link between the governance and leadership of the whole organisation and governance, accountability and resourcing for carbon management it can be very useful to find out if any members of your governing body / senior management team have a personal interest in carbon management, sustainability or environmental issues. If so, make an approach to get them on-side to help champion the cause from the top of the organisation. Conversely, it can also be useful to establish close contact with a known 'sceptic' at senior level – this can make a useful governance 'double-team', where your plans, communications and activities get viewed through different lenses. While this may be challenging to manage, it means you can work to the principle that "if you can convince the senior sceptic, you can convince anyone". In all cases, to drive successful adoption and implementation of your CMP will need the support of the most dynamic/powerful people that you can engage, regardless of their existing credentials in carbon management.

1 The responsibilities of management

An effective carbon management strategy requires serious commitment and support. Accountability for and commitment to the implementation of the Carbon Management Plan (CMP) and achievement of the carbon emissions reduction targets in the CMP should cascade through the organisation, from chief executive (or equivalent) level. Their overall accountability should be publicly acknowledged and regularly reasserted.



In an organisation which is fully committed to its carbon reduction targets and to implementing its CMP, departmental directors, line managers and team leaders also need to be involved with governance and accountability. The aim is to clearly designate responsibility and devolve authority to managers to control and reduce carbon emissions from their operational area.

In an ideal world, accountability for carbon reduction for each senior manager in their own department / areas of responsibility would be based on accurate assessments of the carbon footprint of each department, giving the ability to set robust reduction targets accordingly at departmental level. While this may be desirable, it is important to acknowledge that for many organisations it unlikely to be feasible, since it would require flexible sub-metering of buildings shared by multiple departments and/or complex assignments across departments of building space, facilities and headcount. For reasons of practicality, it is likely to be better for many

organisations (at least for the foreseeable future) to focus accountability at senior/departmental manager level in other ways, such as the allocation of certain projects and responsibility for their successful and timely implementation.

That said, if there are distinct division(s) of the organisation where the carbon emissions and carbon reduction measures associated with that division are clearly identifiable and distinct, where on-going measurement is and will be accurate and reliable, then it may be appropriate to set specific and measurable carbon reduction targets for that division, with the senior manager(s) of that division accountable for achievement of such targets.

The goal is that the CMP should, in effect, be owned by the entire organisation. You should not forget that often this can also mean reaching beyond your own organisation and engaging key partners who deliver contracted services in your premises, such as cleaning, security or catering; subcontractor staff can have a significant influence on carbon emissions, for example if they are first/last on site and need to be involved in switch off/on procedures for lighting and equipment.

To engage the entire organisation (and subcontractor staff) requires appropriate training to be arranged and monitoring undertaken at all levels. Ways in which this can be embedded include ensuring that carbon management and sustainability are included in job descriptions / personal objectives, with relevant targets included in assessments and appraisals. Ideally, this would be established for all roles across the organisation, or at least at managerial levels and for those staff with specific responsibilities, such as the members of your Carbon Working Group or equivalent (see Section 3 below). This may need to be a longer term ambition for some organisations (particularly larger and more complex ones). If so, priority should be given to ensuring that this step is taken early in the case of those key job roles, teams and departments where there is the greatest potential to have quicker, larger and enduring impact in reducing the organisation's carbon emissions.

2 Assigning operational responsibility & resources

Organisations which are successful in implementing carbon management universally stress the need for buy-in and support from senior management to reducing emissions. This is critical in order to:

- **Secure sufficient financial resources** to implement your action plan and ensure you meet your meet your published targets.
- **Ensure adequate human resources are allocated** to carbon management; and where carbon management responsibilities are integrated into existing roles, to ensure that the relevant staff are allocated enough time to spend on these responsibilities. (This may in turn mean reviewing their job descriptions).
- **Ensure that allocated staff have or acquire the necessary skills and knowledge** to do the job. This is likely to involve setting aside time (and other resources) to train existing staff, for which you may need to consider bringing in specialists to support the in-house team.
- **Clear roles and responsibilities** are allocated to the staff involved and that these are not disputed or ignored.

As an illustrative guide, examples are shown in Figure 1 below of how carbon management responsibilities might be allocated in an organisation. This is not intended to be prescriptive or exhaustive; it is important to recognise that resourcing, roles and responsibilities will vary significantly depending on the size and nature of different organisations.

A good CMP will document explicitly the operational responsibilities and resources for carbon management across the organisation, listing who is involved, their roles and responsibilities, including a realistic indication of how much time each individual is expected to allocate.

In conjunction with assigning clear roles and responsibilities for particular individuals, managers and teams, you should never lose sight of the fact that you are seeking to embed carbon management across the entire organisation. Communication with all staff across the organisation should be a priority so that everyone has the opportunity to feel engaged and involved in actively raising carbon awareness at every level of the organisation. All employees should be encouraged to make practical changes in the activities which they control, such as the way they travel to work and in being more efficient with resources when they are at work, such as turning off electrical equipment when not in use. This ethos

can then be developed further with specific awareness and behaviour change initiatives across the organisation.

Figure 1: Possible allocation of particular responsibilities for carbon management (illustrative; not exhaustive)

Chief Executive (or equivalent):

- Advocate and promoter of carbon management strategy, targets and the CMP.

Chief Operating Officer (or equivalent senior executive with responsibility for sustainability):

- Ensure systems, processes and resources are in place for target setting, monitoring and reporting, policy development and dissemination.

Sustainability Officer / Energy Manager:

(or other facilities/operations manager, if the organisation has no dedicated resources for sustainability / energy management):

- Overall responsibility for carbon management programme.
- Survey of estate, inventory and energy use.
- Assessment of use of materials, water and generation and disposal of waste across the organisation.
- Assessment of business travel by the organisation's employees
- Ongoing monitoring and target-setting.
- Project identification and management of project register.
- Technical aspects of carbon management.

Financial manager(s):

- Collation of carbon management statistics (including from multiple data sources, e.g. potentially including: energy bills/metering data; fleet fuel bills/records; water bills/metering data; waste disposal bills; staff expenses records for business travel data, etc.).
- Production of statistical reports.
- Quantifying energy and other cost savings (including waste/water reduction savings, savings from reduced business travel).
- Developing and analysing the financial business case for project investments.

Fleet/Transport manager(s):

- Assessment of fleet usage and fuel efficiency.
- Applying carbon management criteria to fleet maintenance and renewal strategy and practice.

Purchasing manager(s):

- Applying carbon management criteria to selection of suppliers and purchasing of goods and services.
- Negotiation of contracts related to facilities, energy systems and infrastructure, waste management.

Communications manager(s) (incl. PR, marketing, internal communications):

- Raising staff awareness and influencing behaviour (specific campaigns and on an on-going basis).
- Promoting results internally and externally.

Human Resources manager(s):

- Arranging provision of training to key carbon management staff to instill necessary skills and knowledge.
- Arranging provision of training across the organisation to promote awareness, engagement and behaviour change among all employees;
- Develop formal approaches for motivating/incentivising employees to be actively engaged, e.g. including carbon management responsibilities in job descriptions; building carbon management deliverables into individual and/or team objectives and appraisals.

3 Carbon Working Group / Steering Group / Task Force

A Carbon Working Group can be helpful to drive implementation of the CMP and emissions reduction across the organisation, not just in one or a small number of sections. The group could equally be known as a Carbon Steering Group, Carbon Task Force, Carbon Network - the name should be chosen to best suit your organisation's existing in-house terminology and culture, in such a way that it is most likely to appeal to those key individuals who you need to commit to being a part of this group.

The aim is to establish and invigorate a strong carbon management network across the organisation. The formation of a cross-departmental group with a specific remit to support the delivery of the CMP will promote ownership of carbon management across the organisation and creates a support group for the Project Leader and Project Sponsor of the CMP. Particular effort is required to identify and engage the key teams and key individuals from across the organisation who can have the greatest enduring impact in reducing the organisation's carbon emissions.



Such a group, perhaps led by the head of sustainability / environment (or similar senior manager, depending on your organisation's roles and structure), should seek to include representation from across the organisation, typically including (where appropriate/where these exist in your organisation):

- Estates / asset management
- Facilities management
- Finance
- Catering
- Procurement
- Human Resources
- Key operational management from departments/services across the organisation.

The mix of the group should reflect the operational nature, scale and structure of your particular organisation.

It is important to invest the time and effort to specifically identify and engage willing individuals who have the potential to be influential in their area of the organisation. Then set up a meeting or workshop and invite all these individuals, from which you can establish a Carbon Working Group to champion carbon management across the organisation and support the implementation of the CMP.

This group should meet at least quarterly and maintain regular contact in the interim. If your organisation has an existing sustainability or environment committee (or similar) at senior management level then the Carbon Working Group could be a sub-group which reports to this committee. The Carbon Working Group should have responsibility and accountability, with defined outputs. With this in mind, it is useful to document a timetable of meetings throughout the year with key outputs expected of those meetings, e.g. approval of Carbon Footprint report prior to submission to the senior management team or Board.

4 Producing a carbon management policy

In some organisations, developing and publishing a formal carbon management policy for your organisation can be helpful as part of your overall approach to governance, though you need to consider where this sits in relation to your CMP, i.e. whether it is necessary as a stand-alone element of your organisation's framework for carbon management, or whether the CMP itself successfully encapsulates and articulates the organisation's policy to all stakeholders.

Producing a formal carbon management policy can help to:

- Communicate internally the senior management commitment (and political commitment). This in turn can help increase staff buy-in to carbon management commitments and activities.
- Demonstrate commitment and leadership on carbon management to your stakeholders and customers.
- Develop and review your carbon management strategy and action plan, by providing a clear and transparent framework for doing so.

Note that the policy may also cover a wider range of areas than those included in your emissions reduction target.

Producing a carbon management policy is not, of course, an end in itself - an obvious criticism is that large organisations often have a multitude of formal policies, strategies and plans which are not perceived to be 'joined up', nor are they actually referred to operationally in the on-going activity of the management / employees. With this in mind, as noted earlier in this document, you must consider how best to align and embed carbon management within the key priorities and strategic activities of your organisation.

One option may be to integrate carbon management policy into the key existing, wider policies of your organisation, rather than developing a stand-alone policy statement. Where there are existing policy or strategy statements which are perceived to be driving change in the organisation it would be wise to find ways, if you can, to integrate with these, putting carbon management closer to the core of the organisation and making it more relevant to managers' and employees' day-to-day responsibilities and the momentum for change in the organisation. You should always be looking for ways to 'mainstream' carbon management within the business. It will require exploration and discussion with management to determine the best approach for achieving this in your particular organisation.

Whether as a stand-alone carbon management policy or integrated into existing wider policies (which are then re-issued), a formal CM policy should be signed off by the chief executive (or equivalent for your organisation). A senior executive in their management team should lead to ensure the policy is communicated and promoted on an on-going basis across the organisation.

At the end of this guidance document there is an example which could be used as a template or checklist for developing your own carbon management policy.

Figure 2: Case studies: Senior management buy-in

Organisations which are successful in implementing carbon management universally stress the need for senior management buy-in to reducing emissions. Examples of existing good practice in senior governance and accountability observed in different public sector organisations include:

- Devoting a section of the organisation's annual report to sustainability, with specific focus on progress with implementing carbon management, including the financial benefits achieved, both overall and in specific example projects.
- Board-level senior executive chairs a Sustainability Investment Board, a decision-making panel which reports directly to the Executive Board (which in turn is accountable to the governing body). The Sustainability Investment Board scrutinises key performance indicators (KPIs) which include Carbon Footprint, Investment in Carbon Reduction Projects and Operational Energy Performance scores for each building, against which to monitor progress.
- Established a Sustainability Group, reporting directly to the senior management team (SMT) of a large university. The SMT is supportive of environmentally sound decision-making because it bolsters the university's external profile (both nationally and internationally); becoming an exemplar low carbon campus is now a headline objective in the university's Corporate Plan.
- Corporate Social Responsibility (CSR) Steering Group chaired by the Finance Director. Carbon and energy reductions are reported to the finance and general purpose committee, which in turn reports to the Board of Governors.

5 Public disclosure of emissions and other information

As a publicly-funded organisation there should, of course, be an inherent commitment to be transparent and accountable and demonstrate leadership and best practice. In carbon management this means publishing your Carbon Management Plan and publicly reporting your reduction targets and emissions data.

This is not a commitment to be taken lightly, of course, since you are open to the risk of critical scrutiny. In terms of accountability and governance for carbon management in your organisation, however, this is clearly of benefit: the possibility of public scrutiny should increase the attention and sharpen the focus of senior management and governing bodies on how carbon management policy, strategy and plans are being resourced and executed in your organisation.

To support this, you will, of course, need to make sure that you are confident about your data and targets and that your data management systems and procedures are robust. (Reporting methods and frameworks are the subject of a separate guidance not in this series).

As well as it being the norm for public bodies to be transparent and open to public scrutiny of their operations, public reporting in the domain of carbon management can help you:

- Achieve positive recognition by your customers and other key external stakeholders. Public reporting is seen as a 'gold standard' by many non-government organisations.
- Demonstrate that your organisation is meeting the Climate Change Public Bodies Duties as set out in Part 4 of the Climate Change (Scotland) Act 2009. (Whilst the Act does not require reporting a voluntary approach to reporting is encouraged in associated guidance issued by the Scottish Government – see <http://www.scotland.gov.uk/Publications/2011/02/04093254/0>)
- Develop and support your wider sustainability reporting, as in the Scottish Public Sector Sustainability Report which is strongly encouraged by the Scottish Government's guidance on annual Public Sector Sustainability Reporting (see <http://www.scotland.gov.uk/Publications/2013/07/4721>)
- Align to increasingly accepted standards across all sectors – for example, many larger private sector companies in the UK are now required by regulation to adhere to mandatory reporting of their carbon emissions.

6 Independent verification

Verification of your footprint by an independent third party could help you to have greater confidence and assurance that your data and processes are accurate and consistent. Being able to demonstrate that your carbon footprint has been independently verified can be important to satisfy your stakeholders' demands for accuracy, validity, materiality and transparency. There are a number of organisations which specialise in providing independent verification for carbon management, best known amongst which is the Carbon Trust Standard, which has been achieved by a number of public bodies in Scotland and beyond. If you chose to seek independent verification you should ensure that the provider you choose is experienced and credible, working to recognised uniform principles such as the GHG Protocol and related ISO accreditation standards (e.g. ISO 14064, ISO14065).

Figure 3: Governance and accountability – some useful questions to ask yourself:

Theme	Questions
Strategic fit	<ul style="list-style-type: none"> ▪ Do the carbon reduction strategy and CMP reflect the institution’s type, size and estate? Do they take an optimal approach and allow for change over time? ▪ How does the CMP align to and support the organisation’s strategic objectives? ▪ How has the carbon reduction strategy been incorporated into the wider strategy of the organisation?
Senior Leadership and Stakeholder involvement	<ul style="list-style-type: none"> ▪ How are (as applicable) Elected Members, Board Members, Trustees, Governors, senior management, staff, customers, patients, students, business partners and other external stakeholders involved in the process of developing the strategy and plan, and in implementing their recommendations? ▪ How are senior management held accountable by the governing body of the organisation for implementing the CMP and for reduction achieving targets? ▪ Has the organisation identified champions for carbon reduction, including at governing body and senior management level?
Content and format	<ul style="list-style-type: none"> ▪ Are the policy, strategy and plan clear and easy to understand? ▪ Do they contain all necessary information?
Resourcing	<ul style="list-style-type: none"> ▪ Is responsibility for carbon management clear? ▪ Are sufficient resources available (staff time and funding) across the organisation? ▪ Are existing resources used appropriately? Are they the right people to drive change?
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Monitoring communications and	<ul style="list-style-type: none"> ▪ Is there a clear process and timetable for senior management and governing body to monitor progress and for revising the strategy and plan?
Partnership and sharing good practice	<ul style="list-style-type: none"> ▪ Has the organisation worked with other similar organisations and partners to inform its policy, strategy and plan? ▪ Does the plan build on existing activities and good practice?

7 Sample Carbon Management Policy

The following sample could be used as a template or checklist for developing your own carbon management policy.

Corporate Policy Statement

Our long- and medium-term corporate goals are to:

- Commit organisational resources to carbon management;
- Minimise our CO₂ emissions;
- Reduce our energy costs;
- Give high priority to energy efficiency investments;
- Consider life-cycle carbon emissions and energy costs for all new projects;
- Minimise our environmental impact;
- Where possible, to use energy only from sustainable sources.

Our short-term objectives are to:

- Reduce the environmental impact of fuels used by reducing our emissions of a tonnes of CO₂ by x% over y years;
- Reduce energy consumption to typical/good practice benchmark levels within y years;
- Set and publish performance improvement targets;
- Report performance changes and improvements annually;
- Increase staff awareness;
- Nominate employees to act as departmental energy champions;
- Identify all cost-effective energy efficiency measures across the organisation;
- Establish a system for monitoring energy use in all our buildings, facilities and vehicles, including implementing a regular programme of energy audits;
- Provide regular management reports on energy consumption and costs;
- Establish and protect a budget for investing in energy efficiency;
- Specify energy efficient design of new buildings, and procure energy efficient plant, vehicles and equipment.

Statement of Commitment

We are committed to:

- Increasing energy efficiency [in terms of, for example, energy consumed per unit of activity / employee / m² of building floor space];
- Reducing CO₂ emissions;
- Investing in new low carbon technology where this meets investment criteria (including renewable energy sources);
- Considering life-cycle carbon emissions and energy costs when procuring new projects;
- Purchasing energy-efficient plant, vehicles and equipment (including office equipment);
- Reducing environmental emissions associated with travel (including employee travel to work, business travel and operational vehicle fleet);
- Investing in energy-saving technologies that are eligible for Enhanced Capital Allowances.

We will address carbon management in all areas of our business including:

Management issues:

- Define roles and responsibilities for energy, resource and waste management;
- Educate and raise awareness among staff;
- Encourage continual professional development for technical staff involved in carbon management (including energy, resource and waste technical specialists);
- Establish clear reporting procedures;
- Publicise our performance and report areas for improvements.

Procurement issues:

- Procure equipment with low energy ratings;
- Consider life-cycle carbon emissions and energy costs for new projects and modifications to existing buildings and plant;
- Establish technical guidelines for new projects and refurbishment.

Financial issues:

- Establish ownership of energy, waste and resource costs at departmental level.

Technical issues:

- Establish procedures for efficient operation of buildings, plant, vehicles and equipment.

We will improve on past performance:

Over the past y years:

- Our emissions of CO₂ have increased/decreased by x%;
- Our energy costs have increased/decreased by x%;
- Our energy efficiency has increased/decreased by x%;
- Our consumption of fossil fuels has increased/decreased by x%;
- Our waste to landfill has increased/decreased by x%;
- Our investment in clean, energy-efficient technologies has increased/decreased by x%.

We are committed to reversing/reinforcing/accelerating* these trends through our strategic Carbon Management Plan that will be reviewed for progress and updated each year.

* Delete as appropriate