1. The Chartered Institution of Building Services Engineers (CIBSE)

1.1 CIBSE is the primary professional body and learned society for those who design, install, operate and maintain the energy using systems, both mechanical and electrical, which are used in buildings. Our members therefore have a pervasive involvement in the use of energy in buildings in the UK with a key contribution to sustainable development. Our focus is on adopting a co-ordinated approach at all stages of the life cycle of buildings, including conception, briefing, design, procurement, construction, operation, maintenance and ultimate disposal.

1.2 Building services engineers work within an industry that has a significant contribution to make to sustainable development, having impact on all three components (environmental, social and economic). Building services engineers are directly responsible for ensuring that buildings:

- Are cost effective to develop and run
- Use minimal amounts of fuel and energy
- Provide acceptable thermal comfort for occupants
- Provide good indoor air quality
- Deal effectively with wastes
- Are adaptable to climate change
- Are properly operated and maintained

1.3 CIBSE is one of the leading global professional organisations for building performance related knowledge. The Institution and its members are the primary source of professional guidance for the building services sector on the design and installation of energy efficient building services systems to deliver healthy, comfortable and effective building performance.

2. What key policies are needed over the course of this Parliament to adequately protect the environment, promote growth in the low carbon sector and improve wellbeing?

2.1 One of the key points to note regarding policy in this area is that a systems thinking approach is required. With any system, the whole is different to the sum of its individual parts. If the desired outcomes of protecting the environment, growing the low carbon sector and improvement in wellbeing are the whole, then the policy parts shouldn't be developed in isolation without regard for the relationships between them. There is a history of a disjointed policy landscape when it comes to sustainable development in the UK which has led to poor outcomes. Coherency is required to provide appropriate market signals to industry and business, and to provide the public with confidence that the Government is taking a long term view.
2.2 An important policy which is needed over the course of this Parliament is one focusing on energy efficiency. In comparison to investing in new generation and distribution capacity, reducing energy demand is a more time and cost effective approach. Everyone benefits; society, the economy and the environment. Efficiency is a core principle of sustainable development that should be promoted, doing more with what we have rather than using up further valuable resources.

2.3 Improving energy security and reducing business and consumer bills are positive outcomes of a focus on energy efficiency, and would benefit from a coherent overall approach.

2.4 Research carried out by Verco and Cambridge Econometrics (October 2014) shows that a national programme to make buildings energy efficient would; increase annual GDP by £13.9bn by 2030, create 108,000 jobs per annum over the period of 2020 to 2030, result in £1.27 in tax revenue for every £1 of Government investment, and pay for itself by 2024 and thereafter generate tax revenue for the Government.

2.5 People spend a lot of time inside buildings, therefore comfortable internal conditions in the built environment can contribute to a good quality of life. Health and wellbeing issues include; thermal comfort, internal air quality, ventilation rates, natural lighting, glare control, internal noise and humidification. These issues tend to be interlinked with building performance and efficiency, therefore a national focus on energy efficiency would also benefit human wellbeing.

2.6 We have the experience and knowledge to improve the performance of existing building stock, but need the policy infrastructure to support implementation on a national scale.

3. Does the Government’s current fiscal and legislative agenda accord with the action required and, if not, why not and where might it be improved?

3.1 Currently the Government’s fiscal and legislative agenda is does not seem to be aligned with sustainable development. For example, the recent Productivity Plan scrapped a number of sustainability focused policies and incentives, without articulating a coherent vision for future policy. This shows a short-sightedness which has shaken relevant industries including those in the low carbon sector. Industry can only lead the way with policy certainty, not U-turns and incremental policy ‘tinkering’

3.2 A vital component of sustainable development is energy efficiency and the policy mix in this area in complex and confusing. There needs to be a simplification and consolidation of existing instruments such as GHG reporting, CRC and ESOS. Taxation and regulation need to be combined with incentives to allow both public sector organisations and private sector
businesses to really improve their energy efficiency rather than being given additional administrative burden.

3.3 For example, CRC could be removed and revenue raising transferred to the CCL, reporting to ESOS and providing real incentives for those acting on their ESOS assessment recommendations. Public sector organisation could also be brought into ESOS instead of shouldering the administrative burden of complying with CRC for no real benefit.

3.4 While energy efficiency is a key requirement, it is clear than renewable energy will be an essential component of a future, sustainable energy supply. The current ‘support’ for renewables by Government is a perfect example of “U-turns and incremental policy tinkering”.

4. **Where should responsibility lie in Government for ensuring the sustainable development approach is adopted by all Government departments?**

4.1 Currently there is fragmented responsibility between Government departments which leads to significant gaps in implementation, enforcement and maintenance of policy related to sustainable development. Responsibility should lie with a central department that has sufficient influence and stability i.e. HM Treasury.

4.2 The business case for taking a coherent approach to sustainable development is clear, as articulated in reports such as the Stern Review released in 2006. HM Treasury is therefore best placed to take an overarching responsibility for sustainable development.

5. **What metrics could the Committee use to monitor the Government’s performance on sustainable development over the course of the Parliament?**

5.1 The Office of National Statistics already reports on Sustainable Development Indicators (SDIs) that provide an overview of progress towards a sustainable economy, society and environment. There are 12 headline and 23 supplementary indicators, comprising 25 and 41 measures respectively. Where there is sufficient data to be compared, measures have been assessed over the long-term and short-term to show if there has been clear improvement, deterioration or if there has been little or no overall change. As these have been in use for a couple of years already, it is suggested that they continue to be used to monitor performance.

*2 September 2015*