

Excerpt from;

**Consultation on Simplification of CRC Energy Efficiency Scheme
Government Response, December 2012**

Proposal 23: Disaggregation of Academies (England only) Consultation Question

Consultation Questions 23: Which one of the four proposals for Academies' CRC participation will help to incentivise and achieve energy use reduction? Please explain your reasoning.

Summary of responses and Government response

107. The four proposed options on Academies' CRC participation were:

1. Local Authorities continue to meet CRC liabilities for maintained schools and Academies, with Government exploring changes to funding mechanisms for meeting the cost of CRC allowances from Academies emissions.
2. Academies participate in the CRC as a group with the Department for Education who would be responsible for meeting their CRC liabilities. This proposal was recommended by a number of stakeholders in their response to the published Academies discussion paper.
3. Academies continue to be assessed as part of a local authority's estate for the purpose of CRC qualification. Once qualified a participating local authority could decide to disaggregate any of their Academies and individual Academies would also have the option to participate separately in the CRC.
4. Both maintained schools and Academies participate in a new scheme based on their energy spend, with the intention that their success or failure in reducing energy costs should have a direct financial effect on the school.

108. The majority of opinion was provided by local authorities (LAs) who felt current CRC arrangements created barriers to energy use reduction due to limited LA influence over schools' behaviour and funding arrangements for the payment of CRC allowance costs.

109. The most supported proposal was Option 4, for both maintained schools and Academies to be transferred into an alternative DfE scheme, with focus on individual schools to take action to reduce their energy use and emission levels

110. There was also support for the other options with those in favour of option one stating that a facility to recoup the cost of Academies CRC allowances would incentivise schools to take action to reduce their energy use and encourage closer co-operation between LAs and Academies to implement energy efficiency strategies. Option 2 would help create competition between Academies to reduce their energy use allowing LAs to concentrate on reducing energy use in maintained schools and Option 3 would address the issue of limited LA influence over Academies behaviour but it was important to ensure that disaggregation was achieved through mutual consent.

111. With the continued growth of Academies and their independence from local government, the CRC is not the best mechanism to achieve energy efficiency across the English schools estate. Government will

therefore withdraw all state funded schools in England from CRC participation and implement alternative robust measures that will incentivise and support schools to obtain both energy cost and emission savings.

112. The Devolved Administrations are currently assessing the best option for maximising energy efficiency in their school estates and will determine if continued CRC participation is the best mechanism to achieve this goal.

Full response available on the DECC website, www.decc.gov.uk or [via this link](#)