



Department  
for Environment  
Food & Rural Affairs

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# Adapting to Climate Change: Ensuring Progress in Key Sectors

December 2012

A Consultation on the Government's proposed approach to the  
second round of the Adaptation Reporting Power



Llywodraeth Cymru  
Welsh Government



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<http://www.defra.gov.uk/consult/open/>

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# Executive Summary

## What is the purpose of this consultation?

- 1.1 To seek your views on the proposed strategy for the second round of the Adaptation Reporting Power (ARP), to be laid before Parliament in 2013.

## What are the objectives of the Adaptation Reporting Power?

- 1.2 The Adaptation Reporting Power was introduced under the Climate Change Act (2008) and aims to:
  - a) ensure climate change risk management is systematically undertaken by Reporting Authorities;
  - b) help ensure public service and infrastructure are resilient to climate change;
  - c) monitor the level of preparedness of key sectors to climate change.

## What are we proposing?

- 1.3 In the second round of reporting the Government is proposing a voluntary approach - we will invite key organisations to report their assessment of their current and predicted climate change threats and opportunities as well as proposals and policies for adapting to climate change. Government is therefore not intending to issue directions under the second round of the ARP.
- 1.4 Whilst an Impact Assessment is not mandatory given the voluntary approach to this round of reporting, we have produced one to support this consultation (Annex A). This was undertaken as an instance of good practice in evidence based policy making.

## How do I comment on these proposals?

- 1.5 We are seeking your views on the proposals described in Sections 3, 4 and 5. Specific questions have been highlighted throughout and are listed at the end of this Section.

## How do I respond?

- 1.6 Please send your responses no later than 13 February 2013 by email to [acc\\_reportingpower@defra.gsi.gov.uk](mailto:acc_reportingpower@defra.gsi.gov.uk)

Or alternatively by post to:

Adaptation Reporting Power Consultation  
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Area 5B Ergon House  
Horseferry Road  
London SW1P 2AL

Please contact us if you wish for these documents to be made available in a different format (large print etc) and we will endeavour to accommodate your request.

## Confidentiality

- 1.7 In line with Defra's policy of openness, copies of the responses we receive may be published in a summary/analysis document. **If you do not consent to this, you must clearly request that your response be treated as confidential.**
- 1.8 Any confidential disclaimer generated by your IT system in email responses will not be treated as such a request. Respondents should also be aware that there may be circumstances in which Defra will be required to communicate information to third parties on request, in order to comply with its obligations under the Freedom of Information Act 2000.

## Consultation Questions

**Q1: If you are planning to report, when would be the most appropriate time for your organisation to submit an adaptation report to Government?**

**Q2: How can we implement a *voluntary* approach most effectively?**

**Q3: Do you agree that the criteria for identifying eligible authorities are reasonable? Are there others that might be useful?**

**Q4: Are there any other sectors which you believe should be included?**

**Q5: Are there any authorities that the Government proposes to invite to report which you believe should not be included; or any authorities which have not been included which you believe should be?**

**Q6: Given the importance of the Telecoms Sector, what sorts of organisations should Defra engage as part of the ARP process?**

**Q7: What role, if any, should joint reporting across sectors play in the second round strategy of the ARP?**

**Q8: How would you identify authorities to report jointly, for instance on a spatial basis?**

**Q9: Can joint reporting play a role in addressing interdependency risks?**

**Q10: What, if any, help, guidance and support might you as a Reporting Authority want from the Climate Ready Programme?<sup>1</sup>**

**Q11: Do you agree with the additional situations in which Reporting Authorities may be asked to report? Are there any others that you can suggest?**

**Q12: Do you agree with the analysis of costs and benefits in the attached Impact Assessment and the methodology used? Are there any additions that you would make? Are you aware of any data or evidence that could assist in quantifying any of these costs or benefits?**

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<sup>1</sup> Please note that separate programmes are in place for devolved areas in Scotland, Wales and Northern Ireland. For more information see Section 8.

# Introduction

## Background

- 2.1 Climate change is one of the greatest challenges facing society today. We must avoid making the problem worse, so cutting emissions is a priority, but we already face continued global warming over many decades to come that will impact on the UK. Building the UK's resilience to climate change is an economic, social and environmental challenge that cuts across every sector of society.
- 2.2 The Government's vision for a Climate Ready UK is:
- "A society which makes timely, far-sighted and well-informed decisions to address the threats and opportunities posed by a changing climate."*
- 2.3 The Climate Change Act (2008) gives the Secretary of State the power to direct Reporting Authorities (organisations with functions of a public nature and statutory undertakers) to produce reports detailing:
- the current and future predicted impacts of climate change on their organisation;
  - proposals for adapting to climate change;
  - an assessment of progress towards implementing the policies and proposals set out in previous reports.
- 2.4 This is known as the Adaptation Reporting Power (ARP).
- 2.5 In 2009, the Secretary of State laid before Parliament a report on the strategy for exercising this power for the first time, as required by Section 65 of the Climate Change Act. The strategy focused on major infrastructure providers from the energy, transport and water sectors. The first round was completed in March 2012, and the reports produced can be found at: <http://www.defra.gov.uk/environment/climate/sectors/reporting-authorities/reporting-authorities-reports/>. A summary of the first round can be found in Annex C.
- 2.6 We are now consulting on our approach to the second round of the Adaptation Reporting Power (ARP), which is looking to further build the country's resilience to a changing climate. The final strategy of the ARP will be laid before Parliament alongside the National Adaptation Programme in 2013.
- 2.7 The National Adaptation Programme will capture and build on ongoing work across Government which is dealing with the impacts of climate change. Equally we want to raise awareness and encourage action by businesses, local authorities and civil

society and to capture this in the Programme document. We are already working collaboratively with businesses, local authorities, civil society and other partners to 'co-create' the Programme. The National Adaptation Programme will be built around 5 core themes:

- Agriculture and Forestry;
- Built environment and Infrastructure;
- Business and Services;
- Health and Wellbeing;
- Natural Environment.

**2.8 This document will, following consultation, constitute the “Report on exercise of power to give directions” required under Section 65 of the Climate Change Act (2008).**

## **The Adaptation Reporting Power**

2.9 The Adaptation Reporting Power was introduced to help ensure that 'persons or bodies with a function of a public nature' and 'statutory undertakers' (Reporting Authorities) are taking appropriate action to adapt to the future impacts of climate change. It helps do this both directly, through engaging organisations in reporting, and indirectly, through raising awareness, building capacity in organisations, and making examples of good practice publicly available.

2.10 Reporting has many benefits. It enables organisations to examine their risks adequately; risks to their buildings, their staff, their services and operations, their supply lines, their stakeholders, or their regulatory functions. Reporting helps organisations to become more resilient to climate change impacts and it helps them make more cost effective and timely decisions about how and when to adapt.

2.11 There is considerable public benefit to ensuring that key organisations prepare effectively for climate change and report publicly on their work. This allows Government and stakeholders to identify barriers to adaptation and to assess the degree to which the country's public services are preparing for climate change. The public nature of the reports helps organisations to continue engagement with their stakeholders on the likely impacts of climate change and how these are to be addressed.

2.12 The Government will use the information from the reports to feed into the next national assessment of risks from climate change being undertaken under Section 56 of the Climate Change Act (2008). An assessment of the reports will allow a



greater understanding of the risks, any gaps in information, and identify priority areas for work in the future. As part of an information cycle, the risk assessment will also feed into decisions on the identification of future Reporting Authorities. The next national risk assessment of climate change is due to be published no later than 2017.

## What was done in the first round of reporting?

- 2.13 The first round of the Adaptation Reporting Power was completed in March 2012. Over 100 organisations reported, primarily from the energy, transport and water sectors. All these reports can be found on the Defra website. The Government Report on the ARP summarises the broader sector-wide results that came out of these reports and can also be found on the Defra website<sup>2</sup>.
- 2.14 The ARP made a significant contribution to driving adaptation, particularly in sectors where there had been limited consideration previously. It raised adaptation to the board level and in many cases embedded climate change risks within organisations' corporate risk management procedures. For more information please see the analysis of the first round of reporting from Cranfield University.<sup>3</sup>
- 2.15 The ARP also demonstrated that organisations are already adapting to climate change and mitigating their specific climate change risks. Some sectors are particularly advanced in their consideration of climate change and are already running their own research programmes on adaptation and taking adaptation actions.

## Timescales

- 2.16 Pending the outcome of this consultation, the Government will continue discussions with potential Reporting Authorities to determine timescales for reporting. We would expect organisations to report within the period 2013 – 2015.
- 2.17 Our priority in these discussions will be to find a timescale that best suits Reporting Authorities. We have already had preliminary discussions with some organisations about the best time for them to produce an adaptation report considering existing regulatory timetables and processes.

**Q1: If you are planning to report, when would be the most appropriate time for your organisation to submit an adaptation report to Government?**

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<sup>2</sup> <http://www.defra.gov.uk/environment/climate/sectors/reporting-authorities/reporting-authorities-reports/>

<sup>3</sup> This document can be found in Annex B

## **How will Government use these reports?**

- 2.18 We are planning to use these reports in two ways. Firstly to validate the excellent work that was done by Reporting Authorities during the first adaptation reporting process and ensure that progress is being made. Secondly to give Government a greater understanding of adaptation action being taken across sectors, which can be fed into the development of the UK's next national risk assessment on climate change. The reports will also help Government design supportive policies for adaptation and ensure that the existing regulatory environment encourages adaptation appropriately.

## Adaptation Reporting Power Timeline

1. Formal Consultation on Strategy	Dec 2012 – Feb 2013
2. Strategy laid before Parliament	Summer 2013
3. Reporting Authorities prepare reports  We are in discussion with Reporting Authorities to determine when would best fit into their decision-making cycles.	2013 - 2015
4. Draft reports submitted to the Secretary of State	Timescales will vary
5. Concerns surrounding commercial confidentiality submitted to the Secretary of State, with alternative reports for publication which take into account commercial and confidentiality proposals.	Timescales will vary
6. Secretary of State notifies Reporting Authorities of commercial confidentiality decisions based on objections received under section 63 (7) of the Climate Change Act, also comments on the fitness of purpose of the draft report on the basis of the Government's analysis of the reports.	Within 3 months of receipt
7. Reporting authority takes on board comments and submits final report to the Secretary of State.	Within 3 months
8. Final reports published by the Secretary of State in accordance with section 63(6), and by the authority themselves	Timescales will vary
9. Reports' findings fed into next national risk assessment and National Adaptation Programme.	2015 - 2017

# The Approach to using the Reporting Power

## Proposals for the second round of reporting

- 3.1 In the second round of reporting the Government is proposing a voluntary approach to reporting. We will invite key organisations to report an assessment of their current and predicted climate change threats and opportunities as well as a programme of adaptation measures. Government is not intending to issue directions under the second round of the ARP.
- 3.2 We will work alongside Reporting Authorities to help them understand and manage their climate change risks. We will work to increase the awareness of adaptation to encourage organisations to report. Government has already engaged with potential Reporting Authorities and the overwhelming response has been to favour a voluntary, collaborative approach.
- 3.3 A voluntary approach ensures that the reporting process is flexible and responsive to the needs of Reporting Authorities and reduces the likelihood of a 'tick-box' approach to reporting. The aim is that the most appropriate actors will identify and own the actions, in response to the threats and opportunities and that the level of work will be proportionate to the organisation. Government is providing on the ground delivery of advice on developing resilience, as well as ensuring that information on climate preparedness and resilience feeds into the national Climate Change Risk Assessment process.

### **Q2: How can we implement a voluntary approach most effectively?**

## Criteria for identifying Reporting Authorities

- 3.4 The Government has defined criteria to designate Reporting Authorities which we will invite to produce reports. The criteria focus on the key organisations that need to adapt to climate change whilst avoiding duplication. These criteria are modified from those used to define the first round of Reporting Authorities. The criteria for the first round of reporting focused on national infrastructure and did not have the benefit of the evidence set out in the Climate Change Risk Assessment to prioritise climate risks.
- 3.5 The approach uses the following methodology:
  - Identifying those authorities which are eligible as Reporting Authorities.

- Identifying those authorities that are vulnerable to the projected impacts of climate change as according to the UK's Climate Change Risk Assessment (CCRA) published in January 2012.<sup>4</sup>
- No duplication - identifying authorities which are not already subject to other adaptation reporting requirements, or are not already covered by an existing voluntary agreement.
- Targeting Reporting Authorities proportionately.

## Is the organisation eligible as a Reporting Authority?

3.6 Organisations which are eligible must fulfil either or both of the below sub-criteria<sup>5</sup>.

### 1. Statutory Undertakers as listed in the Town and Country Planning Act.

They are:

- 3.7 Persons with statutory authorisation to carry on any of the following: railway, light railway, tramway, road transport, water transport, canal, inland navigation, dock, harbour, pier or lighthouse undertaking or any undertaking for the supply of hydraulic power or a relevant airport operator.
- 3.8 In addition gas transporters, anyone holding an electricity generation, transmission or distribution licence or an air traffic services licence, water or sewerage undertakers, the Environment Agency, universal postal service providers and the Civil Aviation Authority.

### 2. Organisations with functions of a public nature.

- 3.9 Defining 'organisations with functions of a public nature' needs to occur on a case by case basis. We have applied the following 6 characteristics as useful guidance in this (note that organisations do not have to meet all characteristics).

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<sup>4</sup> This document can be found at "<http://www.defra.gov.uk/environment/climate/government/risk-assessment/>

<sup>5</sup> Note that Parliament, the Devolved Authorities and Legislatures, Ministers, Government Departments and Executive Agencies are all excluded.

- The extent to which in carrying out the function in question the body is publicly funded.
- The extent to which the organisation's activities are underpinned by statute. For example, are an organisation's functions recognised by or provided for in legislation? If not, does the organisation nevertheless operate under the authority of the Government or of another part of the public sector?
- Whether the organisation exercises extensive or monopolistic powers, for example, by regulating entry to a trade or profession.
- Whether the organisation's source of power is derived from more than voluntary submission to its jurisdiction. For example, where a party has no choice but to submit to its jurisdiction if they wish to take part in a particular activity.
- Whether the organisation seeks to achieve some collective benefit for the public, and is accepted by the public as having the authority to do so.
- In the case of a regulatory organisation, whether but for the existence of that organisation, the Government would inevitably have intervened to regulate the activity in question.

### **Is the organisation vulnerable to climate change?**

- 3.10 The publication of the UK's first national Climate Change Risk Assessment represents the UK's first comprehensive assessment of the threats and opportunities from climate change. The risk assessment provided analysis on the top 100 or so impacts across 11 key sectors, on the basis of their likelihood, the scale of their potential consequences and the urgency with which action may be needed to address them.
- 3.11 It is important to note that we have looked at organisations both vulnerable to predicted impacts of climate change, and organisations that are responsible or partially responsible for mitigating those same impacts.

### **Would the Adaptation Reporting Power be duplicative?**

- 3.12 Inviting organisations to report was considered duplicative if the organisation:
- has existing regulation (or regulation coming into force) or a voluntary agreement that requires a comprehensive assessment of the risks to the functions of the organisation from climate change;
  - that requires a programme of measures to be drawn up and progress reported on in implementing the findings of this programme of measures;

- and where the findings are made publicly available.

### **Would the effort in developing an adaptation report be disproportionate to the Reporting Authority?**

- 3.13 A very large number of organisations are theoretically eligible under the reporting power, and clearly it would be disproportionate to engage very small organisations in reporting on climate change.
- 3.14 For this reason we are proposing to focus at a strategic level to reduce any burden on smaller organisations. Where appropriate we will be asking ‘umbrella’ organisations to report on behalf of their members. These proposals are outlined in further detail below. Determining proportionality must occur on case by case basis.
- 3.15 A voluntary approach means that if organisations feel that engaging in the adaptation process is a burden, there is scope for discussion with Government to ensure that the reporting process is proportionate and beneficial. Therefore we have not specifically defined a threshold for proportionality.

**Q3: Do you agree that the criteria for identifying eligible authorities are reasonable? Are there others that might be useful?**

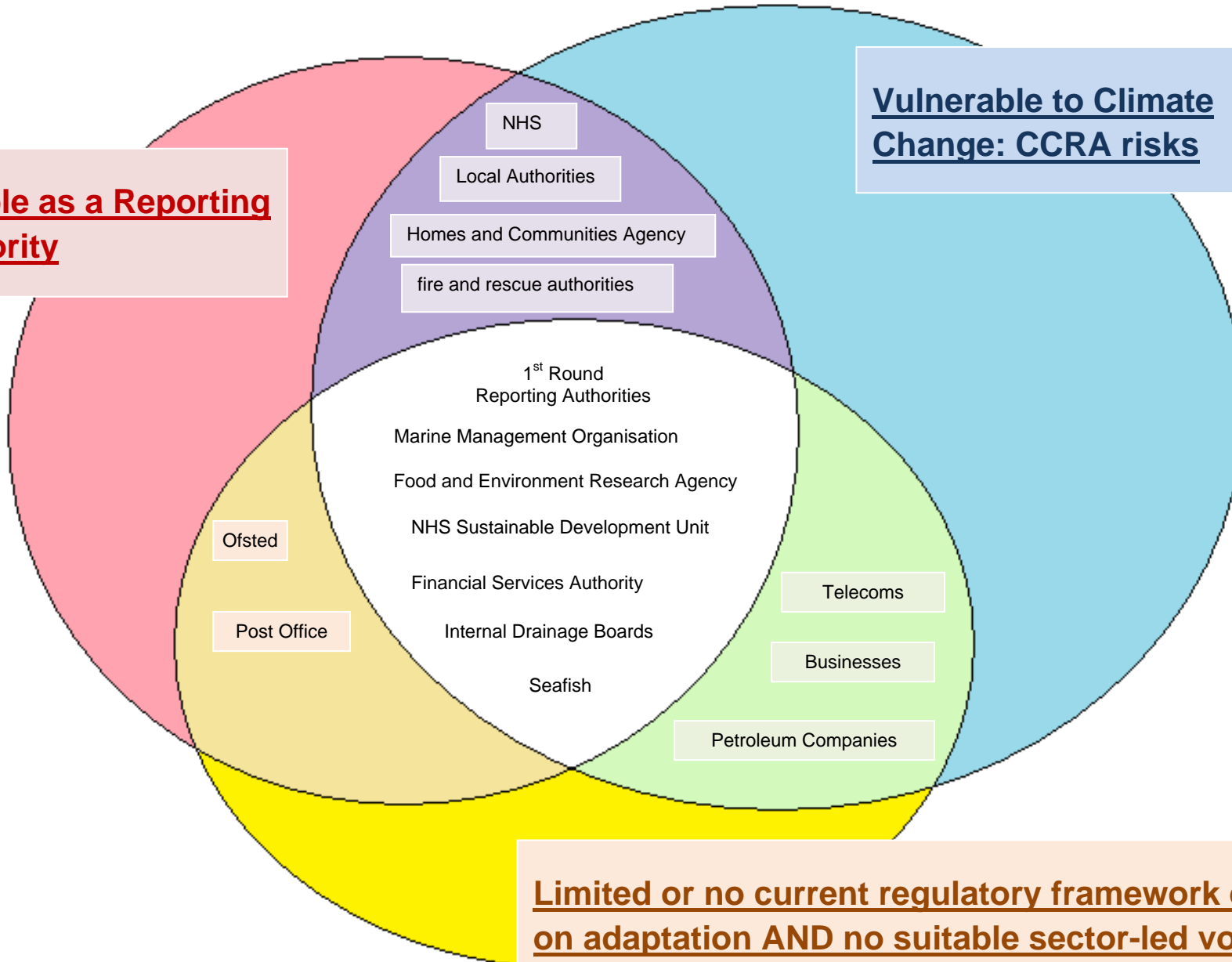
### **Applying the Criteria**

- 3.16 The Venn diagram on the next page sets out our assessment of which organisations meet 3 of the 4 criteria outlined above. The criterion of proportionality has been removed for simplicity’s sake. Further discussion of the application of criteria can be found in sections 4 and 5 of the document.

Application of Criteria for the Second Round of the Adaptation Reporting Power

Eligible as a Reporting Authority

Vulnerable to Climate Change: CCRA risks



Limited or no current regulatory framework existing on adaptation AND no suitable sector-led voluntary approach.



# Authorities included

## Organisations that submitted Reports under the First Round

- 4.1 The risks that these organisations face from climate change are unlikely to have changed in the 1-3 year period since they submitted their previous report to Government. We are therefore not proposing that these organisations complete an entire additional adaptation reporting process.
- 4.2 However we are keen to ensure that the excellent work many organisations did in completing their adaptation reports is continued. We are therefore proposing a 'light-touch' exercise to find out about progress on actions that Reporting Authorities committed to in their reports to Government.
- 4.3 We have contacted first round Reporting Authorities and asked their views on this exercise. The overwhelming response has been to make the process flexible to the needs of individual organisations. To guide organisations we will create a simple template however we would be happy to receive submissions in a different format if organisations are already reporting internally or feel another format would be more suitable to their needs.
- 4.4 Similarly we are keen to work with organisations to ensure that there is minimal duplication of reporting requests. We are aware from discussions with water companies that a considerable amount of adaptation information will be contained within their Business plans for the Price Review 2014. Organisations may choose to 'sign-post' to this information in their submission to Defra.

## Transport Sector

- 4.5 The transport sector was identified as a crucial sector within the first round of adaptation reporting. It included organisations responsible for roads, railways, airports and ports. We included the regulators, Office of Rail Regulation and Civil Aviation Authority, two lighthouse authorities and two public bodies who volunteered to report, the Maritime and Coastguard Agency and the Highways Agency.

## Energy Sector

- 4.6 The energy sector was identified as a crucial sector within the first round of reporting. It includes organisations responsible for electricity transmission and distribution, as well as gas transportation. We are also including the sector regulator Ofgem.

- 4.7 The electricity generation companies that reported in the previous round have expressed a wish to report collectively on their sectoral resilience to climate change. Collective actions of generation companies, rather than individual actions at a company or power station level give rise to building resilience in the sector.
- 4.8 Energy UK has agreed to be the coordinator for this sectoral adaptation report on electricity generation.

## **Public Bodies**

- 4.9 A range of public bodies were identified in the first round of adaptation reporting. These organisations include National Parks, Forestry Commission, Natural England, the Highways Agency, the Maritime and Coastguard Agency and the Environment Agency.

## **Water Sector**

- 4.10 The water sector was identified as a crucial sector within the first round of adaptation reporting. We are also including the regulator, Ofwat.
- 4.11 Discussions with the water sector have indicated that they already produce information about adaptation that is suitable for the adaptation reporting process through the existing Ofwat Price Review process. Government will work with water companies to reduce any unnecessary duplication and ensure that water companies are able to provide progress reports which fit with their regulatory timescales.

## **New Organisations Identified for the Second Round**

- 4.12 As we have modified the criteria chosen for the first round of reporting, certain new Reporting Authorities have been identified. In some areas, the Climate Change Risk Assessment has highlighted new risks, or new vulnerabilities to risk that were not known at the time of the first round. In some sectors, organisational structures have shifted and organisations have new roles and responsibilities.

## **Marine Management Organisation**

- 4.13 At the time of the first round of the Adaptation Reporting Power the Marine Management Organisation (MMO) had not yet been vested with its powers. As the organisation responsible for the sustainable development of the UK's marine area it will be very important that climate change is adequately prioritised within its decision-making processes.

## Seafish Industry Authority

- 4.14 The Seafish Industry Authority was not asked to report under the first round of reporting. However it has an important role in supporting the environmental sustainability, efficiency and cost-effectiveness of the seafood industry. Its remit includes the fishing and aquaculture sectors, processors, importers, exporters, distributors and consumers of seafood.

## The Health and Social Care Sector

- 4.15 The Health Sector Report of the UK's Climate Change Risk Assessment 2012 and the recent Health Protection Agency Report 'Health Effects of Climate Change in the UK 2012<sup>6</sup>', identify a number of risks to health and social care from climate change which need to be addressed.
- 4.16 The National Health Service (NHS) is an integral part of the health and social care sector and will play a key role in preventing and minimising the health risks from climate change and also responding to them.
- 4.17 The first round of the ARP achieved an initial, partial coverage of the health sector, with Monitor as the nominated reporting body. Monitor's *Annual Reporting Manual 2011-12* encourages NHS foundation trusts to include sustainability reports within their annual reports in line with the approach laid out in the HM Treasury Financial Reporting Manual. However, this is entirely at NHS foundation trusts' discretion.
- 4.18 The NHS Sustainable Development Unit (NHS SDU) works to promote climate adaptation and climate resilience across the NHS. All NHS provider organisations are encouraged to develop and implement Sustainable Development Management Plans (SDMPs) agreed at Board level, covering sustainable development, mitigation and adaptation plans. Recent analysis shows that 83% of Strategic Health Authorities, NHS Trusts and Foundation Trusts have SDMPs in place (May 2012).
- 4.19 NHS Ambulance Trusts play a key role in the emergency response to severe weather events and other associated climate impacts. There are 11 Ambulance Trusts across England (plus Isle of Wight) and as NHS Trusts and NHS Foundation Trusts they are also encouraged to develop and implement SDMPs. Government's Climate Ready Programme will work with the Association of Ambulance Chief Executives and the NHS SDU to promote climate resilience and adaptation within the Ambulance Trusts.
- 4.20 The health sector is currently undergoing substantial reform, with much of the responsibility for public health coming under Local Authorities, as for social care

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<sup>6</sup> <http://www.hpa.org.uk/Publications/ClimateChange/>

(see section below). As part of the current reforms to the health sector, the emerging Public Health Outcomes Framework also includes an SDMP indicator.

- 4.21 We are therefore seeking to utilise and promote the use of SDMPs as an existing, successful, voluntary reporting approach to capture the needs of the Adaptation Reporting Power, with the **NHS SDU** as the nominated reporting body for the ARP.
- 4.22 During this transition period the adaptation reporting power for the health and social care sectors will need to evolve over time. As new structures come into effect in April 2013, Government will continue to explore with the NHS Commissioning Board, NHS Sustainable Development unit and Public Health England, where the adaptation reporting process can add value, for example with Clinical Commissioning Groups and the Primary Care Sector. Government's Climate Ready Programme will continue to work with the NHS SDU, NHS Commissioning Board and Public Health England (when operational) to support its promotion of climate adaptation within the SDMP framework. Guidance on climate adaptation was recently updated – more information can be found at:  
<http://www.sdu.nhs.uk/corporate-requirements/governance/sdmp.aspx>

## Internal Drainage Boards

- 4.23 The top 5 risks in the Climate Change Risk Assessment concern flooding. Internal Drainage Boards play a crucial role in managing flood risk and water levels on behalf of their communities.
- 4.24 The first round of the ARP identified the Environment Agency as a benchmark reporting authority. In the second round we are proposing to use the ARP process to work with Internal Drainage Boards to spread awareness of adaptation across their network, and help them showcase examples of best practice.
- 4.25 In order for the burden to be proportional to the considerable variability in sizes between Internal Drainage Boards, the Association of Drainage Authorities - an umbrella organisation - has undertaken to produce an adaptation report on behalf of its members.

## Financial Services Authority (FSA)

- 4.26 The first round of the ARP did not prioritise finance as a sector at risk from climate change. Since then however we have improved evidence on the impacts of climate change, and substantial research to indicate that organisations such as insurers, investors and mortgage providers may be affected. Insurance companies will provide cover for a wide range of risks that will be impacted by climate change, presenting risks to companies that do not adjust their strategy and potential opportunities and new markets for those that do. Whilst insurance companies and

institutional investors are not subject to the adaptation reporting power, they are working with Defra to help develop the National Adaptation Programme.

- 4.27 The ARP is however relevant to the regulators of the financial sector, to ensure that they are removing barriers to adaptation and taking account of climate change risks in their regulatory processes.
- 4.28 We are therefore interested in inviting the FSA to produce an adaptation report looking across its functions. Relevant functions of the FSA are being moved into the Bank of England as the Prudential Regulatory Authority- and it will be important to ensure that climate change is considered adequately in the new structure.

### **Food and Environment Research Agency (Fera)**

- 4.29 Fera was not asked to report under the first round of reporting. However, the UK's Climate Change Risk Assessment (2012) identified that plant pests and diseases, including alien ones yet to arrive in the UK, could pose a significant risk under a changing climate. Hence it will be very important for Fera, as the lead organisation within the UK Plant Health Service and with responsibility devolved from Defra for implementing plant health regulations within England and Wales, to ensure that climate change is adequately prioritised within its decision-making processes and future planning.

### **Chief Fire Officers' Association**

- 4.30 The Chief Fire Officers' Association, which is the professional body representing senior fire and rescue officers across the UK, has agreed to collaborate on the production of a voluntary report under the ARP, setting out the potential risks from future weather conditions to their members' operations as well as highlighting possible future options as to how Fire and Rescue Services may work together and with other agencies and organisations to respond to those changing risks.

### **Telecoms Sector**

- 4.31 In the first round of the Adaptation Reporting Power we *invited* organisations from the Telecoms Sector to report as they were not eligible for direction. However we received no responses from the Telecoms Sector in that round. As part of the National Adaptation Programme, Government will be working with the Telecoms Sector to promote climate resilience. Government would welcome engagement on the subject of adaptation reporting given the strategic importance of the sector and the many interdependencies with other organisations which were identified in the first round of reporting.

**Q4: Are there any other sectors which you believe should be included?**

**Q5: Are there any authorities that the Government proposes to invite to report which you believe should not be included; or any authorities that have not been included which you believe should be?**

**Q6: Given the importance of the Telecoms Sector, what sorts of organisations should Defra engage as part of the ARP process?**

## Joint Reporting

4.32 Section 62 (2) of the Climate Change Act (2008) allows the Secretary of State to direct two or more Reporting Authorities to prepare a joint report. We are interested in supporting organisations to report jointly where appropriate, particularly if it would help them address interdependency risks across different sectors. Government could facilitate cross sectoral meetings to encourage thinking around interdependencies if this was viewed to be of benefit to organisations.

**Q7: What role, if any, should joint reporting across sectors play in the second round strategy of the ARP?**

**Q8: How would you identify authorities to report jointly, for instance on a spatial basis?**

**Q9: Can joint reporting play a role in addressing interdependency risks?**

## Authorities not included

### Local Authorities

5.1 Local Authorities are independently elected and autonomous bodies. They are largely independent of central Government and are directly accountable to their electorates, with powers conferred on them by Acts of Parliament. Government's commitment to localism means delegating power to the lowest appropriate level. Local Authorities have a crucial part of play in this, both in carrying out responsibilities from central Government, and in devolving power further where possible.

5.2 Local Authorities are a crucial group of organisations that will be responsible for climate change adaptation in a wide range of areas. Several local authorities have already produced and implemented adaptation strategies themselves.

5.3 Local Authorities were previously subject to National Indicator 188 which has since been abolished. Local Authorities have set up the Climate Local initiative, administered by the Local Government Association. So far around 50 councils have

signalled their intention to sign up to Climate Local, with more expected over the coming months. Further information about Climate Local can be found at:

[http://www.local.gov.uk/web/guest/the-lga-and-climate-change/-/journal\\_content/56/10171/3574359/ARTICLE-TEMPLATE](http://www.local.gov.uk/web/guest/the-lga-and-climate-change/-/journal_content/56/10171/3574359/ARTICLE-TEMPLATE)

- 5.4 Central Government acknowledges the importance of, and is supportive of, locally-led action on climate change to strengthen resilience to current and future climate risk. Government will work with the Local Government Association (LGA) to develop a framework for action through the National Adaptation Programme that sets out a clear narrative on ways in which councils can build climate resilience. Given this existing engagement, and the focus on devolving power and responsibility to the local level, Local Authorities have not been included in the ARP to avoid duplication of existing reporting arrangements.

## Businesses

- 5.5 Climate change will present both challenges and opportunities for businesses. Research undertaken for Defra by the Carbon Disclosure Project (<http://archive.defra.gov.uk/environment/climate/documents/cdp-adaptation-report.pdf>) found that 80% of directly responding FTSE 100 companies identified substantive risks to their business as a result of climate change, however less than half of FTSE 100 companies incorporate climate adaptation or equivalent into their business strategies.
- 5.6 The Adaptation Reporting Power does not apply to the vast majority of businesses. However Defra is engaging with the Carbon Disclosure Project to raise the profile of adaptation with their annual questionnaire to companies on the behalf of investors. Lessons from the Adaptation Reporting Power process will be used- and Defra will seek to highlight examples of best practice in adaptation so that UK business as a whole becomes more resilient. Further work on businesses and adaptation will be developed in the business theme of the National Adaptation Programme.

## Fire and rescue authorities

- 5.7 Services are delivered in England by 46 fire and rescue authorities of differing size and structure. Central Government provides a statutory framework, and allocates financial resources through Revenue Support Grant and other means. Government also funds them to deliver a national resilience capability.
- 5.8 The UK Climate Change Risk Assessment 2012 identified that the emergency services, including fire will experience increased demand in responding to severe weather events linked to climate change, such as flooding. It also identified a

specific risk around the incidence and severity of wildfires which is predicted to have knock-on demand on fire and rescue authorities.

- 5.9 Each fire and rescue authority must produce an integrated risk management plan that identifies and assesses all foreseeable fire and rescue related risks that could affect its community, including those of a cross-border, multi-authority and/or national nature. The plan must have regard to the community risk registers produced by Local Resilience Forums and any other local risk analyses as appropriate. Given the scope and robustness of integrated risk management planning process, fire and rescue authorities have not been included in the Adaptation Reporting to avoid duplication of existing reporting arrangements.

## Homes and Communities Agency

- 5.10 The Homes and Communities Agency (HCA) is the national housing and regeneration agency for England. The HCA provides investment for new affordable housing and to improve existing social housing, as well as for regenerating land.
- 5.11 HCA is also the regulator for social housing providers in England. The focus of its activity is on governance, financial viability and value for money. While it sets consumer standards, the primary responsibility for resolving issues with these is between landlords and their tenants at a local level. HCA will only intervene in cases of serious detriment that have caused, or are likely to cause, harm.
- 5.12 HCA operates throughout England, including as regulator in London. However, responsibility for housing and regeneration activity in London lies with the Greater London Authority.
- 5.13 The first round of the Adaptation Reporting Power focussed on infrastructure, and therefore excluded housing. The expanded focus of the second round to public services means that housing is now within scope, and the Climate Change Risk Assessment identified a number of risks to the built environment sector.
- 5.14 Given HCA's Corporate Plan commitment to support the development of the National Adaptation Programme, and the recent development of an HCA Design and Sustainability Business Plan, HCA has not been included on the priority list for adaptation reporting to avoid duplication of existing reporting arrangements. The Design and Sustainability Business plan outlines a clear vision and priorities on the sustainability agenda, and can be viewed online:  
[http://www.homesandcommunities.co.uk/sites/default/files/aboutus/d\\_and\\_s\\_business\\_plan\\_final.pdf](http://www.homesandcommunities.co.uk/sites/default/files/aboutus/d_and_s_business_plan_final.pdf)



# Support for Reporting Authorities

- 6.1 The Government has given the Environment Agency a new role to provide advice and support to businesses and public sector organisations in England to help them adapt to our changing climate. The new service, called Climate Ready, complements the Environment Agency's existing roles and responsibilities. This role builds on the work which was previously undertaken by the UK Climate Impacts Programme. Different arrangements are in place in Scotland, Wales and Northern Ireland; please see Section 8 for more details.
- 6.2 The Climate Ready support service provides:
- information about how the climate of the UK may change;
  - guidance and advice on carrying out climate change impacts assessments;
  - guidance and advice on identifying and evaluating climate change adaptation strategies and decisions;
  - a helpdesk to answer queries on climate change planning as well as provide technical support on the UK Climate Projections.
- 6.3 In delivering the Climate Ready service the Environment Agency will:
- work with and through other Government delivery bodies, service providers and sector representatives to understand what is needed;
  - work in partnership with national organisations and local networks;
  - develop practical guidance and tools to help organisations identify and evaluate climate change adaptation strategies, including how to assess the costs and benefits of different options;
  - help build capacity within organisations through training, professional development and peer-to-peer learning;
  - talk to users and practitioners about their needs for future climate projections to ensure their requirements are met;
  - develop a set of adaptation case studies to demonstrate how organisations are taking practical action to adapt;
  - work with research councils, universities and other organisations to ensure our service has access to the latest science.

6.4 We are keen to discuss with Reporting Authorities how Government, the Environment Agency and other involved in the National Adaptation Programme can support them to produce and implement Adaptation Reports.

**Q10: What, if any, help, guidance and support might you as a Reporting Authority want from the Climate Ready Programme?<sup>7</sup>**

## **Additional circumstances in which the Secretary of State may request reports**

7.1 As provided for in the Climate Change Act (2008), the Secretary of State must outline the circumstances in which Directions might be made that are not indicated within this document. This section outlines the circumstances which may result in Directions to report being given to authorities. These circumstances are:

- where a future event exposes vulnerability;
- where evidence is obtained of bodies' poor performance to reduce vulnerability to climate change;
- where a new body is created that fulfils the criteria outlined in section 2; or
- where an existing body's role changes so that it fits these criteria

### **Where a future event, or increase in available evidence, exposes previously unidentified vulnerability**

7.2 It is possible that an extreme weather event of similar severity to the 2007 summer flood, or the 2003 heat wave, or the 2012 drought may occur in the UK, and highlight the vulnerability of organisations or sectors not currently included as Reporting Authorities. If such an event occurs it is important that the Government can act quickly to respond to any additional vulnerabilities highlighted.

7.3 The Government therefore reserves the right to ask Reporting Authorities, not currently included, to report if future events display a previously unidentified vulnerability in a sector or organisation.

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<sup>7</sup> Please note that separate programmes are in place for devolved areas in Scotland, Wales and Northern Ireland. For more information see Section 8.

## **Where there is evidence that an authority is not performing to a regulators' required standard against objectives to reduce vulnerability to climate change**

7.4 Where organisations have an alternative regulatory regime that incorporates adaptation, their performance against those standards can be assessed. Where a key public authority is assessed by its regulators to be failing in fulfilling its adaptation requirements, it will be open to the Secretary of State to request an adaptation report under the Adaptation Reporting Power.

## **Where a new body is created that fulfils the criteria**

7.5 Section 3 outlined a series of criteria under which an authority may be invited to report. New bodies are created under statute, or licences passed to new authorities regularly. For this reason the Secretary of State might require or invite any new organisation to report that fulfils the criteria outlined in section 3.

## **Where an existing body's role changes so that it fits the criteria**

7.6 As for new bodies, a public authority or statutory functions are subject to change. For this reason the Secretary of State might require or invite any organisation to report that fulfils the criteria outlined in section 3 where its functions change so that it fits these criteria.

**Q11: Do you agree with the additional situations in which Reporting Authorities may be asked to report? Are there any others that you can suggest?**

## **Devolved and reserved matters**

- 8.1 The strategy for the use of this power has been developed following discussion with the Devolved Administrations.
- 8.2 All relevant sections and Schedules of the Act extend to the whole of the UK, except as stated in the Act. The Secretary of State has the power to issue Directions to report to Reporting Authorities in devolved administrations but cannot give Directions relating to a reporting authority's devolved functions.
- 8.3 The Power can only be used on authorities whose functions are in England or are outside England and relate to reserved matters in Scotland, non devolved matters in Wales and excepted matters in Northern Ireland.
- 8.4 Some of the functions exercised by these authorities in the devolved administrations relate to matters which are not fully devolved. The devolved

administration still has some joint or concurrent control over these functions with a Minister of the Crown, or there are requirements for consent or consultation.

- 8.5 The legal obligations of the Secretary of State to consult or obtain consent before he may give Directions relating to these functions are set out in section 64 of the Act. In practice, requirements to gain consent or consult vary on a case by case basis and the Secretary of State will consult with or request consent from devolved administrations on those issues with consultation, consenting or joint/concurrent control requirements prior to Directions being issued. Any resulting Direction to an authority to report will only be related to non devolved matters, and functions in England.
- 8.6 As this reporting round is taking a voluntary approach and is not issuing directions to Reporting Authorities, there are no conflicts with devolved administrations over reserved, non devolved or excepted matters.**

## Corresponding powers

### Wales

- 8.7 The Act provides the power to Welsh Ministers to issue Directions to report and produce Statutory Guidance, mirroring the Secretary of State's powers, for Reporting Authorities' devolved functions in Wales. There are similar requirements on Wales to gain consent or consult with the Secretary of State on any issues overlapping with those of other authorities.
- 8.8 The Act also provides Welsh Ministers with the power to issue guidance that Reporting Authorities must have regard to when preparing an adaptation report if they have functions that are exercisable in Wales, or have devolved Wales functions.
- 8.9 Welsh Ministers have not directed any Reporting Authorities to prepare reports, however they are supporting organisations in Wales to assess and manage climate risks by issuing statutory guidance<sup>8</sup> and by providing advice and tools through our Adaptation Knowledge Transfer Programme.
- 8.10 Parts 1 and 2 of the guidance provide a step-by-step approach to developing a planned response to the threats and opportunities presented by climate change. The guidance draws on the latest international research and good practice in this area. We are adopting the same approach for developing Parts 3 to 5 of the guidance, which will be published in the first half of 2013.

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<sup>8</sup> Adaptation guidance in Wales:  
<http://wales.gov.uk/topics/environmentcountryside/climatechange/preparing/how/guidance/?lang=en>

- 8.11 We would expect any organisation that either has functions exercisable in Wales or carries out devolved Welsh functions to have regard to our guidance when preparing statutory or voluntary adaptation reports.
- 8.12 The Welsh Government's approach to preparing for a changing climate is set out in The Welsh Government's Climate Change Strategy<sup>9</sup>, first published in 2010 and reviewed on an annual basis. Our approach to using the powers in the Climate Change Act relating to adaptation, and our approach to knowledge transfer is set out in the Strategy and its First Annual Report (March 2012).
- 8.13 Organisations seeking advice and support on how best to prepare for a changing climate can contact the Climate Change team at the Welsh Government.<sup>10</sup>

## Northern Ireland

- 8.14 The Act does not give any powers to Northern Irish Ministers (by contrast with the situation in Wales) and no similar power is available under any other legislation.
- 8.15 Therefore the only power applicable in Northern Ireland is the Secretary of State's power to issue guidance and Directions to Reporting Authorities in relation to a reporting authority's non-devolved functions. In practice, many issues in Northern Ireland are completely reserved and devolved, so the powers of the Climate Change Act, in relation to the ARP, are relatively limited in scope. Requesting consent or consultation may apply where this is not the case, as set out above.
- 8.16 As required under section 60 of the UK Climate Change Act 2008, Northern Ireland is developing a Northern Ireland Adaptation Programme (NIAP) which will address the threats and opportunities identified in the Climate Change Risk Assessment. The NIAP will be laid before the Northern Ireland Assembly in 2013.
- 8.17 Organisations that wish to widen their understanding and knowledge of the impacts of climate change within Northern Ireland and the adaptation sectors necessary to deal with it, can contact Climate Northern Ireland.<sup>11</sup>

## Scotland

- 8.18 The Climate Change (Scotland) Act 2009 gained Royal Assent on 4<sup>th</sup> August 2009. Section 44 of the Act places a duty on 'public bodies' to act when exercising their functions in a way which is best calculated to:

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<sup>9</sup> Climate Change Strategy for Wales :

<http://wales.gov.uk/topics/environmentcountryside/climatechange/publications/firstprogressreport/?lang=en>

<sup>10</sup> Contact details for the Welsh Government Climate Change Team : [climate-change@wales.gsi.gov.uk](mailto:climate-change@wales.gsi.gov.uk)

<sup>11</sup> Climate Northern Ireland consists of representatives from central and local government, the business community, the voluntary sector and professional organisations. Please see

<http://www.climatenorthernireland.org.uk/>

- deliver on emission targets;
- deliver on an Adaptation Programme laid under Section 53 of the Act; and
- in a way which is sustainable.

- 8.19 These duties came into force on 1 January 2011 and apply to all 'public bodies', defined as a Scottish public authority within the meaning of section 3(1)(a) of the Freedom of Information (Scotland) Act 2002 (as amended). The Scottish Government published guidance on the public bodies' duties on 04/02/2011.<sup>12</sup>
- 8.20 The Scottish Act also allows Scottish Ministers, by Order, to impose other climate change duties, to require reports on compliance with climate change duties, and to designate one or more bodies or persons to monitor compliance and to carry out investigations.
- 8.21 Work is currently underway by the Scottish Government to develop a Scottish Adaptation Programme and this will be consulted on in 2013. This will build on the Scottish Government's Climate Change Adaptation Framework<sup>13</sup> (published in 2009) and will respond to climate change impacts for devolved areas in Scotland.
- 8.22 Any Scottish organisations seeking advice or support on how best to adapt to a changing climate can contact Adaptation Scotland<sup>14</sup>, an advice service funded by the Scottish Government.

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<sup>12</sup> Link to Scottish Government guidance on the public bodies duties  
<http://www.scotland.gov.uk/Publications/2011/02/04093254/0>

<sup>13</sup> Link to Scottish Government's Climate Change Adaptation Framework and its action plans -  
<http://www.scotland.gov.uk/Topics/Environment/climatechange/scotlands-action/adaptation/AdaptationFramework>

<sup>14</sup> Adaptation Scotland web site - <http://www.adaptationscotland.org.uk/1/1/0/Home.aspx>