

# Energy Efficiency Code

## A Partnership to Deliver Energy Savings

This Energy Efficiency Code is a voluntary commitment for central government and Facilities Management (FM) contractors (the Parties) to work in partnership to identify and deliver energy savings for the mutual benefit of both parties. The Code is a commitment at a high level in departments and FM industry to work together to support delivery of the Prime Minister's commitment to reduce carbon emissions by 10% in 12 months. This Code provides a high level framework for the Parties to work together to explore opportunities.

Central Government departments will:

- engage FM contractors in the preparation of plans to reduce carbon in estates by 14 May 2011;
- give consideration to private sector proposals to reduce carbon emissions;
- prioritise resources to work in partnership with FM contractors to identify initiatives which will deliver energy savings; and
- agree to explore commercial arrangements (such as gain share mechanisms), either through changes to existing contracts or by entering into new arrangements, which are to the benefit of all parties.

FM contractors will:

- prioritise resources to be proactive in identifying value for money opportunities to reduce carbon emissions in the public sector estate in the next 12 months;
- engage with the public sector and share expertise in the development of plans to reduce carbon in estates; and
- agree to explore commercial arrangements with departments and with energy services providers which are to the benefit of all parties. These arrangements may be changes to existing contracts, new arrangements, or sub-contracts with energy service providers.

By adopting this Code the Parties recognise that the FM industry has an increasingly important role to play in helping the central government to reduce its energy consumption to deliver financial savings and reduce

carbon emissions. Some examples of initiatives which could be adopted include:

- Ensuring that set points for heating and cooling are at an appropriate level and Building Management Systems are appropriately calibrated;
- Using monitoring and targeting arrangements to eliminate waste energy consumption, including ensuring that energy consumption profiles correlate with building occupancy;
- Ensuring that natural ventilation optimises the effectiveness of heating and cooling systems;
- Ensuring that building systems have been recently serviced to deliver optimum energy performance;
- Making highly cost effective investments in building fabric, plant and machinery, IT software or other energy saving measures; and
- Identifying funding solutions for energy and carbon savings investments.

This Code is not a legally binding agreement and does not serve to replace any existing contractual arrangements between the public and private sector. This Code is a genuine voluntary arrangement and the adoption of this will not provide a supplier with any competitive advantage. Performance under this arrangement will not have any influence on future procurements. This Code does not commit either party to any investment in resources or infrastructure but where additional investment is required in assets or resources, the Parties may wish to use existing or make separate contractual arrangements, such as a gain share mechanism.