



Department
of Energy &
Climate Change

TRIENNIAL REVIEW OF THE COMMITTEE ON CLIMATE CHANGE



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Introduction

1. The following Report sets out the findings of the 2013 Triennial Review of the Committee on Climate Change (CCC) and its sub-committee, the Adaptation Sub-Committee (ASC). Unless specifically referenced, all references to the CCC also include the ASC. It describes the purpose of Triennial Reviews and the processes adopted by the Review Team for the CCC. It presents the findings of the review based on feedback from stakeholders. The report, based on the evidence gathered, concludes the future of the CCC and recommends ways in which the Committee could improve the way it operates in order to enhance the delivery of its functions.

Triennial Reviews

2. Triennial Reviews are a Cabinet Office mandated process for reviewing the function of Non-Departmental Public Bodies (NDPBs), the appropriateness of the bodies' delivery mechanisms and their governance arrangements.
3. Reviews take place every three years for each NDPB, unless an exemption is agreed by the Cabinet Office, and are conducted in line with the following principles:
 - I. **Proportionate**: not overly bureaucratic; appropriate for the size and nature of the NDPB.
 - II. **Timely**: completed quickly to minimise disruption and reduce uncertainty.
 - III. **Challenging**: robust and rigorous, evidencing the continuing need for functions and examining and evaluating a wide range of delivery options.
 - IV. **Inclusive**: open and inclusive. Individual NDPBs must be engaged; key users and stakeholders should have the opportunity to contribute. Parliament should be informed about the commencement and conclusions.
 - V. **Transparent**: all reviews should be announced and reports should be published.
 - VI. **Value for Money**: conducted to ensure value for money for the taxpayer.

4. The Cabinet Office has identified two principal aims for Triennial Reviews:
 - To provide a robust challenge of the continuing need for individual NDPBs – both their functions and their form; and
 - Where it is agreed that a particular body should remain as an NDPB, to review the control and governance arrangements in place to ensure that the public body is complying with recognised principles of good corporate governance.
5. Triennial Reviews consist of two stages, as set out by Cabinet Office guidance, addressing these two principal aims.¹
6. Stage 1 is designed to examine the key functions of NDPBs and to consider whether they are still needed and whether the functions could be better delivered by assessing them against a range of theoretical delivery options. If Stage 1 concludes that the NDPB should remain as the delivery body, the Review moves to Stage 2.
7. Stage 2 looks at the control and governance arrangements in place to ensure that the NDPB is operating in line with recognised principles of good corporate governance.
8. In the case of the CCC, the Review Team were not tasked with reviewing the legislation, the Climate Change Act 2008, which established its core functions.

Triennial Review of the CCC

What is the CCC?

9. The 2008 Climate Change Act² (32(1)) states that “There shall be a body corporate to be known as the Committee on Climate Change”.
10. Under the Act, the Committee is responsible for providing the Government with:
 - Advice on the level of the 2050 target (Section 33);
 - Advice in connection with carbon budgets (Section 34);
 - Advice on emissions from international aviation and shipping (Section 35); and
 - Reports on progress (i.e. UK progress towards meeting its climate change targets) (Section 36).

¹ Guidance on Reviews of Non Departmental Public Bodies Cabinet Office June 2011.

<http://www.cabinetoffice.gov.uk/sites/default/files/resources/Cabinet-Office-Guidance-on-Reviews-of-Non-Departmental-Public-Bodies.pdf>

² <http://www.legislation.gov.uk/ukpga/2008/27/contents>

11. The Act also specifies that there are specific matters to be taken into account in connection with the carbon budgets (Section 10). These are:

- scientific knowledge about climate change;
- technology relevant to climate change;
- economic circumstances, and in particular the likely impact of the decision on the economy and the competitiveness of particular sectors of the economy;
- fiscal circumstances, and in particular the likely impact of the decision on taxation, public spending and public borrowing;
- social circumstances, and in particular the likely impact of the decision on fuel poverty;
- energy policy, and in particular the likely impact of the decision on energy supplies and the carbon and energy intensity of the economy;
- differences in circumstances between England, Wales, Scotland and Northern Ireland;
- circumstances at European and international level; and
- the estimated amount of reportable emissions from international aviation and international shipping for the budgetary period or periods in question.

12. The CCC is required to consider these matters when recommending the level of the carbon budgets to Government.

13. In addition, the ASC, a sub-committee of the CCC, was established under the Climate Change Act 2008 to advise Government on its work on the national Climate Change Risk Assessment, and ensure it effectively prepares for the impacts of climate change.

14. Under the Act, the Committee is responsible for providing Government with:

- Advice to the Secretary of State ahead of the Government laying a report before Parliament which reports on the impact of climate change (Section 57);
- Report on progress in connection with adaptation (Section 59).

15. In addition to the responsibilities set out in the 2008 Act, the CCC is also subject to a Concordat signed by HM Government, The Scottish Government, The Welsh Government and Northern Ireland.

16. The Concordat sets out the “roles and responsibilities of the four parties under the constitutional structure established by the respective devolution settlements are effectively translated into practical working arrangements between them. The aims are to promote close and harmonious working relationships and good communications at all levels between the four parties, and to foster constructive co-operation, and where possible agreement in delivering a coherent and cost-effective climate change policy framework, while respecting the letter and spirit of the devolution settlements”.
17. The CCC comprises of an independent Chair and seven members. The Chair and seven members receive fees to attend meetings and other work on behalf of the CCC. In addition to fees, committee members can also claim expense to cover travel undertaken on Committee business. The Board holds an average of 12 meetings per year. The CCC received a budget of £2.6m in 2012-13 jointly funded by DECC and Devolved Administrations.
18. The ASC Board comprises of an independent Chair and five members. The Chair and five members receive fees to attend meetings and other work on behalf of the ASC. As with the CCC Board, in addition to fees, committee members can also claim expenses to cover travel undertaken on ASC business. The Board holds an average of 12 meetings per year. The ASC received a budget of £797k in 2012-13 jointly funded by DEFRA and the Devolved Administrations. .
19. The CCC employs 31 members of staff. This comprises a Chief Executive, 19 analytical staff in the CCC (including one secondee from the Devolved Administrations), 6 analytical staff in the ASC and 5 staff to provide corporate support’.

The CCC’s work to date

20. In order to fulfil its functions, the CCC has published a range of documents in a variety of formats. In order to provide advice on the level of carbon budgets, the CCC has produced a number of large reports setting out its analysis. Similarly, in relation to its function to report on progress towards meeting climate change targets, the CCC publishes an annual report providing recommendations to Government. All the CCC’s reports from 2008 to 2012 can be found on the CCC website.³

³ <http://www.theccc.org.uk/>

21. In addition, since its establishment the CCC and ASC have published a range of documents including fact sheets, detailed reports and letters to Government.
22. In relation to the CCC factsheets addressed specific sectors, such as Power, Waste and Transport; detailed reports have covered area such as progress towards meeting emission reduction in Scotland, the impact of Carbon Budgets on energy bills and progress on meeting Carbon Budgets and letters have covered responses to consultations such as electricity market reform, advice such as that to the Scottish Government to cut emissions of greenhouse gases and responses to announcements such as that made about the Emissions Performance Standard (EPS).
23. With regard to the ASC, their publications have included reports on the preparedness for climate change, assessment of the proposed CCRA methodology and preliminary view of current adaptation planning. However, it should be noted that the ASC has not yet had an opportunity to formally report on progress in connection with adaptation, since this can only happen following publication of the Government's National Adaptation Plan (in 2013).
24. The CCC and ASC post all their advice on their website. Full details can found at - <http://www.theccc.org.uk/publications/>
25. As part of its analysis the Review Team has reviewed a range of the publications which provide a broad spectrum of advice to Government and individual sectors.

The Triennial Review process followed for the CCC

26. The Triennial Review of the CCC was announced in Parliament by the Minister of State for Energy on 4 February 2013. The Minister also wrote to the Chair of the Energy and Climate Change Select Committee to bring the review to its attention.
27. Cabinet Office guidance states that reviews should be appropriate for the size and nature of the NDPB in question and should also offer value for money.
28. The Review Team adopted a "light touch" approach and drew on evidence gathered from stakeholders, Government Departments, Devolved Administrations and others whose work is impacted on by the CCC. The Review Team was lead by an independent official from DECC and comprises of officials from the CCC Sponsor Team based in DECC and the ASC Sponsor Team based in DEFRA; independent representation from DEFRA; and representation from the Welsh Government, representing the Devolved Administrations.

29. In addition, a Challenge Group consisting of Non-Executive Directors from DECC, DEFRA and the Devolved Administrations; a representative from the Cabinet Office, and two CCC nominees from International Power and the NAO provided an independent challenge to the findings of the Review Team and ensured the robustness and rigour of the conclusions drawn.
30. The Review team undertook a series of workshops to engage key stakeholders. Three workshops were held on 10th, 16th and 17th of April 2013. The workshop on the 16th was specifically focussed on the work of the ASC. Twenty-two stakeholders attended the workshops. In addition, members of the Review Challenge Group and the representatives from the CCC and ASC Secretariats attended each workshop as observers.
31. Stakeholders were also invited to complete a questionnaire which addressed the three main areas the Review Team wished to consider – Advice the Committee gives; Impact of the Committee; and Alternative ways of delivering the functions of the Committee. 22 responses were received. A copy of the questionnaire is attached at Annex A.
32. A full list of organisations invited to attend the workshops and/or complete questionnaires is attached at Annex B.
33. The Review Team also held a series of 1-2-1 meetings with officials from the Government Departments that have interaction with the CCC and ASC - DECC, DEFRA, BIS, DfT and HMT – and the Devolved Administrations.
34. In addition the Review Team wrote to the main Parliamentary Committees whose work has been impacted on by the CCC and ASC to offer them the opportunity to feed into the Review. The committees contacted were Energy and Climate Change; Environment Food and Rural Affairs; Transport; Environmental Audit; and Science and Technology (Commons and Lords). A response was received from the Environmental Audit Select Committee. In addition the Review Team also received correspondence from the Climate Change Commissioner for Wales. Copies of the correspondence are attached at Annex F.
35. The Review Team did not issue a general call for evidence as the Review was focussed on the functions of the CCC and their delivery and a general call for evidence was likely to attract responses covering the wider climate change sphere, which were not within the Review's purview.

Evidence Gathering

36. Attached at Annexes C-F are the outputs from the evidence gathering stage including:

- feedback from the workshops (Annex C);
- feedback from the Government Department 1-2-1s (Annex D);
- responses to the questionnaire (Annex E); and
- correspondence received (Annex F)..

37. Throughout the report the Review Team has referenced the evidence directly. These extracts are delineated by “ ”, but are not necessarily direct quotes from stakeholders or individuals. Please refer to the relevant Annexes for more details.

Review Stage 1 – Functions

38. This section considers the key objectives and functions of the CCC and whether they are still required. It then considers whether the CCC’s status as an NDPB is the best model for the delivery of its functions.

Objectives and functions

39. The CCC is an independent, statutory body established under the Climate Change Act 2008. Its purpose is to advise the UK Government and Devolved Administrations on emissions targets and report to Parliament on progress made in reducing greenhouse gas emissions and preparing for climate change.

40. The CCC’s strategic priorities are to:

- Provide independent advice to Government on setting and meeting carbon budgets and preparing for climate change;
- Monitor progress in reducing emissions and achieving carbon budgets;
- Conduct independent analysis into climate change science, economics and policy; and
- Engage with a wide range of organisations and individuals to share evidence and analysis.

41. However, for the purposes of this Review, the CCC’s functions are defined as those set out in the Climate Change Act 2008, and described above in paragraphs 9 to 14.

Is this function still required?

42. Firstly, it should be noted that two of the functions of the CCC have been completed as they related to specific one-off pieces of advice: Advice on the level of the 2050 target and Advice on emissions from international aviation and shipping. The CCC's performance of these functions is reflected in the overall stakeholder feedback below, but the on-going relevance of these functions is not considered further.
43. Taking the aims of the Climate Change Act as given, the Review Team considered whether the remaining functions of the CCC are still required by central Government and the Devolved Administrations and whether there continues to be a demand for those functions from stakeholders.
44. From the evidence gathered from all stakeholder groups, there is a consensus that it is essential that there remains an independent source of advice for Government, both at Ministerial and official levels, on the key issues of climate change. It is considered that the CCC has the necessary expertise to provide the detailed analysis and advice required to ensure that Government sets and maintains appropriate targets and is held accountable, as set out in its core functions under the 2008 Climate Change Act.
45. Specific responses to the questionnaire stated that, "It is vital that UK Government continues to receive impartial scientific advice from internationally recognised experts that the CCC provides" and "the ASC and CCC are viewed as highly credible, transparent brokers of climate and energy-related information".
46. These statements are supported by the views of Government Departments where "there was a strong feeling from all Departments that the functions of the Committee remain relevant" and "fulfilment of these functions helps the Government with its own credibility regarding its approach to climate change policy, since this generally builds on the recommendations of the CCC".
47. The output from the workshops also endorsed the continuing need for the functions saying "Any change in delivery model which compromised the real or perceived independence of the Committee would fundamentally undermine its ability to deliver its functions." The workshops also agreed that "The CCC's and ASC's advice sets the framework for having the debate with Government" and "provides a point of reference that others hang on to including ECC and EFRA select committees."

48. The workshops referenced the work of the CCC and its impact by stating “Positive examples of where change has happened, for example Electricity Market Reform, CCS Programme, decarbonisation target. A feeling that these would not have happened as quickly or would have lower ambition in the absence of the CCC.”
49. Evidence from the Environmental Audit Select Committee also confirmed the need for the continuing function stating “It is clear from our extensive usage of the CCC’s outputs that we value the relevance and usability of its work and outputs.” and “Our view is that the CCC is effective not just in terms of delivering its statutorily required outputs but by producing material which allows us and other select committees to expand the debate on climate change” This view is endorsed by the Climate Change Commission for Wales (CCCW) who stated “The CCCW values the advice given by CCC, in particular the reports and recommendations the CCC makes.”
50. The conclusion of the Review Team is therefore that there is an extremely strong case for the retention of the CCC’s functions. In the absence of these functions, Government would not receive the necessary advice on the levels of climate change targets and Carbon Budgets; or be held accountable by a credible body who are independent.

Delivery Models

51. This section of the report provides a comparative analysis of the potential delivery structures for the functions provided by the CCC. The Review Team has considered the full range of organisational structures suggested by the Cabinet Office guidance but it can be noted that, on the basis of an initial analysis, some of these were ruled out as inappropriate for an advisory body and were not considered in detail. Each option is considered in turn below.

Delivery model	Appropriate?	Comments
Abolish	No	<ul style="list-style-type: none"> • Stakeholder feedback at all levels and across Government is that the CCC provides a valuable function which is extremely relevant and is considered to be so for some time to come. • Evidence from the questionnaires supports this stating “the Committee’s work is essential, and therefore do not think abolition should be considered a viable option.” This is supported by the workshops who stated “The current delivery model is seen to work effectively; there is no strong rationale for change.” • Abolition of the CCC would require a change to primary legislation.
Move out of Central Government (e.g. to voluntary or private sector)	No	<ul style="list-style-type: none"> • Stakeholder views are that delivery by the voluntary or private sector would weaken the position of the CCC and its expert knowledge. Feedback from the questionnaires stated that “Voluntary or private sector would weaken credibility and lose expertise now built up.” This was backed up by evidence from the workshops which suggested that “Moving the Committee to the private sector would raise suspicions of the body having a particular agenda.” • Although some considered that the work could be carried out by other bodies such as universities and private researchers, there are unlikely to be significant cost savings. • Given the reputation of the CCC with all stakeholders, any new delivery body would have to build up a similar level of confidence which was unlikely to be achieved in the short or medium term. • Given that most of the easily identifiable alternate delivery bodies are likely to already be carrying out work in this area, there is likely to be a real or, at a minimum, a

		<p>perceived conflict of interest.</p> <ul style="list-style-type: none"> •
Bring in-house (e.g. to an existing Executive Agency of BIS)	No	<ul style="list-style-type: none"> • The loss of independence of the CCC Board and Secretariat would be damaging to the function and reputation of the CCC. • The feedback from the questionnaires clearly stated that “independence of the work of the CCC and ASC need to be maintained. We do not see how this role can be bought in-house.” This was backed up by evidence from the workshops which stated there was a “Risk that Committee would be ‘silenced’ if brought into Government.” • Although there may be potential cost savings by bringing the administration of the CCC’s functions in-house, it is anticipated that a budget allocation to cover research will be required. • This would require primary legislation as, under the 2008 Act, the CCC “is not to be regarded as the servant or agent of the Crown or as enjoying any status, privilege or immunity of the Crown.”
Merge with another body	No	<ul style="list-style-type: none"> • Results of the stakeholder workshops and the questionnaires showed that in principle there was no reason why the CCC should not be merged with another body. • However, the same stakeholders were not able to identify any bodies carrying out similar or comparable functions. • Discussions with the Government Departments, whose work is impacted on by the CCC, identified a possible “audit” link with the NAO. Subsequent consideration identified that the required “audit” function to meet the requirements of the 2008 Act were not compatible with those of the NAO and that the full Secretariat would need to be transferred along some of the Board’s specialist skills which meant there are unlikely to be significant cost savings. • Feedback from the workshops was that it was “Difficult to think of a suitable alternative body with which CCC could merge” and “Merging with another NDPB runs the risk of creating conflict between different roles within the organisation.”

Delivery by a new Executive Agency	No	<ul style="list-style-type: none"> • As can be seen from the evidence gathered, the overwhelming response from stakeholders has been the necessity to retain the current level of independence and the switch to an Executive Agency would impact on this and the reputation of outputs. • This was supported by feedback from Government Departments “that the need for independence in the CCC’s advice precluded a move closer to ministers”. • It is considered that the resulting costs, both financial and reputational, would be unattractive as the same level of administrative and specialist support would be required and there would be a loss of independence by moving the function closer to Government.
Continued delivery by an NDPB	Yes	<ul style="list-style-type: none"> • As the response to the three tests shows (see below) there is maintained strong rationale for continued delivery of all the functions by an NDPB. • It is equally maintained that the same level of independence from Government intervention is imperative. As the responses to the questionnaire state, there is a need to maintain the arms length nature of the CCC - “As an international stakeholder who works for a similar entity in the United States, we have found it both valuable and challenging to be arms-length from the Federal Government in the performance of our duties, particularly with respect to impact assessment” • Maintaining the current model is also supported by feedback from the workshops which states “Alternative delivery models might also make it harder to attract the best people on to the Committee.” • The continuing need for the CCC as an NDPB was also endorsed by the Climate Change Commission for Wales (CCCW) who stated “We need a body able to deliver clear messages on strategy,”

Cabinet Office Three Tests

52. As part of the Review, the Review Team are obliged to consider each of the functions of the CCC against the 'three tests' as set out in Cabinet Office guidance. These are as follows:

- Does the body undertake a technical function (which needs external expertise to deliver)?
- Does delivery of the function need to be, and be seen to be, delivered with absolute political impartiality (such as certain regulatory or funding functions)?
- Does delivery of the function need to be delivered independently of Ministers to establish facts and/or figures with integrity?

53. For continued delivery of the function by an NDPB, it must pass at least one of the three tests. A simple 'Yes/No' answer is given and the conclusions, together with the analysis which underpins them, are set out briefly below.

Is there a need for external technical expertise?

53. With respect to the CCC and its advice relating to climate change mitigation, it is clear that the CCC contains a considerable amount of technical expertise. On the other hand, much of the CCC's analysis can be (and has been) replicated by DECC and other Government Departments. DECC maintains a number of models for use in its own analysis on meeting carbon budgets; there is no shortage of technical expertise on this in Government and the Devolved Administrations.

54. However, on the balance of the evidence we have concluded that each of the CCC's functions should score a 'Yes' against this test, in particular due to stakeholder comments which have suggested that the CCC has raised the bar with respect to climate change analysis, and that this underpins its credibility. One commented "The CCC is highly regarded in terms of its outputs, as a result of its capacity to initiate credible and meaningful research and novel studies, and its in-house expertise to understand the results of this commissioned work."

55. On adaptation, while the ASC has demonstrated a level of technical expertise, this is present in the Government and its Agencies on particular policy areas where the science of incorporating climate change is relatively mature such as in Floods and Water. At a more strategic level – such as advice on UK risk assessment methods or measuring UK progress – the ASC adds value. However, one Government Department highlighted the need for the ASC to consider an appropriate level of detail in order to be fully effective in advising the Government and Parliament. Given its technical expertise, the ASC's functions also score a 'Yes' against this test.

Is there a need for political impartiality?

56. Given the need for objective advice about meeting carbon budgets (and the need to give confidence to investors in the long term) there is a strong need for political impartiality by the CCC in fulfilling its functions. This is supported and reinforced by the feedback received from stakeholders, which highlights that “their relevance is rooted in their expertise and impartiality which allows them to objectively consider the long-term risks posed by climate change to UK interests. As a result, each of the CCC’s functions scores ‘Yes’ against this test.
57. On adaptation, there is perhaps a weaker rationale for Government to be driven by a political agenda, since much adaptation activity is driven by self-interest in any case and there are fewer conflicts. However, stakeholder feedback suggests that the ASC’s advice is perceived to be more credible as a result of its political impartiality, with stakeholders suggesting that “it is vital that UK Government continues to receive impartial scientific advice.. [this] is a key part of the committee’s credibility and transparency. Therefore, whilst the arguments are weaker, the ASC’s functions also score a ‘Yes’.

Is there a need for independence?

58. Given that the primary purpose of both the CCC and ASC is to hold Government to account over its action on climate change mitigation and adaptation respectively, there is a strong need for independence. This was also reflected strongly in stakeholder feedback, for example “an independent evidence base is vital and indispensable” and “the ASC plays a crucial role in bringing intellectual rigor to the government’s adaptation work, monitoring progress independently, identifying gaps in current policy and providing firm evidence on the potential solutions”.
59. Moreover, one of the workshop conclusions was that *any change in delivery model which compromised the real or perceived independence of the Committee would fundamentally undermine its ability to deliver its functions (and therefore its impact)*. As a result, all of the CCC’s and ASC’s functions score a ‘Yes’ against this test.

Conclusion and Recommendations

60. Overall, each function of both the CCC and the ASC passes at least one of the three tests and so it is legitimate to consider continued delivery of these functions by an NDPB. Moreover, having considered a range of alternatives, based on all the evidence, there is a strong case both for the continuation of the CCC’s functions, and for continued delivery of those functions by an NDPB. This position is also strongly endorsed by stakeholders.

61. With this in mind, the Review Team concludes that the CCC should continue as an executive Non-Departmental Public Body. In due course future triennial reviews will need to give consideration to the on-going requirement for the body linked to its requirement to advise on the level of the 2050 target.

STAGE TWO REVIEW

Review Stage 2: Governance

62. The Minister of State, the Rt Hon Gregory Barker MP, concluded on 2nd July 2013, in response to the Stage 1 report of this Triennial Review that the Committee on Climate Change (CCC) should remain an NDPB. This section sets out the findings of Stage 2 of the Review, which concluded in October 2013.
63. The second stage of the Review considers how far CCC's practices align with principles of good governance. The assessment is summarised below, and set out in detail in Annex G.
64. In addition at the request of the Cabinet Office the Review Team considered how the CCC engages with business and how it could help to bring about economic growth through engagement; and what further efficiencies could be identified.

Accountability – Statutory Accountability and Accountability for Public Money

65. The Review Team found the CCC to be compliant in all required aspects of accountability.
66. The Chair and Members of the Committee are appointed in accordance with the Code of Practice issued by the Commissioner for Public Appointments. The Secretary of State for Energy and Climate Change is accountable for the overall performance of the CCC and the Secretary of State for the Environment, Food and Rural Affairs is accountable for the CCC's sub-committee, the ASC.
67. The Review found that both Departmental Sponsor Teams have in place the necessary arrangements to hold the CCC and ASC accountable for their work and the way it is done.
68. A full analysis of individual areas of Accountability and Accountability for Public Money are covered in questions 1-15 of Annex G. The Review Team found one issue that they would recommend Sponsor Teams address with the CCC. Although the Review Team found evidence that the Framework Document was to be reviewed on three yearly basis this was not formally recorded. The Review

recommends that when the Framework is reviewed in 2014 that a paragraph is added to show the next review date.

Recommendation 1: The Departmental Sponsor Teams ensure a review date is included in the next iteration of the CCC Framework Document.

69. In the discussions with the Devolved Administrations (DAs) in Stage 1 of the Review it was identified that there was a need to revisit the original Concordat which was put in place to guide the relationship between the CCC and DAs. The Review Team suggests that a review of the Concordat be undertaken to ensure that the current model is working effectively and to make appropriate changes to make sure the DAs are fully engaged and their requirements are recognised.

Recommendation 2: The Sponsor Teams, along with the CCC and DAs agree a formal process for reviewing the Concordat.

Role of DECC as Lead Sponsoring Department

70. The Review Team found the DECC and DEFRA Sponsor Teams and the CCC to be compliant in most aspects of governance and oversight. A full analysis of individual areas of the Sponsoring Department role are covered in questions 16-21 of Annex G.

71. The Review Team consider that the Sponsor Teams have the right level of dialogue with the CCC at appropriate levels and that there is an appropriate structure in place to disseminate information to relevant Departments and the Devolved Administrations. As recommended above the Review Team does however feel a formal date for review should be included in the Framework Document.

72. In addition, the Review Team understands that the DECC and DEFRA Departmental Boards do not automatically receive updates on the work of NDPBs. However, the Boards will of course scrutinise their performance if they feel it is necessary or appropriate. The Sponsor Teams may wish to consider if there are formal opportunities to ensure the work of the CCC is seen by the Boards, such as when the CCC Annual Report and Accounts are issued.

Recommendation 3: The Sponsor Teams put in place procedures whereby the DECC and DEFRA Departmental Boards receive an annual update on the CCC and its sub-committee, the ASC, such as when the CCC Annual Report and Accounts are issued.

Roles of the Committee, Chair and Members

73. The Review Team found the CCC to be compliant in all aspects of governance relating to the role of the Committee, the Chair and Members. All appointments are made in accordance with the Code of Practice issued by the Commissioner for Public Appointments and the detailed roles and responsibilities; terms of office and remuneration are made clear in the appointees' letter of employment and the Framework Document.

74. A full analysis of individual areas of the Role of the Committee, Chair and the members are covered in questions 22-45 of Annex G. The Review Team found one area of non-compliance as the Chair does not undertake an annual performance review of individual Committee members. The Chair and the Committee are recommended to give consideration to an annual evaluation process.

Recommendation 4: The Chair implement an annual evaluation process of individual Committee members' performance and the Sponsor Teams implement an evaluation process of the Chair using feedback from Committee members and the Chief Executive.

75. The Review Team noted that although members appeared to allocate appropriate time as required to their roles in the CCC there was no formal record kept and the CCC may consider a formal register should be introduced.

Recommendation 5: The CCC introduce a register to record the monthly work practices of individual members.

76. The Review Team noted that due to its size the CCC has in place an ad-hoc induction process structured around the needs of the member and overseen by the Chair and Chief Executive but they recommend that this should be based around a formal induction package covering members' legal and statutory responsibilities.

Recommendation 6: The CCC introduce a formal induction package for new members which can be built on an adhoc basis depending on individual member's needs.

Communications

77. The Review team found that the CCC complies with most specified communication requirements.

78. A full analysis of individual areas of communication is covered in questions 46-54 of Annex G. The Review Team considered the CCC's approach to Freedom of Information requests and confirmed its Transparency Policy is consistent with the spirit of the FOI Act but the Review Team considered the CCC should consider posting its responses to FOI requests, where this information was not already on its website.

Recommendation 7: The CCC publish responses to FOIs on its website where information is not already available.

79. In addition the Review Team noted that the CCC publishes minutes of meetings on their website but do not publish the agendas. The Review Team recommends, as part of the transparency agenda, that in the future the CC should publish the agendas of meetings.

Recommendation 8: The CCC publish the agendas for meetings as well as the minutes.

Conduct and Behaviour, and Internal Controls

80. The Review team found the CCC to be compliant with the specified conduct and behaviour requirements.

81. A full analysis of individual areas of Conduct and Behaviour including Internal Controls are covered in questions 55-66 of Annex G. In relation to the issue of rules relating to the future employment of members of the body, the Review Team notes that Committee members comply with the rules on outside appointments as detailed in the Civil Service Management Code but the Review Team propose the CCC give consideration to drafting their own rules in compliance with Cabinet Office Guidance to ensure its specific needs and role are reflected.

Recommendation 9: The CCC draft its own rules relating to the future employment of members of the body to ensure that the specific needs of the CCC and its role are reflected.

82. The Review Team found that the CCC updates its Register of Interests twice a year but noted that it is only available on request. The Review Team propose that as part of the Transparency Agenda the CCC publish the Register on its website.

Recommendation 10: The CCC publish the Register of Interests on its website.

Additional areas looked at the request of the Cabinet Office

Growth

83. At the request of the Cabinet Office the Review Team considered how the CCC engages with business and how it could help to bring about economic growth through engagement. The Review Team found that the evidence gathered as part of Stage 1 of the Review highlighted that business relies upon CCC advice to ensure that, in relation to carbon budgets, the UK has a robust and competitive economy. Comments in the workshops during Stage 1 from industry did identify the need for the CCC to take more into account the concerns of industry.
84. The Review Team believe that the CCC has addressed many industry concerns by building on and enhancing an inclusive approach by launching a public consultation on its advice in relation to the 4th Carbon Budget in August 2013 by calling for evidence designed to look the specific circumstances under which the budget was set and to see if they have changed.
85. The Review Team suggests that the CCC build on this inclusive approach to ensure that business decision making is taken into account and consider making more specific references to its work with business and other stakeholder groups in its Annual Report.

Recommendation 11: The CCC should continue to enhance its ways of taking business decision making into account when preparing advice and make more specific references in their Annual Report.

Efficiencies

86. The Cabinet Office also requested that the Review Team consider what further efficiencies could be identified. The Review Team understands that the CCC and ASC have engaged closely with their sponsoring Departments over the last Spending Review period to identify savings on a year by year basis. The CCC plus ASC budget has reduced by 20% (£832k) from £4,241k in 2010-11 to £3,409k in 2012-13. Staff numbers have also reduced by 9% from 34 FTEs in 2010-11 to 31 FTEs in 2012-13.
87. The CCC has made use of Shared Services since its formation in 2008. It has also reduced fixed and other costs by nearly 20% (£168k) from £865k in 2010-11 to £697k in 2012-13 by moving to cheaper accommodation, negotiating a lower IT charge for a limited period and squeezing other costs.

Source:

Total non pay expenditure (CCC plus ASC)

Source: Note 4, Annual Report and Accounts for 2010-11 to 2012-13

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Research	1,022,977	797,933	606,002
Fixed	565,748	509,761	485,499
- Estates	323,206	311,722	284,083
- IT charges	153,921	109,039	112,441
- Shared services	54,120	57,000	56,975
- Audit fees	34,500	32,000	32,000
Other	299,143	276,027	211,819
Total non-pay expenditure	<u>1,887,867</u>	<u>1,583,721</u>	<u>1,303,320</u>

88. The Sponsor Teams confirmed to the Review Team that the CCC has achieved significant efficiencies since 2010 and they recognise the CCCs view that they are currently operating at a minimum cost base with no scope to realise further savings. The Sponsor Team will continue to work with the CCC as part of the current business planning round to identify efficiencies or opportunities for further shared services.

Conclusions and Recommendations

89. The Stage 2 assessment has found that CCC governance complies in most cases with Cabinet Office's principles of corporate governance. However, the Review has also identified several opportunities which the CCC and Sponsor Team may wish to consider for improving their working relationships and making the CCC more transparent.

Summary of Stage 2 recommendations

Recommendation 1: The Departmental Sponsor Teams ensure a review date is included in the next iteration of the CCC Framework Document.

Recommendation 2: The Sponsor Teams, along with the CCC and DAs agree a formal process for reviewing the Concordat.

Recommendation 3: The Sponsor Teams put in place procedures whereby the DECC and DEFRA Departmental Boards receive an annual update on the CCC and its sub-committee, the ASC, such as when the CCC Annual Report and Accounts are issued.

Recommendation 4: The Chair implement an annual evaluation process of individual Committee members' performance and the Sponsor Teams implement an evaluation process of the Chair using feedback from Committee members and the Chief Executive.

Recommendation 5: The CCC introduce a register to record the monthly work practices of individual members.

Recommendation 6: The CCC introduce a formal induction package for new members which can be built on an adhoc basis depending on individual member's needs.

Recommendation 7: The CCC publish responses to Fols on its website where information is not already available.

Recommendation 8: The CCC publish the agendas for meetings as well as the minutes.

Recommendation 9: The CCC draft its own rules relating to the future employment of members of the body to ensure that the specific needs of the CCC and its role are reflected.

Recommendation 10: The CCC publish the Register of Interests on its website.

Recommendation 11: The CCC should continue to enhance its ways of taking business decision making into account when preparing advice and make more specific references in their Annual Report.

Questionnaire

Triennial Review of the Committee on Climate Change & Adaptation Sub-Committee Stakeholder Views

All Government departments are required to review all their Non Departmental Public Bodies (NDPBs) at least every three years. As announced by Greg Barker on 4 February 2013, the Department of Energy and Climate Change has agreed with the Cabinet Office, which oversees this process, that the Committee on Climate Change (CCC) will be reviewed this year. The Review process will cover both the CCC and the Adaptation Sub-Committee which is a sub-committee of the CCC, also established under the framework of the Climate Change Act 2008.

The 2008 Climate Change Act (32(1)) states that “There shall be a body corporate to be known as the Committee on Climate Change”. Under the Act, the Committee is responsible for providing the Government with:

- Advice on the level of the 2050 target (Section 33);
- Advice in connection with carbon budgets (Section 34);
- Advice on emissions from international aviation and shipping (Section 35); and
- Reports on progress (i.e. UK progress towards meeting its legally binding carbon budgets) (Section 36).

The Act also specifies that there are specific matters to be taken into account in connection with the carbon budgets (Section 10). These are:

1. Scientific knowledge about climate change;
2. Technology relevant to climate change;
3. Economic circumstances (impact on economy and competitiveness) ;
4. Fiscal circumstances (public borrowing spending);
5. Social circumstances (in particular effect on fuel poverty);
6. Energy policy (in particular energy security and carbon intensity of the economy);
7. Difference in circumstances (between England, Wales, Scotland and Northern Ireland)
8. Circumstances at European and international level; and
9. Estimate amount of reportable emissions from international aviation and emissions.

In addition, the Adaptation Sub-Committee was established under the Climate Change Act 2008 to advise Government on its work on the national Climate Change Risk Assessment, and assess progress on preparation for the impacts of climate change. Under the Act, the Committee is responsible for providing Government with:

- Advice to the Secretary of State ahead of the Government laying a report before Parliament which reports on the impact of climate change (Section 57).
- Report on progress in connection with adaptation (Section 59).

We are seeking your views as key stakeholders of the CCC/ASC and your responses will form part of the evidence base for the Review. Please therefore be as open and honest as you can be and illustrate your responses with evidence or examples wherever possible.

So that we know what particular work of the Committee you are referring to please be specific and spell out all acronyms.

How to give us your views

Please let us know your views under the following sections. Not all sections will be relevant to every stakeholder and if you feel you are unable to comment in some areas simply put 'Not applicable' or you can leave the box blank. It is not necessary to be limited by answering the specific question asked - rather, these are best seen as prompts to ensure all relevant aspects are covered.

There is no word limit, but please keep your views as concise where possible, but remain specific about exactly what work of the committee you are referring to.

What is your view on the **relevance** to the UK of the jobs the CCC and ASC are required to do (the 'functions' of the Committee as set out above), currently and over the next three years?

What is your view on the advice of the CCC and the ASC with respect to the **clarity and presentation** of that advice **and its ability to be understood?** (Please make it clear which Committee and which advice you are commenting on)

What is your view of the CCC and ASC with respect to the **credibility and transparency of its analysis and advice?**

To what extent do you feel the advice of the CCC on carbon budgets adequately takes into account the other factors as set out in Section 10 of the Climate Change Act? (These are the factors set out in the introduction on the previous page)

To what extent do you feel the CCC and ASC provide **effective challenge** and drive changes as a result of their advice?

Who do you think is influenced by the CCC and ASC's advice and in what ways is the advice used in practice? Does its influence extend beyond Government?

Overall, what do you feel is the impact of the CCC and ASC's advice and do you feel it has its intended effect?

As part of all Triennial Reviews, potential alternative models for delivering the functions must be considered. These include:

- Abolish
- Move out of Central Government (e.g. to voluntary or private sector)
- Bring in-house (e.g. to an existing part of the Department of Energy and Climate Change (DECC) or Department of Environment Food and Rural Affairs (DEFRA))
- Merge with another body
- Delivery by a new Executive Agency
- Continued delivery by an NDPB

What do you see as the benefits and risks of delivering the functions of the CCC and ASC in these alternative ways? In particular, do you view any of these methods of delivery as beneficial, and why?

Do you have any other comments regarding the Committee on Climate Change or the Adaptation Sub-Committee that you would like us to be aware of in the context of this Triennial Review?

You may complete and return this sheet anonymously if you wish. If you do not include your details here, this document will be saved anonymously and not linked to you in any way. However, we would really appreciate it if you could let us know which organisation you are responding on behalf of, or at least which sector and type of stakeholder you are representing.

Annex B

**LIST ORGANISATIONS INVITED TO GIVE EVIDENCE
AND HOW THEY RESPONDED**

Organisations	Responded to Questionnaire	Attended Workshop
AEA		
Agriculture and Horticulture Development Boards (AHDB)		
Aldersgate Group	√	√
Alstom		
Anglian Water		
ASC International		
Association of British Insurers		
Bath University/Metroeconomica		
BIEE		√
British Sugar		
Cabinet Office		
Carbon Disclosure Project	√	
Carbon Trust		
CBI		
CCSA	√	
Climate Change and Environment (RACCE) Committee		
Climate Change Commission Wales		
Climate Exchange Scotland		
Climate Group		
Climate UK	√	
Combined Heat and Power Association		
Consumer Focus		
Corporate Leaders Group		
Country Land and business owners Association (CLA)		
Countryside Council for Wales		
Crossrail		
Doosan Power Systems		
E3G	√	
EA Wales		
EdF	√	
EEF		
Energy Saving Trust		
Energy UK	√	
Environment Agency	√	

Environment Agency Wales		
EON		
EPSRC		
European Bank of Reconstruction and Development	√	√
European Environment Agency		
Forestry Commission		
Forrestry Commission Wales		
Friends of the Earth		√
Grantham Institute for Climate Change	√	√
Grantham Research Institute LSE		√
Greater London Authority		
Green Alliance		
Greenpeace		√
Joseph Roundtree Foundation		
Local Government Association		
Local Government Information Unit		
Loughborough University		
Low Carbon Vehicle Partnership		
Marine Management Organisation		
Met Office Hadley Centre	√	√
Minteral Products	√	
National Farmers Union (NFU)		√
National Grid		
National Trust	√	
Natural England	√	
NEA		
Netherlands European Environment Agency		
OECD		
Ofgem/Climate strategies		
Ofwat	√	√
Paul Watkiss Associates		
Planning Officers Society	√	√
Regulatory Policy Committee / Powerfuel		
Renewable Energy Association		√
Royal Geographic Society		
RSPB		
Severn Trent Water	√	√
SMMT		√
SSE / Energy Research Partnership/ UKERC		
Thames Water Utilities Ltd	√	√
TUC	√	
Tyndall Centre		

UCL		
UCL	√	√
UK Energy Research Centre		
UKCIP	√	
Uni Leeds Centre for Climate Change Policy and Economics		
US Global Change Research Program		√
Wales Environment Link		
WCVA		
White House Council for Environmental Quality		
White House Office of Science & Technology		
Wildlife Trusts		
WLGA		
WWF		
Yorkshire Water		√

Feedback from the workshops

Three workshops were held, with one focussed specifically on the Adaptation Sub-Committee. Attendees were presented with an overview of the Triennial Review process and an explanation of how evidence from the workshops would be used within it. Importantly, the workshops were designed to elicit and record views from all attendees rather than to build consensus. Attendees were also informed that their comments would be attributed to their sector rather than to specific individuals, but that they could inform the Review Team if they did not wish their comments to be attributed. Across the three workshops there were around 25 stakeholder attendees as well as representatives of the Challenge Group, CCC committee and secretariat (all as observers) and the Review Team (as facilitators).

The summary that follows is consistent with the format used in each of the workshops; namely that stakeholders discussed the issues under each of the headings set out below, which in turn match those in the stakeholder questionnaire. Where comments are attributed, these are references to points made in the workshop, rather than direct quotes.

Functions of the Committee

For both the CCC and ASC, there was general consensus that the functions of the Committee remained relevant, and in some cases had become more relevant since the creation of the Committee, for example as a result of changing economic circumstances. Comments made included the following:

- The functions are still relevant; the ones about carbon budgets and progress are the most important **[transport sector]**;
- The climate challenge hasn't changed; the functions are more relevant now as we are in the throes of severe economic constraint, and the Committee's advice is even more important **[energy sector]**;
- Adaptation is 'everybody's and nobody's' – the ASC brings it together and adds weight of expertise **[central government]**;
- Important to hold government to account – need a 'remit to be awkward **[delivery body]**.

However a number of specific questions were raised as follows:

- How clear is the split between DEFRA and the ASC in terms of their functions? **[energy sector]**
- There are no specific performance criteria so how do we measure success against each of the functions? **[local government]**

- Are the stated functions of the ASC sufficient to allow it to assess progress on adaptation? **[academia]**
- Is there a risk that the functions could constrain the Committee? **[water sector]**

A comment was also made about a potential lack of clarity (to a non-expert) regarding the distinction between mitigation and adaptation **[Challenge Group member]** and there was a suggestion that the separation of mitigation and adaptation could miss important linkages (including between the outputs of the two Committees **[energy sector]**).

Finally, a number of comments were made about the potential overlap between the ASC and individual government departments who have responsibility for various areas of policy. In particular, how clear is the split between DEFRA and the ASC in terms of their functions? **[energy sector]**

The Committee's advice

Stakeholders were broadly positive about the clarity and presentation of both the CCC and ASC's advice and its ability to be understood. Specific comments suggested that the Committee's advice is:

- clear and comprehensive **[environmental NGO]**
- objective and evidence driven **[energy sector]**
- understandable to the public **[water sector]**

However, there were also suggestions that the Committee could make their advice more accessible to a generalist audience, for example by shortening or summarising their executive summaries to bring out the key messages **[water sector]**. There was also a suggestion to produce sector-specific summaries **[energy sector]**.

Views were mixed regarding the credibility of the Committee's advice and their use of evidence with respect to specific sectors. A number of stakeholders highlighted that they were not clear of the extent to which the CCC consulted with industry in preparing its reports or where particular data had come from, which could have a knock-on impact on the credibility of advice **[water sector, transport sector, energy-intensive industry sector]**. Questions were also raised about the consistency of the CCC's assumptions with DECC **[energy sector]** and the lack of peer review of both the CCC's and ASC's reports **[transport sector, water sector]** which was felt to be a concern.

On the other hand, many stakeholders praised the transparency of the Committee, highlighting:

- Close on-going relationship with the CCC; close on-going communication **[energy sector]**
- Lots of engagement going on – the advice is well respected **[academia]**
- Have supplied information to the ASC, have been able to challenge assumptions and ask questions **[water sector]**
- Written and oral input; nothing has been misunderstood **[insurance sector]**
- Seen as a credible source of information **[environmental NGO]**

Finally, there was a feeling that the matters to be taken into account (Section 10 of the Act) are broad enough to consider all eventualities **[water sector]** and that these are generally taken into account in the Committee's advice, although this is often implicit rather than explicit **[energy sector]**. Although Section 10 only strictly applies to the CCC, there was a feeling that the ASC also takes account of these issues and that the addition of an obligation to consider these matters would not necessarily add anything **[water sector]**. However, it was also suggested that the ASC could do more to consider adaptation at the European and International level **[academia]**.

Impact of the Committee

The general view was that Government is the primary audience/customer of the CCC's and ASC's advice, and to this end it is difficult to assess its impact. Some suggested the need for a visible evaluation framework to assess the impact of advice and whether it is being implemented by Government and others (see also above re: performance criteria) **[local government, academia, environmental NGO, energy sector]**.

However, there were also examples of where the CCC's and ASC's advice has had an impact beyond government:

- Businesses / sector organisations use the CCC's and ASC's advice to shape/inform their own policy positions **[insurance sector, energy sector, water sector]**. These in turn can be used to influence government but this doesn't necessarily lead to change on the ground **[insurance sector]**.
- The CCC's and ASC's advice sets the framework for having the debate with Government **[academia]** and provides a point of reference that others hang on to **[energy sector]** including ECC and EFRA select committees.
- Positive examples of where change has happened, for example Electricity Market Reform, CCS Programme, decarbonisation target. A feeling that these would not have happened as quickly or would have lower ambition in the absence of the CCC **[energy sector]**.

- Businesses change their own policy/behaviour in the expectation that Government will change policy as a result of CCC's advice [**energy sector, water sector**].

With respect to the ASC, there was a suggestion that there is less tangible evidence of impact – but also that impact is both harder to measure and less likely to occur due to the Government not having an obligation to respond until 2015 [**local government, water sector, delivery body**].

Some felt that the CCC could increase its impact by engaging more with industry (and more widely) following the publication of its reports as there is a gap between advice and implementation, particularly on adaptation [**local government, water sector**]. There was also a suggestion that the CCC engaged better with some sectors than others [**water sector, local government**]. However, there was a question of whether this should be the CCC's role and whether others could or should perform this function [**energy-intensive industry sector, environmental NGO**]. In particular, it was seen as important that the CCC should not stray into 'lobbying' as this would damage its credibility [**environmental NGO**].

Alternative delivery models

Two themes emerged clearly from discussions on alternative delivery models, namely:

- The current delivery model is seen to work effectively, there is no strong rationale for change, and change itself costs money (i.e. 'if it ain't broke, don't fix it');
- Any change in delivery model which compromised the real or perceived independence of the Committee would fundamentally undermine its ability to deliver its functions (and therefore its impact).

Both of the above effectively rule out the consideration of any alternative models. However, there were some more specific points raised in relation to some of the alternatives:

- Moving the Committee to the private sector would raise suspicions of the body having a particular agenda [**insurance sector**], which might in turn affect its status or standing [**water sector**]. If private sector consultants used, risk that they would simply write what they think Government wants to hear (the CCC currently acts as a 'filter' in this regard) [**transport sector**]. But could a private trust (appointed by royal charter) be a viable model [**delivery body**]?
- Risk that Committee would be 'silenced' if brought into Government [**transport sector**]. Suggestion that Cabinet Office might be more appropriate than DEFRA/DECC if moved in-house (particularly for ASC) – but still an issue around independence [**academia**].

- Difficult to think of a suitable alternative body with which CCC could merge **[energy-intensive industry sector, energy sector]**. Merging with another NDPB runs the risk of creating conflict between different roles within the organisation **[transport sector]**. Could potentially argue for inclusion of functions within an existing Sustainable Development body – but SDC has already been abolished **[academia]**. Might there be a role for select committees here **[central government]**?
- Potential role for Environment Agency (re: ASC) but they have a scrutiny/policy role **[academia]**.
- Australia has recently established a very similar framework within its own climate change legislation – so this can be seen as some sort of endorsement **[CCC committee member]**;
- No strong rationale for change now – and we can ask the question again in three years' time **[water sector]**. As adaptation is a long term issue, stability is essential **[delivery body]**. Moving away from an NDPB would give the impression that ministers were seeking to gain control **[energy sector]**.
- A risk associated with all delivery models (including NDPB) that they are reliant on continued funding **[academia]**.

Other comments

There were a range of other comments picked up through the workshops which are recorded here:

- There is always a risk that people (e.g. company boards) 'shoot the messenger' with respect to the CCC's advice **[transport sector]**. A question whether those who dispute the CCC's reports are actually disputing the underlying climate science **[academia]**.
- In order to be credible, the CCC need to develop clear pathways to 2050 – but avoid being too prescriptive **[academia, local government]**.
- Various comments about lack of clarity around role of ASC – or more specifically where ASC role stops and others begin **[academia, environmental NGO]**. Challenge regarding ASC needing to work as part of a community whilst retaining independence **[academia]**.

**CCC Review Team
April 2013**

Feedback from the Government Department 1-2-1s

Interviews were offered to all Government Departments who work closely with, or are influenced by, the Committee on Climate Change. Individual face-to-face interviews took place with representatives DECC, DEFRA, DfT, BIS and HMT. In addition, a joint teleconference was held with representatives from the Welsh Government, Scottish Government and Northern Ireland Executive. Interviewees were given a copy of the stakeholder questionnaire in advance which provided the structure for the interviews and was used as a basis for discussion. Outputs from the interviews are summarised below.

Functions of the Committee

With respect to the CCC, there was a strong feeling from all Departments that the functions of the Committee remain relevant. Indeed, fulfilment of these functions helps the Government with its own credibility regarding its approach to climate change policy, since this generally builds on the recommendations of the CCC. There was also a suggestion that some of the functions are more relevant given the change in economic circumstances, since there is no longer such strong support across the board within Parliament for the aims of the Climate Change Act.

There were no suggestions regarding functions that should be added, although one Department highlighted that the 'matters for consideration' in Section 10 do not include consideration of wider environmental impacts, which would seem to be an omission. Other points raised included:

- Confusion over interpretation of Section 38 (duty to provide advice) – need for clarity on what this does and doesn't cover;
- Need for clarity around Government's role as customers of the CCC's advice. Climate Change Act gives Government scope to give guidance to the CCC, but not clear that this has been used. Would be helpful to understand what this means in practice and whether it could/should be used more actively.

On the ASC, views were less strong although there was a feeling that, if delivered effectively, the functions as set out in the Climate Change Act appeared to still be relevant.

The Committee's advice

Feedback on the CCC's advice varied between Departments. Some were very complimentary about the CCC's analysis, suggesting it is clear, transparent and well supported by evidence rather than assertions. However, others highlighted concerns about the CCC's analysis in a number of areas:

- It is often difficult to replicate the CCC's analysis. This is often due to poor referencing of its analysis in reports;
- The CCC can be inconsistent in its use of data – for example using one dataset to support one argument, and another to support a different one;
- Some of the CCC's advice is based on 'big' assumptions that don't necessarily stack up internationally – for example with respect to the likelihood of achieving a global deal or a particular international pathway.

With respect to analysis at the devolved level, there was a strong feeling that the depth of analysis on devolved policies is not the same as applied to the UK overall, and that as a result the Devolved Administrations were not getting Value for Money from the CCC's advice.

In addition, there was a feeling from nearly all those interviewed that the CCC often strays into 'lobbying' territory when presenting its advice. Whilst this might be down to a desire to push a particular point informed by their analysis, there was a suggestion that this risked undermining the Committee's credibility.

With respect to the ASC, feedback suggested that their advice had at times been less helpful – particularly where the advice of the Committee was seen as more 'scrutiny' than 'advice' – for instance around advice on the preparation of the first climate change risk assessment. It was felt that the infrequent and formal meetings and range of technical issues could make it difficult for some members of the Committee to engage on issues at the detailed level necessary to be constructive.

However, the ASC Secretariat was more able to engage at this level of technical detail and so have a more constructive impact. The quality of annual reports had improved thanks to this engagement.

It was suggested that the ASC Committee membership could also benefit from increased business, implementation and delivery expertise to complement the growing academic bodies of work on adaptation.

Impact of the Committee

Overall, feedback suggests that the CCC does provide effective challenge to Government, and that the presence of the CCC's advice means that the debate on climate change policy takes place in the public domain, which is a good thing. It was also noted that Government has generally followed the CCC's advice to date. However, there was a strong suggestion from a number of interviewees that the CCC doesn't take sufficient account of 'politics' in its advice, for example considering the political landscape within which its recommendations are being made and how this might affect the feasibility of those recommendations.

Whilst some noted that the CCC obviously couldn't go too far in this direction because of the risks to its independence, there were a number of comments that suggested the CCC's advice could have more influence with Government if it took a more collaborative approach to developing its recommendations, for example by testing ideas with Government Departments before making formal recommendations.

Again, there was also a feeling that the lack of focus on devolved policy affects the CCC's influence in these areas.

With respect to the ASC, there was a suggestion that the ASC's reports are only read by the 'adaptation community' and so their impact is limited. Furthermore, penetration of the ASC's work within Government appeared to be fairly low, with limited understanding of or exposure to the ASC's work outside DEFRA.

Alternative delivery models

Government Departments agreed with the overall message from stakeholders that the need for independence in the CCC's advice precluded a move closer to ministers and that therefore most of the alternative delivery models presented did not represent a feasible or desirable option. However, a number of other comments and suggestions were made as follows:

- It might be worth considering something set up in the same way as the NAO (or indeed whether the NAO could take on some of the CCC's functions). Research Councils might also be an option;
- There isn't necessarily a strong need for the analysis to be independent, since this doesn't have a bearing on the advice (and significant technical expertise already exists within Government);
- Whilst the current model may be right, there is a need to revisit the original Concordat which was put in place to guide the relationship between the CCC and Devolved Administrations to ensure the model is working effectively.

With respect to the ASC, there was a suggestion that the need for independence is not so great, and that Select Committees might in fact do a better job of holding Government to account than having an NDPB to do this. However, there was also a feeling that adaptation and mitigation should not be separated any further as this would miss opportunities to exploit synergies.

CCC Review Team
April 2013

Responses to the questionnaire

About the advice the Committee gives

What is your view on the *relevance* to the UK of the jobs the CCC and ASC are required to do (the ‘functions’ of the Committee as set out above), currently and over the next three years?

- As a clear national priority, the functions of the CCC and ASC are extremely relevant as they provide timely, accurate and reliable advice and information that helps the government adapt and mitigate, thereby ensure the continuing health and wellbeing of the UK economy, society and environment. Furthermore, having a respected, independent national body demonstrates our global leadership and expertise on climate science and policy, enabling the UK to influence European and international thinking. The CCC is a credit to the UK’s environmental policy landscape.
- The CCC has particular importance for business members, who rely upon CCC particularly over the issue of carbon budgets and how to ensure a staff and guidance for industry. In the current economic climate, if anything the CCC is now more, rather than less, relevant than it was in 2008.
- The CCC and the ASC are a vital component of the scrutiny of progress against the Climate Change Act. Their relevance is rooted in their expertise and impartiality which allows them to objectively consider the long-term risks posed by climate change to UK interests and aid international negotiations in limiting the risks of dangerous climate change.
- There is continued growth in scientific evidence that climate change is having an increasing impact on the environment, communities and people’s livelihoods across the globe. Within the UK the Climate Change Risk Assessment (CCRA) has identified a wide range of risks and impacts. The dramatic decline in arctic sea ice and many other indicators of global change, along with better understanding of the fundamental physics of climate change, all indicate a continuing and growing need for the UK Government (and the Devolved Administrations) to compile evidence to inform climate policy within the UK and at the EU/international level. Setting and review of targets, reporting on progress and compiling evidence and producing recommendations to inform Government policy are all important tasks which continue to be relevant over the next 3 years.
- Climate change adaptation as an issue is still very young, the first UK legislation targeted explicitly at adaptation was the Climate Change Act 2008. This means that the capacity to deal with adaptation within organisations (and amongst organisations interacting with each other) is still

relatively poorly developed, compared, say, with a more mature issue like pollution control. In these circumstances, it is essential to have a publicly-sponsored independent organisation that has the specific expertise and the critical mass to: (1) take the overview, to see how the “whole system” is dealing with adaptation; and (2) undertake targeted analyses to facilitate progress. Two reports that illustrate these respective activities are: (1) *Adapting to climate change in the UK. Measuring Progress*. ASC Progress Report 2011; and (2) *Climate change – is the UK preparing for flooding and water scarcity*. ASC Progress report 2012.

- These are the right functions to ensure that the Government has comprehensive, independent advice on how to meet its commitments under the Climate Change Act – in assessing the level of carbon budgets, and the policies needed to meet these objectives whilst meeting other social, environmental and economic objectives.
- With global emissions continuing to rise, increasing concern that the target of limiting temperature rise to 2°C cannot be met and extreme weather already having a significant impact on the UK (and overseas), the independent assessment by the Committee (both CCC and ASC) of these issues are increasingly relevant.
- The functions remain as relevant as when set; however, they would benefit from each having specific performance criteria (i.e. clear achievement targets so that annual performance can be more effectively measured).
- Since its founding in the 2008 Climate Change Act, the CCC has been highly relevant to UK energy and climate policy. Indeed this relevance will only increase as the UK moves from target setting and advice to wide-ranging mitigation and adaptation measures. A broad response to climate change will inevitably entail costs – that are borne more heavily by some parts of the economy and population than others – and hence needs authoritative independent advice and monitoring. In our view, the CCC’s advice has met these criteria and been relevant and important.
- The CCC’s job is highly relevant. The principle on which the CCC was created – to remove from political influence the analysis and views on how the UK should mitigate and adapt to climate change – is extremely important to keep in place, particularly at this time when there is little public focus on climate change, or government prioritisation of tackling it. As such, it is essential that the CCC continues to have a loud and independent voice which uses evidence and analysis to advise on sensible measures to tackle climate change at least cost to the UK economy, considering all relevant time periods (i.e. the long term as well as short term considerations).
- This is still essential for the fulfilment of the CC Act, and given the ££ billions required to update our energy system. An independent evidence base is vital and indispensable.

- The CCC and ASC play a highly relevant and vital role in enabling the UK to meet its climate change goals. This role will become even more vital in the coming 3 years as we face the challenges of balancing meeting these goals with other pressures, including energy security and fiscal austerity.
- The ASC function is also essential – the UK will be affected by climate change, and it is crucial that the Government prepares adequately for what are likely to be very wide reaching impacts.
- The ASC plays a crucial role in bringing intellectual rigor to the government's adaptation work, monitoring progress independently, identifying gaps in current policy and providing firm evidence on the potential solutions.
- ASC only: As well as advice, there needs to be a policy coordination function that ensures coherent HMG policy and action on adaptation, both domestic and international. This should encompass domestic policy, strategic planning, foreign policy, overseas aid, etc.
- The ASC's core role should be to challenge Government policy and the policies and approaches of public bodies – e.g. regulators.
- The CCC specific matters remain relevant in the foreseeable future. Does the Committee itself feel the functions are constraining it? If they do they need to say. A focus on international risks to the UK would also be very useful – as these risks are not being considered by most businesses at the moment but are potentially very serious. There is a single more important set of issues for the UK.
- A strategy is needed to deliver the Climate Change Act targets, such as the 2050 80% reduction target. It is not clear whether CCC can offer this, this appears to be for Government through the Carbon Plan, but CCC should provide advice/critique on progress and strategy development.

What is your view on the advice of the CCC and the ASC with respect to the clarity and presentation of that advice and its ability to be understood? (Please make it clear which Committee and which advice you are commenting on)

- The progress reports published by the CCC and ASC are written in a clear, accessible style using Plain English. The reports are well laid out and make good use of figures and diagrams to explain concepts, and are easy to read and digest. Each report has a summary and a number of different formats for downloading, printing or reading online, allowing readers to choose the most appropriate level of detail and most suitable format for their needs.
- We feel the CCC gives clear, comprehensible information in its written reports and presentations. This has been supported by the willingness of

senior CCC colleagues to engage with the Aldersgate Group, meeting with senior members of our board and speaking at Aldersgate Group events, both members'-only and public. Clear channels of personal engagement increase the clarity of the CCC's message.

- Reports are clear at the technical level and easily understood. More work could be done to make the executive summaries accessible to a wider audience. The provision of supporting material, for example, slides has been useful.
- The CCC and ASC analyses are technical, but also extremely high quality and rigorous. Personally, I find the clarity and presentation of evidence to be very good. I find that the CCC and ASC communicate these technical analyses in very clear way. For example, in the ASC's last report they were able to communicate findings of complex analyses on flood and water very clearly using a series of well designed charts and diagrams. I have seen several people drawing on this analysis in other reports and presentations.
- I am not a politician/decision maker. But I have been impressed at the thoughtfulness with which the CCC and ASC have approached their communications. I believe that they are among the best I've seen in terms of providing clear, understandable explanations of highly technical information.
- The reports of the Committee, and in particular their UK reports on progress along with their reports to Welsh Government, have all been presented in a clear, structured, well presented manner. They have been clearly aimed at a policy/political audience and there is a case for attempting to produce a summary that would be more aimed at the general public to raise awareness of the issues. While it is not the Committee's explicit role to communicate its outputs to the public there would be considerable merit in doing so, such that the wider debate on climate policy is informed better by evidence gathered by the Committee. On a related point, the various letters that the chairs of the Committee and the ASC write to government ministers provide a succinct statement of their main points of advice. The ASC's "adaptation ladder" to assess preparedness provides a particularly useful framework for differentiating between adaptation actions and the outcomes that they are intended to achieve.
- The CCC has done a good job of explaining complex scientific, economic and technical analysis in the policy sphere. This is most evident in its advice on the level of the 2050 target and in setting the carbon budgets. A clear example of this is in using complex modelling tools, and distilling down their key insights in terms of the CCC's flagship carbon budget reports. Our conclusions in this respect derive from the fact that the CCC has on a number occasions commissioned the UCL Energy Institute to use variants of its UK and global energy systems models (MARKAL and TIAM-UCL respectively) and has employed multi-regional, macro-economic and

stochastic versions of these tools. The outputs (and limitations) of these analyses have been well explained, and bolstered as required with sectoral modelling (for example of the detailed operation of the power sector or of a consideration of biomass supply chains). In addition to disseminating this modelling output through its flagship reports, the CCC has effectively worked through a range of advisory and stakeholder engagements, including through the UK Energy Research Centre (UKERC), the new whole systems energy modelling consortium (wholeSEM) and the Energy Technology Institute (ETI) to further disseminate its key insights.

- This comment refers to the CCC's reports on setting the carbon budgets and progress towards meeting them. The CCC has produced extremely clear advice on the carbon budgets, and its justification for setting them, in a language that is easy to understand, not just for those working in this field, but for the interested lay reader as well. The wording of reports is simple and clear, and the charts are relevant and clearly presented. The reports are rather long and – although they have executive summaries – it might be possible to explore whether a shorter version of progress reports could be produced, which are more self-contained.
- The CCC provides very clear advice communicated in accessible forms: in presentations, reports and online. It is helpful to have access to some of the detailed evidence and analysis as well as summary documents.
- We have provided data to the ASC for use in their analysis and annual reports. In doing so we have been impressed by the ability of the ASC secretariat to synthesise and interpret water sector information.
- It might be beneficial to think about evolving communication of the CCC and ASCs work in the light of scientific progress since the CCC was set up, to recognise more clearly the opportunities afforded by a low carbon future against the backdrop of current economic pressure.
- Not many stakeholders, even now, fully appreciate that the CCC is not essentially a forward looking organisation. It rather takes a desired point/outcome for the future and backsolves to generate a 'solution'. It then fails to fully reconcile this backsolving with a realistic forward view of the world. This required, for example, a decarbonisation rate of the electricity grid based on rapid deployment of nuclear power, which then justified the widespread roll out of electric vehicles, neither of which has happened.
- There is still a significant amount of confusion out there so care needs to be taken to ensure advice and reports are understandable to a wide audience. For example we shouldn't underestimate the degree to which people still confuse adaptation and mitigation.
- As a stakeholder some of the messages from the CCC and ASC are hidden in jargon and imply at a times a level of certainty that is not there. Make the information accessible and understandable to a wider range of

stakeholders. I think the committee should not be afraid to expand its remit as it thinks necessary to answer questions it identifies as part of its work.

- I would like to see contained in the budget reports an explicit clear summary recap of all targets, government position and progress. Currently this information is buried across reports
- At a high level, the separation of the CCC and ASC might be helpful simply to aid clarity.
- The ASC should not be subordinate to the CCC. Adaptation is a critically important issue for HMG and for the UK more broadly. It is even worth considering whether separate, equal structures should be set up for adaptation and mitigation.
- Generally very high. Occasionally some of the numerical analysis isn't transparent but usually much better than Govt reports.

What is your view of the CCC and ASC with respect to the *credibility and transparency of its analysis and advice*?

- The advice and analysis provided the CCC and ASC is credible and transparent because it is produced by experienced and respected experts in their field, including leading consultancies and academic institutions. All of the contributors to reports and analysis are acknowledged so you can easily check their credentials. It is peer-reviewed by a wide range of relevant experts, again these are acknowledged so you can check their credentials. It is well referenced with good citations and links to supporting evidence from leading international institutions such as the Met Office, NASA and IPCC. Organisations such as regulators and businesses are consulted with to inform an accurate and complete picture.
- The CCC's independent status gives credibility to its work and is a highly trusted source upon which we and our members base our discussions with Government.
- Committee members are all highly credible.
- My view of that the analyses and advice of the ASC are extremely credible and transparent. All background data analyses are published on their website, including source data (where not restricted by commercial confidentiality).
- As an international stakeholder, I can assert that the ASC and CCC are viewed as highly credible, transparent brokers of climate and energy-related information and I appreciate the opportunity to collaborate with such knowledgeable and professional groups.

- The CCC's advice is very credible and authoritative because the evidence-base and analysis drawn on is robustly tested and is open to scientific, academic and public scrutiny, and because the CCC is independent and perceived to be independent.
- The CCC is highly regarded in terms of its outputs, as a result of its capacity to initiate credible and meaningful research and novel studies, and its in-house expertise to understand the results of this commissioned work.
- The overall credibility of the advice is high (referring to the CCC, for which I have knowledge, rather than the ASC). However, there is still a reliance on many of the models and modelling techniques used by the Government over the past decade – MARKAL and MAC curve analysis. These analyses are not so easy to understand for the lay reader, nor even some more experienced analysts. In addition, there are well-known limitations of models such as MARKAL. Whilst the CCC does an admirable job of placing caveats on interpretations from these models and setting out how its advice is arrived at from several perspectives, there could be more analysis on the impact of uncertainty (with respect to technology pathways or costs). The CCC could also reasonably have taken the time since its inception to develop its own models rather than relying on external consultant models.
- There is a very high level of transparency in the CCC's analysis – for example in the technical annexes posted on their website.
- Being based on demonstrable evidence provides both credibility and transparency to the advice. This form of analysis is vital, and should continue.
- Generally very good. As stated above, with some of the key numbers for policy it can be hard to know where they have been derived from. Although the staff are also helpful on enquiry. One issue could be that the understandable focus on economics mean that an engineering 'sense test' might be useful in some contexts.
- The ASC has very successfully backed up its advice with the targeted use of specific indicators. A good example is their 2012 progress report *Climate change – is the UK preparing for flooding and water scarcity*. This dealt clearly with the link between the Environment Agency's advice on planning applications, and whether the local authorities followed this advice. It is also very useful that the ASC has applied cost-benefit analysis to adaptation actions. This has enabled the ASC to identify low-regret adaptation actions in their 2011 progress report *Adapting to climate change in the UK – Measuring progress* and could be seen as part of a starting point to a prioritised cost-effective adaptation programme.

- The CCCW believes that the CCC is very credible but, with reference to transparency, the relationship with Welsh Government and the scope of influence that CCC has is unclear.
- It is vital that UK Government continues to receive impartial scientific advice from internationally recognised experts that the CC provides. Their expertise, recognised by peer-review publications, is a key part of the committee's credibility and transparency.
- It would be beneficial if the Committee worked more closely with GO-Science and CSAs across Government to add further weight to the scrutiny of the evidence base and guide how that base could be used best to inform policies to mitigate the impacts of climate change.
- Industry and CCC should have very similar desires in terms of planning the future trajectory to meet the legal CO₂ reduction targets, at least after the next decade where it becomes less political. It is therefore important to investigate thoroughly to understand the reasons if there is a significant divergence of opinion between CCC and industry.
- Credibility will be much improved by providing full opportunity for stakeholders to review CCC papers before and after publication (and for trade associations to consult members on drafts). Perhaps a consultation period should be built into each project plan to allow 4-6 weeks after the official launch of the report (v1) for stakeholder comments and additional evidence. Then CCC could review the new information and adjust the final report if there are significant changes (v2), or at least issue an addendum listing other significant information.
- In relation to credibility, I did not come across many who bought into the assumptions about new nuclear deployment rates, and one must recognise that, in general, it was never going to be any of the 'Big 6' who would support the required investment.
- More specifically in relation to transparency the CCC were very selective and limited in who they contacted within the renewable energy industry for the Bioenergy Review, and any such contact was at a late stage in the development of the report. This applies specifically to the interface with the biofuel sector. Thus the transport biofuel stakeholder session was held, with about two weeks' notice on 9th November 2011, just before the publication of the Bioenergy Review on the 7th December 2011, and thus did not constitute a meaningful consultation. Thus, the review omitted to recognise:
 - The benefits of co-products from certain biofuels in ILUC mitigation.
 - That IFPRI modelling was the basis of policy assessment by the European Commission, and yet did not use them in their conclusions and analysis.
 - The role of food and fuel crops such as sugar beet, and wheat.

- That present UK policy does not prevent 'energy crops' being grown on arable land that could otherwise be used for growing food and feed crops in rotation.
- Earlier consultation or, even better, active engagement would be desirable as some of the data and the uses to which it is put – or the precise way it is presented – could be improved. For example:
 - The sources of information are made transparent but in some areas consultants have been used and their work is often not subject to peer review.
 - The interpretation of the data can sometimes be questionable.
 - Active engagement with stakeholders would add value to both these areas and add strength to the credibility of analysis and advice.
- Again, with respect to the UK reports on progress along with their reports to Welsh Government (WG), the Committee has a very high level of expertise that is able to synthesize evidence to provide a fair analysis and clear policy advice. They have also sought advice and input to their WG reports through presentations to and discussions with the Climate Change Commission for Wales (CCCW), along with subsequent follow up by e-mail and phone. Issues raised by CCCW in relation to the Welsh reporting have been discussed and addressed in an open manner that informed the final reporting. The Committee has always maintained that its recommendations on carbon budgets will enable the UK to play its part in emission reductions to avoid a high risk of exceeding a global 2 degrees threshold. However, other independent academics such as the Tyndall Centre for Climate Change Research have questioned the scientific validity of maintaining that the carbon budgets are compatible with achieving the reductions to meet the 2 degree goal. Given the lack of global progress on emission reductions the Committee should re-evaluate its position in relation to the feasibility of achieving this goal and evaluate the implications of not doing so.
- We understand the need to sub-contract external expertise for particular areas of work. In fact such work may be necessary and should not always be subject to budgetary constraints in order that the CCC can provide analysis of sufficient value. However, where the CCC re-analyses such studies for its annual reports e.g. re-working marginal abatement cost curves, additional clarity on this re-analysis would be welcome.
- We wonder whether both CCC and ASC have sufficient expertise across the broad range of sectors of the UK economy e.g. there is no Committee member or member of staff which has detailed knowledge of the agriculture and land-based sectors.

- There is scope for more discussion about the resilience of the data and the variances – particularly non CO₂ GHGs.
- It is not entirely convincing, to highlight one issue in particular, that the CCC has assessed all of the challenges of arriving at an electricity system of generation intensity below 50gCO₂/kWh (and as low as 10gCO₂/kWh) beyond 2030, given how load-balancing/peaking gas plants would perform with and without CCS in such a situation.

To what extent do you feel the advice of the CCC on carbon budgets adequately takes into account the other factors as set out in Section 10 of the Climate Change Act? (These are the factors set out in the introduction on the previous page)

- The CCC advice does take into account the factors set out in Section 10, and sets out its advice in a very transparent manner.
- The CCC's analysis is of a very high standard. In our view it is doing an excellent job of providing strong advice, on very limited resources. The response to climate change is fundamentally a political one – what risks should society take, how do the costs of action stack-up against the costs of inaction. We believe that the CCC's advice leads to a too high level of risk for humanity. Their analysis and budgets are based on action which will cost the UK "1-2% of GDP in 2050", and will lead to a likely 56-63% chance of exceeding two degrees, and a roughly 10% chance of exceeding 3 degrees. These are high percentages for temperature rises Governments have said we must avoid; temperature rises with extremely unpleasant and dangerous impacts.
- We have found the CCC's work on economic and energy policy particularly useful.
- We have observed many of the factors set out in Section 10 of the Climate Change Act, (as listed in the introduction to this consultation) within the CCC's reports on carbon budgets. The methodology seems comprehensive and logical, although we are not experienced in setting national carbon budgets so cannot comment in more detail on the effectiveness of the CCC's methodology.
- We think it does take them into account and we are seeing it happen more as the Committee does more work in the specific areas. Perhaps they should have some form of checklist that for advice says how the areas have been taken into account.
- I feel they generally do well. However I would be concerned if any of the above factors were to be used to distort the CCC in its prime purpose of addressing emissions and climate issues. I believe strongly that fuel poverty is primarily a function of poverty, not of energy policy, for example.

- By setting out the potential implications on fuel poverty of policy measures, examining impacts on costs and effectiveness e.g. through use of Marginal Abatement Cost Curve analysis and a combination of quantitative and qualitative analysis relating to economic and social implications of policy recommendations the Committee has provided good coverage of other factors.
- CCC's carbon budget reports do have this breadth. Climate and energy analysis is an inherently interdisciplinary topic. A clear scientific basis is essential for appropriate scale of action in both mitigation and adaptation. A systems approach to any energy and carbon transition inevitably requires economic, technological and social factors to be considered including the timing of action and the rate of these subsystems to change. The CCC has been careful to consider in detail the UK implications of both the economic and social implications of the emissions reductions it has recommended. However, in advising the UK Government (a G20 nation, but still only accounting for 3.5% of global GDP), it has also taken into account international developments on resources, technologies and emission pricing and other policies.
- We cannot comment extensively on points 1-9, though would like it noted that with regards to Science the committee takes a broad, inclusive and impartial view of available scientific literature and through its capacity and expertise keeps itself up-to-date with the relevant emerging issues.
- The CCCW feels that the advice of CCC on carbon budgets broadly takes into account of this advice the factors set out in section 10 of the Climate Change Act; however, we feel there is an opportunity to provide more information on the performance of Devolved Administrations.
- They are all taken into account in my experience. Of course, one can argue about the weighting to be given to the different criteria. But the primary job of CCC is to advise on compliance with CC Act
- It is important to understand the difference in starting point between CCC and industry. CCC's approach is to develop scenarios to achieve the targets by reverse engineering from where we need to be in 2050. The industry, on the other hand, operates in an existing market and the market transformation required will only occur if the appropriate drivers are in place. This is an important difference and will affect how credible and useful CCC's analysis is for business decision making.
- The CCC will probably have to take more account of energy security in the future. This should be based on forward looking scenarios.

- The CCC set out a role for the UK which appropriates more than a reasonable share of the world's carbon budgets, which by corollary implies lower shares for other countries, particularly developing countries.
- This combination of high risk of exceeding two degrees and generous assumptions around the UK's share of global carbon budgets mean that the CCC's advice, in our view, underestimates the scale of climate change mitigation required in the UK.
- The original report in December 2008, "Building a low carbon Britain", which proposed the level of the first three carbon budgets as well as the 2050 target, took into account each factor in a systematic way. The follow up report on the fourth carbon budget, December 2010, had a less detailed treatment of security of supply, as well as no new macroeconomic modelling to show the overall economic impact of the budget including any second-round effects which account for the adjustment in household and firm behaviour resulting from changes to energy and other factor costs. There remains a question over the extent to which the CCC has dealt with industry concerns on the total increase in energy costs resulting from climate policy and how these would affect industrial competitiveness, particularly where production losses and firm closures are concentrated in particular regions. Hopefully a forthcoming report on this issue should deal with this adequately.

Impact of the Committee

To what extent do you feel the CCC and ASC provide *effective challenge* and drive changes as a result of their advice?

- The CCC and ASC appear to comprehensively fulfil their statutory duties, providing clear advice and guidance to government. It is the policy makers in government, and their agencies which then have the statutory remit to drive change, as a result of the advice provided by the CCC/ASC. In some cases this advice appears to have been applied, however there is always scope for greater evidence-based policy making.
- CCC provides advice to government, which is also made available to other organisations; this provides a uniformity of data that is very valuable: a common point of reference for all stakeholders.
- My view is that the CCC and ASC do provide an effective challenge and drive change as a result of their advice, given the constraints they are under. For example, the ASC has been successful in raising the bar of the analyses on impacts and adaptation done by DEFRA as part of the NAP, and ensuring their work reaches the highest standards. However, the ASC and CCC are constrained by their relatively small size and political weight, and intergovernmental politics.

- Pretty good. Although there are clearly enemies in Government of tackling climate change, they do not have the level of robust analysis that CCC has achieved and consequently their influence in political and (most) media circles remains strong
- CCC provides effective challenge. ASC is starting to show effective challenge, but it is not in a position to do this to the full extent until the NAP has been published and it starts to monitor progress.
- The committee has proved effective on issues such as deciding the level of the fourth carbon budget.
- CCC has obviously been effective in as much as govt has accepted carbon budgets etc.
- The committee could prove to be even more effective in reviewing the CCRA if they were involved in all phases of the programme, e.g. review the design of the next programme and progress with it as well as outcomes.
- The CCCW values the advice given by CCC, in particular the reports and recommendations the CCC makes. It would be good to see more account taken by the Welsh Government. The advice needs to be filtered down, especially to local government, but also beyond to other reporting authorities.
- The Committee have clearly set out their policy advice and options for WG and this has definitely informed decision-making during the development of the Welsh Climate Change Strategy (which the CCCW helped to formulate). The advice of the Committee has also significantly informed the opinions of the CCCW and its independent advice to WG. Equally, in its January 2013 progress report to Welsh Government the ASC mirrored the CCCW Adaptation Sub-group's advice that Welsh Government should prioritise completing its sectoral adaptation plans over the coming year.
- It also seems clear, that the Committee's advice has influenced UK Government climate and energy policy. So while not all recommendations of the Committee have been endorsed and adopted, its advice has significantly influenced Welsh policy and the climate change response of WG and its agencies.
- CCC provides a point of reference, but it is important to be clear about what is fact, how important the sensitivities are and at what point CCC is making assumptions or stating opinions. Does CCC tour Whitehall with their reports to help Departments take on the relevant parts and to leverage the CCC's outputs. Added value of CCC will surely come from selling the messages, perhaps tailored to each Department or sector, rather than just publishing and leaving others to seek out the relevant information.

- The CCC and ASC are essential in the current debate on setting clear targets, prices and policy for business to invest in mitigation and adaptation strategies. Businesses repeatedly call for a clear investment landscape. A key element of this work is in the CCC's progress reports on mitigation (and adaptation) and its assessment of the impact on emissions of the economic slow-down and recession compared with that of policy in achieving a technological and social transition to a low carbon economy. This is especially important in light of the fiscal and economic challenges the UK is currently facing, and the need to ensure policy is undertaken cost-effectively.
- It is really too early to understand the effectiveness of the ASC, as adaptation plans and policies have yet to be fully developed. The key role of the ASC should be to challenge and improve government plans on adaptation and provide credible, independent progress reports. The success with which it achieves these should be the core measure of its effectiveness in the future.
- ASC only: impact is limited because it does not have a policy coordination function (which is needed). Ideally, this policy coordination function should be located at the centre of government (Cabinet Office/Treasury).
- At a practical level, in their 2012 progress report *Climate change – is the UK preparing for flooding and water scarcity*, the ASC very usefully provided a summary of indicator availability and indicated areas for data improvement. Adopting their advice in this respect will help the UK Government and Devolved Administrations to plan their adaptation programmes based on firmer evidence.
- We understand that the ASC's reports will be a major influence on the forthcoming National Adaptation Programme.
- What we are unclear on is whether there is a really "effective challenge" and "changes" happening as a result of the advice. Just accepting something is one thing, accepting it and seeing it delivered is the test.
- Trouble the Committee has is how much challenge can it be expected to deliver under its mandates of "advice" and how receptive Govt would be to challenge rather than advice.
- To some extent it is too early to answer this question. I am disappointed by UK overall progress towards its objectives.
- The CCC's guidance about the policies needed to meet carbon budgets, does challenge politicians committed to meeting Climate Change Act targets to take the action needed, and it is challenging for politicians who seek to undermine the Act.

- The CCC's annual reports on progress are a clear assessment of the current weaknesses and strengths of UK climate policy, and put a strong spotlight on the areas where further progress are needed.
- Other CCC reports also provide much needed clarity on some issues which are often controversial in the media – for example their recent report into the impact of policies on energy bills.
- Whilst the challenge to government and others on such issues as accounting and economics is strong, there could be more engagement and dialogue with those involved in biophysical sciences regarding such issues as land use planning and the irreducible minimum GHG emissions that occur from unmanaged and managed land.
- Whilst the ASC reports are challenging in their conclusions, without obligatory application they may not be taken seriously. It is important that the Local Government Association and Government take their advice on board and require local authorities to implement accordingly.
- In the first few years of the CCC's work, it provided a high profile and effective challenge to the government, particularly with regard to carbon budgets. The challenge provided by some other reports, such as the UK's innovation challenge (July 2010), may not have been so great. There is a fear that the overall effectiveness of the CCC is now tailing off somewhat. This is dangerous, particularly given the sense that DECC's own attempts to develop low-carbon policy are falling on deaf ears in the Treasury (and some recent reporting that DECC will eventually be absorbed back into the Business department).

Who do you think is influenced by the CCC and ASC's advice and in what ways is the advice used in practice? Does its influence extend beyond Government?

- The advice provided by the CCC/ASC is primarily intended for government and its agencies, as per its statutory duties laid out under the Climate Change Act. This advice has knock-on effects, filtering through into policy which affects our sector.
- We believe that the ASC's advice is valued and has an impact on both Government and beyond. The latter is demonstrated by the water sector's desire to involve the ASC within industry projects and to keep them up to speed with sector developments to ensure they are fully informed when making recommendations in relation to water. This is clearly a two way process as not only does the ASC enhance its understanding of the water sector, but the water sector improves its understanding of the ASC's ideas and recommendations. As for impact on Government, it was noticeable that many of the messages which the ASC were championing in relation to the

second round of adaptation reporting subsequently came through into the DEFRA consultation.

- Yes, definitely. For the business community, the CCC is probably the most respected and authoritative voice on the economic impacts of climate change policies. It provides the independence and consistency that Government sometimes lacks and provides the foundation from which businesses and other stakeholders can push Government for better, more consistent environmental policy.
- More directly, CCC/ASC publications are well respected within the water sector and close relationships have been developed with the CCC/ASC. The CCC/ASC publications also seem to gather positive national media attention with feature articles in most national broadsheets soon after they publish reports.
- In addition to influencing UK Government and DAs, the advice has very substantially informed the thinking of the CCCW and its members (including the former CCW and EAW). The Committee has been represented at Commission meetings by a member of staff of the Committee and the Commission has also met with the Chair of the Committee to further cross-border collaboration. To date, the interaction with the ASC has been limited. However, discussions have taken place with the ASC secretariat and it is intended that collaboration should be developed further through the CCCW's Adaptation Sub-group. The advice of the Committee has been a valuable resource for both the CCW and EAW to inform our climate change related work.
- CCC has active and in depth consultation. Those that have been consulted actively seek out the results and act on them. Not clear if this extends beyond those with a strong interest.
- It is clear that the CCC and CCCW have complimentary roles. The Committee has the capacity to undertake authoritative expert analysis. Through its sub-groups CCCW can also undertake some analysis, but it's greater strength lies in the process of building consensus to address climate change and disseminating information through its networks. There is a case for strengthening the collaboration between the Committee and CCCW to compare the effectiveness of the contrasting and varied policy measures across the UK. Such a comparison could usefully examine the relative importance of specific policy measures.
- Industry and Government alike can use the CCC's reports to illustrate the direction of travel. SMMT invited David Kennedy to present to its Executive Board (of MDs of automotive companies), which certainly made an impression on them.

- DECC, DfT, and DEFRA are the main Gov departments that note this advice, and then develop policy guidance. E.g. through the publication of the Bioenergy Strategy. For industry it is Government policy which is important from an investment and business impact perspective.
- Influence on improving the CCRA was very positive.
- It remains unclear to us what impact the Committee and sub-committee are having, particularly 'behind the scenes'. It might be helpful to communicate this more, for example how often the committee is called to advise ministers or select committees on climate change issues.
- Beyond Govt we think the influence is probably very variable depending on sector and subject area. This is inevitable. Greater engagement with other stakeholders might open opportunity for extending influence beyond Govt.
- I regard the CCC as the prime source of reliable information and estimates on the UK response to climate issues and the potential directions of UK policy.
- For the ASC, I have seen influence strongly at DEFRAa in particular, where they have played an important role in ensuring rigor and high quality outputs. I am also aware that other departments, such as DFID and the EA, have sought their expertise on adaptation planning. They are very highly regarded for their intellectual rigor and concise policy-relevant analyses outside of government, in academia, industry, NGOs and across the EU.
- Those of the CCC and ASC have certainly positively influenced our actions and activities in the United States. Particularly on climate change adaptation, we frequently hold activities and actions taken in the UK up as examples of approaches we should consider in the US. Having participated in international adaptation-related meetings, I believe that this sentiment is shared in many countries that are dealing with the challenges and opportunities presented by global environmental change and its local/regional manifestations. While the CCC and ASC cannot take credit for this reputation, I believe they are one of the organizations in the UK that's doing an excellent job of communicating what the UK is doing to the rest of the world.
- ASC has influence beyond government, although largely within the specialist community.
- The advice influences:
 - Government – To inform policy decisions, and to underpin political commitments to ambitious action.
 - The opposition – To hold the government to account when they take insufficient action.

- Local government – To understand local authorities' role and steps they can take to help meet Climate Change Act commitments .
- Foreign governments – To understand the scale and type of UK action on climate change. The CCC also serves to demonstrate the UK's commitment to implementing the Climate Change Act spanning different government administrations.
- NGOs and civil society – To inform our understanding of progress in cutting carbon and the policies needed to meet carbon budgets. This helps us to play our role of holding government to account. It also helps us to evaluate the likely social impacts of decarbonisation and to mobilise pressure for a fair and planned transition.
- Business – To provide certainty about the trajectory of carbon reduction and the likely measures they will be required to take – which is essential for investment decisions.
- Media- greater clarity and accuracy in media reporting
- The ASC's advice is particularly relevant for local authorities (e.g. the reports on land use planning and flooding).
- The CCC clearly has an important statutory role to play vis-à-vis the UK Government. Outside Westminster, the CCC heavily influences the whole political debate and business climate on matters relating to energy and climate policy. As academics, we have also appreciated the CCC's role in using research (such as through energy system modelling) to generate evidence to support and underpin policy-making, and in feeding back the results of this research to the UK academic community.
- DECC. Other parts of Govt. media. Energy professionals – analysis is used as reference point as often more detailed/credible than anything else.
- It is difficult to know if the CCC's advice is influenced beyond UK government. Clearly the strongest influence from the CCC's advice has been in helping to set a challenging fourth carbon budget.

Overall, what do you feel is the impact of the CCC and ASC's advice and do you feel it has its intended effect?

- The CCC and ASC fulfil a valuable and necessary role in providing expert impartial scientific advice to government to enable evidence based policy making. We feel that the CCC and ASC set a constructive and reputable tone to the climate policy debate which is very valuable.
- The CCC's work:

- Provides confidence to companies on climate change issues – for example, the role of carbon budgets.
 - Smooths out lurches in policy, which is destabilising for industry and harms investment.
- CCC advice is part of the commercial landscape within which industry operates, so has an impact on the quality and quantity of climate change mitigation and adaptation.
 - The CCC's and ASC's expertise and advice is critical to the fulfilment of the equally vital obligations of the Climate Change Act. Their advice impacts strongly on both the scientific community and policy officials.
 - There is a particular aspect of the adaptation agenda that the ASC might reflect on. A large part of our collective resilience lies not so much on individual organisations taking single actions but more on how all organisations in a particular place are joined up. In Wales, for example, work is being undertaken with Local Service Boards (LSB's) comprising various local public service providers. In assessing how adaptation is proceeding in different parts of the UK, and at different levels, it might be useful for the ASC to engage more in evaluating the process of adaptation. In Wales this could be achieved through the planned collaboration with the CCCW Adaptation Sub-group. Such engagement might reveal particular points where the ASC could advise to good effect.
 - Impact is linked to credibility, so refer to comments above about the need for transparent stakeholder review and consideration of the current market as a starting point.
 - Very positive. It remains to be seen how committed the government will prove to be as some of the more difficult issues come to the surface.
 - Both the CCC and ASC have had a significant positive impact in forcing the government to raise the bar in its evidence-based policymaking, bring added rigor. Another key impact is that the committees are not afraid to tackle the key issues, that government can sometimes ignore (or wish to reduce focus on for political reasons – e.g. the fact that UK planned investment in flood defences is below that indicated by the EA to maintain risk levels). I believe this is sometimes seen as challenging by some government officials and politicians, but by focussing attention on key issues the ASC and CCC benefit the UK society and economy. A further positive impact is to help maintain the continuity of policy and the UK's climate change objectives throughout political cycles.
 - The Committee has played an important, in many ways unique, role in bringing together evidence in relation to the setting of carbon targets, reviewed progress in their achievement and provided advice in relation to climate policy both in terms of mitigation and adaptation. The Committee

has provided the CCCW with an invaluable source of independent advice and the interaction between the two bodies has been very productive in informing Welsh climate strategy through the requests for specific advice that the Welsh Minister has submitted to the Committee on each occasion. It is clear that the Climate Change Committee and the Climate Change Commission for Wales have complementary roles. The Committee has the capacity to undertake authoritative expert analysis. Through its sub-groups the Commission can also undertake some analysis, but its greater strength lies in the process of building consensus to address climate change and disseminating information through its networks. There is a case for strengthening the collaboration between the Committee and the DAs to compare the effectiveness of contrasting and varied policy measures across the UK. Such a comparison could usefully examine the relative importance of specific policy measures and the overall adaptation framework within they are introduced.

- Overall the CCC has had a powerful effect of supporting the implementation of the Climate Change Act spanning different government administrations and political contexts. It has been central to underpinning a relatively high level of certainty about the scale of UK decarbonisation and the pathway to achieve it. Its neutrality and independence are essential to be able to perform this role effectively.
- CCC and ASC have raised awareness of the issues. This is important and it has provoked action within government and across the UK economy
- The ASC's advice would have greater impact if Government (and the Local Government Association) were to emphasise the importance, relevance and applicability of the advice.
- Too early to judge the ASC – this will only become clear once government has published NAP and ASC starts to monitor it. All the signs are good however. CCC has had an impact e.g. in setting emissions reduction targets.
- The CCC's advice and statutory reports play an essential role in enabling UK policy makers to formulate effective, and cost-effective, mitigation and adaptation responses to climate change.
- Overall the CCC's carbon budgets advice has had the intended effect and has set a usefully challenging level of fourth carbon budget in line with keeping the UK broadly on track to meet its 2050 goal at least cost.
- It has the effect of showing that analysis of economics within the frame of reference of emissions reductions is perfectly possible, and that the impacts are reasonable.
- ASC only: As well as advice, there needs to be a policy coordination function that ensures coherent HMG policy and action on adaptation, both

domestic and international. This should encompass domestic policy, strategic planning, foreign policy, overseas aid, etc.

- ASC only: impact is limited because it does not have a policy coordination function (which is needed). Ideally, this policy coordination function should be located at the centre of government (Cabinet Office/Treasury).

Alternative ways of delivering the functions of the Committee

As part of all Triennial Reviews, potential alternative models for delivering the functions must be considered. These include:

1. Abolish
2. Move out of Central Government (e.g. to voluntary or private sector)
3. Bring in-house (e.g. to an existing part of the Department of Energy and Climate Change (DECC) or Department of Environment Food and Rural Affairs (DEFRA))
4. Merge with another body
5. Delivery by a new Executive Agency
6. Continued delivery by an NDPB

What do you see as the benefits and risks of delivering the functions of the CCC and ASC in these alternative ways? In particular, do you view any of these methods of delivery as beneficial, and why?

1. The CCC must at all costs not be abolished.

Abolition would be ridiculous as well as illegal. Needs to be independent of Govt to not be subject to charge of political interference. No other body seems remotely similar or engaged in same area of analysis so no other body seems suitable for merger. I have no view about whether NDPB or Executive Agency would be better model as don't understand the difference sufficiently.

Would be unfortunate – we'd lose helpful evidence, a robust independent voice and the advice to Government.

The ASC and CCC should not be abolished – they play a crucial role as outlined above. Also, they should not be brought in-house, as their usefulness comes from their independence. They should not be moved out of government as this would mean that they lose political weight.

I do think the Committee's work is essential, and therefore do not think abolition should be considered a viable option.

Given the importance of the advice delivered by the CCC and ASC, we do not support either committee being abolished. We feel this would send a negative message at this early stage in our national preparation for climate change. The UK enjoys a positive international reputation as the first country worldwide to enact a Climate Change Act with legally binding carbon targets. Abolishing the

CCC/ASC would tarnish this reputation and send the wrong message to those nations which we are seeking to influence in terms of global treaties and agreements.

2. If a consultancy were hired to do the work of the CCC, it would risk facing a conflict of interest in critiquing the Government, which also funded its work. There is a risk of the quality of work being compromised. Further more although there would probably be a short-term financial gain from this change, the longer-term might see greater expense.

Would lose the independence of the Secretariat and Committee to vet project scope, aims, to weigh up evidence and filter results. Therefore CCC would lose credibility and impact.

Would be likely to lead to advice and challenges being ignored and probably wouldn't be any cheaper – but is anyone questioning the cost of the CCC? There are already some other organisations in this space.

3. Independence is one of the CCC's most valuable attributes, to Government and to external stakeholders. If made part of a government department there is a risk that the body could be subsumed into the larger body, particularly since they would be answerable to a minister.

No particular comment on what type of delivery method should prevail. Nevertheless, whatever the delivery method, it is vital that the work remains independent from Government control, i.e. should remain at arm's length.

The existence and the independence of the work of the CCC and ASC need to be maintained. We do not see how this role can be bought in-house.

I can confirm that I support the independence of the CCCASC from DEFRA as an essential element of the work of the group. As we know staff rotate very quickly in Government departments and knowledge is often lost and as such the committee acts as a challenging check/balance. However, it is difficult to gauge exactly how the Government actually takes the advice provided by the CCC and ASC into account.

Option 3 & 4 would likely lead to losing the key benefit of the Committee and could lead to loss of the quality independent members?

As an international stakeholder who works for a similar entity in the United States, we have found it both valuable and challenging to be arms-length from the Federal Government in the performance of our duties, particularly with respect to impact assessment.

Monitoring progress and advice on target setting is core to the committees' jobs. It is essential that they are both independent and expert. It is very good that they report to parliament. They should not therefore be brought in house to a government department. An executive agency also seems too close to government. Given that the committees have a statutory remit, an entirely voluntary / private sector basis seems a little strange: there is a risk of them being seen to be partisan lobby groups; any funding other than public funding would run the risk of (real or perceived) bias.

The long term issue of decarbonising and adapting at least cost is too important to bring into a government department and make subject to political whims. A voluntary or private sector organisation is unlikely to have as powerful an impact, in terms of laying reports before Parliament and forcing the government to consider and debate carbon budgets.

4. There is no obvious NDPB into which the CCC would naturally fit. A merge would only make sense if a combination of expertise facilitated financial savings. In the absence of such a body, we recommend against.

No advantage and potential conflict of interest for a body like Environment Agency as a regulator.

In principle merger with another NDPB body is not a problem, but I can't think of one that is quite right and I cannot see any potential benefit to outweigh the costs and disturbance merger would entail.

Merging with another body would dilute the advice. There is potential merit in having an independent climate and energy committee, but the CCC necessarily has to cover energy policy in order to provide credible advice. It is not clear to me what an Executive Agency would do that an NDPB wouldn't.

5. An executive agency would be accountable to ministers, representing a halfway house between the current system and wholesale amalgamation of the CCC into a government department. We would argue that this move would carry political risk, as external stakeholders could view this as tinkering, or an attempt at imposition of ministerial control. It is difficult to see what value this option would offer.

This would mean being accountable directly to a Minister.

Option 5 and 6 would both enable the committee to carry out its core independent challenge role but then why have a new Executive Agency (and all the associated costs, loss of momentum etc) when the current NDPB approach is functioning well and can be improved? Stick with current, take on board comments.

There could be merit in exploring bringing the activities of the CCC/ASC and those of Climate Ready together as the CCC/ASC provides advice to

government and Climate Ready provides advice to businesses and other organisations. However we feel this could potentially bring a great deal of disruption and expense for little tangible benefit.

6. We would welcome this option. The CCC makes Government accountable. Any change or apparent attempt to compromise or water-down the CCC's remit would risk triggering a talent drain from the organisation, whilst compromising its independence.

We believe the CCC has made a very positive start establishing itself as an independent authority on the scope of its work which is built on objective assessments supported by robust evidence. We would very much like to see the CCC continue in this role.

The current model is working very well – the CCC is a well-respected, independent, neutral, authoritative body which is providing high quality, transparent, comprehensive advice essential to the effective delivery of action on Climate Change.

Our preferred option would be the continued delivery as NDPB. We feel this works well as it allows independence, which we value, and allows for a more free engagement with non-governmental organisations, including businesses such as ourselves. We also feel this option would be the least disruptive to the activities of the CCC and ASC.

I can see no merit in any of the alternatives. Abolition would in my view be disaster. Voluntary or private sector would weaken credibility and lose expertise now built up

The CCC is vital. It ensures that the legally binding obligations of the Climate Change Act are addressed across Government in a scientific and impartial manner. It needs to retain its independence from both government departments, to ensure its scope and visibility are not lost, and external vested interests (whether business or NGOs). There is no need for its work to be delivered by a new executive agency. We recommend delivery to continue as is.

In terms of the proposals of potential alternative models for delivering CCC's functions, we would like to see the CCC to continue as a NDPB. We need a body able to deliver clear messages on strategy, but the CCC also needs a greater role in delivering to Devolved Administrations – at the same level as it delivers to national government.

The scientific evidence relating to climate change impacts provides a strong case for continued delivery of the functions of the Committee. It is considered that the high level of expertise within both the Committee and ASC and the Secretariat is essential for the delivery of the functions. There would be governance concerns in terms of the independent advice provided if it were to be provided by the voluntary sector, private sector or in-house. In addition,

there would be a high risk of losing some of the capacity and capability to deliver the advice. The continued delivery of the advice by an NDPB would avoid the risk of loss of either capacity or independence. It would also ensure that advice provided in the future is consistent with that provided in the past. If circumstances arise to change that advice, then a clear audit trail would provide a transparent explanation of why this had occurred.

In any event, its existence is a statutory requirement. S32 of the Climate Change Act states that “There shall be a body corporate known as the Committee on Climate Change”. Abolishing it is therefore not an option that is available in real terms, underlining the essential role that the CCC plays in delivering on the CCA. In addition, the reference to the CCA as a “body corporate” means that it has its own distinct status as a legal entity, with a structure as set out in Schedule 1 of the Act, requiring a particular membership etc. These statutory requirements would create real difficulties for any proposal that the CCC be brought in-house, merged with another body or indeed exercise its functions in any way other than that in which it is currently. Bringing the CCC in-house would damage its ability to do its current job as effectively and authoritatively, as its independence and perception of independence would be badly damaged. For these qualitative, as well as statutory, reasons it is our strong view that the existing model must be retained. The risks of changing the CCC’s current structure are almost all on the downside. Removing the independence of the CCC would be hugely damaging in terms of its credibility in giving objective advice and constructive criticism, especially as UK climate policy becomes more embedded across the economy. Almost as destabilizing would be to reduce the size or expertise of the CCC board and secretariat, who have done an excellent job in understanding and explaining this complex interdisciplinary area.

The CCC is a highly respected body that provides consistently high quality reports. There is no need to change it and change for the sake of change could bring financial and political repercussions which would be disadvantageous to Government. Furthermore, change would take time to effect, resulting in a six- to twelve-month hiatus, which at this economic time would be unfortunate.

Any other comments

Do you have any other comments regarding the Committee on Climate Change or the Adaptation Sub-Committee that you would like us to be aware of in the context of this Triennial Review?

- We have had very good engagement with the CCC/ASC and feel we have an open, constructive and valuable relationship with them. This relationship enables a useful two-way discussion of emerging science, policy and knowledge and we are keen to continue this dialogue.
- We feel that wherever the ASC sits it is important that it engages directly with and understands the water sector, including the way it is regulated, in

order to ensure it makes sound, well informed and justified recommendations. The Climate Change Risk Assessment (2012) identified that the risks from flooding and water supply demand deficits driven by the climate change were significant. As the water sector has such an important role to play in adapting to climate change, engagement between the ASC and water sector needs to be maintained.

- The three-year review cycle is welcome, to ensure processes and product are constantly evaluated and improved, where possible.
- To reiterate that the key comments above are on stakeholder consultation/opportunity to comment before/after publication and on proper consideration of the current market as the starting point rather than the 2050 market. The above comments refer to CCC, throughout this response.
- I believe that the role of the ASC could be expanded to provide a centralised function to monitor process on adaptation across government, identify gaps in adaptation action, provide public goods for adaptation (evidence, tools and information) and help other government departments and agencies to coordinate action.
- Wales became Natural Resources Wales. This response has been prepared by representatives of CCW and EAW on the Commission. Together, we have had considerable engagement with the Committee in relation to the provision of advice to WG.
- The CCC (and ASC) holds the government to account on its progress in tackling and addressing climate change. We wonder who holds the CCC (and the ASC) to account?
- Their work continues to be essential and thus should be maintained.
- The CCC has fulfilled its objective so far, of using analysis and evidence – without political interference – to propose sensible but challenging carbon budgets. Its ability to continue to do this must be if anything strengthened rather than weakened.
- We have found the CCC a valuable and important addition to the institutional architecture on climate and energy issues, as well as fulfilling a statutory duty.
- I think it would be helpful going forward if more was done to identify solution delivery mechanisms, how barriers to action could be removed and where action is needed by organisations additional work on the practicalities rather than reliance simply on economic models. This will help make a difference.

Correspondence

Letter from the Environmental Audit Select Committee



Environmental Audit Committee

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Jeremy Cousins
Lead Reviewer on the Triennial Review of the Committee on Climate Change
Department of Energy and Climate Change
Area A, 3rd Floor
3 Whitehall Place
London SW1A 2AW

24 April 2013

Dear Mr Cousins,

Triennial review of the Committee on Climate Change

Thank you for your letter of 27 March, seeking views on the Triennial review of the Committee on Climate Change (CCC).

The Environmental Audit Committee has much used the outputs from the CCC in several inquiries, and our plans envisage a continuing need for the CCC's analyses and reports. Specifically:

- Our predecessor committee took oral evidence from the CCC's Adaptation Sub-Committee for its March 2010 report on *Adapting to Climate Change*. We plan to examine later this year the Government's progress in formulating the *National Adaptation Programme*, which will again include an examination of the Adaptation Sub-Committee's work and analysis.
- Our predecessor committee took oral evidence from the CCC as part of its January 2010 report on *Carbon Budgets*. The CCC's reports and advice to the Government on carbon budgets was a central issue in our more recent (October 2011) follow-on report. We have recently launched a further inquiry on the carbon budgets, and have arranged to take oral evidence from the CCC in early July on their latest (June 2013) *Progress Report*. These carbon budgets inquiries would be impossible without the CCC analysis of progress against those budgets.
- In our May 2012 *Green Economy* report we cited the CCC's assessments of the scope for renewables and the drivers behind rising energy bills, and we recommended that as a trusted independent body the CCC might have a role in setting tariffs and charges aimed at reducing emissions, as a way of reducing political risk (and thereby uncertainty) for 'green' investors.
- Picking up the theme of that *Green Economy* report, our November 2012 *Autumn Statement* report used the CCC's representations to the Government on the Energy Bill and on the risks of a possible new 'dash for gas' to emphasise the need for giving greater certainty for investors about the Government's energy decarbonisation plans.

It is clear from our extensive usage of the CCC's outputs that we value the relevance and usability of its work and outputs. Its inputs in policy debates as these are underway (such as about the consequences of a new 'dash for gas' last year)

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have been very useful to us because they provide credible, objective and independent information that can be connected (by us) to the politics behind the issues.

Our view is that the CCC is effective not just in terms of delivering its statutorily required outputs but by producing material which allows us and other select committees to expand the debate on the climate change issues in a necessary political way. The CCC's transparent reporting to the House is consequently key to maximising the impact of the CCC's work.

The CCC plays a central key role in ensuring that Government delivers on its Climate Change Act commitments, both on emissions and climate change adaptation. The importance of that role needs to be explicitly recognised by Government, and acknowledged in the Triennial Review. Our recommendations in our *Green Economy* report (above) were an example of how the CCC's role could be more closely ^{linked} into policy, and Government should seek to facilitate such policy integration more widely.

Thank you for your attention to this,
Sincerely,



Joan Walley MP
Chair

Letter from the Climate Change Commissioner for Wales



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19th April 2013

To whom it may concern,

I am writing as Chair of the Climate Change Commission for Wales (CCCW) to respond as a stakeholder to the Triennial Review of the Committee on Climate Change and the Adaptation Sub-Committee (ASC). Our views follow as requested on the topics of:

- ☑ Advice the Committee gives
- ☑ Impact of the Committee
- ☑ Alternative Ways of delivering the functions of the Committee, and
- ☑ Other Comments

Advice the Committee gives:

The CCCW believes that the functions of the CCC and the ASC and the jobs you are required to do are relevant currently and over the next three years. The advice given by the CCC and the ASC in terms of clarity and presentation and ability to be understood are very good. The CCCW believes that the CCC are very credible but, with reference to transparency, the relationship with Welsh Government and the scope of influence that CCC has is unclear. The CCCW feels that the advice of CCC on carbon budgets broadly takes into account of this advice the factors set out in section 10 of the Climate Change Act; however, we feel there is an opportunity to provide more information on the performance of devolved administrations.

Impact of the Committee

The CCCW values the advice given by CCC, in particular the reports and recommendations the CCC makes. It would be good to see more account taken by the Welsh Government. The advice needs to be filtered down, especially to local government, but also beyond to other reporting authorities.

It is clear that the CCC and CCCW have complimentary roles. The Committee has the capacity to undertake authoritative expert analysis. Through its sub-groups CCCW can also undertake some analysis, but it's greater strength lies in the process of building

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consensus to address climate change and disseminating information through its networks. There is a case for strengthening the collaboration between the Committee and CCCW to compare the effectiveness of the contrasting and varied policy measures across the UK. Such a comparison could usefully examine the relative importance of specific policy measures.

There is a particular aspect of the adaptation agenda that the ASC might reflect on. A large part of our collective resilience lies not so much on individual organisations taking single actions but more on how all organisations in a particular place are joined up. In Wales, for example, work is being undertaken with Local Service Boards (LSB's) comprising various local public service providers. In assessing how adaptation is proceeding in different parts of the UK, and at different levels, it might be useful for the ASC to engage more in evaluating the process of adaptation. In Wales this could be achieved through the planned collaboration with the CCCW Adaptation Sub-group. Such engagement might reveal particular points where the ASC could advise to good effect.

Alternative Ways of delivering the functions of the Committee

In terms of the proposals of potential alternative models for delivering CCC's functions, we would like to see the CCC to continue as a NDPB. We need a body able to deliver clear messages on strategy, but the CCC also needs a greater role in delivering to devolved administrations – at the same level as it delivers to national government.

Other Comments

We feel that the CCC adds value to CCCW as an expert body. The CCC provides an insight into UK Government functions that are invaluable; we felt better connected to the CCC's work due to the close involvement on the CCCW of Laura McNaught, and we hope to see that continue.

I look forward to working with you in the future.

With best wishes

A handwritten signature in dark ink, appearing to read 'Peter Davies', with a long horizontal flourish extending to the right.

Peter Davies
Climate Change Commissioner for Wales

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CCC TRIENNIAL REVIEW – TABLE OF STAGE TWO ANALYSIS

To note that the formatting of the corporate governance principles, and their supporting provisions, below have been restructured/reformatted and this has exceptionally been agreed with the Cabinet Office.

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
1. STATUTORY ACCOUNTABILITY	1	<i>Does the CCC operate within the limits of its statutory authority and in accordance with any delegated authorities agreed with the Department of Energy & Climate Change?</i>	The CCC operates in accordance with Parts 1, 2, 3 and 4 and Schedule 1 of the <u>Climate Change Act 2008</u> and the <u>Framework Document</u> agreed between the CCC, DECC, DEFRA and the Devolved Administrations. In addition there is a Concordat in place which sets out the agreed framework for administrative co-operation for the implementation of the regulatory framework established by the Climate Change Act 2008 between DECC, DEFRA, the Department of the Environment in Northern Ireland, the Welsh Ministers, and the Scottish Ministers. In relation to the <u>Framework Document</u> and the Concordat the CCC may wish to consider setting a formal review pattern for both documents..	Partial compliance – Recommendations 1 and 2 propose a formal review process is established for the Framework Document and the Concordat.
	2	<i>Do the Minister and sponsoring department(s) exercise appropriate scrutiny and oversight of the CCC, including oversight of any public monies spent by, or on behalf of, the CCC?</i>	DECC Ministers approve the CCC's Pay Remit annually. AC confirmed through MATRIX records of annual submissions. The CCC's financial allocation is agreed as part of annual business planning through a series of Finance Committee and Executive Committee meetings, with the overall DECC budget being approved by Ministers. The Sponsorship Group is responsible for signing off the CCC Corporate Plan, which sets the Direction for the Committee's work. As agreed in the <u>Framework Document</u> the sponsor group meets twice a year. This includes all sponsoring Departments, including DECC and DEFRA. Day-to-day oversight of CCC's finances is maintained through a monthly finance report, and reporting accompanying each Grant in Aid request.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	3	<i>Does the Minister normally appoint the Chair and all members of the CCC and can he remove individuals whose performance or conduct is unsatisfactory?</i>	In accordance with the OCPA Guidance (http://publicappointmentscommissioner.independent.gov.uk/), appointments to the CCC are confirmed by Ministers – most recently in 2012, when a number of new appointments including the Chair were made. With regard to removal, the National Authorities powers to remove members of the Committee, including the Chair, are detailed under the <u>Climate Change Act 2008</u> Schedule 1 subsection 5.	Comply
	4	<i>Is the Minister consulted about the appointment of the Chief Executive? And do they approve their terms and conditions of employment?</i>	Yes. Section 7.2 of the <u>Framework Document</u> details the requirements for the CCC to consult on the appointment of the Chief Executive and their terms.	Comply
	5	<i>Does the CCC have a comprehensive Publication Scheme through which it proactively releases information that is of legitimate public interest, where this is consistent with the provisions of the Act?*</i>	All advice reports, underlying evidence and minutes of meetings are published under section 17 of the <u>Framework Document</u> and are available via the <u>CCC website</u> . (NB. the Committee is bound by the Freedom of Information Act 2000 and the Environmental Information Regulations 2004).	Comply
	6	<i>Are appointments to the CCC made in line with any statutory requirements and, where appropriate, with the Code of Practice issued by the Commissioner for Public Appointments?</i>	Appointments are made in accordance with the OCPA Guidance (http://publicappointmentscommissioner.independent.gov.uk/) including Ministerial sight off. Most recently, this happened in 2012, when a number of new appointments, including the Chair, were made.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	7	<i>Does the Minister meet the Chair on a regular basis?</i>	The Chair of the CCC / ASC meets with DECC / DEFRA Ministers on an ad hoc basis (approximately every 3 months) the most recent being between the Chair and Energy Minister in July 2013.	Comply
	8	<i>Is the Minister is consulted on key issues such as Corporate and Business Planning; and key financial issues?</i>	Yes. The <u>Framework Document</u> details the requirements on the CCC to consult on Corporate and Business Planning; and all financial related issues. Specially the Chair ensures that the Committee, in reaching decisions, takes proper account of guidance provided by the Secretaries of State and Ministers in the Devolved Administrations.	Comply
	9	<i>Is there a requirement to inform Parliament and the public of the work of the CCC through publication of an annual report?</i>	Yes. See paragraphs 22-24, Schedule 1 of the <u>Climate Change Act 2008</u> and section 9 of the <u>Framework Document</u> . The CCC produces an <u>Annual Report and Accounts</u> which is audited by the NAO and laid in Parliament. This is separate from the Annual Progress Report that the CCC is required to lay in Parliament by 30 June every year based on section 36(1) of the Act.	Comply
	10	<i>Is the CCC compliant with Data Protection legislation?</i>	The CCC has procured the following service arrangements for its operations: <ul style="list-style-type: none"> • Payroll, procurement, accounting and human resources through DEFRA Shared Services. • IT infrastructure and services through DEFRA's E-nabling agreement with IBM. <p>All data held by the CCC is contained within DEFRA's information management systems. The organisation is therefore compliant with the Data Protection Act in the same way that DEFRA is.</p>	Comply
	11	<i>Is the CCC subject to the Public Records Acts 1958 and 1967?</i>	The CCC is subject to the Public Records Act as set out in Paragraph 28, Schedule 1 of the <u>Climate Change Act 2008</u> .	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
2. ACCOUNTABILITY FOR PUBLIC MONEY	12	<i>Does the CCC comply with all statutory and administrative requirements on the use of public funds?</i>	The CCC operates in accordance with Parts 1, 2, 3 and 4 and Schedule 1 of the <u>Climate Change Act 2008</u> , its <u>Framework Document</u> and the HM Treasury guidelines set out in ' <i>Managing Public Money</i> '.	Comply
	13	<i>Is there a formally designated Accounting Officer for the CCC?</i>	The Chief Executive is formally designated by DECC, as lead sponsor, to act as Accounting Officer for the CCC (see section 6.1, <u>Framework Document</u>). See also – Statement of Accounting Officer's Responsibilities in the Annual Report and Accounts.	Comply
	14	<i>Are the role, responsibilities and accountability of the Accounting Officer clearly defined and understood? And have they received appropriate training and induction?</i>	These are clearly detailed in section 6 of the <u>Framework Document</u> . With regard to induction and training the Accounting Officer was Chief Executive for twelve months of the shadow CCC prior to its formal establishment and received formal induction and training from the NAO and DECC Finance. As well as continuing to work closely with DECC Finance on DECC family issues the Chief Executive also regularly meetings with the NAO.	Comply
	15	<i>Does the Accounting Officer ensure that he provides appropriate evidence-based assurances required by the Principal Accounting Officer so that he can be satisfied that the Accounting Office responsibilities are being appropriately discharged. This includes, without reservation, appropriate access of the PAO's internal audit service into the NDPB?</i>	These are clearly detailed in sections 5 and 6 of the <u>Framework Document</u> . Further the CCC Governance Statement gets consolidated into the DECC Governance statement as part of the Annual Report and Accounts.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	16	<i>Are the annual accounts of the CCC laid before Parliament?</i>	The Climate Change Act requires the CCC to prepare an annual report on the discharge of its function, including those for the ASC, each year and that this be laid before Parliament (see paragraphs 22-24, Schedule 1 of the <u>Climate Change Act 2008</u>). This is also set out in section 9 in the <u>Framework Document</u> . Each of these reports is available on the <u>CCC website</u> .	Comply
	17	<i>Have the Comptroller & Auditor General been established as the external auditor for the body?</i>	Yes. Paragraph 24, Schedule 1 of the Climate Change Act and section 11 of the <u>Framework Document</u> establish the Comptroller & Auditor General (NAO) as the external auditor for the CCC.	Comply
	18	<i>Has the CCC taken steps to ensure that an objective and professional relationship is maintained with the external auditors and ensured that effective systems of financial management and internal control are in place?</i>	Section 7 of the <u>Framework Document</u> sets out the requirements of the CCC and the Sponsor Teams in relation to ensuring the appropriate Systems are in place. The CCC Audit Committee's role of managing the relationship between the CCC and National Audit Office is set out in the Audit Committee's Terms of Reference and Section 11 of the <u>Framework Document</u> .	Comply
5. ROLE OF DEPARTMENTAL LEAD SPONSOR DEPARTMENT	19	<i>Does the Departmental Board's regular agenda include scrutiny of the performance of the CCC?</i>	Departmental Sponsor Teams were unable to provide evidence that the DECC and DEFRA Departmental Boards included scrutiny of the CCC's performance on their agendas.	Did not comply – Recommendation 3 proposes that procedures are put in place whereby Departmental Boards receive updates on the CCC's work.

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	20	<i>Is there regular and ongoing dialogue between DECC and the CCC?</i>	<p>The Chair of the CCC / ASC meets with DECC / DEFRA Ministers on an ad hoc basis (approximately every 3 months) the most recent being between the Chair and Energy Minister in July 2013.</p> <p>DECC Sponsor Team and the CCC Secretariat keep in regular contact by phone, email and through ad hoc meetings. Sponsor group meetings are held twice a year. These cover work plan and financial updates and discuss the corporate plan going forward. DECC also attend Audit Committee meeting three times a year. There is also on-going dialogue between the analytical/ corporate teams at the CCC/ASC and their DECC/DEFRA counterparts.</p>	Comply
	21	<i>Is there a document which sets out clearly the Terms of Reference (ToR) of the CCC/ASC and are the ToR accessible and understood by DECC/ DEFRA and by all Committee members?</i>	The CCC has no separate Terms of Reference exist. However the <u>Framework Document</u> and the <u>Climate Change Act 2008</u> cover the requirements of the Terms of Reference. The Government's Corporate Governance Code suggests that this is sufficient.	Comply
	22	<i>Are the ToR regularly reviewed and updated?</i>	The <u>Framework Document</u> is reviewed every 3 years. The CCC may wish to consider setting a formal review pattern for the <u>Framework Document</u> and include a next review date in the Document.	Comply
	23	<i>Is there a dedicated sponsor team within DECC with a clearly defined role?</i>	DECC is the lead sponsor for the CCC and staff in the Strategy Unit within DECC act as lead sponsor officials. This team liaises with designated sponsor officials within DEFRA (for the ASC) and each of the Devolved Administrations to co-ordinate sponsorship at official and ministerial level. The responsibilities of the sponsor team are set out in Section 8 of the <u>Framework Document</u> .	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	24	<i>Is there an annual evaluation of the performance of the committee and of the Chair?</i>	The CCC and ASC each carry out an annual self-assessment of their effectiveness.	Comply
4. ROLE OF THE COMMITTEE	25	<i>Has the Committee been formed such that it can meet the stated requirements?*</i>	Members have been appointed by the national authorities having regard to Paragraph 1(3), Schedule 1 <u>Climate Change Act 2008</u> .	Comply
	26	<i>Has the Committee established formal procedural and financial regulations to govern the conduct of its business?*</i>	<p>The CCC has delegated the task of maintaining an effective system of financial control to the Audit Committee (see AC Terms of Reference). In turn, the AC has reviewed a suite of policies and procedures introduced by the Secretariat and found them to be effective in mitigating the risk of financial loss. These include:</p> <ul style="list-style-type: none"> • Risk Management Policy • Risk Register • Risk Appetite Statement • Procurement Decision Tree • Delegation of Budgetary Authority • Corporate Plan. • Counter-Fraud Policy • Fraud Response Plan • Protected Disclosure (Whistleblowing) Policy <p>Internal Audit has reviewed this risk management framework and found the internal control mechanisms to be effective.</p>	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	27	<i>Does the Committee appropriate arrangements to ensure it has access to all relevant information, advice and resources necessary to enable it to carry out its role effectively?</i>	<p>The Secretariat is tasked with ensuring that both Committees are provided with all necessary information to enable it to carry out its role effectively. As part of this:</p> <ul style="list-style-type: none"> • Minutes and agenda items (and supporting evidence where applicable) are sent to all members in advance of meetings. • Members of the Secretariat are present at all committee meetings to present evidence and answer questions. 	Comply
	28	<i>Does the Committee have in place a senior executive responsible for ensuring that Board procedures are followed; that proper financial procedures are followed; and that all applicable statutes and regulations and other relevant statements of best practice are complied with?</i>	The CEO bears overall responsibility for ensuring compliance (See Section 6.2 and 6.3 of the <u>Framework Document</u>). He is assisted in this task by the Chief Economist (in relation to technical matters on mitigation), the Head of Corporate Services (with regards to governance / operational issues), and the Head of Adaptation (on matters relating to Adaptation).	Comply
	29	<i>Does the Committee have in place a remuneration committee to make recommendations on the remuneration of top executives?</i>	No separate Remuneration Committee exists; the <u>Framework Document</u> delegates this task to the Audit Committee (See Annex 4 of the <u>Framework Document</u> and the AC's Terms of Reference). The CEO's pay award is agreed by the Committee on recommendation by the Audit Committee and is published on the <u>CCC website</u> along with the salaries of the Chief Economist and Heads of Adaptation and Corporate Services.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	30	Does the board have in place a framework of strategic control (or scheme of delegated or reserved powers) which is understood by all board members and the senior management team?	The <u>Framework Document</u> details the responsibilities of the Members and the Senior Management Team.	Comply
5. ROLE OF THE CHAIR	31	<i>Is the Committee led by a non-executive Chair?</i>	Yes.	Comply
	32	<i>Is there a formal, rigorous and transparent process for the appointment of the Chair which is compliant with the OCPA Code? In addition, is there a clear recruitment policy?</i>	Like all members of the Committee, Appointments to the Chair are made in accordance with the OCPA Guidance (http://publicappointmentscommissioner.independent.gov.uk/) including Ministerial sign off. Most recently this occurred in 2012. In relation to an overall recruitment policy, section 27 of the <u>Framework Document</u> sets out clear rules for recruitment and management of staff.	Comply
	33	<i>Does the Chair have a clearly defined role in the appointment of other members of the Committee?</i>	Yes. See paragraph 1(2) of Schedule 1 of the <u>Climate Change Act 2008</u> – “The national authorities must consult the chair before appointing the other members”.	Comply
	34	<i>Does the Chair annually evaluate the performance of individual Committee members?</i>	The ASC Chair undertook the performance appraisal of individual ASC members in 2010. The CCC Chair does not undertake an annual performance evaluation of individual members but an evaluation is done prior to their reappointment. The Chair and Committee should give thought to implementing an annual evaluation process of individual Committee member’s performance.	Did not comply - Recommendation 4 proposes a formal evaluation process is introduced.

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	35	<i>Are the duties, role and responsibilities, terms of office and remuneration of the Chair set out clearly and formally defined in writing?</i>	The duties of the Chair are set out both in Schedule 1 of the <u>Climate Change Act 2008</u> and section 7 of the <u>Framework Document</u> . The Chair's remuneration is set out in his service contract.	Comply
	36	<i>Are the Chair's terms and conditions of engagement in line with Cabinet Office guidance and with any statutory requirements?</i>	Yes.	Comply
	37	<i>Does the Chair represent the CCC in discussions with Ministers?</i>	The Chair/ Chief Executive meet the Minister on a regular basis, consistent with the <u>Framework Document</u> .	Comply
	38	<i>Does the Chair ensure that non-executive board members have a proper knowledge and understanding of their corporate role and responsibilities; and have undergone proper induction?</i>	Given the CCC's small size, no formal induction process exists. Induction for new members is ad-hoc and structured around the needs of the member and overseen by the Chair and Chief Executive.	Comply
	39	<i>Does the Chair ensure the board, in reaching decisions, takes proper account of Guidance from sponsoring department or Ministers?</i>	Yes. As part of the Annual Governance Statement individual Board Members complete a self-assessment to confirm that they are in receipt relevant information and that the meeting structure is appropriate for the needs.	Comply
	40	<i>Does the Chair ensure that the board carries out its business efficiently and effectively?</i>	Yes. Again as part of the Annual Governance Statement individual Board Members complete a self-assessment to confirm that they are in receipt relevant information and that the meeting structure is appropriate for the needs.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	41	<i>Does the Chair represent the views of the board to the general public?</i>	Yes, when acting in the capacity of the Chair of the Committee..	Comply
	42	<i>Does the Chair have an effective working relationship with the Chief Executive and other senior staff?</i>	Yes.	Comply
	43	<i>Are the roles of Chair and Chief Executive held by different individuals?</i>	Yes.	Comply
6. ROLE OF THE MEMBERS	44	<i>Is there a majority of non-executive members on the Committee?</i>	All members of the Committee, except the Chief Executive, are non-executives.	Comply
	45	<i>Are the duties, role and responsibilities, terms of office and remuneration of non-executive board members set out clearly and formally defined in writing?</i>	The roles of members of the Committee are detailed in the <u>Framework Document</u> and are enhanced by specific references in members' service contracts.	Comply
	46	<i>Is there in place a formal, rigorous and transparent process for the appointment of non-executive members of the board which is compliant with the Code of Practice issued by the Commissioner for Public Appointments?</i>	All appointments to the Chair are made in accordance with the OCPA Guidance (http://publicappointmentscommissioner.independent.gov.uk/) including Ministerial sign off. Most recently this occurred in 2012.	Comply

	QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
47	<i>Are members properly independent of the Department and of any vested interest (unless serving in an ex-officio or representative capacity)?</i>	Member's interests are detailed in the CCC's Register of Interests, which is updated biannually.	Comply
48	<i>Are all non-executive Board members properly independent of management?</i>	Yes.	Comply
49	<i>Are members drawn from a wide range of diverse backgrounds?</i>	Members come from a wide range of backgrounds which can be seen from their individual biographies on the CCC website .	Comply
50	<i>Does the Committee, as a whole, have an appropriate balance of skills, experience, independence and knowledge?</i>	Members bring the range of skills and experience as outlined in the Climate Change Act. See members' biographies. (To be read in conjunction with Paragraph 1(3), Schedule 1 of the Climate Change Act 2008). DECC make appointments in line with section 20.3/4/5 of the Framework Document .	Comply
51	<i>Are the terms and conditions in line with Cabinet Office guidance and with any statutory requirements?</i>	The committee's T&C were drafted by DECC / DEFRA and are in line with CO guidance.	Comply
52	<i>Do members allocate sufficient time to discharge their responsibilities effectively?</i>	The members allocate appropriate time as required by the work programme. Some members also act as 'champions' for certain spheres of work but no official monitoring is kept of time spent overall.	Partial compliance – Recommendation 5 proposes that a register be kept to show time spent on CCC work by members.

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	53	<i>Is there in place a proper induction process for new board members?</i>	Given their size the CCC has no formal induction process exists. Induction for new members is ad-hoc and structured around the needs of the member and overseen by the Chair and Chief Executive.	Partial compliance – Recommendation 6 proposes a formal induction process is introduced for Members.
	54	<i>Are there regular reviews by the Chair of individual members' training and development needs?</i>	Appointments to the Committee are made on the basis of merit, paying due regard to the requirements of Paragraph 1(3), Schedule 1 of the Climate Change Act. Members are experts in their field and therefore do not require routine training. However, should a need for training (by an individual member or the committee as a whole) be identified, this shall be addressed by the Chair.	Comply
	55	<i>Is the size of the Committee appropriate for the role?</i>	Yes, due to the breadth of experience necessary to fulfil the CCCs role.	Comply
	56	<i>Do members ensure that high standards of corporate governance are observed - ensuring the CCC operates in an open, accountable and responsive way?</i>	All members are bound to act in a way which is consistent with the Cabinet Office Model Code – see section 6.7 of the <u>Framework Document</u> . See also clause 8 and Annex A of the members' terms and conditions of appointment.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
7. COMMUNICATIONS	57	<i>Does the CCC operate in line with the statutory requirements and spirit of the Freedom of Information Act 2000?</i>	<p>The CCC is subject to the provisions of the FOI Act – see Paragraph 33, Schedule 1 of the <u>Climate Change Act 2008</u>.</p> <p>The CCC has a <u>Transparency Policy</u> that is fully consistent with the spirit of the FOI Act and operates on the presumption that its documents will be published. However, the CCC does not publish responses to FOI requests and may consider publishing information which is not automatically available on <u>CCC website</u>.</p>	Partial compliance – Recommendation 7 proposes that the CCC publish responses to FOI requests where data is not already publicly available.
	58	<i>Does the CCC make an explicit commitment to openness in all its activities?</i>	The CCC is committed to openness as detailed in the <u>transparency pages</u> on <u>CCC website</u> .	Comply
	59	<i>Where appropriate, has it established clear and effective channels of communication with key stakeholders?</i>	The CCC interacts with a wide range of stakeholders using a multi-channel approach including regular meetings, workshops, launch events, the <u>CCC website</u> , social media and newsletter. More details are available in the Corporate Plan.	Comply
	60	<i>Does it engage and consult with the public on issues of real public interest or concern, including for example, holding open meetings or annual public meetings?</i>	The Committee consults with the public where relevant. For example, the CCC recently issued a ‘call for evidence’ to help inform its review of the Fourth Carbon Budget.	Comply
	61	<i>Are the results of reviews or inquiries published?</i>	All responses, including references to appropriate data, will be published on the <u>CCC website</u> after the response deadline, along with a list of names of organisations that responded to the call for evidence. The CCC’s advice to Government will be published in December 2013.	Comply

	QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
62	<i>Does the CCC proactively publish agendas and minutes of its meetings?</i>	Agendas are not published. However, all <u>minutes</u> of meetings are published on the <u>CCC website</u> as mandated by Paragraph 19, Schedule 1 of the Climate Change Act. The CCC may wish to consider publishing agenda as well.	Partial compliance – Recommendation 8 proposes that the CCC, as part of the transparency agenda, publishes the agendas of meetings as well as the minutes.
63	<i>Are there robust and effective systems in place to ensure that the CCC is not, and is not perceived to be, engaging in political lobbying?</i>	During pre-election periods, and in common with all DECC NDPB's, the CCC is issued with Cabinet Office guidance on how to avoid political impact in its operations and is expected to comply. Similarly, the CCC receives and is expected to adhere to Cabinet Office guidance regarding attendance at Party Conferences.	Comply
64	<i>Are there restrictions on members attending Party Conferences in a professional capacity?</i>	As an NDPB, the CCC must and does abide by Cabinet Office rules on attendance at Party Conferences. As the rules make clear, it should be exceptional for board members or staff of NDPBs to attend Party Conferences in an official capacity. Any requests to attend must be approved by both the sponsoring department and the Cabinet Office. If members attend in a private capacity then they should comply with what is set out within their Codes of Conduct on political activity which complies with paragraphs 3.11 – 3.14 of the Cabinet Office's Code of Conduct.	Comply
65	<i>Does the CCC have in place effective correspondence handling and complaint procedures?</i>	The CCC has a communications team which handles communications with external parties and stakeholders including complaints via <u>CCC website</u> or in writing.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	66	<i>Are there appropriate rules and restrictions in place limiting the use of PR and marketing?</i>	Yes, the CCC follows relevant Cabinet Office Guidance.	Comply
	67	<i>Are there, in accordance with transparency best practice, procedures for publishing spend data over £500?</i>	Yes, CCC publishes all spend data over £0 on its website, see link below: http://www.theccc.org.uk/about/transparency/	Comply
8. CONDUCT AND BEHAVIOUR	68	<i>Is there a Code of Conduct setting out the standards of personal and professional behaviour expected of all members and which follows the Cabinet Office Code?</i>	Details, including the Nolan Principles, are confirmed in individual members' service contracts. Reference is also made in the <u>Framework Document</u> which mandates that the members' code of practice be consistent with the <u>Cabinet Office Model Code</u> .	Comply
	69	<i>Are all members aware of the Code and is the Code part of the terms and conditions of appointment?</i>	Details, including the Nolan Principles, are confirmed in individual members' service contracts.	Comply
	70	<i>Are there clear rules and procedures in place for managing conflicts of interest?</i>	Detailed procedures are set out in members' service contracts and also in correspondence between the Chair and DECC's Permanent Secretary.	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	71	<i>Is there a publicly available Register of Interests for the CCC members which is regularly updated?</i>	The Register of Interests is updated biannually and is available upon request.	Partial compliance – Recommendation 10 proposes that the CCC publish the Register on its website.
	72	<i>Are there clear and published rules in place governing the claiming of expenses? Are effective systems in place to ensure compliance with these rules?</i>	<p>All claims for expenses are submitted to the Secretariat which carefully checks each claim to ensure it is correct before authorising it for payment. The claim form is then sent to DEFRA's Shared Services Directorate where further checks are made before the claim is paid. All claim and fee payments are audited by the NAO.</p> <p>Guidance on the travel and subsistence claims has been reviewed by the Audit Committee and circulated to all members. Reference is also made in members' service contracts.</p> <p>Committee fees and expenses are audited and published in the CCC Annual report and accounts every year.</p>	Comply
	73	<i>Are there clear rules and guidelines in place on political activity for members and effective systems in place to ensure compliance with any restrictions?</i>	<p>Members and staff do not have specific terms which refer to political activity other than reference in the <u>Framework Document</u> to the <u>Cabinet Office Model Code</u>.</p> <p>During pre-election periods (i.e. purdah), as a DECC NDPB, the CCC is issued with Cabinet Office Guidance on how to avoid political impact in its operations and with which it is expected to comply. Similarly, the CCC receives and is expected to adhere to the Cabinet Office guidance in respect of attendance at Party Conferences.</p>	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
	74	<i>Are there rules in place for members and senior staff on the acceptance of appointments or employment after resignation or retirement?</i>	Cabinet Office Guidance states that there should be rules for NDPB staff accepting business appointments after resignation or retirement in relation to the functions of the NDPB concerned and any potential conflict of interest which may give rise to public concern. There are no tailored rules in place at the CCC. Committee members instead follow the rules about the acceptance of outside appointments for Civil Servants which are set out in Annexes A and B of Section 4.3 the <u>Civil Servant management Code</u> .	Did not comply – Recommendation 9 proposes that the CCC look at drafting its own rules.
9. INTERNAL CONTROLS	75	<i>Has the CCC taken steps to ensure that effective systems of risk management are established as part of the systems of internal control?</i>	The CCC has a suite of policies in place, all of which have been reviewed by the Audit Committee, and together ensure an effective system of risk management: <ul style="list-style-type: none"> • Risk Register. • Risk Appetite Statement. • Risk Management Policy. • Business Continuity Plan. • Protected Disclosure (Whistleblowing) Policy • Counter-Fraud Policy • Information Risk & Counter-Fraud e-training for all staff. • Financial approvals system. • Delegated Budget Authority. Internal Audit has reviewed this risk management framework and found the internal control mechanisms to be effective.	Comply
	76	<i>Are there in place appropriate financial delegations?</i>	The CCC has in place an effective Delegated Budget Authority which is reviewed by the Audit Committee each year. See also Delegated Financial Authorities in the <u>Framework Document</u> in section 26.	Comply
	77	<i>Are there in place effective anti-fraud and anti-corruption measures?</i>	The CCC has in place: <ul style="list-style-type: none"> • Counter-Fraud Policy; • Fraud Response Plan; • Financial approvals system; and • Procurement Decision Tree. 	Comply

		QUESTION	REVIEW TEAM FINDINGS	COMPLIANCE
			All staff are required to complete civil service 'Counter-Fraud' e-learning..	
	78	<i>Has the board established an audit/audit & risk committee with responsibility for review of systems of internal and external audit processes?</i>	The <u>Framework Document</u> sets out the specific responsibilities of the Audit Committee.	Comply