Basic Information

Title	Carbon Reduction
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Status of Paper	Final Report
Resolution/s	The Conference receives the report together with the recommendations contained within it, and amends Standing Orders as set out in the recommendations.

Summary of Content

Subject and Aims	This is a report commissioned by the Conference in 2009 as part of the *Hope in God's Future* report. It involved the establishment of a carbon reduction project to identify ways to adequately resource circuits and districts in their responses to *Hope in God's Future*.
Main Points	The risks and impacts of climate change are increasing. This presents the Methodist Church with both a theological and practical challenge. *Hope in God's Future* sets out the challenge within a largely theological context. In this report a framework for carbon reduction is provided for implementation within the context of the Church's organisational structure and constitution, and includes an ongoing but self-financing carbon reduction service within the Connexional Team. Implementation will continue to require passion and determination locally.
Background Context and Relevant Documents (with function)	*Hope in God's Future – Christian Discipleship in the Context of Climate Change*. (Report to Conference 2009) *MC/10/28 Carbon Reduction Project Report* to the February Council *MC/10/40 Carbon Reduction* Report to the April Council

Impact	The full paper provides detailed explanation of changes to: S.O. 533 Manses S.O. 803 (4) Accommodation and Furnishing Section 1B 2 Charter for Incoming Ministers and Deacons Section 1C Guidelines on Provision of Adequate Accommodation for Manses
Risk	Risk of low response and take up by the Connexion

1. Introduction

1.1. The Methodist Conference in 2009 asked the Methodist Council to bring forward measures that may be required to resource adequately circuits and districts in their responses to *Hope in God's Future – Christian Discipleship in the Context of Climate Change*. This presents churches with an exciting opportunity to think about how such an important challenge relates to each congregation and what the church can say about it. This can be demonstrated through the use of its buildings, what it communicates to its community by way of Christian witness and even the way in which the church operates.

1.2. This report identifies some solutions for the Methodist Church in how it can rapidly respond in the most effective way to take advantage of the opportunities and tackle the threats of climate change.

1.3. The carbon reduction project involved a targeted consultation capturing the views of 180 Ministers, Church Treasurers, Circuit Treasurers, Property Secretaries and Stewards. The main points that stood out from the consultation indicated the following.

i. The majority of churches had discussed an aspect of energy management within the last six months.
ii. When asked if they would be interested in a bulk purchase scheme for energy, 71% of respondents said 'yes' or 'required further information'.
iii. The majority felt the priority for a bulk purchase scheme for energy is economy.
iv. Half of respondents were personally interested in energy auditing training.
v. The key requirements to improve the energy efficiency of church buildings are technical advice, funding and training.
vi. 65% of respondents said that their church is not currently undertaking or planning any projects to reduce its emissions.

1.4. The recommendations covered in this report have come about through strategic thinking and development throughout the carbon reduction project. A process (in line with the Connexional Team procedure on policy development) was undertaken to identify the problem, investigate the situation and potential impact. These have been scrutinised against the principles of *Hope in God's Future* and carbon management practice. Consultation has been undertaken at various stages of the project.

1.5. The policy challenge for the Methodist Church is how it can rapidly respond in the most effective way to take advantage of the opportunities and tackle the threats of climate change. This report seeks to show how the existing policies and practice can integrate carbon reduction, to establish it as a core service and mission.

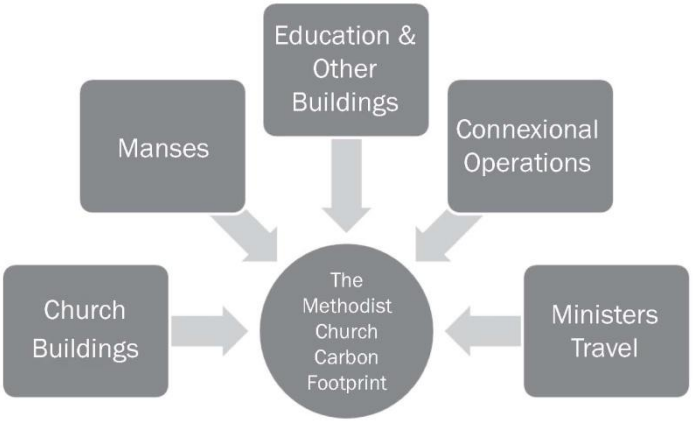
1.6. The recommended approach taken at this time in attempting to be effective, honest and realistic is to encourage service and support with guidance. The challenge at all levels will involve making it easy to take simple steps towards a low carbon future, whilst acknowledging that leadership is required at all levels to make important decisions.

2. Assessing the Carbon Footprint

2.1. The Connexion needs to understand the carbon footprint boundary (see diagram below). The Church should adopt a controlled approach under which we only report and deal with emissions for which we have control or ownership. Emissions can be direct (such as from boilers or vehicles), indirect (use of electricity) or other indirect means (such as purchasing, but should really be those that can be measured and significant). The Methodist Church should report its emissions to cover the Church year and this could be included in the Methodist Council Annual Report.

2.2. The recommendations of this report seek to encourage an enabling framework to make it easier to implement carbon reduction in the key areas that will maximise benefits whilst

tackling significant impacts. At this stage with no measurement of direct and indirect emission data this makes for a difficult analysis. It is important to understand what constitutes the direct and indirect impacts resulting in the Methodist Church carbon footprint.



2.3. A range of approaches to measure the carbon footprint have been appraised. An analysis of sample bills from churches has shown that on the basis of bringing these electricity supplies into a managed bureau service, this would deliver 20% savings in electricity costs.

2.4. On the basis of the initial sample sites, it is estimated that the church buildings energy consumption is in the order of £16mpa. Independent Schools represent another £1m of energy procurement, bringing the total Methodist Church energy bill to the order of £17mpa. Energy procurement for manses could represent a further £2m – the payment of which is the responsibility of Presbyters and Deacons.

2.5. It is estimated that this equals around 120,000 tonnes of CO_2 emissions to the atmosphere per annum and hence represents a significant carbon footprint.

3. Moving Forward

3.1. A realistic approach is to enter a partnership with an energy bureau service (consultancy) which will provide an analysis of the opportunities for saving on energy bills, centralised procurement and energy monitoring. This will allow accurate and historical carbon footprint data to be monitored from buildings. It is estimated that significant financial and carbon savings can be achieved for churches that choose to sign up to a connexional Carbon Reduction Service.

3.2. A major additional benefit would be to generate a revenue stream to the Methodist Church to serve churches across the Connexion with carbon reduction support, in partnership with a Carbon Reduction Service. This means the standard commissions from energy supply companies would be equally shared between the bureau and the Methodist Church through the Connexional Team. The commission received by the Connexional Team from this partnership would be used to provide an ongoing carbon reduction service to churches. This scheme could be extended to include other denominations and investigate the logistics of subsequent mutual benefits.

3.3. It was therefore decided by the leadership group of the Connexional Team to explore further the contractual arrangements for an energy bureau service and to work on/out? the ways in which a carbon reduction service can be established across the connexion, and the means by

which the service will be delivered.

4. Bulk Purchasing Energy

4.1. Establishing a carbon reduction service to analyse bills and then offer a bulk purchasing energy contract via an energy bureau service will allow the Methodist Church to begin the significant task of measuring our carbon footprint whilst achieving the following estimated annual savings across the Connexion:

- Electricity tariff changes £1.4m
- Electricity competitive tendering and procurement £1.3m
- Natural Gas competitive tendering and procurement £1.7m

Total £4.4m

4.2. This represents a substantial opportunity to deliver financial and administrative savings to Methodist properties across the Connexion. In addition, we would strongly anticipate that credits to the quarterly bills of £1m will be achieved through establishing more robust billing against meter readings.

4.3. In addition to the above energy savings, a robust carbon reduction campaign to target a 24% carbon reduction through the duration of five years has the capacity to deliver an additional £2.8m savings perannum. This will result in a total of £8m in savings per annum if 100% of the Connexion participates.[1] Through the carbon reduction service, and by achieving high standards in energy efficiency, anticipated savings for Presbyters' and Deacons' manses is expected to be in the region of £1m.

4.4. Obtaining the amount of green electricity required for a Connexional bulk buying scheme will be difficult and the price may well be at a premium. Calculating the greenhouse gas emissions from green tariffs now uses the same conversion factor as the normal grid supplied electricity. Therefore adopting a strategy of purchasing green electricity will not reduce our carbon footprint at this point in time.

4.5. While this may be disappointing, if we procure the electricity at the most competitive price (as preferred by respondents to the consultation) this will enable churches to reinvest the financial savings in carbon reduction initiatives to save more carbon going forward. At the same time, if the Methodist Church wants to support renewable energy, the most effective way is to develop a local scheme e.g. solar energy for the manse or church.

4.6. The Council in February 2010 approved that in partnership with an energy bureau service the Connexional Team should continue investigating the development and delivery of a long term centralised service for the Connexion in order to achieve the estimated savings and benefits identified in this report. Any bulk purchasing carried out as part of the carbon reduction service should consider suppliers' renewable energy content.

5. Funding for carbon reduction projects

5.1. Research has been undertaken to determine the level of support available to churches and manses. The Connexional Team has produced a guide to funding for carbon reduction and will be working continually to promote it.

[1] Leeds District bulk purchasing scheme achieved a 60% take up within the first year. Methodist Insurance has 99% of all churches signed up to its services. This is an indication of unity and cooperation in the Connexion that can drive the successof this scheme.

5.2. The Methodist Church Fund for Property makes grants on a discretionary basis and in particular takes account of specific needs and how the priorities and mission will be met by the project. Carbon reduction projects are now taken into account. The Connexional Grants Committee currently allocates a proportion of Connexional Priority Fund (CPF) for property grants. Major projects applying for a grant from CPF may include carbon reduction as part of the project. Currently extra funding from existing grants or Connexional loans is not available. However, interest free loans that can be accessed by churches are available from the Carbon Trust (primarily grant funded by government).

6. Energy Auditing of Churches

6.1. The Methodist Church in collaboration with the Carbon Trust has undertaken a joint funded Carbon Management Energy Efficiency Programme to determine the ways in which churches can save energy and money. The results will detail the carbon reduction measures that can be taken by a range of churches. This information will be communicated so that churches can be encouraged to implement measures for their own buildings.

7. Policy Recommendations

7.1. The following policies and practices will have significant impact and resource districts and circuits adequately to respond to *Hope in God's Future*. The recommended approach taken at this time in attempting to be effective, honest and realistic is to encourage service and support with guidance. The challenge at all levels will involve making it easy to take simple steps towards a low carbon future, whilst acknowledging that leadership is required at all levels to make important decisions.

Meeting Methodist Church Commitments

7.2. The April Council 2010 decided that a progress report on the practical implications of *Hope in God's Future* should be presented to the Council at least every three years and could be included in the Methodist Council Annual Report.

Local Policy

7.3. It is important that districts, circuits and local churches can feel connected to *Hope in God's Future*. Mechanisms need to be in place to maintain a response to this immediate and ongoing challenge.

7.4. It is recommended that the Conference adopt the proposal of the April Council 2010, that local churches should be asked to sign up to a *Hope in God's Future* policy. Districts and circuits should appoint a person who can take responsibility for raising awareness, but there needs to be flexibility so that districts or circuits may combine with others in doing this.

Energy Auditing of Manses

7.5. A significant contribution to the Methodist Church carbon footprint is from its manses. Due to the nature of provision, manses are not subject to a number of legislative initiatives to improve the level of domestic properties such as the Decent Homes Standard and Energy Performance Certificates (EPCs). Therefore the Church could improve the energy efficiency performance of its manses by having EPCs.

7.6. An EPC is required when a domestic property changes occupier by purchase or rental. The certificate is produced by conducting an onsite standard domestic energy assessment using nationally recognised methodology and this provides the current and potential energy efficiency rating. It also provides the estimated energy use, carbon dioxide emissions and fuel costs. Importantly, it provides recommended measures to improve the energy performance.

Case Study: Wirral Circuit

The Wirral Circuit received an EPC for each manse with copies for the occupier, a summary of findings, a financial summary and additional notes. The main failing of EPCs is that they will make generalised assumptions, but they are the best method of delivery within the marketplace at good value and for widespread implementation.

The resulting analysis showed that in meeting the recommendations set out below it would cost the Wirral Circuit an estimated £15,477 to improve the manses to reach their potential energy efficiency rating. This figure includes replacing boilers but does not include obtaining grants or discounts for measures such as insulation which may be available for the Circuit to access. For the Wirral manses, savings of £3,661 per annum in the energy bills are achievable across the manses for occupants. Going forward in meeting a minimum 'C' rating, some of the properties will require further measures at a greater cost for the Circuit. This may lead to greater consideration of the Circuit's portfolio.

7.7. Changes to Standing Orders recommended below are intended to assist circuits in meeting the immediate and future needs of Presbyters and Deacons. The changes have been derived following results from a pilot for the Wirral Circuit and close discussions with the Circuit Steward and other key members of the Connexional Team. The pilot sought to identify the easiest way in which circuits can make an assessment of their portfolio to enable the Circuit Steward to implement a programme of works to improve the performance of the manses. It intended to determine the type of guidance that is needed to provide Circuit Stewards with a tool to improve the energy efficiency performance of manses.

7.8. The main benefit to circuits is in providing improved accommodation for their current and future Presbyters and Deacons; an increase in value; improved maintenance of the building fabric and reduced decoration problems associated with cold homes e.g. damp/condensation. For Presbyters and Deacons it would mean a reduction in energy bills and improved control and comfort of their place of work and living space.

7.9. It is recommended that the Conference adopts changes to Standing Orders listed in the recommendations section below.

7.10. It is recommended that circuits should endeavour to use model trust money to put in place high standards of energy efficiency (as stated in CPD Book VI, Part 2 Guidance, Section 1c). This will help save ministers an average of £350 per manse pa on energy bills which is equal to c. £800kpa for Presbyters and Deacons across the Connexion.

7.11. It is recommended that circuits should endeavour to provide smart meter devices to enable ministers to control their electricity use (cost c. £50 each). (This will be made mandatory for all UK homes by 2020.)

Travel

7.12. Transport is a challenging area and will require continual development to enable smarter choices to be implemented and costs to be reduced.

7.13. It is recommended that circuits are encouraged to fund government sponsored smart driver training for Presbyters, Deacons and lay employees where appropriate. Circuits should ask critical questions about travel within the circuit for preachers and for congregations.

7.14. Further to this, the April Council 2010 endorsed the Appendix 1 comment about Conference and other events.

Communication

7.15. Connexional and local communications have a positive role to play in ongoing advocacy to a range of audiences within the church.

7.16. The April Council 2010 directed that the Connexional Team provide ongoing communication through all available channels to promote solutions and actions within the context of *Hope in God's Future*.

Appendix

7.17. A full list of additional policies and practices that need to be noted but do not require a decision from the Conference can be found in Appendix 1. They are work in progress, being implemented by the Connexional Team and their results will emerge over time.

*** RESOLUTIONS

12/1. The Conference received the Report.

12/2. The Conference adopted the proposal of the April Council 2010, that local churches should be asked to sign up to a *Hope in God's Future* policy, and that districts and circuits appoint a person who can take responsibility for raising awareness in these matters.

12/3. The Conference amended Standing Orders and the Guidance in CPD as follows:

S.O. 533 The circuit stewards shall be responsible for the interior decoration ~~and~~, furnishing ***and energy efficiency*** of the manses.

S.O. 803 (4) The Circuit or other such body shall, ***having regard for energy efficiency***, provide all carpets, curtains and other floor covering, lamp shades and light fittings, fixed fires (where fitted), study furniture, cooker and kitchen cupboards, as specified in clauses (6) to (8) below.

Book VI Part 2 Guidance Section 1B 2

- *a current energy performance certificate.*

Book VI Part 2 Guidance Section 1C 3 ~~Circuits should seek high standards of energy efficiency including e.g. roof and wall insulation~~ ***… Using Energy Performance Certificates and advice, Circuits should undertake measures to meet the potential energy efficiency rating of their manses. Circuits should seek to provide manses to meet a minimum of a 'C' energy efficiency rating.***

12/4. The Conference directed that Circuits should endeavour to use model trust money to put in place high standards of energy efficiency (as laid down in CPD Book VI, Part 2 Guidance, Section 1C).

12/5. The Conference directed that Circuits should endeavour to provide smart meter devices to enable ministers to control their electricity use.

12/6. The Conference encouraged Circuits to fund government sponsored smart driver training for Presbyters, Deacons and lay employees where appropriate, and to ask critical questions about travel within the circuit for preachers and for congregations.

Appendix 1

1. Introduction

Below is a table of policies and practices that need to be noted but do not require a decision from Council. The table details the full list of policies and practices recommended for implementation by the Connexional Team. The work is in progress and will emerge.

POLICIES / Practice	Issue	Desired Output	Outcomes	Recommendation
Existing Policy				
Connexional Team Travel Policy	The Policy required some adaptation to reinforce the message of carbon reduction.	New Travel Plan to go with the recently approved travel policy. A Travel Plan determines the measures to achieve the desired policy.	Connexional Team members are provided with choice to use the best available environmental option for travel.	A Travel Plan should be drawn up to support the new policy.
Existing Practices				
Grant approval process from Connexional Grant Committee (CGC)	Grants approved for activities which may have a positive or negative impact. The Fund for property now includes carbon reduction criteria.	Grant selection criteria/forms changed.	Low carbon approach to grant proposals and decision making.	Practice to be formulated by CGC to take this into consideration.
Guidelines in relation to new build and refurbishment of buildings	Building regulations for energy efficiency have been improved. There are proposals for zero carbon non domestic properties in future.	Specification tool to enable churches to engage with their suppliers regarding carbon reduction.	High standards of carbon reduction as a very outward sign of mission.	Specification should go beyond current building regulations to strive towards a zero carbon development. This should embed energy generation technologies.
District consent for proposed property projects	There is not a specific energy management question within the approval process.	Make changes to the website forms.	High standards of carbon reduction as a very outward sign of mission.	Develop and approve the consents process to enable incorporation of carbon reduction questions.
Quinquennial Inspection guidelines document	Inspection guidelines do not include specific criteria	Make changes to the guidelines.	Church Councils are made aware of the findings related to	To change the inspection guidelines to reflect carbon reduction.

	for considering carbon reduction in the inspection survey.		energy, and are required to act upon the surveyor's findings.	
Property Schedules	Currently do not cover energy management.	Make changes to the schedules.	Enable better decisions which improve performance of buildings.	All inspection schedules must incorporate carbon reduction questions.
Circuit Appointment Stationing Profile Form	Presbyters and Deacons when considering stationing profiles do not know the energy performance of a manse.	Circuit Appointment Stationing Profile form to be amended.	Circuits improve the energy performance of the manse. Presbyters and Deacons are informed regarding energy efficiency.	Using Energy Performance Certificates (EPCs) an energy efficiency rating and energy cost for each manse placed in the Circuit Appointment Stationing Profile.
Conference & Events	Impact on carbon footprint from the activities – Number of attendees, Travel, Accommodation Venue, Food/Drink, Resources e.g. Handouts etc.,	Recommendations to be developed.	Carbon reduction significantly considered in the organisation of events (including the Conference).	Make changes to 'Generic events brief'.
Printed media and publications	Perceived environmental impact of printed materials.	Use of low carbon print suppliers and reduce indirect energy use of paper.	Best practice in printed media.	Endeavour to use best practical environmental option.
Management of resources	Opportunities are missed to procure low carbon products and services.	Procurement guidelines developed and used.	Low carbon products and services procured to reduce indirect impacts.	Require suppliers to demonstrate credible environmental management and an effective carbon reduction policy.
New Policies				
Connexional Team Buildings	No formal Carbon Reduction Policy beyond 10% reduction commitment in 2010.	Focused carbon reduction champions supporting in house initiatives.	To be beacons of good practice within the Connexion. Staff satisfaction.	To develop a new policy statement to reduce use in Connexional Team buildings by 80% by 2050.

New Practices				
Renewable Energy	Keen interest in onsite renewable energy generation for churches.	Provide guidance on renewable energy.	Large scale implementation of renewable energy technologies.	Circuits/churches are encouraged to implement renewable energy for their churches/manses.
Property Investments	Management of emissions from property investment portfolio such as pension funds, individual trusts.	Raise commitment/interest of fund managers.	Use of influence to manage indirect emissions from owned property.	All property investments made by Trusts should ensure that steps are taken to reduce emissions from these properties.