

Sector impact assessment – Revolving Green Fund post-consultation

Name of policy/initiative/project	Revolving Green Fund
1. What are the aims of this policy/initiative/project?	To provide upfront capital costs that will increase the rate of implementation of projects to reduce greenhouse gas emissions, in particular carbon dioxide. To result in long-term cost savings from reduced energy consumption. To promote the sector's role in leading the way to reduced greenhouse gas emissions through transformational projects.
2. At what stage of the development process is this SIA being undertaken?	Post-consultation and development of final policy
3. Do existing data sources enable us to provide evidence of impact? If not, how should we best gather evidence?	Emissions of carbon dioxide are collected through the Estates Management Statistics. This will enable us to estimate the impact of this policy overall in terms of potential CO2 emission reductions. CO2 emission reductions and cost savings can be measured or estimated on a project basis.
Regulatory impact assessment	
4. Will this policy/initiative/project require HEIs to pay for or carry out additional work in response to our demands? If yes, please describe the additional work	Yes, HEIs will be able to apply for funds to implement proven energy efficiency and renewable projects. If they chose to apply for funds they will be required to carry out additional work by completing an application form and accounting for the money spent and the savings made. The application and assessment process will primarily be based on Salix's current process. Certain elements of the application and monitoring process are fixed due to Salix requirements but where possible the fund has been designed to minimise the accountability burden.
5. If so, do the benefits of doing this to the delivery of HEFCE strategy, the HE sector, the HEI itself and others outweigh what we have asked HEIs to do? If yes please describe the benefits	<p>Yes, the application, assessment and monitoring processes have been designed to minimise burden. Responses to the consultation suggest that the fund will be oversubscribed and so in order to reduce unnecessary burden, the application process has been amended to include:</p> <ul style="list-style-type: none"> • workshops will be held as part of the application process for the institutional small projects fund to guide HEIs on whether their submitting a full application in this funding round is likely to be successful • a two-stage application process for the transformational fund. <p>Successful applicants will receive a recoverable grant to implement energy efficiency projects. These will lead to reductions in greenhouse gas emissions from both existing and new buildings, and will enable institutions to save money in the long term and to benefit from carbon trading. Once an institution has repaid the grant they are able to keep further cost savings to spend on front-line services. Applications are made to the fund on a voluntary basis so institutions do not need to apply if they feel the benefits do not outweigh the burden.</p>
6. How have you arrived at this judgement? Please refer to the results of consultation and other supporting evidence.	This judgement has been tested through consultation (HEFCE 2008/03). Responses generally considered the application process and monitoring and accountability arrangements appropriate. Respondents welcomed the light-touch approach. Experience of the existing Salix scheme demonstrates that the benefits are outweighed by the time taken to collate the information. In addition, the information required is necessary

	for effective carbon management and arguably should already be collected in a well-managed institution. The updated Salix Finance Energy Reporting System will be provided to all participants for reporting and monitoring.
Equality and diversity	
7. Which individuals or groups are likely to be affected by this policy/initiative/project?	Institutions rather than individuals will apply for this funding. Particular groups may be affected by specific projects undertaken by HEIs using this fund. For example, a lighting control project may adversely affect a visually impaired person. Use of new technologies can sometimes have positive impacts on disabled people.
8. What is the likely impact on these groups (is it positive, negative or neutral)?	Could be positive, neutral or negative depending on the project.
9. If negative, what actions have been taken to mitigate the effect?	The guidance includes information on equality and diversity and reminds HEIs of their equality duties, including undertaking an impact assessment. We will instruct Salix to be cognisant of the requirement to impact assess.
10. Can this policy/initiative/project be used to ensure and promote both equality and diversity? If so, how?	Our contract with Salix will include a requirement to undertake our equality duties on our behalf. This will include ensuring that the process does not have an adverse impact on any group and identifying appropriate opportunities to promote race, gender and disability equality. Any information or guidance, whether hard copy or online, will be accessible to all users. We will ask to hear about projects which have had a positive impact in terms of equality in order to be able to promote them.
Sustainable development	
11. What is the likely impact of this policy/initiative/project on sustainable development? Is it positive, negative or neutral?	Positive. This policy is designed to increase the implementation of energy efficiency projects and therefore reduce greenhouse gas emissions. It will also have a positive effect on financial sustainability as it will result in long-term cost savings.
12. If negative, what actions have been taken to mitigate the impact?	
13. How can this policy/initiative/project be used to create opportunities to support sustainable development? Please indicate how you have maximised these opportunities or why you have been unable to do so.	This policy is designed with sustainable development at the heart of it. Providing funding for energy efficiency projects will increase their rate of implementation and result in the benefits of reducing greenhouse gas emissions and long-term cost savings. This policy will help raise the profile of sustainable development more generally.

Certification by Director

This is a fair assessment of the impact of this policy/initiative/project on the HE sector, taking into account the regulatory burden imposed. The policy/initiative/project has been appropriately designed to meet our equality obligations and promote equality and diversity and sustainable development.



Signed

Date 12 August 2008

