



QUEEN ANNE'S GATE LONDON SW1H 9AT

CCBAG
nbpm

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Dear Peter,

ENERGY EFFICIENCY IN THE CIVIL SERVICE

I am sorry not to have responded sooner to your letter of 31 July.

Up to now the Home Office efforts to increase energy efficiency have been concentrated on the prison estate. Here an energy manager was appointed as long ago as 1980. Considerable savings have been achieved. By the end of the financial year 1984/85, despite the fact that the prison estate had increased by 4.7% in heated areas, the energy used had been reduced by 2.3%. The resulting net saving of 7% meant that the Prison Service energy bill for 1984/85 of £24.5 millions represented 93% of what the bill would have been - i.e. a saving of £1.85 millions for that year and each later year. Moreover, because of improved design and technology in both new and existing prisons, the savings for 1985/86, including the already established £1.85 millions, adjusted for changes in energy use, amounted to £2.35 millions; and the target for the present financial year is £2.85 millions. These figures represent approximately 10% of the present Prison Department annual energy bill, and have been achieved mainly by good housekeeping and an investment of a total of just over £1 million in improved technology over the last three or four years.

More recently, and partly in response to the Multi-Department Review of Office Accommodation, the Department decided to draw upon the experience and expertise of the Prison Service energy manager and extend his role to include the rest of our estate (where the energy bill is about £6 millions a year). Our general approach here will be one of incremental implementation involving an attack on two fronts. First, as regards works services, we shall concentrate initially on a relatively small number of buildings consuming large volumes of energy and explore the possibility of a capital investment in certain projects. Then, subject to the outcome and assuming we and/or the PSA might be able to find or redirect at least some resources, we shall give priority to those schemes most likely to deliver improved VFM over a reasonably quick payback period. Secondly, simultaneously and more generally throughout our accommodation, we shall be introducing a sharper focus on good housekeeping measures and operating practice. Having said this, however, I agree with Michael Jopling that initiatives along these lines will not be altogether easy and may take a little longer than we would wish. Apart from the financial difficulties which have been mentioned already, we shall need to provide some extra manpower and there will need to be certain preparatory work before we can get down to setting and monitoring clearly observable targets in particular buildings.

I am sending copies of this letter to the Prime Minister, to all members of the Cabinet in charge of Departments, and to Sir Robert Armstrong.

*Yours,
Douglas*

The Rt Hon Peter Walker, MBE., MP.

