

## **NOTE OF A MEETING OF THE CORE COSTS CLUB HELD AT THE BARING FOUNDATION ON 10<sup>TH</sup> OCTOBER 2007**

### **CLIMATE CHANGE AND THE THIRD SECTOR**

**David Cutler**, the Director of the Baring Foundation welcomed participants. For over five years, the Foundation has been inviting recipients of its larger grants to come together to discuss issues of generic relevance.

**Martin Findlay** chaired the event. He had recently retired from the Foundation as a trustee but before going had instigated a discussion as to the Foundation's response to climate change. He had done so because he felt that climate change is the greatest problem facing humanity. However, although the need to act is common sense there is confusion over what needs to be done. Environmental charities have led the way regarding raising awareness of the issue but little has been done by the rest of the third sector. Today's meeting would both provide an update of what the Foundation has been doing so far, but would also be the first step in thinking how the Foundation can make a greater contribution to tackling the issue. This could be through both investment decisions regarding its endowment and also how it could use grants from 2008 onwards.

**Andrew Simms** of the New Economics Foundation (nef) was the first speaker. His talk linked climate change, poverty and consumption and so set the scene for some more specific actions that could be undertaken by third sector organisations. In 1961 we would need one planet if everyone consumed in the way that British people do. Today we need 3.1 planets.. The impact of carbon on the atmosphere has been known since 1896. Irreversible change in our climate may now be only a decade away. Nef has been working on the environmental debt incurred by different countries. On the 3<sup>rd</sup> of January a typical British family has already consumed as much as a typical Tanzanian family. Andrew then went on to question the links between economic consumption and happiness. The happiness of the British public seems about the same as in the 1950s despite a great growth in personal consumption. It is well known that the World War Two generation brought up on rationing has been especially healthy. Therefore nef is campaigning for the value of a low consumption/high satisfaction society as a means to solve climate change.

**Sam Balch** from Global Action Plan (GAP) was the first of three presenters from organisations that the Baring Foundation are funding (in partnership with the Esmée Fairbairn Foundation) to work on environmental audits for a selection of organisations it funds. GAP has been working for 15 years and employs 50 staff, working across the UK. He explained the process for an environmental audit by GAP, starting with a site visit, leading to an action plan and a follow-up

audit. Great store is laid by GAP on ways to encourage behaviour change by staff and service users.

**Shane Slater** from Element Energy have been commissioned by the Baring Foundation to look in more depth at what can be done to reduce energy consumption at Barton Hill Settlement in Bristol. He emphasised how difficult and expensive it is to go beyond the first 20% reduction in energy use which would be needed to make the level of change that the climate needs. Element Energy takes a hard science engineering approach to the problem, rather than examining behaviour change.

**Victoria Howse** from the Ethical Property Foundation ended this section of the meeting. The Ethical Property Foundation in 2005 gave property advice to 250 organisations, largely in London and Bristol. It specialises in giving advice to organisations that are tenants. In a survey by Every Action Counts for the Department for Environmental, Rural Affairs and Agriculture, 40% of respondents saw ownership issues as a constraining factor in how they tackled their energy use.

**Matthew Smerdon**, Deputy Director of the Baring Foundation, joined Martin Findlay to chair the ensuing discussion. Matthew explained that he leads on the Foundation's emerging approach to climate change.

Some of the issues that then arose in discussion included:

- Is there a sufficient supply of 'green energy'? (No);
- Environmental audits can get staff together and inspire – they can be fun;
- Procurement is a major issue for energy use; for instance for printing and the use of paper;
- Birmingham CVS has greened its roof which is now a wildlife habitat in the centre of the city;
- It was suggested that innovation had not worked in school design – behaviour change was proving more important;
- Environmental refugees now outstrip the number of other sorts of refugees;
- The dire impact of climate change will mainly effect the developing world which has contributed least towards it and can cope least well;
- Government policy was criticised as being incoherent with government departments being very bad at meeting their own targets;
- After the 'quick-wins' generated by behaviour change this should become government's responsibility;
- Funders are in a position to lead this debate as they can require charities to be more conscious of their energy use. What is the balance between carrot and stick?

- The third sector is poor on this issue outside the specialised environmental sector. Parts of the private sector like Marks and Spencer are much more advanced;
- A charity can pull in extra resources, for instance one used a university student as an intern to calculate its carbon footprint;
- The public is faced with conflicting advice about what measures to take. Their needs to be clearer, unambiguous guidance;
- There could be better use of case studies of how third sector organisations had gone about improving their performance in this area;
- Some energy efficiency measures might return an initial capital outlay over time and perhaps funders should support this through a loan. Others thought that small organisations found loans hard to use.

**Dr. Ben Todd** was summoned to the stage to end our meeting on a high note. Ben is the Executive Director of the Arcola Theatre in Hackney which aims to be the first carbon neutral theatre in the world. Appropriately the theatre started off life as a light bulb factory! The theatre was set up on a credit card and has flourished in the last five years. Ben needs £6.5 million to achieve his dream of transforming Arcola. But already they have managed to make the use of a new fuel cell into a theatrical event! The arts are good at inspiring people and breathing life into dry topics and he wants this spirit to combine with the practical engineering which needs to find a home in Arcola. There are great links to be made through their community work, for instance, a 60+ drama group at the theatre have been discussing the relevance of war-time rationing to carbon rationing. In the past the arts had been uninterested in this topic but that is changing. This year there will be a conference on sustainable energy use and theatres.

**David Cutler** closed the meeting by thanking all the participants. The discussion had gone into considerable depth as to what practical steps charities could take to reduce their carbon use. However there is another type of power which the sector possesses – the power to mobilise public opinion. Are we using this sufficiently? Next year the Foundation will look at its pilot stage of environmental audits and decide whether or not to make this a grant requirement for its programmes. Also we would hold a couple of roundtable discussions in April to guide us as to what more we can be doing.

David Cutler