



Department for  
Energy Security  
& Net Zero

**Rt Hon Claire Coutinho MP**  
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[www.gov.uk](http://www.gov.uk)

19 October 2023

Dear Philip,

Thank you for your letter of 29 September to the Prime Minister. I am replying to you following his speech on 20 September, on the Government's approach to delivering net zero carbon emissions.

I want to reiterate the Prime Minister's point that we remain committed to our existing climate targets, which keep us on track to meet net zero in 2050. But, at a time when the pressure on the cost of living is already high, we must chart the fairest credible path to do this, bringing people along with us and having a democratic debate about the way we get there. I welcome the points you made around how we can increase scrutiny of the decarbonisation pathways we should take and I would like to thank the Committee for all of the excellent work it has undertaken on this in recent years.

As the Prime Minister made clear, the government was concerned that some measures under our current plan would impose significant costs on families, which would be even greater for the most hard-pressed, and would also risk losing the public's support for net zero. Therefore, the Prime Minister set out a fairer and more pragmatic approach to meeting net zero that eases the burdens on working people, without changing our current targets. This government has a globally unprecedented record in delivering ambitious emissions savings across the economy. We are confident that this performance will continue, but we must achieve this with the public's consent.

You asked a number of detailed questions, which I will aim to respond to, below. Firstly, you asked for a revised Carbon Budget Delivery Plan and further details on our modelling. The government published an unprecedented level of detail on our plans to meet our emission reduction commitments in March this year. In that plan (the Carbon Budget Delivery Plan and accompanying Technical Annex) we set out the policies and associated carbon reductions which enabled us to quantify and exceed the carbon savings needed to meet carbon budgets 4 and 5 and the vast majority of carbon savings needed to meet carbon budget 6 in the 2030s. In addition we set out a range of

policies which supported our aims or were expected to achieve further savings but which we were unable to quantify at this stage for a range of reasons.

We remain committed to our existing targets, which keep us on track to meet Net Zero in 2050, but as noted in that plan, the Government's package of proposals and policies will continue to evolve and adapt to changing circumstances. The Carbon Budget Delivery Plan is not intended to predict the exact shape of the British economy in 2037 or later, and nor should it. With a constantly changing external environment covering economic, technological, and wider trends our plans will of course need to be revised over time. However, it is not appropriate, nor is it a requirement, to update and publish a revised version of the Carbon Budget Delivery Plan every time there is a change in economic data, a policy or wider factor. The Carbon Budget Delivery Plan, published in March, remains the most recent presentation of our detailed plans, with the vast majority of the near-200 quantified policies set out in the plan continuing unamended and remaining in place following the Prime Minister's announcements. I will continue to keep under review our progress towards net zero and will take further action, if needed, to ensure we have sufficient proposals and policies in place to meet my legal duties. We will also continue to consider the advice we receive from the Climate Change Committee and indeed will be responding to their Annual Progress Report by the end of October. That response will be laid in Parliament.

I also respond to your specific policy questions, providing additional information below, that I hope will assist in your important scrutiny of government environmental and climate policy.

### **Zero Emission Vehicles**

Delaying the phase out date of the 2030 ban on sales of new petrol and diesel cars and vans gives consumers more time to transition, including those in rural communities where charging infrastructure may be less available. It also allows consumers more time to choose the vehicle that best suits their budget, whether that means opting for an Electric Vehicle (EV) now or waiting to take advantage of falling prices over the coming decade. It is important to keep in mind that the zero emission vehicle (ZEV) mandate that will underpin this wider transition remains government policy. The ZEV mandate was published on 28 September and is the most ambitious regulatory framework for the switch to EVs in the world. This requires 80% of new cars and 70% of new vans sold in Great Britain to be zero emission by 2030, on the pathway to 100% by 2035. The 2035 end of sale date puts the UK in line with other major global economies, including Germany, France, Spain, Italy, Australia, Canada, Sweden, and US states such as California, New York and Massachusetts.

Previously, the Government intended to phase-out new petrol/diesel car and van sales by 2030. This meant that between 2030-34, for the non-zero emission proportion of sales, only vehicles with 'significant zero-emission capability' would be permitted to be sold. The term 'significant zero emission capability' had not yet been finally defined but was publicly stated as to include certain kinds of hybrid vehicles. Following the changes to this policy, for the new non-ZEV vehicle fleet sold between 2030 and 2034 (which will be falling as a share of total vehicles thanks to the wider ZEV mandate), there will no longer be a requirement to offer a significant zero emission capability and so all types of vehicles can be sold. However, CO2 regulations will remain in place to

limit the emissions of the remaining non-ZEVs, and DfT is considering whether there should be any successor arrangements for this period.

### **Home heating**

We recognise that not all properties will be suitable for a heat pump, including some off grid properties which would require significant, costly energy efficiency upgrades to be made in order to install a heat pump or another technology alternative. A range of technologies will be needed to decarbonise heating, in addition to heat pumps, including heat networks, biomethane and potentially hydrogen for homes connected to the gas grid. For homes off the gas grid, we are currently investigating whether alternative solutions could include high temperature heat pumps, hybrid heat pumps, solid biomass, and/or renewable liquid fuels like Hydrotreated Vegetable Oil or bioLPG. Government is investing to develop key technologies through initiatives such as the Green Heat Network Fund and planned programme of hydrogen trials.

Delaying the ban on installing oil and LPG boilers for off-gas-grid homes to 2035, instead of phasing them out from 2026, gives industry more time to make alternative solutions more attractive and affordable. What the Prime Minister laid out was a pragmatic approach to allow time to develop the best solution while remaining committed to our targets.

The wider ambition is to phase out the sale of new and replacement gas boilers by 2035 but only where there is a clean technology that will heat the home well. We estimate that this would exempt approximately 20% of homes now. We are introducing this to help those households who will struggle to make the switch because, for example, they would currently need very expensive energy efficiency upgrades. We expect that more households will be compatible with heat pumps over time, as technology improves. We will provide further detail on exemptions in due course.

It's also worth noting that we are supporting rural homes and homes off the gas grid through energy efficiency schemes such as the Energy Company Obligation, the Great British Insulation Scheme, and Home Upgrade Grant (HUG). HUG will deliver energy efficiency upgrades worth over £1 billion specifically to off-gas grid, low-income households living in the worst EPC rated homes, and around 60% of HUG 's eligible housing stock is found in more rural local authority areas.

It is important to underline that we remain committed to delivering net zero and are clear this will require us to decarbonise virtually all heat in buildings. The changes we are announcing from 2035 will support a transition away from fossil fuel heating following natural replacement cycles when boilers reach the end of their, on average, 15-year technical lifetime.

You also asked for details of the Government's current policy on introducing a mandate for minimum sales of heat pumps or hydrogen-ready boilers. The Government consulted on detailed proposals for the Clean Heat Market Mechanism earlier this year, including targets for the first two scheme years, and we will publish a response to that consultation this autumn, ahead of the scheme's planned launch in April 2024.

In relation to the private rented sector, as of April 2020, privately rented homes in England and Wales are required to meet the minimum standard of Energy Performance Certificate (EPC) Band E before they can be let, unless a valid exemption

applies. Following the Prime Minister's announcement, the Government will not be requiring landlords to improve the energy efficiency of their property to higher standards than those currently required by legislation.

We of course continue to recognise the challenge of fuel poverty in the private rented sector. Fuel poverty policy is devolved. In England, our target is to 'ensure that as many fuel poor households as is reasonably practicable achieve a minimum energy efficiency rating of a Band C by 2030'. There are multiple targeted schemes in place to deliver energy efficiency measures to low income and fuel poor households. Schemes include the Energy Company Obligation (ECO), the Social Housing Decarbonisation Fund and the Home Upgrade Grant (HUG). We are currently reviewing the fuel poverty strategy and will consult stakeholders as part of this.

You also asked for further information on the funding for the Boiler Upgrade Scheme. It is supported by a budget of £450 million from 2022-2025 as part of a package of measures designed to deliver the Government's ambition of 600,000 heat pump installations a year by 2028. Up to the end of August 2023, 22,857 applications have been received and the scheme has paid out 14,824 vouchers to installers to the cost of £74.5 million. No decisions on budgets for the extended Boiler Upgrade Scheme from 2025-2028 have yet been taken, but as mentioned, the Government has allocated £6 billion during this period for investment in clean heat and energy efficiency. The scheme is helping to build supply chains for low carbon heat and will encourage growth towards the Government's installation ambition.

Regarding the Energy Efficiency Taskforce, as you know in July 2023, Dame Alison Rose stepped down from her role as co-chair. Following careful consideration, my predecessor as Secretary of State for Energy Security and Net Zero decided not to replace the co-chair and the work of the EETF has been concluded. We are grateful to the Energy Efficiency Taskforce, and wider stakeholders, for their important work in supporting delivery of our ambition to reduce total UK energy demand by 15% by 2030 and we are carefully considering their ideas. We will continue to work with the taskforce members as we look to support households, businesses, and industry to become more energy efficient and to continue to collaborate with them as we develop policy in this area.

### **Other policy areas**

You asked for the source and status of consideration of a number of further policy areas. Their source varied by policy. Some, for example, were firmly part of our carbon budget delivery plans (e.g. increasing vehicle occupancy), some had been the subject of formal government consultation (e.g. waste recycling; We will shortly be announcing the Simpler Recycling policy. We are committed to Simpler Recycling, which will make recycling easier for everyone, and ensure we continue on track to meet our net zero ambitions). Some had been recommended to government by statutory bodies or the subject of wider debate. See annex A for more detail. In the context of greater transparency and securing the public's consent, the Prime Minister sought to provide reassurance in a number of areas where we would rule out future changes and also amend our existing policies where they were not in line with the pragmatic approach we need to take to gain trust in the net zero transition. Indeed, the risk here is if we continue down this path we risk losing the consent of the British people and the resulting backlash would not just be against specific policies but

against the wider net zero mission itself. I can therefore confirm that the status of the policies as announced by the Prime Minister are firm in terms of the Government's future intentions.

I thank you for your engagement on this and trust that the additional information and detail I have provided here is helpful.

Yours ever,

A handwritten signature in black ink, appearing to read 'Claire', with a long horizontal line extending to the right.

**RT HON CLAIRE COUTINHO MP**  
Secretary of State for Energy Security & Net Zero

## **Annex A – Further Policy Areas**

### **Taxes on eating meat**

The Committee on Climate Change has previously criticised the absence of policy on diet change: "There has been no stated ambition on the role of diet change in meeting climate targets or policy development aimed at diets" (CCC, Progress in reducing emissions: 2021 Report to Parliament, June 2021).

The CCC recommended that government should: "Implement measures to encourage consumers to shift diets and reduce food waste across the supply chain, including: Low-cost, low-regret actions to encourage a 20% shift away from all meat by 2030, rising to 35% by 2050, and a 20% shift from dairy products by 2030. Develop an evidence based strategy to establish options for successful behaviour shifts " (CCC, Progress in reducing emissions: 2021 Report to Parliament, June 2021)

Reduction in meat and dairy has been a repeated recommendation from the CCC: "Particularly important in our scenarios are an accelerated shift in diets away from meat and dairy products" (CCC, Sixth Carbon Budget, December 2020)

### **New taxes to discourage flying**

The Committee on Climate Change have argued that "Taxes should send clearer signals to consumers on the high emissions cost of flying": (Committee on Climate Change, *Progress in reducing emissions 2022 Report to Parliament*, June 2022, [link](#)).

"Taxes should send clearer signals to consumers on the high emissions cost of flying" (Committee on Climate Change, *Progress in reducing emissions 2023 Report to Parliament*, June 2023, [link](#)).

### **Sorting your rubbish into seven different bins**

This was enshrined in primary legislation via The Environment Act 2021. [Section 57](#) of The Environment Act 2021 requires the separate collection of six "recyclable waste streams" (1.glass; 2.metal; 3.plastic; 4.paper and card; 5.food waste; 6.garden waste.) in addition to non-recyclable (residual) household waste. It specifies that "recyclable household waste in each recyclable waste stream must be collected separately" unless certain exceptions apply or an exemption is provided in regulations.

Below is the actual legislation. It requires 1) that "recyclable household waste must be collected separately from other household waste", and 2) that "recyclable household waste in each recyclable waste stream must be collected separately", and 3) lists six separate "recyclable waste streams". The implication is that the default form of waste collection, unless an exception in subsection (6) applies, is for the six recyclable waste streams to be collected separately from each other:

England: separate collection of household waste

- (1) This section applies in relation to arrangements made under section 45(1)(a) for an English waste collection authority to collect household waste, unless they are arrangements in relation to which section 45AZA applies.
- (2) The arrangements must meet the conditions in subsections (3) to (8) (subject to any provision in regulations under section 45AZC).
- (3) The first condition is that recyclable household waste must be collected separately from other household waste.
- (4) The second condition is that recyclable household waste must be collected for recycling or composting.
- (5) The third condition is that recyclable household waste in each recyclable waste stream must be collected separately, except so far as provided by subsection (6).
- (6) Recyclable household waste in two or more recyclable waste streams may be collected together where—
  - (a) it is not technically or economically practicable to collect recyclable household waste in those recyclable waste streams separately, or
  - (b) collecting recyclable household waste in those recyclable waste streams separately has no significant environmental benefit (having regard to the overall environmental impact of collecting it separately and of collecting it together).
- (7) But recyclable household waste within subsection (10)(a) to (d) may not be collected together with recyclable household waste within subsection (10)(e) or (f).
- (8) The fourth condition is that recyclable household waste which is food waste must be collected at least once a week.
- (9) Household waste is “recyclable household waste” if—
  - (a) it is within any of the recyclable waste streams, and
  - (b) it is of a description specified in regulations made by the Secretary of State.
- (10) For the purposes of this section the recyclable waste streams are—
  - (a) glass;
  - (b) metal;
  - (c) plastic;
  - (d) paper and card;
  - (e) food waste;
  - (f) garden waste.

District Councils Network, responding to the DEFRA consultation on consistent recycling, commented: "Households may need up to SEVEN bins as part of the biggest shake up of rubbish collections in years... This could see four separate bins required for dry recyclables – glass, metal, plastic, paper and card – as well as bins for garden waste, food waste and non-recyclables." (DCN Press Release, 11 June 2021)

## **Compulsory car sharing**

The Government's Carbon Budget Delivery Plan banks 500,000 tonnes per year of carbon savings in 2030 through "Increasing average road vehicle occupancy" brought about by "measures that could reverse recent trends in declining average road vehicle occupancy (HMG, Carbon Budget Delivery Plan, March 2023).

The DfT has said it wants "to reduce urban road traffic overall... promoting ridesharing and higher car occupancy" and said it "will take action to increase average road vehicle occupancy by 2030" which would include "support for shared car ownership and shared occupancy schemes" (DfT, Decarbonising Transport - A Better, Greener Britain, 2021).

DfT have also said: "We will integrate measures to encourage shared occupancy... and potential policies to increase the uptake of shared mobility" (DfT, Decarbonising Transport - A Better, Greener Britain, 2021).

The Committee on Climate Change says: "Shared mobility (e.g. shared cars and shared trips) can also reduce car travel demand. These are uncertain but our scenarios assume that there is scope for average car occupancy to increase". They noted that "High-occupancy vehicle lanes are one example of local interventions that can encourage car-sharing". They proposed that "a variety of shared mobility innovations could play a role in increasing occupancy. These include car clubs, real-time ridesharing apps and ride-pooling." The Committee also recommended "Increased provision of bus lanes and high-occupancy vehicle lanes can incentivise switching to public transport and shared mobility by making these easier and quicker than individual transport" (CCC, The Sixth Carbon Budget -Surface Transport, December 2021, [link](#))