



Department for
Energy Security
& Net Zero

Rt Hon Claire Coutinho MP
Secretary of State

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The Rt. Hon. Philip Dunne MP,
C/O the Clerk of the
Environmental Audit
Committee
House of Commons
London
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26 March 2024

Dear Philip,

Thank you for your letter of 6 February 2024 on the proposals the Environmental Audit Committee (EAC) have made for ensuring parliamentary scrutiny of the Carbon Budget 7 (CB7) target and associated Carbon Budget Delivery Plan (CBDP).

Firstly, can I reiterate the Government's unwavering commitment to meeting our ambitious emissions targets, including the legislated carbon budgets and the net zero by 2050 target. We will take a pragmatic, proportionate, and realistic approach to doing so, easing burdens on working people. The news last month that we have significantly over-delivered on Carbon Budget 3 (CB3) was yet further evidence of how we are delivering. And, as you know, we are also committing to delivering on these targets in a way that brings people with us and ensures democratic debate about the way we get there.

Official statistics published last month showed that the UK has halved its emissions since 1990. This makes us the first major economy in the world to do so and puts us in essence halfway to net zero. This is an enormous achievement by itself but also because we have done this in a pragmatic way - growing our economy by around 80% at the same time.

Your letter notes that the Climate Change Committee (CCC) has commenced the preparations for its advice to government and Parliament on the level of the Seventh Carbon Budget. And within government planning for CB7 is underway, albeit in its early stages. There is a huge amount of work to be done between now and the statutory deadline of 30 June 2026 to get CB7 right. It will be one of the most important periods for delivering on net zero as we seek to tackle the remaining emissions, which are likely to be amongst the most challenging to achieve.

As you note, the Prime Minister has criticised the relative lack of Parliamentary scrutiny of the last carbon budget. Seventeen minutes of time in a House of Commons Committee was given to debating the level of the budget, with very little discussion of the choices, costs, and trade-offs that would be involved in achieving it. A failure to properly scrutinise both the level of our targets and the means by which we plan to achieve them is not in the public interest, not what any environmentalist would wish for, and ultimately not in the interests of maintaining the vital public consensus on this most important issue.

I very much welcome therefore your committee's proposals on an approach to provide better scrutiny of the setting of CB7. In response, I set out the key elements of our approach below:

- The Climate Change Committee plays a key role in this process as the statutory advisers to government on the level of the budget. Their advice has been accepted on all previous budgets, though this has sometimes been the subject of robust debate within government. I would therefore very much support your committee (and other parliamentary committees) taking evidence on the CCC's proposals in the early part of 2025, and where appropriate, publishing their own recommendations.
- In addition to the advice of the CCC, the Secretary of State is required by the Act to "take into account any representations made by the other national authorities". I would therefore suggest that your sister committees in the parliaments and assemblies of Scotland, Wales and Northern Ireland should similarly take evidence and engage Ministers in the Devolved Administrations (DAs) so that their views can be properly understood and taken into account.
- As you know, the Secretary of State for DESNZ has an ongoing duty under s.13 of the Act to prepare policies and proposals to meet carbon budgets. Separately, the Secretary of State for DESNZ must lay in Parliament a s.14 report as soon as reasonably practicable after setting CB7, which sets out the policies and proposals to meet carbon budgets.
- I support your proposal that the Government's publication of the proposed level of CB7 be accompanied by a draft plan for delivery of emissions reductions in the CB7 period. This should not be unduly burdensome. It should set out the policies required to deliver the proposed target - recognising that in some areas these may not be fully developed. Fiscal policies will of course continue to be scrutinised via established parliamentary processes. We expect the world to change between now and the end of CB7, so we expect that the package of proposals and policies would evolve to adapt to changing circumstances, new evidence, to utilise technological developments and address emerging challenges.
- Advanced publication of the draft plan will enable its consideration by the EAC and other parliamentary committees as they scrutinise the setting of CB7. In addition to your proposal for the SoS to appear before the EAC, it may be appropriate for other Ministers to give evidence in areas such as transport or agriculture.
- Your proposal to ensure the draft Carbon Budget Order setting the level of CB7 is debated on the floor of the House is also welcome. And I thank you for the thought you have clearly given to how to operate the proper parliamentary processes to make sure this is achieved.
- Your final proposal relates to the publication of an s.14 report. As you will know, that is a requirement of the Act which must be fulfilled "as soon as is reasonably practicable" after the making of the Order. The process of scrutiny described above, and in your letter, should make it quicker and more straightforward for that obligation to be discharged.

Can I once again welcome your committee's engagement with this process and support for the Prime Minister's proposals for greater democratic accountability. I am heartened to understand that we both share the view that proper democratic consideration of this vital carbon budget is critical to maintaining public support for the approach the UK is taking in leading the world on emissions reductions. I very

much look forward to working closely with the EAC throughout CB7 planning to ensure that the Government delivers on its stated commitments.

I am copying this letter to the Net Zero, Energy and Transport Committee in Scottish Parliament, the Climate Change, Environment and Infrastructure Committee in Welsh Parliament, and the Agriculture, Environment and Rural Affairs committee in NI Assembly as well as the Chairs of the Procedure, Liaison and Energy Security and Net Zero Committees in the Commons; the Chairs of the Procedure, Liaison and Environment and Climate Change Committees in the Lords; and the Acting Chair and the Chief Executive of the Climate Change Committee.

Yours ever,

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

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