

## COMMITTEE ON CLIMATE CHANGE 2024 PROGRESS REPORT: SUMMARY OF THE GOVERNMENT RESPONSE

On the 17 December 2024 the Government published its response to the latest annual progress report from the Committee on Climate Change (CCC). This note provides a short summary of the response, highlighting issues of most interest to BPF members and the wider the real estate sector.

You can read the CCC report here.

You can read the Government response in full here.

#### RESPONSE TO CCC RECOMMENDATIONS

#### **Building-specific recommendations**

#### Reinstate the new boiler phase-out by 2035 to cover all homes

The Government's position is that no one should be "forced to rip out their boiler". It believes that the best way forward is to put the right incentives in place to encourage consumers to switch to cleaner, affordable heating. The Government will set out more details in its Warm Homes Plan "in due course".

# Reinstate requirements on landlords to improve energy efficiency in rented properties

The Government will consult "shortly" on proposals for homes in the domestic private rented sector to meet new minimum energy efficiency standards (MEES) by 2030. These will require private rented homes to be at least EPC C in order to be let. The Government will also consult "in due course" on introducing MEES to the social rented sector by 2030, requiring all social housing in the UK to meet at least an EPC C rating.

#### Remove planning barriers for heat pumps

Following a <u>public consultation</u>, the Government will remove planning barriers to heat pump deployment by providing additional flexibility through Permitted Development Rights. This will allow households in England to install an air source heat pump without the need to submit a planning application and will remove the requirement that they must be installed at least 1 metre from a property's boundary.



#### Accelerate heat pump roll-out

The Government states that it has increased the budget for the Boiler Upgrade Scheme by £30 million for the 2024/25 financial year. Ministers hope that this, alongside the introduction of the <u>Clean Heat Market Mechanism</u> and the removal of planning barriers, will accelerate the take up of heat pumps. Full details of the Government's plan to increase heat pump roll-out will be set out in the Warm Homes Plan "in due course".

#### Simplify the strategic decision on the role of hydrogen for heat

The previous Government committed to taking a decision in 2026 on the role of hydrogen in home heating. This has been an area of extensive debate within the sector and much has changed since the 2026 date was set. The current Government wants to provide strategic clarity on decarbonising home heating "as soon as possible". Over the coming months the Government will assess the latest evidence before consulting in 2025 on the role of hydrogen in home heating. Work on the assessment of the safety evidence is continuing to a separate timetable and conclusions are expected later next year.

### Relevant cross-cutting recommendations

#### Make electricity cheaper

The Government is "keen to explore the options for making electricity cheaper relative to gas". The response states that Ministers "will launch a consultation on these issues in due course to work out the best approach, and an approach that is fair, in particular to those in fuel poverty".

#### Publish a plan for net zero skills

The Department for Energy Security and Net Zero (DESNZ) have set up <u>The Office</u> for Clean Energy Jobs to help deliver the skills needed to support the net zero transition. The Government will work with Skills England to ensure there are plans in place to meet the skills needs of its programmes and will publish those plans "in due course".

#### Strengthen plans for adaptation

Ministers have accepted the recommendation to reset and strengthen the Government's approach to climate adaptation and to accelerate and further embed progress. They are "considering a range of options to achieve this and plan to set out [our] refreshed approach in due course".



#### Make planning policy consistent with net zero

In its consultation on changes to the National Planning Policy Framework, the Government invited views on how the planning system can support the net zero agenda. The <u>results of the consultation</u> have now been published.

#### Publish guidance on the use of carbon offsets

In November the Government launched its <u>Principles for Voluntary Carbon and Nature Market Integrity</u> to help businesses "engaged in discretionary action towards net zero and nature positive transitions". The Government will consult in the New Year on how these principles could be used to support "the high integrity use of markets as finance and ambition raising measures".

#### Improve public engagement on low-carbon choices.

The Government wants to "tread lightly on people's lives" and ensure that everyone benefits from the transition to net zero. Ministers will set out the Government's approach to engaging the public in a Public Participation Strategy to be published in 2025.

#### Ensure network capacity can meet the growing need

The <u>Clean Power 2030 Action Plan</u> sets out the steps that Government is taking on electricity networks and connections. These include "reforming the connections process, working with NESO, Ofgem, TOs and DNOs to prioritise viable projects that align with the Action Plan".

#### **UPCOMING CONSULTATIONS**

In addition to responding to specific CCC recommendations, the Government response also highlights a number of forthcoming consultations and consultation responses (some of which are touched on above). For east of reference, these are listed below:

**Warm Homes Plan**. In 2025, the Government will set out full details of its "ambitious Warm Homes Plan to support heat and building decarbonisation and slash fuel poverty for households".

Improved energy efficiency standards for commercial buildings. The Government plan to publish the response to the Non-Domestic Private Rented Sector MEES consultation "early in 2025".



**Heat Network Zoning**. The Government will publish the response to the consultation on heat network zoning "shortly".

**Hydrogen for heating**. The Government is assessing the current evidence base and will consult in 2025 on the role of hydrogen in home heating. This will provide clarity on decarbonising home heating.

**Future Homes and Buildings Standards**. A response to the consultation "will be launched in due course".

**New product standards for heat pumps**. The Government will be launching a consultation to consider "how new standards can make heat pumps even more efficient, alongside improvements to gas boilers that will also save carbon and reduce bills for those households who have yet to make the switch".

**EPC reform**. The Government has <u>launched a consultation</u> on reforms to the Energy Performance of Buildings regime, which covers updating EPC metrics.

Rob Wall Assistant Director BPF RWall@bpf.org.uk