

Debate Pack
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Estimates Day debate on the spending of the Department for Energy Security and Net Zero on energy infrastructure

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Summary

This briefing has been produced ahead of the [Estimates Day debate](#) to be held on 4 July 2023.

The [DESNZ Estimates memorandum](#) (PDF) published alongside the Main Estimate 2022-23 contains a detailed breakdown of the department's

spending. This includes information on spending controls and key drivers of spending changes since last year.

1 Background

1.1 Main Estimate 2023-24

What are Estimates?

One of Parliament's longest-standing functions is the consideration and authorisation of government's spending plans, requiring the government to obtain parliamentary consent before spending public money. Main Estimates are the documents that contain the detail of those spending plans for a particular year. There is a separate Estimate for each government department. Changes are presented at the end of each year through Supplementary Estimates (final spending plans). A previous Library briefing paper set out details of the [government's final spending plans for the previous financial year, 2022/23 \(March 2023\)](#).

Each of the Estimates must be authorised by Parliament before they take effect. In the early part of the year, funding is provided via an advance of 45% of last year's approved spending, through what is known as the Vote on Account.

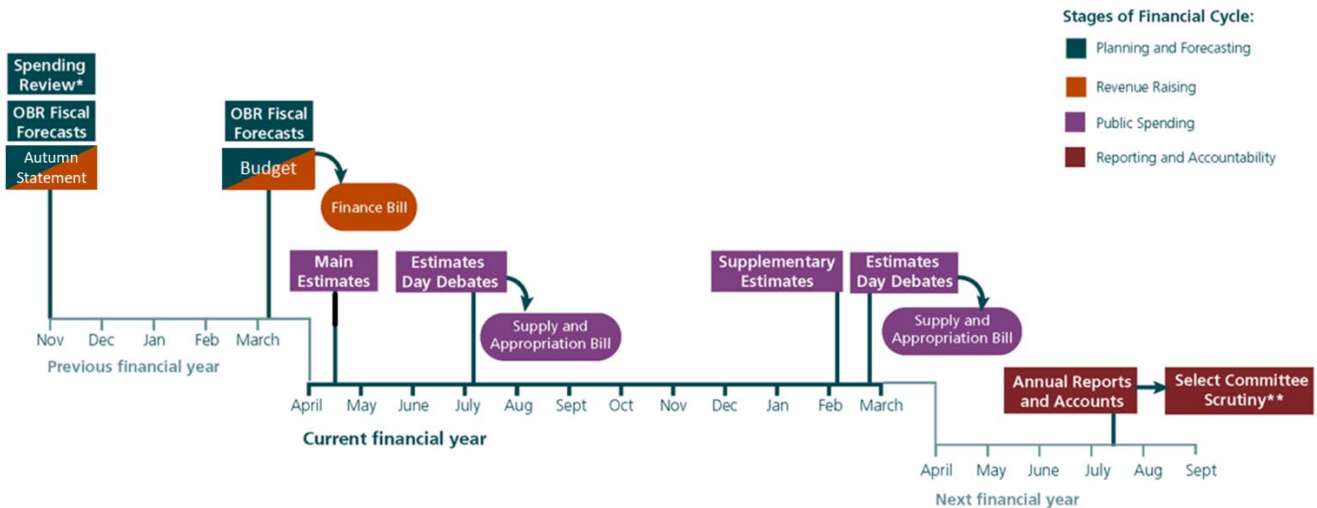
The Estimates cycle

The approval of public spending through Estimates (the supply process) operates on the basis of 'annuality', whereby money is voted for use in a particular financial year only. The normal steps in this process are:

- **Vote on Account:** consideration and approval of an advance of funding for the first four months of the financial year (April to July) for each government department. The Vote on Account is normally published in February and approved by Parliament in March, in time for the start of the new financial year commencing in April.
- **Main Estimates:** consideration and approval of the spending plans for the new financial year for each government department. Main Estimates are normally published in April, but not approved until July. Money already authorised through the Vote on Account is deducted from the amounts required for the year to provide government with funding for the remainder of the financial year.
- **Supplementary Estimates (where required):** consideration and approval of any changes to amounts or purposes of money required by departments. Supplementary Estimates are normally published in February and approved in early March to allow for any additional funds to be spent before the end of the financial year. Exceptionally,

government may present an ‘out-of-turn’ Supplementary Estimate outside of the usual cycle, where urgent provision is required at short notice and this cannot wait for a normal Estimates round.

- Statement of excesses (where required): consideration and retrospective approval of any spending beyond the level or coverage previously approved by Parliament. This normally occurs only where inevitable spending is incurred or where mistakes have arisen, and is exceptional.¹



Notes:
 * Spending Review happens once every 3-4 years
 ** Select Committee Scrutiny of Departmental Annual Reports and Accounts may continue well into the financial year

Content of an Estimate

Separate Estimates and Votes on Account are produced for each government department and published together by HM Treasury in a single volume. The key components of each Estimate are spending limits and ambits, which in each case apply to a single department for a single year only.

Spending limits

Within each Estimate, spending is divided into a number of distinct budgetary limits for each department, covering spending of a specific type determined by HM Treasury. Changes to the categorisation of spending between categories require prior consultation with Parliament.

¹ In such cases a report is prepared by the Comptroller and Auditor General, and the Public Accounts Committee may call for explanation and detail of measures taken to prevent recurrence.

Box 1: Types of spending

Departmental Expenditure Limits (DELs) cover net spending which is subject to limits set in Spending Reviews and which it is assumed government departments can control.

Resource DEL (also referred to as ‘day-to-day spending’) covers costs of running and purchasing goods and services; staff costs; current grants; rent; and maintenance costs. It also includes profit or loss on the sale of assets; depreciation; and some impairments.

Capital DEL (also referred to as ‘investment spending’) covers the purchase, disposal and major improvement of assets; capital grants (i.e. grants to purchase or enhance assets) and loans.

Annually Managed Expenditure covers net spending which is more difficult to control and forecast:

Resource AME covers benefits and state pensions; some impairments; and provisions for liabilities.

Capital AME covers student loans and some financial transactions, mainly relating to the post-2008 financial crisis.

Switches of funding are not normally permitted by the Treasury from capital to resource (although exceptions, such as for health, are sometimes made), or from AME to DEL. Once Parliament has voted the limits, savings on any voted limit (DEL or AME) are not permitted to be used in support of spending under another.

Ambits

The ambit is the description of what the spending within each of the limits will be spent upon. Government departments must ensure that their ambits are accurate and, subsequently, that no spending falls outside their scope. Should it do so, it would constitute an ‘excess vote’, that is, illegal spending outside the authority authorised by Parliament.

Detail of spending plans

Further detail of spending plans – breaking them down into a number of lines, known as subheads, within the totals above – is given within each Main and Supplementary Estimate. These breakdowns represent the Government’s best estimation of planned spending within the totals at the time the Estimates are prepared, but do not constitute limits within the totals. Government departments are totally free to switch resources from one subhead to another, providing they do not exceed the overall spending limits, or incur expenditure beyond the scope of the ambit.

Estimates memoranda

Government departments are required to produce an explanatory memorandum to explain the content of each Main and Supplementary Estimate. This memorandum should compare spending plans to previous years and explain the reasons for changes proposed. Select committees currently publish memoranda on their webpages and the Scrutiny Unit uses the memoranda to prepare briefings for select committees and other Members.

Department for Energy Security and Net Zero

Prior year figures will represent re-stated figures for the related spend of the former Department for Business, Energy, and Industrial Strategy (BEIS).

DESNZ proposes a **Resource DEL (day-to-day spending) budget of £2,056.9 million for 2023/24, a decrease of £13,999.1 million (-87.2%)** compared with last year's final budget of £16,055.9 million.

The main drivers of this decrease are:

- £12,538.9 million reduction in funding for the Energy Bills Support Scheme, reflecting the ending of the main scheme on 31st March 2023; and
- £1,708.0 million one off funding provided last year for the Energy Special Administration Regime (SAR).

This is partially offset by:

- £83.7 million increase in budget for the Nuclear Decommissioning Authority (NDA);
- £44.0 million increase for International Climate Finance (ICF);
- £31.7 million transfer of budget from the Foreign, Commonwealth and Development Office (FCDO); and
- £29.3 million increase in funding for Energy Innovation.

DESNZ proposes a **Capital DEL (investment spending) budget of £5,913.6 million for 2023/24, a decrease of £2,374.0 million (-28.6%)** compared with last year's final budget of £8,287.7 million.

The main driver of this decrease is a £3,877.0 million reduction in one off funding provided last year for the Energy Special Administration Regime (SAR).

This is partially offset by:

- £199.0 million one of funding provided in 2023/24 for Euratom;
- £100.0 million additional allocation for Renewable Energy;
- £99.1 million increase in budget for the Nuclear Decommissioning Authority (NDA); and
- £791.0 million increase in budget for Net Zero

DESNZ proposes a **Resource AME² of £42,461.7 million for 2022/23, an increase of £88,181.9** compared with last year's final budget of -£45,720.2 million.

The main drivers of this increase are:

- £113,580.2 million increase in provisions for the Nuclear Decommissioning Authority (NDA)³; and
- £18,791.8 million increase in the forecast for the movement in fair value for Contracts for Difference for the Low Carbon Contracts Company.

This is partially offset by:

- £34,740 million decrease in budget provided last year for the Energy Price Guarantee;
- £11,350 million decrease in funding for the Energy Bill Relief Scheme;
- £4,547 million decrease in funding for the Energy Bills Discount Scheme; and
- £1,689 million credit arising from the Energy Special Administration Regime (SAR) in 2022/23.

DESNZ proposes a **Capital AME budget of -£24.3 million for 2023/24, a decrease of £49.5 million (-196.3%)** compared with last year's final budget of £25.2 million. The main driver of this increase was a £44.6 million reduction in funding for Eurotom.

² Resource AME is subject to significant fluctuation from year to year due to non-cash costs arising from movements in the fair value of Contracts for Difference and the impact of changes to discount rates on provisions. Changes to discount rates can have a particularly significant impact on the large, long-term provision for nuclear decommissioning held by the NDA, as can be seen by the substantial variation in 2021-22.

³ Provisions represent the present value of necessary future payments, in this case the future cost of decommissioning nuclear power plants and storing nuclear waste. Changes to the provisions will score in Resource AME each year, although this is a "non-cash" budget – the Department will not need to actually pay out the money.

1.2 Department for Energy Security and Net Zero

The [Department for Energy Security and Net Zero \(DESNZ\)](#) was created in February 2023 and took responsibility for energy policy from the former Department for Business, Energy, and Industrial Strategy (BEIS).

DESNZ are responsible for energy policy in Great Britain as energy is [a reserved matter in Scotland and Wales](#). Energy policy is transferred to the Northern Ireland Assembly (other than nuclear energy, which is an excepted matter reserved to Westminster).

The department is supported by [14 agencies and public bodies](#).

DESNZ responsibilities are:

- delivering security of energy supply
- ensuring properly functioning energy markets
- encouraging greater energy efficiency
- seizing the opportunities of net zero to lead the world in new green industries.

Its priorities are:

1. Ensure security of energy supply this winter, next winter and in the longer-term – bringing down energy bills and reducing inflation.
2. Ensure the UK is on track to meet its legally binding Net Zero commitments and support economic growth by significantly speeding up delivery of network infrastructure and domestic energy production.
3. Improve the energy efficiency of UK homes, businesses and public sector buildings to meet the 15% demand reduction ambition.
4. Deliver current schemes to support energy consumers with their bills and develop options for long-term reform to improve how the electricity market works for families and businesses.
5. Seize the economic benefits of Net Zero, including the jobs and growth created through investment in new green industries.

6. Pass the Energy Bill to support the emerging CCUS and hydrogen sectors; to update the governance of the energy system; and to reduce the time taken to consent offshore wind.⁴

Government net zero strategy

Government strategy for achieving the net zero energy transition is set out in a number of policy documents including [The Ten Point Plan for a Green Industrial Revolution](#) (November 2020), the [Net Zero strategy: Build Back Greener](#) (April 2022) and the [British Energy security Strategy](#) (April 2022).

On 31 March 2023, the Government published policy documents relating to energy and climate change. Together, these set out the Government's current strategy on delivering its net zero commitments and were, in part, a formal response to a [2022 High Court ruling](#) that the UK's net zero strategy was legally insufficient.

The documents published in March 2023 included:

- [Powering up Britain](#) – A summary of the plans on how the government will enhance the UK's energy security, seize the economic opportunities of the transition, and deliver on its net zero commitments.

This overview paper was supported by:

- [Powering up Britain: Energy Security Plan](#) (PDF) – sets out the steps that the government is taking to ensure the UK is more energy independent, secure and resilient.
- [Powering Up Britain; Net Zero Growth Plan](#) (PDF) – sets out a package of proposals and policies that will enable the UK to meet its carbon budgets.⁵
- [Carbon Budget Delivery Plan](#) (PDF): to inform Parliament and the public on the government's proposals and policies to enable carbon budgets to be met.
- The Government's [response to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 Recommendations](#) (PDF).
- The Government's [response to the Independent Review of Net Zero's Recommendations](#) (PDF). In September 2022, Chris Skidmore MP was commissioned by the Prime Minister to consider how the UK could

⁴ DESNZ, [About us](#), accessed on 29m June 2023

⁵ Under the [Climate Change Act 2008](#) (the 2008 Act), the government must set five-yearly carbon budgets, twelve years in advance, from 2008 to 2050. The aim is to meet the 2008 Act's target of reducing greenhouse gas emissions by 100% by 2050 compared to 1990 levels.

better meet its net zero commitments. The resulting report [Mission Zero](#) (PDF) made 25 key recommendations for 2025 to Government.

Energy Bill 2022-23

The [Energy Bill \[HL\] 2022-23](#) is currently progressing through Parliament. It was introduced to the House of Lords on 6 July 2022 and has completed Committee stage in the House of Commons.

The Bill is designed to “deliver a cleaner, more affordable and more secure energy system for the long term”,⁶ building on the commitments in the [April 2022 British Energy Security Strategy](#) to invest in homegrown energy and maintain the diversity and resilience of the UK’s energy supply.

Details of the Bill can be found in the Library briefing [Energy Bill \[HL\] 2022-23: Overview](#) (May 2023).

Five additional Library briefings have been published covering the provisions of the Bill in more detail:

- [Energy Bill \[HL\] 2022-23, parts 1, 2 & 3: carbon storage, hydrogen, and new technologies \(May 2023\)](#) covers parts 1 to 3 of the Energy Bill, including carbon dioxide usage, transport and storage, hydrogen production, the hydrogen village trial and new technologies.
- [Energy Bill \[HL\] 2022-23, parts 4-6: Electricity and gas markets \(May 2023\)](#) covers parts 4-6 of the Bill, including the Independent System Operator and Planner, governance of gas and electricity industry governance codes, multi-purpose interconnectors, electricity storage and smart meters.
- [Energy Bill \[HL\] 2022-23, parts 7-10: heat networks, smart appliances, load control and energy performance of buildings \(May 2023\)](#) covers parts 7-10 of the Bill, including heat networks, energy smart appliances and load control, energy performance of buildings and Energy Savings Opportunity Schemes.
- [Energy Bill \[HL\] 2022-23: Parts 11 and 12 – Offshore wind, oil and gas \(May 2023\)](#) covers parts 11-12 of the Bill, including core fuel sector resilience, offshore wind electricity generation and oil and gas.
- [Energy Bill \[HL\] 2022-23, part 13: Provisions on civil nuclear regulation \(May 2023\)](#) covers part 13 and sections of part 3 that relate to nuclear regulation,.

⁶ DESNZ, [Energy Security Bill overarching factsheet](#), June 2023

Progress on Net Zero

Climate Change Committee progress report

The [Climate Change Committee](#) (CCC) is an independent, statutory body established under the [Climate Change Act 2008](#). It advises the UK government and devolved administrations on emissions targets. It reports to Parliament on progress made in reducing greenhouse gas emissions and preparing for and adapting to the impacts of climate change.

On 28 June 2023, the CCC published its [2023 Progress Report to Parliament](#). The key messages are:

- **A lack of urgency.** While the policy framework has continued to develop over the past year, this is not happening at the required pace for future targets. Pace should be prioritised over perfection.
- **Stay firm on existing commitments and move to delivery.** The Government has made a number of strong commitments, notably on fossil fuel vehicle phase-out, decarbonisation of the electricity system, heat pumps, and the deployment at scale of new industries such as hydrogen and greenhouse gas removals.
- **Retake a clear leadership role internationally.** The UK will need to regain its international climate leadership. This means taking urgent action to reduce emissions in line with delivering the UK's ambitious Nationally Determined Contribution (NDC) to the UNFCCC under the Paris Agreement for 2030 and fulfilling other pledges made in international climate negotiations.
- **Immediate priority actions and policies.** Action is needed in a range of areas to deliver on the Government's emissions pathway. New policies are urgently needed in industry. The Government needs to overcome the uncertainty being caused by its planned 2026 decision on the role of hydrogen in heating.
- **Develop demand-side and land use policies.** The Government's current strategy has considerable delivery risks due to its over-reliance on specific technological solutions. It is essential that policies to empower and support people to make low-carbon lifestyle choices are implemented now, especially on home energy use, shifting to healthier and more sustainable diets, and reducing air and car travel.
- **Empower and inform households and communities to make low-carbon choices.** Despite some positive steps to provide households with advice on reducing energy use in the last year, a coherent public engagement strategy on climate action is long overdue.

- **Planning policy needs radical reform to support Net Zero.** In a range of areas, there is now a danger that the rapid deployment of infrastructure required by the Net Zero transition is stymied or delayed by restrictive planning rules.
- **Expansion of fossil fuel production is not in line with Net Zero.** The UK will continue to need some oil and gas until it reaches Net Zero, but this does not in itself justify the development of new North Sea fields.
- **The need for a framework to manage airport capacity.** No airport expansions should proceed until a UK-wide capacity management framework is in place to assess annually and, if required, control sector CO2 emissions and non-CO2 effects.⁷

Reactions to the CCC progress report

As reported in the Science Media Centre's [expert reaction to CCC's 'Progress in reducing emissions – 2023 Report to Parliament'](#) (28 June 2023) reactions to the latest progress report by the CCC have shown concern about progress on the net zero transition.

For example, Professor Amanda Maycock, from the Institute for Climate and Atmospheric Science at the University of Leeds said:

After several decades of strong progress in reducing greenhouse gas emissions through picking the 'low hanging fruit', the UK government is now hitting the hard part of the exam and has some way to go before proving it can remain a first-class student. The report by the CCC highlights many areas where the UK government needs to get on with its revision and hand in its homework on time. There is a great deal at stake for us all.⁸

Dr Shaun Fitzgerald, Director of the Centre for Climate Repair, University of Cambridge, said:

The report of the Climate Change Committee is chastening – we are simply not moving fast enough. And this is in a time of incredibly high fossil fuel prices. The time to invest in renewable energy and energy efficiency is now. Alarmingly, installation rates of energy efficiency measures fell further in 2022. This has to be addressed since not only is it an effective way to reduce emissions, it will also help consumers reduce their energy bills which we know are crippling for many right now.⁹

⁷ CCC, [2023 Progress Report to Parliament](#), June 2023

⁸ Science Media Centre, [expert reaction to CCC's 'Progress in reducing emissions – 2023 Report to Parliament'](#), 28 June 2023

⁹ *ibid*

1.3

Energy infrastructure

The UK has adopted a net zero carbon emission target for 2050, making it the first major economy to pledge to cut emissions to zero. The target will require the UK to bring all greenhouse gas emissions, excluding aviation and international shipping, to zero by 2050.

The transition to net zero will necessitate significant changes to almost all sectors of the economy. This briefing will focus on three specific areas of energy infrastructure:

- Electricity network capacity
- Offshore wind
- New nuclear power

Electricity network capacity

Need for new capacity

National Grid has said that achieving the Government's commitment to decarbonise power generation by 2035 could mean the amount of electricity generation capacity connected to the grid needs to treble.¹⁰ Offshore wind capacity would have to increase by 4.5-6 times its 2021 level, solar by 2.5 to five times with substantial increases also needed in battery storage and interconnectors. It has said delivering this means that five times more transmission lines need to be built on land and four times more marine cables by 2030 than in the past 30 years.¹¹

The Climate Change Committee has forecast that under its 'Balanced Net Zero Pathway'¹² UK electricity demand could increase by almost 60% between 2022 and 2035. Most of this growth is from transport and residential buildings.¹³ This growth is much less than the growth in capacity needed because of the intermittent nature of the new capacity.

¹⁰ This is under their most ambitious 'Leading the Way' Scenario in [Future Energy Scenarios](#) (July 2022)

¹¹ National Grid, [Delivering for 2035: Upgrading the grid for a secure, clean and affordable energy future](#) (PDF), May 2023

¹² The CCC developed this pathway to net zero emissions in 2050 as part of their sixth carbon budget and describe it as "...illustrative of what a broadly sensible path based on moderate assumptions would look like". It uses this pathway as the basis for its Sixth Carbon Budget recommendation.

¹³ Climate Change Committee, [Sixth Carbon Budget](#), Figure 3.4a

Delays in grid connections

National Grid publishes a limited amount of data on the time taken for new capacity to get connected to the network. According to its latest [transmission performance report](#), it connected 5.3GW of generation capacity in 2021/22. It received a record 408 connection offer requests in 2021/22, up by more than 50% on the previous year. A connection offer sets out the works to be undertaken, the cost of delivering those works and the terms and conditions to be applied. Thirteen offers were made outside expected timescales.¹⁴

Separate data shows consistent increases in the number of connection offers made by National Grid over the past few years. The latest number is for October 2022 to March 2023 when 431 were made. This was 140% higher than the equivalent period four years earlier. In around 80% of cases in the most recent period the offer date was later than the one requested by the customer. This rate has increased from around 50% one year earlier. The difference between request and offer date varied by region from just over two years to around nine years.¹⁵

[National Grid said in its June 2023 consultation on Connections Reform](#) that projects with more than 280GW of capacity are currently seeking connections to the transmission network, an increasing number of which have dates into the mid-2030s. They published [GB Connections Reform: Case for change](#) in December 2022 which said that the amount of capacity contracted to connect to the system at the time was well above the highest level assumed in its [Future Energy Scenarios](#). However, much of this does not have a connection date in the near future and some would not be built or connected for various reasons.¹⁶

The latest Transmission Entry Capacity Register shows:

- 12% of the contracted capacity has a connection date before the end of 2025, 34% has a date from 2026 to 2029 and the remaining 54% a date in 2030 or later.
- 33% of capacity awaiting a connection was offshore wind, 16% Battery Energy Storage Systems (BESS) and 31% BESS hybrid (coupled with generation, often solar)
- 47% of capacity with a connection date of 2030 or later was BESS or BESS hybrid and 40% was offshore wind.¹⁷

¹⁴ National Grid, [Electricity Transmission. Our Performance 2021/22](#) (September 2022)

¹⁵ National Grid, [Timely Connection reports](#) (various editions)

¹⁶ National Grid, [GB Connections Reform. Case for change](#) (December 2022), p12

¹⁷ National Grid, [Transmission Entry Capacity \(TEC\) Register](#) (27 June 2023)

A February 2023 [Engineering and Technology article](#) said that over the previous 18 months the time taken for developers to connect renewable projects to the national grid had ‘soared’. National Grid data in the article showed the average expected waiting time for connection had increased from less than 10 months in 2017/18 to almost 30 months in October 2022 to March 2023 and approaching 50 months in April to September 2022.¹⁸

National Grid estimates that actions it has taken, including those in its [Five Point Plan](#), will mean that 70% of projects with a current connection date after 2026 will be able to connect between 2 and 10 years earlier. It is also enabling storage projects to connect more quickly. There were 117GW of energy storage projects in the pipeline in June 2023.¹⁹

Comparison to other countries

In March 2023 BloombergNEF published [an article on the importance of electricity grids for net zero](#). This looked at the amount of wind and solar capacity stuck in interconnection queues in four European countries and the US. The UK had the largest queue of the European countries at around 220GW, compared to around 175GW in Spain, 160GW in Italy and 30GW in France. The majority of the UK’s backlog was for wind projects. Solar made up most of the projects waiting for a connection in Spain and France, while in Italy they were evenly split between wind and solar. The scale of the backlog of projects in the US was much larger. The total backlog in these four European countries and the US was put at almost 1,000GW for solar and over 500GW for wind.²⁰

Government policy on grid capacity

Ensuring we have the right electricity network infrastructure is described as crucial in the March 2023 [Power up Britain – Energy Security Plan](#) (PDF).

Power networks, interconnection and system governance is discussed as part of the plan. The Government’s key commitments in this area are:

- To publish an action plan this year in response to the Electricity Networks Commissioner’s recommendations on halving the development time for transmission network projects (see below).
- To publish an action plan in summer 2023 to accelerate electricity network connections, including reform of the connections process.

¹⁸ Engineering and Technology, [How grid connection delays are threatening net-zero goals](#) (14 February 2023)

¹⁹ National Grid, [GB Connections Reform Summary](#) (June 2023)

²⁰ BloombergNEF, [A Power Grid Long Enough to Reach the Sun Is Key to the Climate Fight](#) (8 March 2023)

- To introduce guidance on community benefits for network infrastructure later in 2023, subject to responses to a consultation on these measures.
- The Government and Ofgem will consult this summer on the detail of the [Future System Operator](#)'s²¹ new roles in resilience and security and provide an update on implementation plans.
- To work with partners to realise an increase in interconnection capacity – aiming for at least 18 gigawatts by 2030, over double the current capacity of 8.4 gigawatts.²²

Electricity Networks Commissioner

Halving the development time for transmission network projects is a priority area for DESNZ. In July 2022, [Nick Winser CBE was appointed as the Electricity Networks Commissioner](#) to advise on how this can be done.

On 19 June 2023 [Nick Winser gave evidence to the Environmental Audit Committee](#) on how to develop the strategic infrastructure needed to make Great Britain's electricity grid fit for a Net Zero future. This was as part of the Committee's ongoing inquiry on [Enabling sustainable electrification of the UK economy](#) examining the challenges and opportunities arising from the increasing use of electricity to power the economy of Net Zero Britain.

Mr Winser said:

I will be saying [in his report as Electricity Networks Commissioner] that I think we can improve delivery by halving the process, which at the moment counts as about 14 years, down to around seven years, which would line it up much better with the delivery of major new assets such as offshore wind farms.

Electricity Networks Strategic Framework

In August 2022, the Government published its [Electricity Networks Strategic Framework: Enabling a secure, net zero energy system](#), which sets out actions the government and Ofgem are taking to ensure the electricity network can act as an enabler of a secure, resilient, net zero energy system. It described policy and regulatory measures relating to GB electricity networks, including:

²¹ The Future System Operator is being established as part of the Energy Bill 2022-23. This new body will bring together the planning for the electricity and gas systems, and potentially systems for new technologies like hydrogen and carbon capture and storage, into a single institution to enhance the UK's ability to transition to a zero-carbon energy system and reduce the costs involved.

²² HM Government, [Powering Up Britain – Energy Security Plan](#) (PDF), p45 March 2023

- Facilitate more strategic network planning onshore, offshore and at the local level, including taking a coordinated approach to network build through the [Offshore Transmission Network Review](#) and [Centralised Strategic Network Plan](#).
- Publishing for consultation changes to the energy [National Policy Statements](#),²³ including to reflect the strategic importance of and need for network infrastructure.
- Work with Ofgem to implement the [price control frameworks](#)²⁴ to enable strategic investment.

Offshore wind

[Powering up Britain – Energy Security Plan](#) reiterated the Government’s ambition for up to 50 gigawatts of offshore wind in the UK by 2030, with up to 5 gigawatts from floating wind ([in 2022, the UK had 13.7 gigawatts of offshore wind capacity](#)).

This included the following commitments:

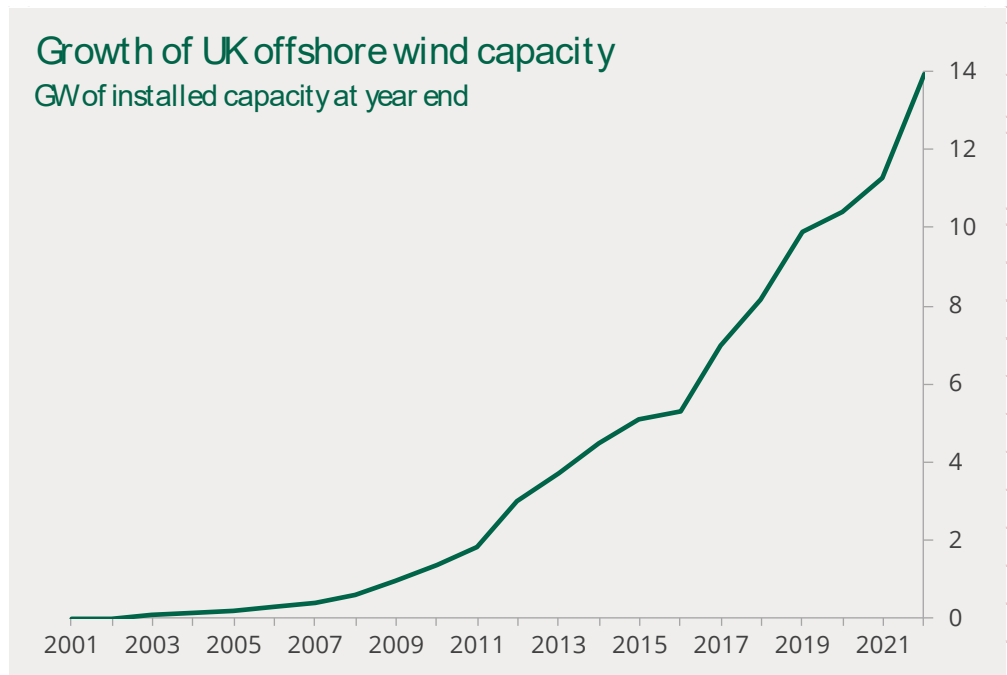
- Legislation to streamline the offshore wind consenting process.
- Measures in the Energy Bill to introduce the [Offshore Wind Environmental Improvement Package](#) that support the deployment of offshore wind by helping to reduce the consenting time from up to four years to one year.
- A new [fast track consenting process](#) to be introduced through the [Levelling Up and Regeneration Bill](#).
- The [Offshore Coordination Support Scheme](#), a grant scheme launched in December 2022 with up to £100 million available for offshore electricity projects.

Offshore wind statistics

The UK’s first offshore wind farm, Blyth Harbour, started operating at the end of 2000. It consisted of just two turbines with a capacity of 2 megawatts (MW) each. Some recent offshore wind farms have a capacity 300 times as large. The chart below shows how offshore capacity has increased.

²³ The energy National Policy Statements (NPS) set out the government’s policy for the delivery of energy infrastructure and provide the legal framework for planning decisions.

²⁴ Ofgem, as the regulator, sets price controls for the companies that operate Britain’s gas and electricity networks.



Source: DESNZ, [Energy Trends: UK renewables](#) (Table 6.1)

Generation from offshore wind overtook onshore wind as the largest renewable generating technology in 2019. In 2022 it produced 45 terawatt hours of power and provided 13.8% of all electricity generated in the UK.²⁵

The UK currently has two small operational floating windfarms which make up around 0.5% of total offshore wind capacity.²⁶

Floating offshore wind

Floating offshore wind is seen as a technology that will allow turbines to be deployed in deeper waters in new areas around the UK coastline.

The UK currently has two small operational floating operational windfarms (FLOW) which make up around 0.5% of total offshore wind capacity.²⁷

In support of this, the Government's [Floating Offshore Wind Investment Scheme](#) (FLOWMIS) will provide up to £160 million to kick start investment in port infrastructure projects, supporting the growth of wind power manufacturing in the UK. [Guidance for the scheme](#) (PDF) notes that 17.8GW of floating offshore wind seabed potential was leased through the ScotWind leasing round in 2022 and a further 4GW has been announced by the Crown Estate to be leased in the Celtic Sea, which could see rights awarded by the end of 2023.

²⁵ DESNZ, [Energy Trends: UK renewables](#) (Table 6.1)

²⁶ DESNZ, [Energy Trends: UK renewables](#) (Table 6.1)

²⁷ DESNZ, [Energy Trends: UK renewables](#) (Table 6.1)

A new report by the trade association Renewable UK [Floating Wind Offshore Wind Taskforce](#) contains recommendations which could lead to 34 gigawatts (GW) of floating wind installed in UK waters by 2040 - the largest in the world. As noted above, the Government has set the industry a target of installing 5GW of floating wind capacity by 2030 - a significant increase on the 80 megawatts (MW) which is currently fully operational.

Given that 80% of the world's potential offshore wind resources is in deeper waters, and the Climate Change Committee estimate that over 100GW of total offshore wind is needed by 2050, the report predicts FLOW will be a critical enabler of the UK's energy security and net zero ambitions.

The report notes that implementing the recommendations required to reach 34GW of floating wind by 2040 will generate £26.6 billion in additional GVA (total economic activity) in the UK, which in today's value is about £18 billion. It calculates that every £1 invested in UK port facilities would generate up to £4.30 of added value to our economy, and by 2040, the floating offshore wind industry could support 45,000 jobs across the UK.

In response to the Welsh Affairs Committee reported on [Floating Offshore Wind in Wales](#) in March 2023 the [Government said](#) it would "continue to work with industry and colleagues in the devolved administrations to create the right environment for this exciting new technology to develop, and to allow regions such as the Celtic Sea to benefit from this growth."

Planning timeframes

The current operational offshore wind farms in the UK took an average of just over six years from applying for planning permission to the start of generation. The average time from applying to grant of planning permission was one year and eight months. It took a further two years and eight months on average to start construction and one year seven months from construction to the start of generation. The overall average time from applying for planning to start of generation for more recent offshore wind farms (starting operation from 2018) was longer at just over seven years, with a range from five to ten years.²⁸

Offshore Wind Champion

In May 2022, Tim Pick was appointed as the first UK Wind Champion. In March 2023, the [Independent report of the Offshore Wind Champion: Seizing our Opportunities](#) (PDF) was published.

This made the following recommendations:

- HMG should ensure that the new Department for Energy Security and Net Zero assumes robust national level stewardship of our rapidly

²⁸ DESNZ, [Renewable Energy Planning Database: quarterly extract](#) (April 2023)

evolving integrated (land-based and marine) energy system, based on a high-level vision for the entire system, providing long term cross-government policy certainty and taking into account both the legally binding Net Zero target for 2050, as well as other policy waypoints such as decarbonisation of the power system by 2035.

- As part of this, HMG and the Devolved Administrations should set out clear ambitions for Offshore Wind deployment beyond 2030, including for 2035, 2040 and 2050, to provide a clear long term policy framework for seabed leasing and consenting decisions as well as investor confidence for developers, ports and the supply chain.
- HMG should expand the role of the Future Systems Operator (FSO) to include responsibility for developing national level strategic delivery frameworks for the energy system as a whole in collaboration with other relevant stakeholders. The aim should be to identify and realise cost efficiencies whilst guiding and de-risking the orderly and coordinated development of electricity, gas, hydrogen, CO2 and heat networks and other infrastructure required to achieve the UK's Net Zero goal and the interim 2035 milestones described above. For the marine elements, such plans need to be informed by robust marine spatial planning.
- HMG and the Devolved Administrations should recognise the pan-UK nature of the energy system and ensure that their respective contributions to stewardship are aligned and complementary.

New nuclear power

Nuclear power supplied around 15% of electricity generated in 2021.²⁹ All existing nuclear power plants in the UK are scheduled to close by 2030 except Sizewell B, which is scheduled to close in 2035 but could have its lifetime extended further. Currently one new nuclear power plant is under construction (Hinkley Point C) and one has received planning consent (Sizewell C). See the POSTnote on [Nuclear energy in the UK](#) (December 2022) for further details.

The government has set out an ambition for deploying up to 24 gigawatts of new nuclear power by 2050. The [Powering Up Britain – Energy Security Plan](#) (PDF) describes the following main steps Government will take to achieve this ambition:

- Moving the Sizewell C project to the point of final investment decision in this Parliament.

²⁹ National Statistics, [Digest of UK Energy Statistics \(DUKES\): electricity](#), July 2022

- Establishing a pipeline of new nuclear projects - giving industry and investors the confidence they need to deliver projects at speed, reducing costs through learning and replication. This will be delivered by Great British Nuclear (see below) and the [Future Nuclear Enabling Fund](#) of up to £120 million to provide targeted support for new nuclear to address barriers to entry.
- Supporting the development of new nuclear technologies - Delivery of Phase A of the [Advanced Modular Reactor Research, Development and Demonstration programme](#), which provided up to £2.5 million across six projects in 2022-23, and Phase B of the AMR RD&D programme, which was announced in December 2022 (to run 2023-25) and will provide up to £55 million across up to two projects and up to £5 million to support the UK's regulators.
- Strengthening Britain's nuclear supply chain – support through the [Nuclear Fuel Fund](#) that aims to develop the capabilities of the UK's nuclear fuel supply chain needed to meet current and future fuel demand in the UK and globally.³⁰

The Welsh Affairs Committee carried out an inquiry on [Nuclear power in Wales](#), which reported in May 2023. In its final report the Committee explored how likely it is that there will be a successful new nuclear development at Wylfa in North Wales. The Committee also heard of the opportunities that Small Modular Reactors at Trawsfynydd could also bring to the north Wales area. However, the Committee considers that if the UK Government is serious about new nuclear energy it needs to pursue new gigawatt-scale reactors alongside SMRs. While the introduction of the [Regulated Asset Base](#) (RAB) model of funding for nuclear energy projects is welcomed, there are still significant financing challenges associated with nuclear infrastructure.

Great British Nuclear

[Great British Nuclear](#) (GBN) is an arms-length body responsible for driving delivery of new nuclear projects.

GBN is responsible for driving delivery of new nuclear projects. It will co-fund the selected technologies through their development and work with successful bidders on ensuring the right financing and site arrangements are in place. This is in line with the government's commitment to take two Final Investment Decisions on new nuclear plants in the next parliament.

The [first priority of GBN](#) is to launch a competitive process to select the best Small Modular Reactor (SMR) technologies. This began in April 2023 with market engagement. The down-selection process will be launched in the

³⁰ HM Government, [Powering Up Britain – Energy Security Plan](#) (PDF), p31 March 2023

summer with the ambition is to assess and decide on the leading technologies by autumn.

2 Parliamentary material

2.1 Debates

Westminster Hall debate: [Energy Company Obligation Schemes](#)

HC Deb 27 June 2023 | Vol 735 c59WH-

Westminster Hall debate: [Net Zero: 2050 Target](#)

HC Deb 6 June 2023 | Vol 733 c309WH-

2.2 Committee report

[Decarbonising the power sector. Public Accounts Committee fifty-ninth report.](#)

House of Commons Public Accounts Committee 12 Jun 2023 | HC 1003 2022-23

2.3 PQs

[Energy: Housing](#)

Asked by: Esterson, Bill

To ask the Secretary of State for Energy Security and Net Zero, whether he plans to retrofit homes at risk of fuel poverty.

Answering member: Amanda Solloway | Department: Department for Energy Security and Net Zero

The Government is committed to tackling fuel poverty. There are multiple targeted energy efficiency schemes in place delivering measures to low income and fuel poor households. Schemes include the Energy Company

Obligation (ECO), the Social Housing Decarbonisation Fund (SHDF) and the Home Upgrade Grant (HUG).

HC Deb 22 June 2023 | PQ 190087

Industry: Carbon Emissions

Asked by: Esterson, Bill

To ask the Secretary of State for Energy Security and Net Zero, whether she is taking steps to increase levels of private investment in industrial decarbonisation projects.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

Private investment will be crucial to achieving net zero. The Government is working with industry to provide the investment required to accelerate industrial decarbonisation. The Government is providing more than £2 billion of funding to decarbonise energy-intensive industries. This is part of the Government's £20 billion programme of investment in carbon capture, utilisation, and storage (CCUS).

This funding, alongside the Government's Green Finance Strategy, will leverage private sector investment in new technologies.

HC Deb 22 June 2023 | PQ 190080

Carbon Capture and Storage: Finance

Asked by: MacAskill, Kenny

To ask the Secretary of State for Energy Security and Net Zero, what criteria his Department used to allocate expenditure to projects through the Carbon Capture Utilisation and Storage Infrastructure Fund.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The CIF will primarily be allocated through the Cluster Sequencing process to contribute to the capital costs of the T&S network and ICC projects. To maximise participation, diversity and resilience in the Cluster Sequencing process, the Government has also committed up to £40m of the CIF to support early-stage design work in industrial clusters via the existing Industrial Decarbonisation Challenge (IDC) Fund.

The eligibility and assessment criteria for Phase 1 and 2 of the Cluster Sequencing Process are published within the Phase 1 and Phase 2 guidance. Clusters and projects were assessed against several criteria including deliverability, emissions reduction potential, economic benefits, cost considerations, and learning and innovation.

HC Deb 21 June 2023 | PQ 189395

Carbon Capture and Storage: Finance

Asked by: MacAskill, Kenny

To ask the Secretary of State for Energy Security and Net Zero, how much funding his Department allocated to the Carbon Capture Storage and Utilisation Infrastructure Fund in each year since 2020; and how much funding was allocated to each project through that fund.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The 2021 Spending Review confirmed the following allocation for the Carbon Capture Usage and Storage (CCUS) Infrastructure Fund (£ bn current prices).

FY20/21	FY21/22	FY22/23	FY23/24	FY24/25
0.0	0.0	0.0	0.3	0.4

The £1 billion CIF allocation at SR21 is spread over a longer period than as announced at Spending Review 2020 reflecting information received from project developers in the CCUS clusters. The Government has committed up to £40m of the CIF to support early-stage design work in industrial clusters via the Industrial Decarbonisation Challenge (IDC) Fund. The majority of CIF will be allocated through the ongoing Cluster Sequencing process. The Hynet and East Coast Clusters have been confirmed as track 1 clusters for the mid-2020s and will be taken forward into Track-1 negotiations for support through the relevant business models, including CIF.

HC Deb 21 June 2023 | PQ 189394

Carbon Capture and Storage: Scotland

Asked by: MacAskill, Kenny

To ask the Secretary of State for Energy Security and Net Zero, how much funding his Department has allocated to carbon capture utilisation and

storage projects through the Carbon Capture Utilisation and Storage Infrastructure Fund in Scotland since that fund was launched in March 2020.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The £1bn CCS Infrastructure Fund (CIF) forms part of a package of Government support to provide industry with the certainty required to deploy CCUS at pace and at scale. On 15 March 2023 my Rt hon Friend Mr Chancellor of the Exchequer announced an unprecedented up to £20 billion investment in the early development of CCUS. The Government has committed to setting out a vision for the CCUS sector that will support net zero ambitions and raise investor confidence.

Since its launch the Government has committed up to £40m of the CIF to support early-stage design work in industrial clusters via the Industrial Decarbonisation Challenge (IDC) Fund. UKRI announced the outcome of the challenge in March 2021 allocating a total of £171m, including £31m in funding for Scotland's net zero infrastructure (offshore and onshore). The majority of CIF will be allocated through the ongoing Cluster Sequencing process.

HC Deb 20 June 2023 | PQ 189393

[Housing: Energy](#)

Asked by: Lord Taylor of Warwick

To ask His Majesty's Government what steps they are taking to retrofit (1) homes, and (2) commercial buildings, to improve energy efficiency.

Answering member: Lord Callanan | Department: Department for Energy Security and Net Zero

The Government is investing £6.6 billion over this Parliament on clean heat and improving energy efficiency in buildings, through schemes including the Social Housing Decarbonisation Fund and Home Upgrade Grant. Additionally, this summer we will launch the £1bn Great British Insulation Scheme.

The Industrial Energy Transformation Fund offers a total of £500m of grant funding to help businesses to reduce energy bills and emissions. A further phase of the scheme was announced in March.

Government has committed a further £6bn of funding for energy efficiency and low carbon heating from 2025 to 2028.

HL Deb 19 June 2023 | PQ HL8231

Electricity: Carbon Emissions and Industry

Asked by: Esterson, Bill

To ask the Secretary of State for Energy Security and Net Zero, what assessment he has made of the implications for his policies of the report by the Aldersgate Group entitled A zero carbon power grid and the electrification of heavy industry: how to deliver on a twin challenge, published on 27 April 2023.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The Government welcomes Aldersgate Group's report on this important topic.

Electrification of industry is key to decarbonisation. The Government provides grants for fuel switching through the Industrial Energy Transformation Fund and the Industrial Fuel Switching Competition. This year, the Government will publish a Call for Evidence on enabling industrial electrification.

The 2023 Powering Up Britain Plan outlined plans to decarbonise the power generation sector, including how networks act as energy transition enablers. Ofgem has accelerated £20bn worth of network projects, and a review of system and network regulation is underway to ensure the regulatory framework is fit for the future.

HC Deb 19 June 2023 | PQ 189247

Metals: Recycling

Asked by: McCarthy, Kerry

To ask the Secretary of State for Energy Security and Net Zero, what steps he is taking to support the decarbonisation of the metals recycling sector.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The metals recycling sector can bid into a number of government-funded decarbonisation schemes, including the Industrial Energy Transformation Fund, the Programme of Research and Innovation for the UK Steel and Metals sector (PRISM) run by the Materials Processing Institute, and the SUSTAIN Future Manufacturing Research Hub headed by Swansea University.

Businesses can also benefit from exemptions on business rates for investments in green technologies. The Government has announced a new Business Energy Advice Service that will specifically target SMEs. Working with the Energy Efficiency Taskforce, the Government is reviewing what additional support could help businesses to save energy.

HC Deb 19 June 2023 | PQ 188695

[G7](#)

Asked by: Shannon, Jim

To ask the Secretary of State for Energy Security and Net Zero, what progress he has made on meeting the UK's G7 commitments.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

Britain is leading the G7 in tackling climate change. Between 1990 and 2021 the UK cut emissions by 48% while growing the economy by 65%, decarbonising faster than any other G7 country. The Government's plan, as set out in Powering Up Britain, shows how the Government will enhance the country's energy security, seize the economic opportunities of the clean energy transition and deliver on its net zero commitments, including those made at the G7. The Powering Up Britain publication can be found [here](#).

HC Deb 15 June 2023 | PQ 188526

[Energy: Meters](#)

Asked by: Maskell, Rachael

To ask the Secretary of State for Energy Security and Net Zero, if he will take steps to ensure that households on prepayment meters are prioritised for the roll out of (a) heat pumps and (b) other low cost energy sources.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The Energy Company Obligation (ECO4) is worth £1 billion per year and is focused on low income and vulnerable households, providing energy efficiency and heating measures, regardless of whether they use a prepayment meter or not.

Other targeted schemes include the Energy Company Obligation (ECO), the Home Upgrade Grant (HUG), the Local Authority Delivery (LAD) scheme and the Social Housing Decarbonisation Fund.

HC Deb 14 June 2023 | PQ 188051

Public Sector Decarbonisation Scheme: Schools

Asked by: Esterson, Bill

To ask the Secretary of State for Energy Security and Net Zero, what proportion of schools have had retrofitting measures fitted through the Public Sector Decarbonisation Scheme through (a) Phase 1, (b) Phase 2, and (c) Phase 3.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

In Phases 1, 2 and 3a of the Public Sector Decarbonisation Scheme, 176 schools received grants to decarbonise and install energy efficiency measures, making up 24% of the total number of grants. This does not include schools that are managed by local authorities. Phase 3b of the scheme is ongoing. Information on all the grants made through the Public Sector Decarbonisation Scheme is available at: <https://www.gov.uk/government/collections/public-sector-decarbonisation-scheme>.

HC Deb 13 June 2023 | PQ 188247

Ceramics: Carbon Emissions

Asked by: Esterson, Bill

To ask the Secretary of State for Energy Security and Net Zero, whether he plans to take steps to help decarbonise the UK ceramics sector.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

Innovative ceramics fuel mixes were supported through the Industrial Fuel Switching competition, with £300,000 for hydrogen trials in Stoke. On 5th June, the Government launched the Local Industrial Decarbonisation Plans competition, which will provide support to local areas and could support initiatives for ceramic decarbonisation. Funding for deployment of low carbon technologies, and for feasibility/engineering studies, is also available

through the Industrial Energy Transformation Fund (IETF). Subject to business case approval, IETF Phase 3 will open for applications in early 2024, worth up to £185m.

HC Deb 12 June 2023 | PQ 188442

Surface Engineering: Carbon Emissions

Asked by: Gill, Preet Kaur

To ask the Secretary of State for Energy Security and Net Zero, what steps her Department is taking to help the surface engineering sector to transition to net zero.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The Industrial Decarbonisation Strategy sets out a funding approach to support the deployment of low carbon technologies and the critical shared infrastructure required to deploy these at scale. This includes the Industrial Energy Transformation Fund (IETF), and Scottish IETF, for which the surface engineering sector is eligible. Subject to business case approval, IETF Phase 3 will open for applications in early 2024, increasing the total funding available to over £500 million.

HC Deb 12 June 2023 | PQ 187234

Hydrogen: Production

Asked by: Johnson, Dame Diana

To ask the Secretary of State for Energy Security and Net Zero whether his Department is taking steps to support the scaling up of hydrogen production pathways beyond blue and green methods.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

To get the scale and cost reductions needed to meet the UK's carbon budget and net zero commitments, the UK supports multiple hydrogen production routes. This includes blue and green hydrogen as well as less-established technologies, such as bioenergy with carbon capture and storage (BECCS), thermochemical water splitting and methane pyrolysis, which could also play a role in the production mix. Further detail is set out in July 2022's Hydrogen Strategy Update to the Market. The UK's low carbon hydrogen standard will

ensure all supported technologies make a real contribution to our decarbonisation goals.

HC Deb 12 June 2023 | PQ 187090

Electricity Generation: Subsidies

Asked by: Redwood, John

To ask the Secretary of State for Energy Security and Net Zero, how much the Government spent on subsidies to electricity generators last year.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The latest forecasts for 2022/23 are:

- Renewables obligation - £6.9bn
- Contracts for difference - Electricity Generators paid back £0.1bn
- Capacity market - £0.7bn

The total scheme value for Feed-in-Tariffs scheme was £1.6bn in 2021/22.

These schemes support security of supply and decarbonisation and in response to extraordinary returns by low-carbon generators, the Government introduced the Electricity Generator Levy.

Sources:

OBR - 'Table 2.8 - Environmental Levies' in the March 2023 Economic and Fiscal outlook - supplementary fiscal tables: receipts and others'
<https://obr.uk/efo/economic-and-fiscal-outlook-march-2023/#annex-a>.

Ofgem's 2021-22 Feed-in-Tariff annual report:
<https://www.ofgem.gov.uk/publications/feed-tariff-fit-annual-report-2021-22#:~:text=It%20presents%20statistics%20on%20the,our%20audit%20and%20compliance%20programme>

HC Deb 12 June 2023 | PQ 187007

Energy: Finance

Asked by: Bhatti, Saqib

To ask the Secretary of State for Energy Security and Net Zero, how much from the public purse the Government has invested in the UK energy industry since 2010; and if he will make a comparative assessment of that level of funding against spending in (a) the US and (b) other international counterparts over the same time period.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The UK has seen nearly £200 billion of public and private investment into low carbon energy sectors between 2010 and 2022. This is 50% higher than the US as a share of GDP. A comparison with other G7 countries is set out in Figure 2 of [Powering Up Britain: The Net Zero Growth Plan](#). A split between public and private sources of investment is not available from the data.

HC Deb 08 June 2023 | PQ 186990

Small Businesses: Carbon Emissions

Asked by: Malhotra, Seema

To ask the Secretary of State for Energy Security and Net Zero, what steps his Department is taking to support small and medium enterprises to transition to net zero.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The Government supports UK businesses to meet their net zero commitments via the UK Business Climate Hub. Small UK businesses are encouraged to join the UN's 'Race to Zero' initiative. Over 4,100 UK small businesses have joined this initiative. The Government has also committed to developing a dedicated energy advice service for SMEs to provide trusted advice on improving energy efficiency and decarbonisation.

HC Deb 06 June 2023 | PQ 186696

Green Homes Grant Scheme and Social Housing Decarbonisation Fund

Asked by: McCarthy, Kerry

To ask the Secretary of State for Energy Security and Net Zero, what estimate he has made of a) the number of FTE jobs needed to deliver upgrades funded by the (a) Green Homes Grants and (b) Social Housing Decarbonisation Fund; and what estimate he has made of the capacity of the industry to deliver the funded measures.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

For work carried out under Government schemes, installers are required to be TrustMark registered, as well as PAS certified for energy efficiency measures and MCS certified for low carbon heating measures. According to the data held by TrustMark, the number of registered installers eligible to participate on the Green Homes Grant Voucher Scheme increased from around 455 when the scheme was first announced in summer 2020 to around 1496 by May 2021. In April 2023, there were 1915 TrustMark businesses across the UK which were certified to PAS or MCS standards.

HC Deb 05 June 2023 | PQ 186315

Social Housing Decarbonisation Fund

Asked by: McCarthy, Kerry

To ask the Secretary of State for Energy Security and Net Zero, for what reasons his Department extended the deadline for Local Authorities to spend their Social Housing Decarbonisation Fund Wave 1 grants.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

A three-month extension to the Social Housing Decarbonisation Fund Wave 1 Funding Period was made available to all Local Authorities, allowing grant spend to be incurred until the end of June 2023, if required, to maximise the outcomes of the scheme by allowing continued delivery of energy efficiency measures to tenants.

HC Deb 05 June 2023 | PQ 186314

Heat Pumps: Rural Areas

Asked by: Costa, Alberto

To ask the Secretary of State for Energy Security and Net Zero, whether his Department is taking steps to support households in off-gas-grid areas to transition to electric heat pump systems.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The Government is investing £6.6 billion over this Parliament on clean heat and improving energy efficiency in buildings. In addition, £6 billion of new Government funding will be made available from 2025 to 2028.

The Government is providing support for heat pump installations for off gas grid homes under a range of government schemes including the Home Upgrade Grant, Social Housing Decarbonisation Fund, and Boiler Upgrade Scheme.

The Government also provides consumers with tailored and impartial information on how to improve the energy performance of their homes through GOV.UK.

HC Deb 30 May 2023 | PQ 186504

Public Sector Decarbonisation Scheme

Asked by: Offord, Dr Matthew

To ask the Secretary of State for Energy Security and Net Zero, how much funding will be made available for phase 3c of the Public Sector Decarbonisation Scheme.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The total available funding for Phase 3c of the Public Sector Decarbonisation Scheme will be announced in due course, alongside application guidance. The Government expects the scheme to open in Autumn 2023.

HC Deb 25 May 2023 | PQ 185539

Sheltered Housing: Energy Performance Certificates

Asked by: West, Catherine

To ask the Secretary of State for Energy Security and Net Zero, what steps his Department has taken to support charitable sheltered housing providers to upgrade to achieve a band C Energy Performance Certificate.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The 2019 Conservative Manifesto committed to a £3.8bn Social Housing Decarbonisation Fund (SHDF) over a 10-year period to improve the energy performance of social rented homes. The SHDF will upgrade a significant amount of the social housing stock currently below EPC C to that standard.

£778 million of Government funding was allocated for Wave 2.1 of the SHDF in March 2023. Registered charities who own social housing were able to apply directly to Wave 2.1 of the SHDF.

The Autumn Statement announced that £6 billion of new Government funding will be made available for energy efficiency from 2025 to 2028.

HC Deb 24 May 2023 | PQ 185393

Hydrogen: Power Stations

Asked by: Offord, Dr Matthew

To ask the Secretary of State for Energy Security and Net Zero, what recent progress he has made on the hydrogen power station at Keadby in Scunthorpe.

Answering member: Graham Stuart | Department: Department for Energy Security and Net Zero

The Government is taking steps to enable the decarbonisation of unabated gas generation like Keadby Power Station. This includes supporting hydrogen production through the £240 million Net Zero Hydrogen Fund (NZHF) while providing revenue support through the Hydrogen Production Business Model; enabling power CCUS through the Dispatchable Power Agreement; and in Powering Up Britain, the Government announced its intention to consult on the need and design of a market intervention for hydrogen power.

HC Deb 24 May 2023 | PQ 185256

Construction and Renewable Energy: Finance

Asked by: Davies, Geraint | **Party:** Labour Party · Cooperative Party

To ask the Secretary of State for Energy Security and Net Zero, if his Department will make an assessment of the potential merits of increasing the budget for allocation round five of the contracts for difference scheme to help meet (a) increased construction costs and (b) Government targets for the rollout of renewable energy.

Answering member: Graham Stuart | **Department:** Department for Energy Security and Net Zero

National Grid Electricity System Operator (NG ESO) runs the auction process for Contracts for Difference (CfD) Allocation Rounds and is currently assessing the eligibility of all CfD Allocation Round 5 applicants. Once the Department has received the final valuation of eligible participants, the Secretary of State will consider any budget uplift for the round, taking into account decarbonisation targets and the cost to bill-payers.

HC Deb 22 May 2023 | PQ 184786

Fuel Poverty

Asked by: Khan, Afzal

To ask the Secretary of State for Energy Security and Net Zero, what progress his Department has made on implementing the Sustainable warmth: protecting vulnerable households in England strategy, published 11 February 2021.

Answering member: Amanda Solloway | **Department:** Department for Energy Security and Net Zero

The Government is committed to reviewing the strategy regularly and delivering on its statutory fuel poverty target. Fuel poverty statistics are published annually to track progress against the target. The latest statistics were published on 28th February 2023:

<https://www.gov.uk/government/statistics/annual-fuel-poverty-statistics-report-2023>.

Energy efficiency improvements are the best way to tackle fuel poverty long term. The Government is delivering improvements in low income, vulnerable and fuel poor homes through the Energy Company Obligation (ECO), Home Upgrade Grant, Social Housing Decarbonisation Fund and Local Authority Delivery schemes. The Government also announced an additional £1bn for

further energy efficiency improvements through the Great British Insulation Scheme.

HC Deb 18 May 2023 | PQ 184726

3

Press coverage

Guardian, [Revealed: cabinet ministers warned of legal action over UK's failure to tackle climate crisis](#), 4 March 2023

Carbon Brief, [CCC: Chance of UK meeting climate pledges has 'worsened' since last year](#), 28 June 2023

The Telegraph, [Net Zero plan risks the lights going out, MPs warn](#), 21 June 2023

Utility Week, [Scale of energy pledges raises workload concerns](#), 3 April 2023
[Subscription only]

The New Statesman, [The end of BEIS: why mixing business and energy didn't work](#), 7 February 2023

Business Green, ['The government needs to step up': Mixed net zero messages stoke green business fears](#), 7 June 2023 [Subscription only]

4

Useful links

National Audit Office report

[Support for innovation to deliver net zero](#)

19 May 2023

Department for Energy Security and Net Zero press release

[Shapps sets out plans to drive multi billion pound investment in energy revolution](#)

Updated 4 April 2023

Department for Energy Security and Net Zero

[Powering Up Britain: Energy Security Plan](#)

Updated 4 April 2023

Department for Energy Security and Net Zero

[Powering Up Britain: Net Zero Growth Plan](#)

Updated 4 April 2023

Department for Energy Security and Net Zero

[2030 Strategic framework for international climate and nature action](#)

30 March 2023

HM Government

[UK International Climate Finance Strategy](#)

30 March 2023

HM Government

[Mobilising Green Investment: 2023 Green Finance Strategy](#)

27 March 2023

Department for Energy Security and Net Zero press release

[UK confirms £205 million budget to power more of Britain from Britain](#)

16 March 2023

National Audit Office report

[Decarbonising the power sector](#)

1 March 2023

Department for Energy Security and Net Zero press release

[Energy intensive industries given £12 million boost to cut emissions and costs](#)

13 February 2023

UK Energy Research Centre

[Costs and benefits of infrastructure investment](#)

18 August 2022

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