

Adaptation / Climate Change Committee Meeting

Present: John Deben, Pete Betts, Keith Bell, Michael Davies, Piers Forster, Paul Johnson and Corinne Le Quéré.

Member interests: www.theccc.org.uk/about/transparency

Date: 20th January 2022, 09:30 – 15:00 Held: Virtual meeting by Zoom

Conflicts of interest: Members were reminded of the need to declare any potential conflicts and invited to update the Committee on any new potential conflicts.

Introductions: The Committee welcomed several new members of secretariat staff to the team and wished departing staff well.

1. Energy price crisis (presentation by Mike Thompson, CCC secretariat)

The secretariat presented some high-level analysis on the current energy price crisis. This is the result of exceptionally high global gas prices feeding through to high UK wholesale prices for both gas and electricity. Consumer bills are set to rise by the order of 50% (to around £2,000), however the contribution of 'green' levies to these bills is set to fall as renewables contracted under CfDs are set to pay back. Current gas prices are well outside the range modelled for the Sixth Carbon Budget, and if they were to stay at that level the Net Zero transition would change from having a small overall GDP cost to a GDP benefit.

The Committee agreed that the gas price crisis is an issue of wider energy policy that the Committee should not proactively comment on. It nevertheless is important context that should be included in forthcoming planned outputs on oil and gas exploration and on the UK Heat and Buildings Strategy. The secretariat was asked to prepare and circulate a short note setting out the facts to support Members when responding to questions in public.

2. UK oil and gas exploration (presentation by David Joffe, CCC secretariat)

The Committee discussed a draft letter to be submitted to the Secretary of State for BEIS in relation to the Climate Compatibility Checkpoint for future oil and gas licensing on the UK Continental Shelf. The Committee requested that the draft letter be shortened and simplified, with a clearer separation of where the evidence gives a clear view and where judgements are required. Various further points were raised on the content. The secretariat were asked to redraft the letter based on the discussion and circulate for further comment. Climate Change Committee 1 Victoria Street, Westminster, London, SW1H OET

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Stocktake of UK Heat and Buildings Strategy (presentation by CCC secretariat)

The Committee discussed further analysis conducted by the secretariat on the Government's Heat and Buildings Strategy ahead of a planned CCC publication in response to it.

The Committee agreed to use the BEIS 'baseline', with the differences to the Committee's Sixth Budget baseline set out clearly in the report. The Committee would like a new category included in the 'policy gap' charts to reflect where the Government analysis rests on optimistic assumptions. The Committee asked for several further aspects to be reflected in the report: the importance of compliance/enforcement; the importance of policy in Scotland, Wales and Northern Ireland; the Planning Bill and the role of Local Authorities; the timeline of planned measures in the Government's Strategy.

4. External Speaker: Nigel Topping, UN High-level Climate Champion

Nigel Topping presented to the Committee on his work as the UN's High-level Climate Champion, his reflections on COP26 and expectations for the coming year(s) around non-state actors' contribution to climate action. This was followed by a question-and-answer session.

5. Agriculture policy update (presentation by CCC secretariat)

The Secretariat presented an update to the Committee on developments in reform of the Common Agricultural Policy and recent announcements under the UK government's Agricultural Transition Plan. This included an assessment of regulation against the CCC's recommendations in the 2021 Progress report. The Committee noted that, despite the launch of the horticultural peat consultation, lowland peat remains an area of risk and asked the secretariat to prepare a draft letter.

Alongside this, the Committee were presented with a draft of developing agriculture and land use sector recommendations for the 2022 Progress Report. The Committee agreed with these and asked for further work on the need to establish monitoring and baselines for the developing ELM schemes and emphasised the need to address both improved land use measures and land use change.

6. Industry progress monitoring plans (presentation by CCC secretariat)

The secretariat presented plans to develop a framework for tracking decarbonisation progress in the Manufacturing and Construction sector. This highlighted the motivation and purpose of the work, early thinking on the target outputs, next steps, challenges and stakeholders. The Committee noted this is an important and challenging piece of work and suggested the team look into metrics on the digitalisation of industry, integrating into the framework where possible. The Committee also noted the challenge of heterogeneity across sectors and noted the progress in thinking within Industry on material re-use.

7. Forward look to 2022 (presentation by CCC secretariat)

The secretariat presented on the planned CCC outputs for the coming year and the broad work programme to support these. The wider context was also discussed. Committee Members were invited to inform the secretariat of any



priorities they would like to raise for future Committee discussions or external speakers.

The discussion included the upcoming 'Climate Conversation' that would commence in Birmingham the next month and continue across different parts of the UK over coming months. Committee Members were encouraged to provide the secretariat with their availability to join conversations in their area and further afield.