

## Spring Budget: “Energy efficiency at scale still missing piece of the puzzle”

2 years ago



In the [Spring Budget](#) delivered today (15 March), Chancellor Jeremy Hunt announced that the Government will maintain the Energy Price guarantee for a further three months.

The Government has also extended the Climate Change Agreement (CCA) scheme until March 2027, which gives eligible businesses access to reduced tax rates if they meet negotiated energy efficiency or emission reduction targets.

The Government will create 12 Investment Zones across the UK focussed on key industrial and research hubs, with incentives including tax reliefs and grant funding, which will also need to support the UK's path to net zero by 2050, become climate resilient, and support the new long-term targets to protect and enhance nature.

The Government has also committed to new, deeper devolution deals, models, funding and to expand local retention of business rates to more areas in the next Parliament.

Simon McWhirter, Director of External Affairs & Deputy Chief Executive at UKGBC said: “We welcome the Government’s Energy Efficiency Taskforce and £600 million extension of energy-saving tax relief, but this falls short of the scale of investment needed. Energy efficiency remains a key missing piece of the green economy puzzle.

“The scale of our climate emergency requires investment of at least £6 billion a year to comprehensively upgrade home energy efficiency across the UK, supported by more creative solutions like an energy-saving [stamp duty incentive](#). These measures would slash energy bills, create 500,000 skilled jobs, and save the NHS £1.4 billion every year.

“It is encouraging that the Government’s new Investment Zones must support the UK’s path to net zero, climate resilience and natural recovery goals. It will be crucial that these Zones meet robust environmental standards.

“UKGBC members across the UK continue to set an ambitious pace for transforming their business models for net zero carbon growth – the Government must use forthcoming response to Mission Zero and the updated Net Zero Strategy to set out a detailed and credible delivery plan to achieve net zero by 2050.”

Mark Caskey, Managing Director, Mitie Projects, Mitie, outlined the importance of focusing on net zero initiatives in meeting the government’s 2050 net zero target, something that wasn’t prioritised in the Chancellor’s statement.

Mark Caskey, Managing Director, Mitie Projects, Mitie, said: “It’s disappointing that net zero initiatives were not prioritised in the Chancellor’s budget statement given the role energy efficiency, solar technology, and EV transition must play in achieving a net zero Britain by 2050.

“There must be a stronger focus on reducing the emissions of our built environment especially for non-domestic buildings which are responsible for nearly 40 million tonnes of the UK’s annual CO<sub>2</sub> emissions. Given these make up nearly a fifth of the nation’s overall carbon footprint, it’s clear that the decarbonisation of these buildings needs far greater priority and urgency.”