

From: [redacted] AO (NZSI- Net Zero Strategy)
Sent: 21 February 2023 15:09
To: [redacted] BT (NZSI- Net Zero Strategy); [redacted] BZ (NZSI- Net Zero Strategy); [redacted] BH (NZSI- Net Zero Strategy); [redacted] CA (BEIS); [redacted] AQ (NZSI- Net Zero Strategy); [redacted] AR (NZSI- Net Zero Strategy); [redacted] BR (NZSI- Net Zero Strategy); [redacted] BY (NZBI - Portfolio & Affordability)
Cc: [redacted] AF (Net Zero Strategy); [redacted] AG (NZSI- Net Zero Strategy); [redacted] AB (NZSI- Net Zero Strategy); [redacted] AJ (NZSI - International Net Zero); [redacted] AI (BEIS); [redacted] AE (BEIS)
Subject: [Commission COP Tues 28th] S13 delivery risk

Hi Sector leads,

As referenced in [redacted] AB's sector summary commission email over the weekend, we're reaching out for a line-by-line delivery risk summary for S13 advice.

Background: for the section 13 advice we need to explain the delivery risk of each individual policy in a way that most easily allows DESNZ SoS to understand the delivery risk of the package, at both a collective and individual policy level. This is necessary to ensure DESNZ SoS has the appropriate level of detail to make a rational decision on whether the package of policies and proposals is sufficient to enable carbon budgets to be met.

The ask: to deliver this, I'm commissioning you to draft this for the sector that you lead on, for **returns COP Tuesday 28th Feb**. We need you to describe and explain the delivery risk for each individual policy and proposal, and then explain the mitigation we are taking to address this delivery risk and why that gives us the necessary confidence in delivery of our policies. To keep this concise, and to reduce the burden as much as possible **we've drafted guidance with suggested prompts based on the delivery confidence RAG rating** ([s13 Delivery risk categorisation.xlsx](#)). See the 'Guidance' sheet for more info and the sheet to populate is 'All Sectors'. *Analysts are signing off the s/s this afternoon and will confirm when final tweaks made.*

We've also worked with @ [redacted] BT (NZSI- Net Zero Strategy) and @ [redacted] BZ (NZSI- Net Zero Strategy) in testing and refining this process with the industry portfolio. You'll find these completed lines in the s/s to serve as a worked example.

We received a steer from Chris on how we frame these, he's suggested writing your responses as if it is the end of March, as when the advice goes up, we'll be at the end of the March process.

I'll cover this commission at the CBPD team check-in tomorrow where we can pick up any questions. Also, happy to answer replies to this email or Teams messages.

Thanks in advance for work that will go into this.

Kind regards,



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Please note that I work a 9 day fortnight in Pakistan and not work every other Monday. This means that I work from 6.00 to 15.15 and may send emails outside of regular working hours.

Guidance

Guidance

Purpose :

Describe and explain the delivery risk for each individual policy and proposal, and then explain the mitigation we are taking to address this delivery risk and *why* that gives us the necessary confidence in delivery of our policies. We are not seeking to 'categorise' policies in a uniform way. Instead we want to explain the delivery risk of each individual policy in a way that most easily allows DESNZ SoS to understand the delivery risk of the package at both a collective and individual policy level.

How to populate :

Delivery risks: explanation	Delivery risks: mitigation
<p>We are suggesting some prompts for you to use when describing the individual delivery risks, which will help ensure similar/identical risks are described in a consistent way, and which will enable the SoS to understand the delivery risk when he is looking at the package of policies and proposals as a whole.</p> <p>Sector teams should be using their discretion when deciding which prompts to use, however, these are our suggestions.</p> <p>For policies that are labelled green or green-amber in the commission returns, the new descriptions could start: 'We have high certainty in the delivery of this policy and its associated carbon savings'. A single bespoke line should then be added to explain why.</p> <p>For policies that are labelled amber in the commission returns, please begin by describing the actual risks faced, with a couple of short lines. This could then be finished with a summary line such as 'These risks require attention, however appear resolvable based on the actions already underway.'</p> <p>For policies that are labelled amber-red or red in the commission returns, whose rating is not due to uncertainty, but real and present risks, please begin by describing the actual risks faced (with a couple of short lines) and then finishing with a summary sentence, such as: 'If not mitigated, these risks could materially effect the successful delivery of the savings in full associated with the policy.'</p> <p>For policies that are labelled amber-red or red in the commission returns, whose rating is due to uncertainty, please begin by stating 'Uncertain delivery risk' , and then list as many of the below reasons as applicable (and any others that may apply).</p> <ul style="list-style-type: none"> a. Funding is subject to a future spending review round and therefore cannot be confirmed now, creating inevitable uncertainty. b. The policy has yet to be consulted on. c. The policy uses a technology that is nascent, creating inherent uncertainties and risk d. The policy relies on another part of the NZ system/another NZ policy that is also not completed e. The policy requires additional research to provide greater clarity on savings potential and to inform further policy development. f. The policy requires further appraisal of options 	<p>For green policies, leave blank</p> <p>For all amber and reds: please include short summaries of the Template 'route to Green' data, with added line on why this gives us confidence/certainty that the policy can be delivered and deliver the associated carbon savings</p>