

Spending Review & Autumn Statement - Nov 2015

Energy and Environment



Competition for **£1bn** of CCS funding scrapped



Day-to-day spending cuts of **22%** for DECC and **15%** for DEFRA



DECC's innovation programme funding doubles to **£500m**, with focus on nuclear R&D



RHI continued, but with reforms saving **£700m** from the programme

“The government faces an uphill struggle to meet decarbonisation objectives”

Analysis

“The increase in innovation funding reflects a strong feeling within DECC that taxpayers money should be shifted from energy subsidy and towards R&D, with future spend concentrated in revitalising the UK's nuclear industry. The shock removal of funding for carbon capture and storage (CCS) has been described as 'devastating' by the industry. Without CCS in the future energy mix, the government faces an uphill struggle to meet key decarbonisation objectives. Furthermore, the effect on broader investor confidence in the UK energy sector – already bruised by the summer's policy changes – could be long lasting.”

Robert Ede

Political Consultant