

December 2025

Annual Report and Accounts 2024/25

HC 1481 SG/2025/293

Climate Change Committee

Annual Report and Accounts –
1 April 2024 to 31 March 2025

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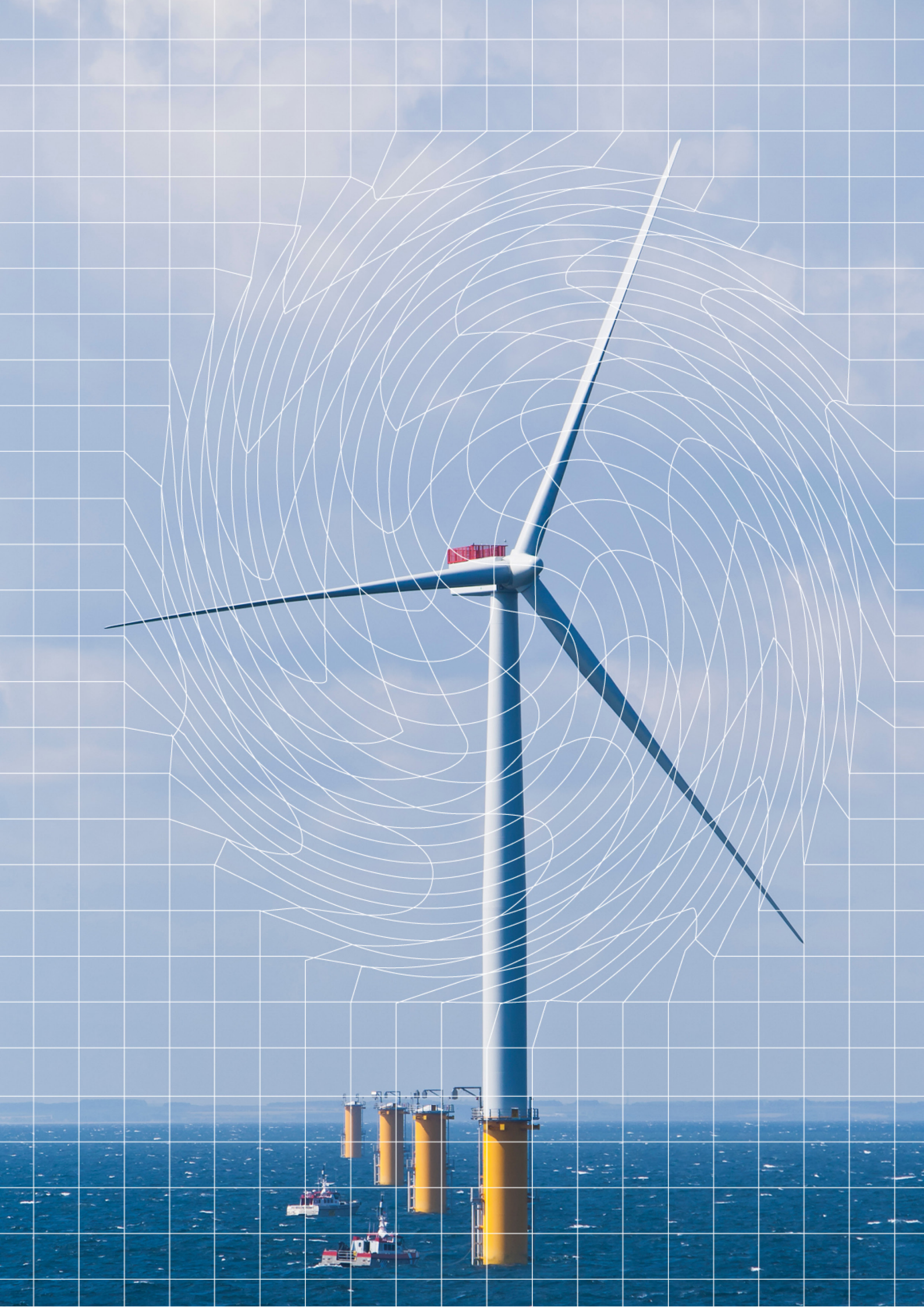
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Contents

Section 1: Performance report	7
1.1 Performance overview	7
1.2 Performance analysis	14
Section 2: Accountability report	48
Introduction	48
2.1 Corporate governance report	48
2.2 Remuneration and staff report	65
2.3 Parliamentary accountability and audit report	75
2.4 Certificate & Report of the Comptroller & Auditor General to the Houses of Parliament, the Scottish Parliament, Senedd Cymru, and Northern Irish Assembly	76
Section 3: Financial statements	77
The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament, the Scottish Parliament, Senedd Cymru and Northern Ireland Assembly	77
3.4 Statements	83
3.5 Notes to the accounts	88
3.6 Expenditure	92



Section 1: Performance report

1.1 Performance overview

This overview describes our purpose and summarises our performance in 2024/25. It begins with statements from Nigel Topping CMG, Chair of the Climate Change Committee (CCC), and Emma Pinchbeck, Chief Executive.

1.1.1 Chair's report

When I was appointed Chair of the Committee in July, it was at a moment of both escalating climate risk but also extraordinary opportunity. Science and innovation now bring forward the solutions we need to reduce human-driven climate change, and many are already at lower costs than their fossil fuelled equivalents.

The Seventh Carbon Budget, published in February 2025, shows that the costs of meeting the UK's 2050 target have roughly halved since the last time we offered advice to the UK Government in 2020. It is important to remember that whilst political debate on climate change has grown noisier, progress has continued. This is particularly true in the private sector, which will provide the majority of the investment. I heard firsthand how business leaders are driving innovation and action on the ground at COP30 in Belém. It is internationally recognised that the UK has continued to decarbonise power, but change is now happening in transport, buildings, industry, and farming which will offer new opportunities. For example, there are now 1.5 million electric cars on UK roads – this number has roughly doubled in the past two years.

Climate change mitigation, as well as adaptation, are fundamentally linked to many of the other political issues facing global governments. Delivering on the UK's 2050 Net Zero target in a time of geopolitical instability makes our energy system less exposed to a future gas price shock. It also offers people cheaper to run, more efficient technologies in their homes and lower energy prices than if we remain dependent on a high carbon energy system. Delivering on climate adaptation measures can also help protect us from the rising food prices that are a consequence of unpredictable weather for farmers here and abroad.

During the period of this report Professor Piers Forster did a remarkable job as Interim Chair, steering the Committee through a busy time as we provided substantial pieces of statutory analysis. This included the Seventh Carbon Budget, carbon budgets for the devolved administrations in Scotland, Wales, and Northern Ireland and progress reports. The Scottish Government and the Welsh Government have both put forward votes in line with the carbon budgets advised by the CCC and these have been approved. While the Scottish Government have accepted the overall budget, they have adapted our recommended Balanced Pathway to best suit their broader policy goals. We have welcomed this interaction between expert advice and democratic policy making.

Baroness Brown has continued to lead the CCC's Adaptation Committee brilliantly, publishing the adaptation progress report in the spring. This once again highlighted the lack of a clear framework for helping the UK adapt to climate change. Our advice for the UK's Fourth Climate Change Risk Assessment is well underway, and will include a piece of work that, for the first time, imagines what a well-adapted UK could look like and advises on measures to achieve it.

We noted the UK Government's revised Carbon Budget and Growth Delivery Plan and response to our latest progress report in October 2025. In addition, the policy changes implemented in the Chancellor's Autumn Budget will have an impact on key climate related measures, including the cost of energy bills.

Above all, the Committee has continued to advise the Government that they must act to make electricity cheaper. In our advice to all the nations of the UK, we have stated the importance of electricity and the use of electricity in the wider economy. In the Seventh Carbon Budget period, we estimate that 60% of emissions reduction for the UK comes from low carbon power and from electrifying more energy demand like heat and transport. We hope that Government will go further to provide the market conditions that encourage long-term investment in these technologies, and support households to access cheaper, more efficient technologies in their homes.

Public polling shows consistently that people understand that climate change is happening and are concerned about its impact. The evidence underpinning the Seventh Carbon Budget, including the citizens' panel, showed that governments need to do more to communicate the most important solutions with the public and businesses. The public in the citizens' panel was drawn to reflect broad demographics, including political preferences. They were clear that they want governments to step in and communicate the most impactful low-carbon choices. They also want them to support households in making these choices attractive, easy and affordable.

Looking ahead, the debate in Parliament over the proposed level of the next carbon budget for legislation is anticipated in 2026. The Committee will continue to welcome debate, scrutiny and further work with elected officials and policymakers on our advice.

Change continues to happen. Progress continues to be made. I am determined to uphold the Committee's reputation for rigorous analysis, ensure our advice is useful and practical for those responsible for delivering emissions reduction, and maintain the independence of the Committee as we navigate the years ahead.



Nigel Topping CMG

Chair

15 December 2025

1.1.2 Chief Executive's report

We have all felt the effects of the changing climate. In last year's annual progress report, we commented on the impacts of the record-breaking run of 18 months of rainfall. This year, following a dry spring and repeated heatwaves, the UK has experienced its warmest summer on record. The changing climate is impacting tangible things from food prices to family holidays. It is also impacting priceless things like the gently changing seasons and natural landscapes that are part of our collective identity. The Committee's evidence remains clear that there is a path forward to both prepare the UK for the changes ahead and to reduce our contribution to climate change.

In April 2025, the Adaptation Committee delivered a stark warning that the UK is not adequately prepared for climate impacts – by 2050 we could see more than 10,000 health related deaths annually. It's clear that climate resilience needs to be a cross-government priority and we welcomed the commission from Minister Hardy in August 2025, for initial advice to inform government objectives for adaptation outcomes. This was on top of the forthcoming Fourth Climate Change Risk Assessment advice.

The UK can be proud of the meaningful progress made in reducing emissions. In this year's mitigation progress report, we found that 2024 was the tenth consecutive year of sustained reduction in UK emissions, excluding the COVID-19 pandemic years 2020 and 2021.

In the 2025 Progress Report, the Committee noted that the UK Government have made some bold policy decisions this year. These include removing planning barriers on renewable deployment, clarity on the clean power mission, and the reinstatement of the 2030 phase-out date for new petrol and diesel vehicles. The new Industrial Strategy also rightly set out a plan to make the UK the best place to invest in low carbon industries like low carbon fuels. There was an increase of 56% in heat pump installations in 2024, due to increased support from government schemes.

However, risks remain to meet the level of emissions reduction required to hit the country's 2030 Nationally Determined Contribution. We are behind on the rate of scale-up needed for heat pumps, tree planting and peatland restoration. The development of industrial electrification and further measures to make electricity cheaper for households are some areas that the Committee has indicated need urgent progress.

Next year involves another big programme of statutory advice and reporting. Work is already underway on many of these pieces of analysis, including the most significant, which is the advice for the UK's Fourth Climate Change Risk Assessment. This annual report also sets out some of our other priorities, including our understanding that we need to prioritise our engagement with our statutory audiences. With so much of the investment for the transition coming from the private sector, we will also continue to work with businesses and others who are responsible for delivering change. As you will see from the report, we are keen to continue to improve our operations and have plans to introduce a new sustainability strategy, and are conducting a review of our modelling capability.

At the end of this first year as Chief Executive, I remain grateful for the world-leading expertise held by the members of both Committees, and their guidance of our work. I was thrilled to welcome a long-awaited permanent Chair for the Committee, Nigel Topping CMG, in July 2025. I'd like to thank our previous Interim Chair, and continued Committee member, Professor Piers Forster, for his leadership of our work programme, and his support for the Secretariat. I'd also like to thank Baroness Brown, who so expertly leads the adaptation work.

Two members, Professor Keith Bell and Professor Swenja Surminski, were reappointed in May 2025. Professor Piers Forster was reappointed in November 2025 and Professor Corinne Le Quéré's term has been extended by up to six months. Two new members of the Adaptation Committee Dr Michael Keil and Mr Ian Dickie have been appointed to start in January 2026. I look forward to welcoming new members to the Committee in the coming year too, once recruitment has been finalised.

I'd also like to thank our outgoing Chief Operating Officer, Penny Seera, after her 10 years of service to the CCC. We have had positive feedback about our finances and operations from our auditors, and we thank her for her service and wise counsel. It is a privilege to serve this institution and present such a positive Annual Report and Accounts 2024/25, setting out our priorities to Parliament.

A handwritten signature in black ink, appearing to read 'Emma Pinchbeck', with a long horizontal line extending to the right.

Emma Pinchbeck

Chief Executive

15 December 2025

1.1.3 Our purpose

The Climate Change Committee (CCC) is an independent, statutory non-departmental public body established under the Climate Change Act 2008.

Our purpose is to advise the UK Government, Parliament, and the devolved governments on cutting emissions and preparing for climate change.

Committee structure

The CCC consists of two committees: a committee (the Committee) advising how to reduce greenhouse gases in line with legislative requirements; and an Adaptation Committee (the Adaptation Committee) which advises on the risks arising from climate change and actions the UK should take to adapt.

The Committee comprises a Chair and between five and eight independent members. The Committee is sponsored by the Department for Energy Security and Net Zero (DESNZ), the Northern Ireland Executive, the Scottish Government, and the Welsh Government. Committee members are appointed by our Sponsoring Organisations.

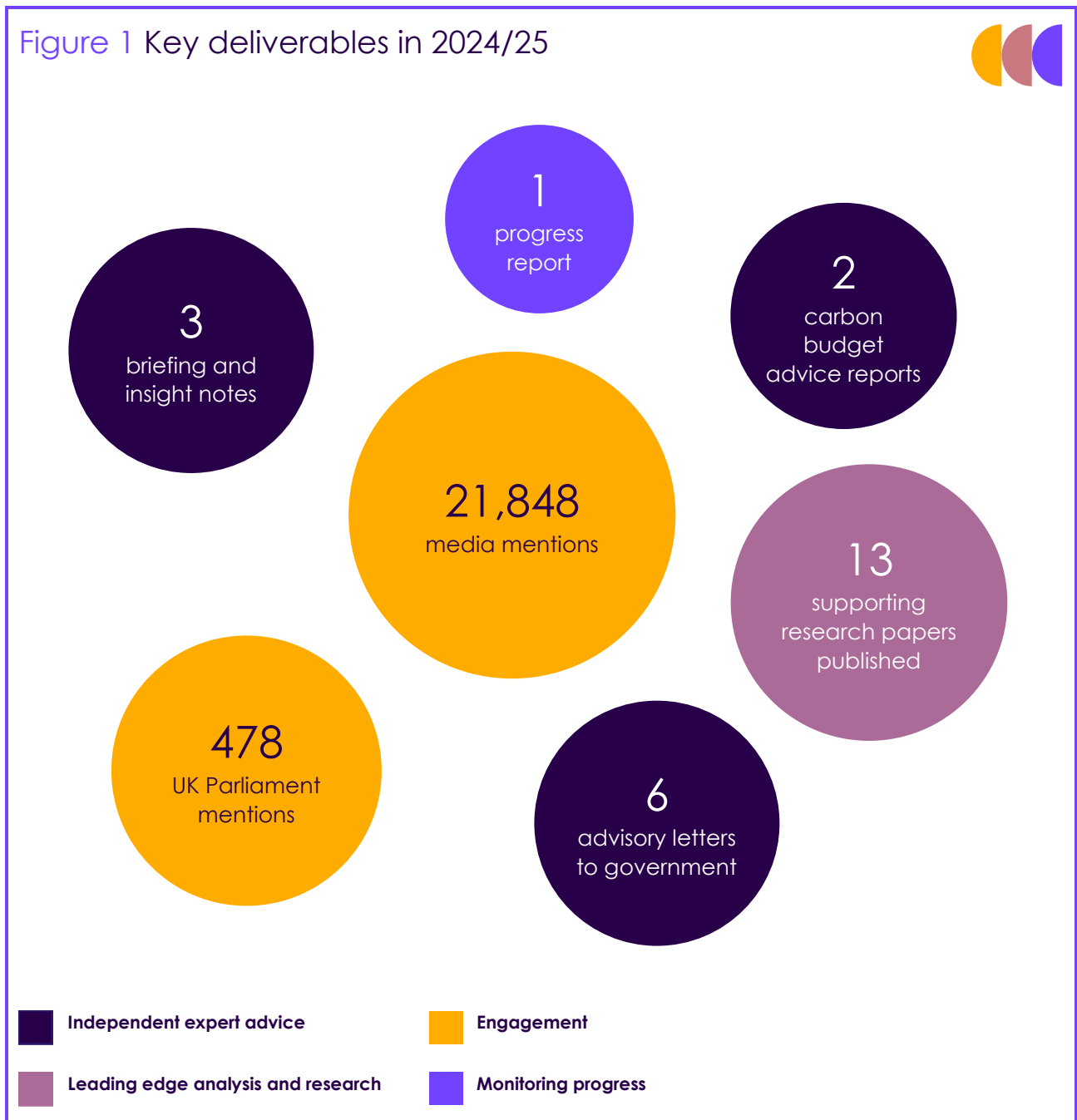
The Adaptation Committee, also established under the Climate Change Act 2008, advises the UK Government and devolved governments on their assessment of the risks and opportunities from climate change. It also reports to the UK Parliament on progress in adaptation, particularly in relation to the UK Government's National Adaptation Programme (mainly covering England only) and the devolved governments on their respective adaptation plans.

The Adaptation Committee comprises a Chair and no fewer than five other independent members. The Adaptation Committee is jointly sponsored by the Department for Environment, Food and Rural Affairs (Defra); the Northern Ireland Executive; the Scottish Government; and the Welsh Government. Adaptation Committee members are appointed by our sponsoring organisations.

Both Committees are supported by a secretariat comprising public servants and expert secondees. The secretariat is responsible for delivering a complex analytical work programme, stakeholder engagement, representing the Committee at public events, as well as developing and formulating the Committee and Adaptation Committee recommendations to government.

1.1.4 Performance summary

The Committee has met its statutory duties and continues to demonstrate excellent progress against its strategic objectives. Figure 1 shows a summary of the statutory reports, advisory letters and supporting research papers published during 2024/25. Performance in relation to our strategic priorities in 2024/25 is summarised in section 1.2.2



1.1.5 Summary of principal risks

The key risks faced by the CCC in 2024/25 are summarised below. Further details on our risks and our risk management strategy are provided in Section 1.2.3.

- **Appointment of the Committee Chair and members:** the risk that our sponsor organisations cannot complete key appointments in a timely basis.
- **Scrutiny, challenge, and political context:** the risk that the CCC's credibility as an independent advisor is negatively impacted by a perceived or actual failure to operate within expected standards or by real or perceived conflicts of interest.
- **Programme delivery and funding:** the risk that resource constraints, in terms of funding and staff retention and skills, creates a delivery risk to the CCC's work programme.
- **Corporate services programme:** the risk that a lack of clarity regarding the funding position and capacity constraints to deliver the project affect the CCC's ability to achieve a timely and efficient transfer to the new Finance and HR platform and Shared Services provider.

1.1.6 Adoption of the going concern basis

The statement of financial position as at 31 March 2025 shows net liabilities of £732,636 (2023/24, net assets of £93,503). The net liabilities position reflects the inclusion of liabilities falling due in future years that may be only met by future grants-in-aid. The conventions applying to parliamentary control over income and expenditure require that grants-in-aid may not be issued in advance of need and therefore future grants-in-aid are not recorded in the financial statements.

The future financing of the CCC is to be met by grants-in-aid from DESNZ, Defra, and the devolved governments as well as the application of future income, both of which are approved on an annual basis by Parliament. Funding provided by devolved governments is approved by the respective sponsoring organisation.

Indicative grants-in-aid for 2025/26 have already been provided and there is no reason to believe that future approvals will not be forthcoming. The Government Financial Reporting Manual (FRM) states that for non-trading entities the anticipated continuation of the provision for that service is normally sufficient evidence of going concern. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.2 Performance analysis

1.2.1 Our strategic objectives

Our strategic priorities are to:

- Provide impartial advice on emissions targets and preparing for climate change.
- Monitor progress in reducing emissions, achieving carbon budgets, and preparing for climate change.
- Conduct independent analysis into climate change science, economics, and policy.
- Engage with stakeholders to promote understanding and to inform on evidence-based debate on climate change and its impacts, and measures to address it.

The Committee are required to fulfil specific duties and statutory requirements under UK and devolved legislation, including:

Table 1 Summary of statutory duties	
Legislation	Statutory duty
Climate Change Act 2008	<ul style="list-style-type: none"> • Advise on the appropriate level of the UK's carbon budgets and the steps required to meet them. The budgets define the maximum level of CO₂ and other greenhouse gases which the UK can emit in each five-year budget period. • Report to the UK Parliament and the devolved legislations annually on progress towards meeting UK carbon budgets and recommend actions to keep budgets on track. • Report to the UK Parliament biennially on the progress the Government is making towards assessment of progress in preparing for climate change in England. • Evaluate progress towards implementation of the UK Government's National Adaptation Programme and reporting to the UK Parliament. • Provide advice on the preparation of each assessment of the risks for the United Kingdom of the current and predicted impact of climate change. • Provide advice on emissions from international aviation and shipping. • Provide advice, analysis, information or other assistance to the UK Government or devolved administrations as requested.
Climate Change (Scotland) Act 2009	<ul style="list-style-type: none"> • Advise on the appropriate level of statutory targets in Scotland (including annual targets). • Monitor and report on progress to Scotland's emissions reduction targets and recommend actions to keep on track.

	<ul style="list-style-type: none"> • Prepare independent assessments of the Scottish Government's Climate Change Adaptation Programme. • Provide advice, analysis, information or other assistance to the Scottish Government as requested.
Infrastructure Act 2015	<ul style="list-style-type: none"> • Advise on the impact of the exploitation of onshore petroleum on UK carbon budgets and the 2050 target.
Environment (Wales) Act 2016	<ul style="list-style-type: none"> • Advise on the appropriate level of statutory targets and carbon budgets in Wales. • Advise on the progress made towards meeting carbon budgets and targets, whether those budgets and targets are likely to be met, and any further measures that are needed. • Provide advice, analysis, information or other assistance to Welsh Ministers as requested.
Planning (Scotland) Act 2019	<ul style="list-style-type: none"> • Requires Scottish Ministers to consult the CCC on each new revised National Planning Framework.
Climate Change Act (Northern Ireland) 2022	<ul style="list-style-type: none"> • Provide advice on the level of carbon budgets and emissions targets for Northern Ireland and the development of the Climate Action Plan. • Provide advice on the development of proposals to make regulations arising from the Act, such as climate change public body reporting. • Advise on the progress made towards meeting emissions targets and carbon budgets, whether those targets and budgets are likely to be met, and whether any further measures are needed to meet those targets and budgets. • Prepare independent assessments of the Northern Irish Administration's Adaptation Programme including an assessment of the progress made and recommendations for the next Adaptation Programme.

1.2.2 Analysis of our performance in 2024/25

Our performance in relation to our strategic objectives is summarised below.

Strategic priority: provide impartial advice on emissions targets and preparing for climate change

Target and key performance indicator: publish all advice reports within the statutory deadline

2024-25 100%	Target 100%	2023-24 100%
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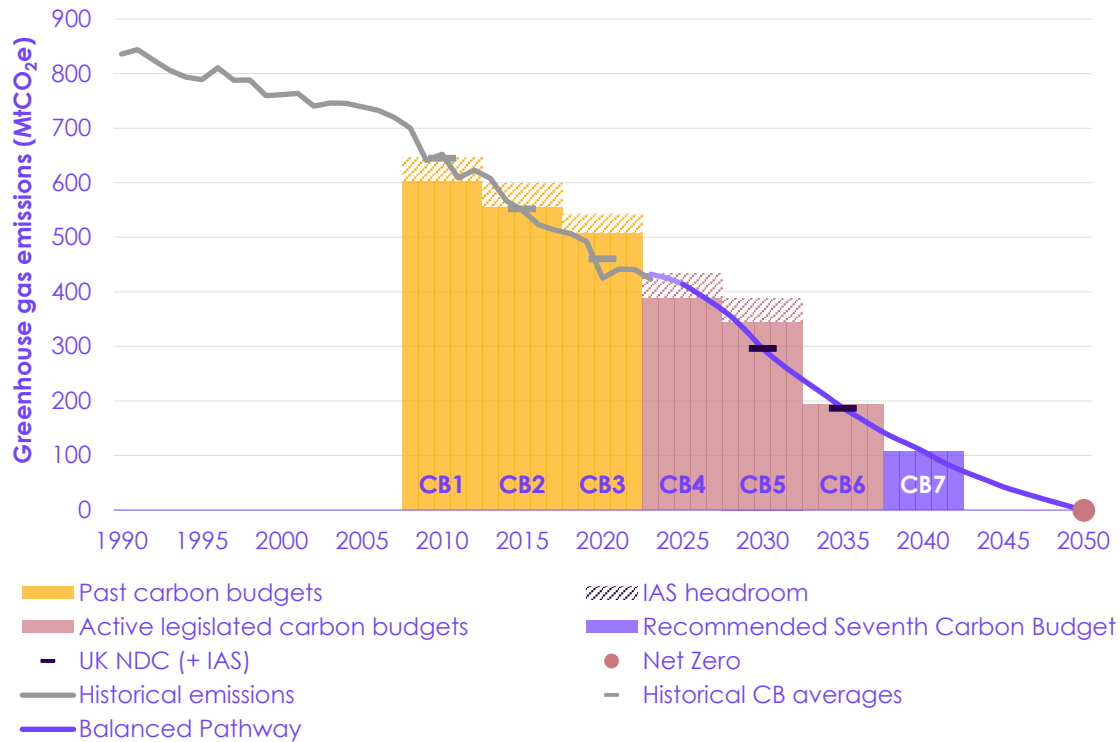
A summary of the advice and key recommendations made by the Committee and the Adaptation Committee is provided below:

The Seventh Carbon Budget

In February 2025 the Committee published its advice to the UK Government on the level of the [Seventh Carbon Budget](#), which covers the period from 2038 to 2042. The advice was based on an extensive programme of analysis, consultation, and consideration by the Committee and its supporting secretariat. It set out a recommendation for the level of the Seventh Carbon Budget and a Balanced Pathway for how to achieve it.

The Committee recommended a UK greenhouse gas emission limit of 535 MtCO_{2e} between 2038 and 2042. In effect, this means that by the middle of the Seventh Carbon Budget, emissions in the UK will be only a quarter of the level they are today, and 87% lower than levels in 1990.

Figure 2 The recommended Seventh Carbon Budget



Description: The Balanced Pathway meets the UK's existing future emissions targets and sets the recommended level for the UK's next target: the Seventh Carbon Budget.

Source: Department for Energy Security and Net Zero (DESNZ) (2024) *Provisional UK greenhouse gas emissions national statistics 2023*; DESNZ (2024) *Final UK greenhouse gas emissions national statistics: 1990 to 2022*; Climate Change Committee (CCC) analysis.

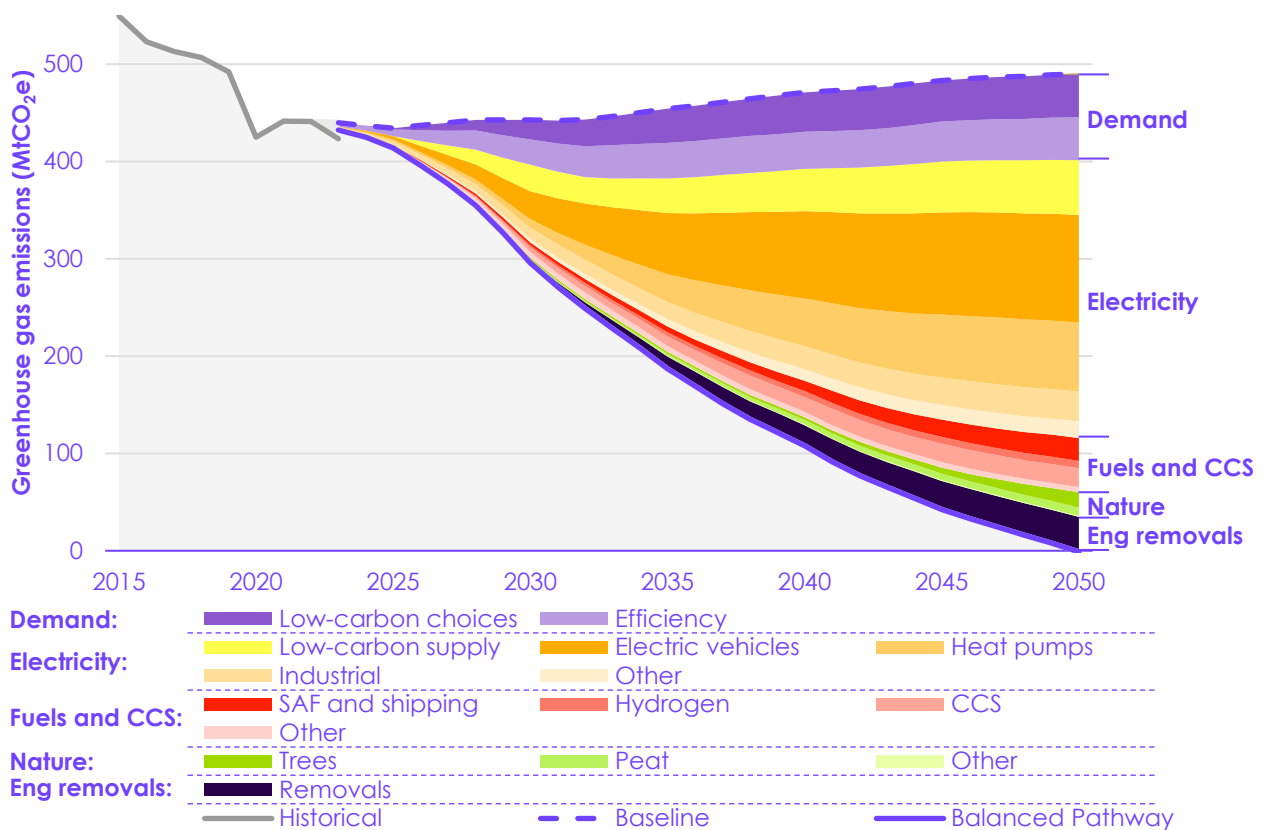
Notes: See Chapter 3. 'CB' refers to the UK's carbon budget. 'CB1' refers to the First Carbon Budget; subsequent numbers refer to subsequent carbon budgets. 'IAS' refers to international aviation and shipping. 'UK NDC' refers to the UK's Nationally Determined Contributions.

The Committee recommended the Seventh Carbon Budget is delivered through five key routes:

- **Electricity:** by 2040, the CCC's Balanced Pathway requires that: the UK's low-carbon electricity supply grows six-fold; the number of electric vehicles on British roads increases sharply; and around half of UK homes are heated using a heat pump. The greater deployment of these low carbon, electric technologies requires twice as much electricity as today by 2040.
- **Low-carbon fuels and carbon capture and storage (CCS):** a range of low carbon fuels contribute to the pathway in areas that are less suited to electrification, playing especially key roles in aviation and shipping. By 2040, our Balanced Pathway also sees CCS being used in industrial subsectors with process emissions for which alternatives are unlikely to be available.
- **Nature:** nature-based measures, including planting new woodland and restoring peatlands, are integral in growing land-based carbon sequestration. By 2040, the pathway sees more than 16% of the UK covered in woodland (a 13% increase from today), and the proportion of UK peatlands in natural or rewetted conditions to rise from 26% in 2023 to 55%.

- **Engineered removals:** removals are needed to balance residual emissions, principally from aviation. By 2040, both bioenergy with CCS and direct air capture are deployed, with small amounts of removals from enhanced weathering and biochar. Delivering these removals will require CO₂ transport and storage infrastructure to be developed in good time, alongside finalising business models and setting out a common sustainability framework for biomass.
- **Demand:** the deployment of low-carbon technologies needs to be done in parallel with a shift away from high-carbon goods and services. By 2040, our Balanced Pathway sees cost effective resource and/or energy efficiency measures deployed across most sectors, with better infrastructure enabling people to make some shifts towards lower-carbon choices.

Figure 3 Sources of abatement in the Balanced Pathway



Description: The Seventh Carbon Budget is delivered through five key routes: electricity, low-carbon fuels and CCS, nature, engineered removals, and demand. The largest share of emissions reduction is from a switch from fossil fuels to electric technologies powered using low-carbon electricity.

Source: CCC analysis.

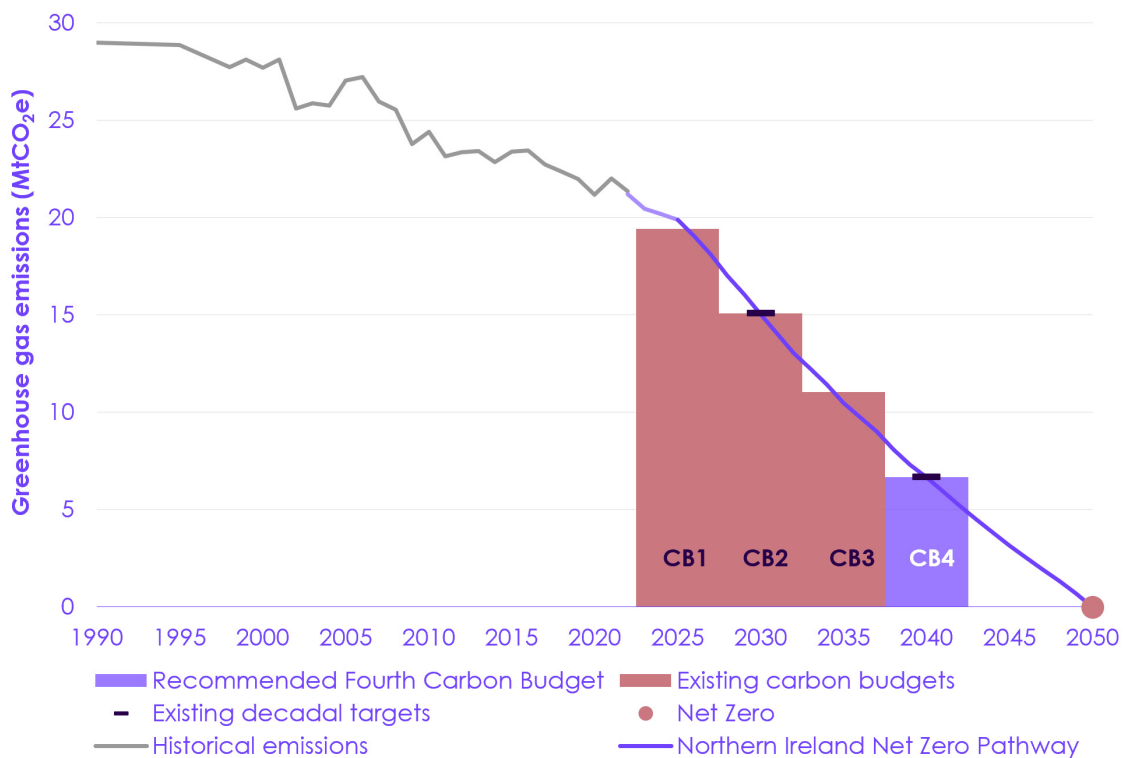
Notes: See Chapter 3. 'Eng removals' refers to engineered removals. 'SAF' refers to sustainable aviation fuel. 'CCS' refers to carbon capture and storage.

Advice to the Northern Ireland Executive

The Committee provided advice for the Northern Ireland Executive on mitigating climate change and reaching Net Zero greenhouse gas emissions by 2050 in [Northern Ireland's Fourth Carbon Budget](#), published in March 2025.

The Committee's recommended level for Northern Ireland's Fourth Carbon Budget was a 77% reduction in average annual emissions compared to the 1990 baseline, over the five-year period from 2038 to 2042. In line with the Climate Change Act (Northern Ireland) 2022, this excludes Northern Ireland's contribution to international aviation and shipping.

Figure 4 The recommended Fourth Carbon Budget for Northern Ireland



Description: The Committee recommends that the Fourth Carbon Budget should be set at an average annual reduction of 77% on 1990 levels for the period 2038–2042.

Source: National Atmospheric Emissions Inventory (2024) *Greenhouse Gas Inventories for England, Scotland, Wales & Northern Ireland: 1990–2022*; CCC analysis.

Notes: See Chapter 2. 'CB' refers to Northern Ireland carbon budgets: 'CB1' refers to the First Carbon Budget; subsequent numbers refer to subsequent carbon budgets.

Priority recommendations for immediate action to put Northern Ireland on track to deliver the Fourth Carbon Budget included:

- **Decarbonising electricity supply.** Introduce a support scheme for renewable generation, address barriers in planning and regulation, and ensure grid connections are easily available to renewables, industry, EV charging, and other low-carbon loads.
- **Supporting households to install low-carbon heating.** Northern Ireland should rapidly act to transition to low-carbon electric heat, and address adoption barriers in upfront costs, especially for low-income households.
- **Expanding electric vehicle charging infrastructure.** Support the deployment of public charge points across Ireland and provide people with accessible, accurate information on the benefits of EVs.
- **Certainty on funding for farming and nature.** Long-term certainty is needed on public funding for farming practices and technologies to reduce emissions from managing crops and livestock, and incentives and markets should be provided for farmers and land managers to diversify their incomes for actions including woodland creation, peatland restoration, bioenergy crops, and renewable energy.

- **Produce a strategy for development of CCS infrastructure** in Northern Ireland, including the assessment of viable approaches for transporting and storing captured CO₂ and options for incentivising engineered removals businesses to locate in Northern Ireland.

The Committee also provided advice to the Minister for the Future of Roads on NI Amendments. This letter is detailed in the 'advice on emerging issues' section below.

Advice to Scottish Government

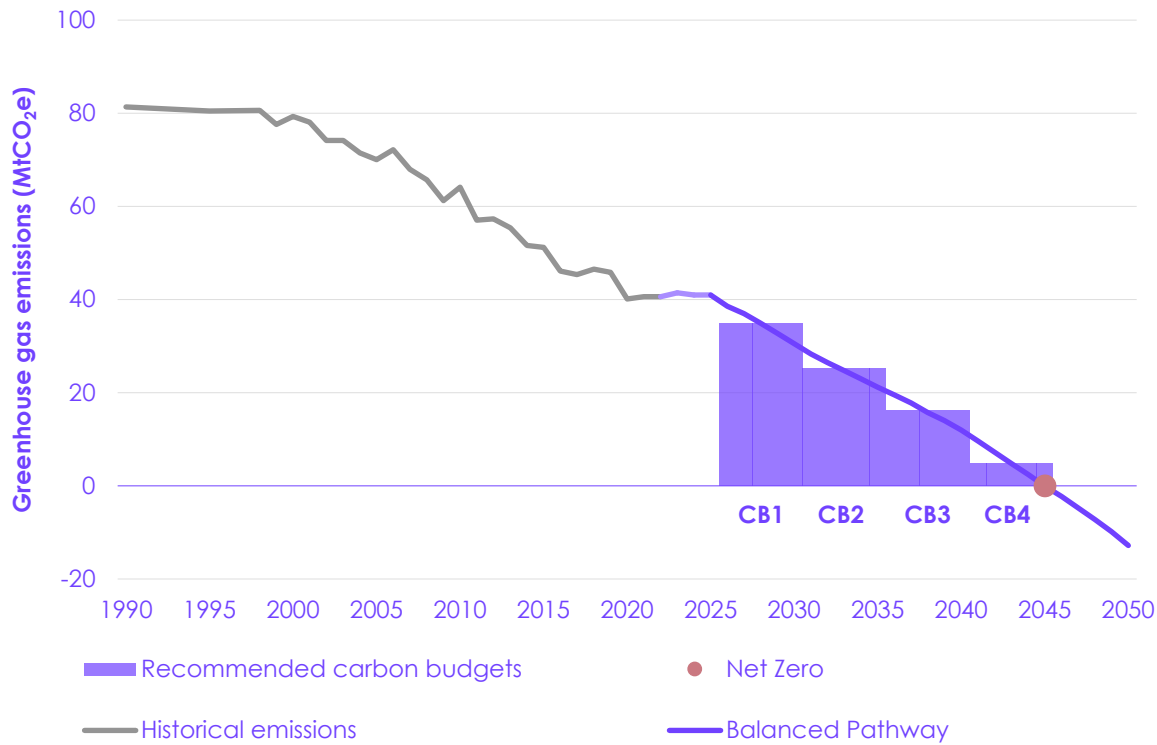
To fulfil its statutory responsibilities as set out in the Climate Change (Scotland) Act 2009, the Committee undertook expert analysis, ran workshops, and met with external stakeholders to prepare an advice report on [Scotland's Carbon Budgets](#). A summary of the report is provided below, noting that it was published in May 2025, just after the period relating to this Annual Report and Accounts and is therefore not included as a published report in Figure 1.

The report gave advice on the level of Scotland's four carbon budgets, covering the period 2026 to 2045. The Committee recommended that the Scottish Government sets its carbon budgets, including Scotland's share of international aviation and shipping emissions, at annual average levels of emissions that are:

- 57% lower than 1990 levels for the First Carbon Budget (2026 to 2030).
- 69% lower than 1990 levels for the Second Carbon Budget (2031 to 2035).
- 80% lower than 1990 levels for the Third Carbon Budget (2036 to 2040).
- 94% lower than 1990 levels for the Fourth Carbon Budget (2041 to 2045).

These carbon budgets are given as five-year average percentage reductions from 1990 levels. As of 2022, the latest year for which there is data, emissions were 50% below 1990 levels.

Figure 5 The recommended carbon budgets for Scotland



Description: The Balanced Pathway sets the recommended level of Scotland's carbon budgets.

Source: National Atmospheric Emissions Inventory (2024) *Greenhouse Gas Inventories for England, Scotland, Wales & Northern Ireland: 1990-2022*; CCC analysis.

Notes: See Chapter 2. 'CB' refers to Scottish carbon budgets; 'CB1' refers to the First Carbon Budget; subsequent numbers refer to subsequent carbon budgets.

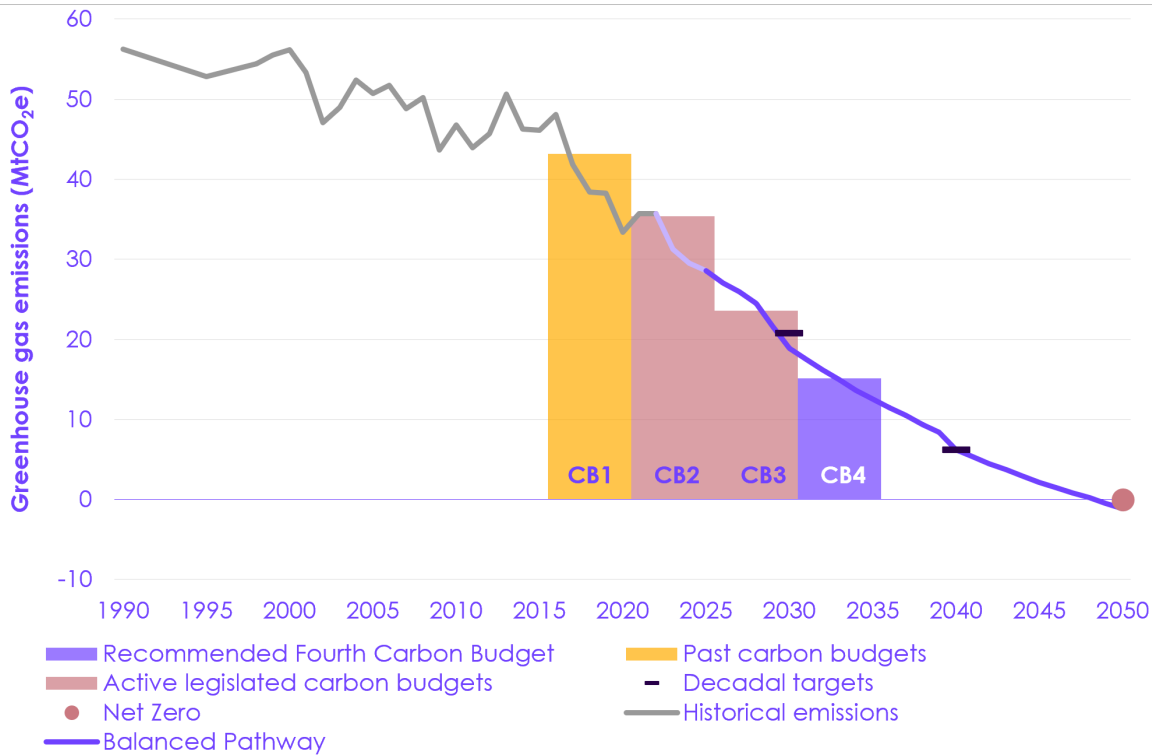
The Committee also provided advice on the draft third Scottish National Adaptation Plan (SNAP3), and advice in response to a request about how to design and implement carbon budgets in Scotland. These letters are detailed in the 'advice on emerging issues' section below.

Advice to Welsh Government

The Committee performed expert analysis, ran workshops, and met with external stakeholders to draft Wales' Fourth Carbon Budget. To fulfil its statutory responsibilities as set out in the Environment (Wales) Act 2016, the report set out the Committee's advice on the level of [Wales' Fourth Carbon Budget](#), covering the period 2031 to 2035. A summary of the report is provided below, noting that it was published in May 2025, just after the period relating to this Annual Report and Accounts and is therefore not included as a published report in Figure 1.

The Committee's recommended level for the budget was a 73% reduction in average annual emissions compared to the 1990 baseline, over the five-year period from 2031 to 2035, including Wales' contribution to international aviation and shipping. The Committee noted that the start of Wales' Fourth Carbon Budget is only six years away and that achieving it will require a focus on key near-term actions, particularly in surface transport, buildings, and agriculture and land use. The Committee noted that each of these sectors have significant policy powers devolved to the Welsh Government and that achieving the Fourth Carbon Budget provides an opportunity for Wales to lead by example.

Figure 6 The recommended Fourth Carbon Budget



Description: The Committee recommends that the Fourth Carbon Budget should be set at an average annual reduction of 73% below the 1990 baseline for the period 2031–2035.
Source: National Atmospheric Emissions Inventory (2024) *Greenhouse Gas Inventories for England, Scotland, Wales & Northern Ireland: 1990-2022*; CCC analysis.
Notes: See Chapter 2. 'CB' refers to Wales' carbon budgets: 'CB1' refers to the First Carbon Budget; subsequent numbers refer to subsequent carbon budgets.

Fourth Climate Change Risk Assessment

Work has continued during the year on the significant programme of work to deliver the Adaptation Committee's Independent Assessment of UK Climate Risk, which will underpin the UK's Fourth Climate Change Risk Assessment (CCRA4). This independent assessment will be published in 2026 and will provide an updated assessment of the risks and opportunities from climate change and the potential for adaptation to address them. The assessment will be published alongside advice from the CCC to governments around the UK on improving climate resilience in the next round of national adaptation programmes.

In May 2024 the Adaptation Committee published its proposed methodology for the assessment. The Adaptation Committee will organise the production of its analysis of climate change risks and opportunities under a set of 'outcome areas', each corresponding to groupings of key assets or systems where risks from climate change threaten explicit or implicit societal outcomes or goals.

These outcome areas will serve as a working structure to ensure that an appropriate range and diversity of risks and adaptation are considered across the programme. The five outcome areas are:

- **Economy:** business and industry sites, assets, employees, and supply chains; the UK's financial system.
- **Health:** health, and health and social care services.

- **Built environment:** the built environment at all scales, the cultural heritage it contains, and the services and community functions that depend on it.
- **Infrastructure:** energy, transport, communication and water/wastewater infrastructure.
- **Land, nature and food:** the natural environment, rural land-use and landscapes, and the systems of food production.

Risks and opportunities from climate change (arising from both changes in the UK climate and internationally) to these outcome areas will be assessed in the Technical Report.

Risks and opportunity from climate change (arising from both changes in the UK climate and internationally) to these outcome areas will be assessed across four different time periods, as the evidence allows.

- **Present:** risk and opportunities from the range of possible weather and climate conditions possible today.
- **2030s:** a near-term reference period centred on 2035, to represent the climate for which the next round of national adaptation programmes will need to fully prepare.
- **2050s:** a mid-century reference period, centred on 2055, consistent with the end of the period of 'inevitable' climate change, regardless of the trajectory of global greenhouse gas emissions over the next few decades.
- **2080s:** a late-century reference period, centred on 2085, used to consider the implications of further climate change beyond the middle of the century, particularly for long-lived assets.

These periods will allow the assessment to focus, more than in previous assessments, on near-term risks whilst also considering the wide range of climates and associated risks possible in the second half of the century.

The Adaptation Committee plans to structure the analysis in the report around 14 'adaptation systems'. These systems break down the adaptation challenge into manageable and coherent chunks, enabling users to:

- Design a coherent adaptation response for addressing the climate risks identified in the Technical Report, accounting for synergies and trade-offs.
- Map the actions, enablers, and policies needed to deliver a well-adapted UK, and develop associated indicators for monitoring progress.
- Assign ownership and accountability for coordinating an adaptation response.

Strategic priority: monitor progress in reducing emissions, achieving carbon budgets, and preparing for climate change

Publish all progress reports within the statutory deadline

2024-25 100%	Target 100%	2023-24 100%
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A summary of the progress reports and recommendations issued by the Committee and Adaptation Committee is provided below:

Progress towards reducing emissions







In July 2024 the Committee published its 2024 [Progress Report to Parliament](#). The key messages were:

- **Urgent action is needed.** Despite some good progress by the previous government, there had been a slowing of the pace in tackling the climate crisis in recent years, and a delay or even reversal of the key policies needed to reduce emissions. The Committee urged the new UK Government to act fast to hit the country's 2030 climate commitments.
- **Consistent and clear messaging is essential.** The previous government gave inconsistent messages on its commitment to the actions needed to reach Net Zero. The UK should now take urgent and decisive action to ramp-up progress and reverse recent policy rollbacks and exemptions, particularly in the realm of infrastructure and buildings.
- **Make electricity cheaper.** Low-carbon electric technologies will be essential to meeting our climate targets. Removing the policy and social costs currently levied on electricity prices is key in supporting industrial electrification and lowering the running costs of decarbonised heating solutions.
- **Remove planning barriers.** There are a range of barriers within the existing planning system which hinder the deployment of technologies such as heat pumps, electric vehicle (EV) charge points, and onshore wind. The Government should take action to remove these quickly and support the roll-out of such important renewable technology.
- **Upskill the economy and support workers in communities affected by the green transition.** The UK Government must publish a strategy to support Net Zero skills, including an action plan to develop workforce capacity and deliver the skills that will be required to decarbonise the economy whilst supporting workers and communities.
- **Accelerate emission abatement and removal programmes.** Tree planting and peatland restoration must be scaled up for abatement to be sufficient for later carbon budgets and Net Zero. The Government must also finalise and open to the market the business models for engineered removals.

- **Introduce a comprehensive decarbonisation programme for public sector buildings.**
The Government should introduce a multi-year strategic programme for decarbonising public buildings such as administrative buildings, schools, hospitals, and military barracks. This has the potential to deliver substantial emissions reduction relatively quickly.
- **Strengthen adaptation policy objectives and targets.** The UK's Third National Adaptation Programme lacks the pace and ambition to address growing climate risks, endangering the UK's path to Net Zero. Plans must be strengthened to avoid exposing the UK to additional climate impacts.

Table 2 below (published as Table 3.1 in the 2024 progress report – assessment of progress on key indicators) summarises progress achieved against key indicators.

Table 2 [Published as Table 3.1 in the UK Progress Report 2024] Summary of progress against key indicators					
Indicators of demand for high-carbon activities		Indicators of roll-out of low-carbon technologies and nature-based solutions		Indicators of enablers of the transition	
Car-Car-km (G)	Residential energy demand (G)	Public EV charge points (G)	Electric car sales (O)	Battery cell prices (G)	Trained heat pump installations (R)
Non-residential energy demand (G)	Van-km (O)	Electricity used in industry (O)	Offshore wind capacity (O)	Heat pump installation costs (LGr)	Offshore wind costs (LGr)
Electricity consumption per GVA in industry (O)	Households receiving energy efficiency measures (R)	Onshore wind capacity (O)	Unabated gas share of electricity generation (O)	Solar costs (LGr)	Green jobs (LGr)
Livestock numbers (W)	Airport terminal passengers (W)	Electric van sales (R)	Heat pump installations (R)	Knowledge of EVs (LGr)	Knowledge of heat pumps (LGr)
		Solar capacity (R)	Woodland creation (R)		
		Peatland restoration (R)	Sustainable aviation fuel share (W)		

 On track (G)	 Too early to say (W)
 Slightly off track (O)	 Data not reported (Gr)
 Significantly off track (R)	 No benchmark or target (LGr)

Source: Climate Change Committee (CCC) analysis.
Notes: An indicator is on track if it is going in the right direction at an appropriate rate. This is determined by comparing the historical data to government ambition or the CCC's recommended path and considering the wider contextual factors that may have a temporary impact (e.g., recovery from COVID-19). Government ambition is an umbrella term encompassing stated targets, projections and modelling assumptions – and does not necessarily represent a formal commitment from the Government.

Progress towards managing and adapting to climate change risks

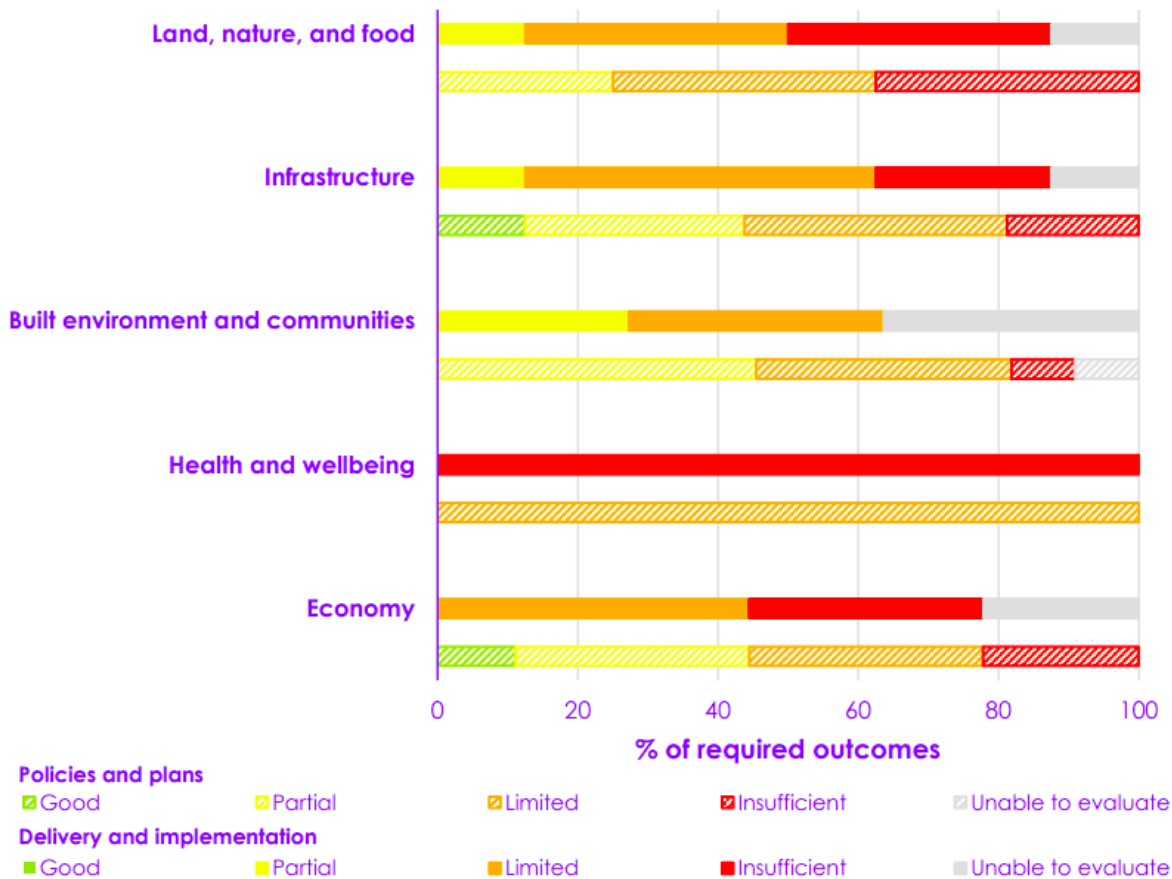
In April 2025 the Adaptation Committee published its biennial [Progress Report in Adapting to Climate Change](#), detailing the UK's progress in adapting to the impacts of, and risks posed by, climate change. Analysis and research for the report was predominantly completed during the 2024/25 financial year. This, in addition to the high workload of CCRA4 (detailed below and due to be published in 2026), occupied the majority of the Adaptation Committee and supporting secretariat's time. This resulted in a reduction in total reports published by the Adaptation Committee in 2024/25 in comparison to 2023/24.

The report provided an assessment of the extent to which the UK's Third National Adaptation Programme (NAP3) and its implementation are preparing the UK for climate change. It is the Committee's first statutory progress report on NAP3. The key messages in the report were:

- **The UK's preparations for climate change are inadequate.** Planning and delivery of effective adaptation remains limited and disjointed, with the vast majority of adaptation assessment outcomes in this report receiving the same low scores as in the previous 2023 [Adapting to Climate Change](#) report. No adaptation delivery outcome has enough evidence to achieve a score of 'good'.
- **The Government has yet to address the UK's inadequate approach to tackling climate risks.** Our assessment finds little evidence of a change of course under the current government, and the slow pace of change indicates that climate change adaptation is not yet a top priority across government.
- **The Government must act without any further delay to make the UK more climate resilient.** A new approach is still possible, and the CCC recommends four key areas of action to raise the profile of adaptation across government and drive a more effective response to the UK's changing climate:
 - Improve objectives and targets.
 - Improve coordination across government.
 - Integrate adaptation into all relevant policies.
 - Implement monitoring, evaluation, and learning across all sectors.

Figure 7 below (published as Figure 1 in the [Progress Report in Adapting to Climate Change to Parliament](#)) shows a summary of the CCC's assessment of the UK's progress in preparing for climate change.

Figure 7 Summary of the CCC's assessment of progress in preparing for climate change



Description: Of the 46 required outcomes, three have had good progress on policies and plans. We are unable to evaluate delivery progress for nine outcomes. For the remaining required outcomes, there has been mostly limited or insufficient progress across delivery and policies and plans.

Source: CCC analysis.

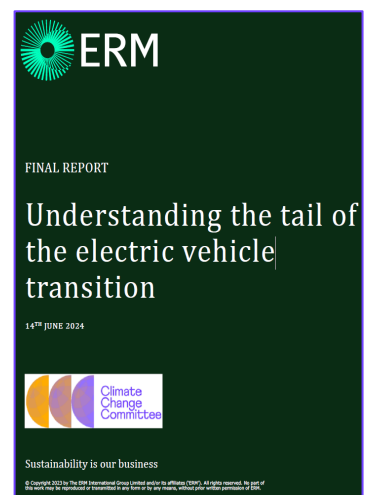
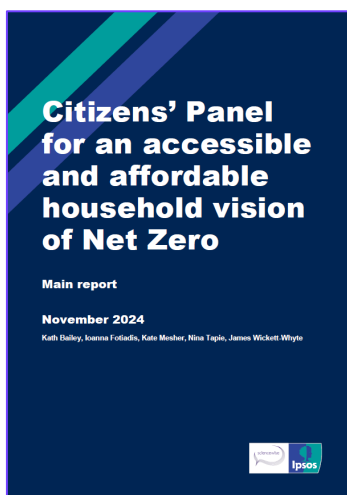
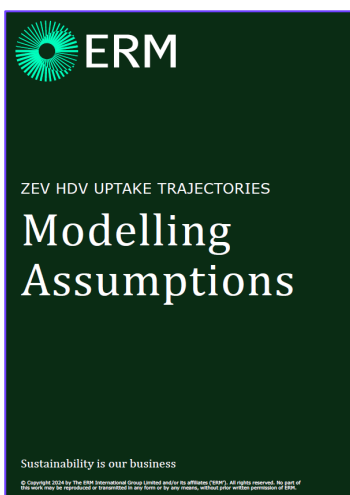
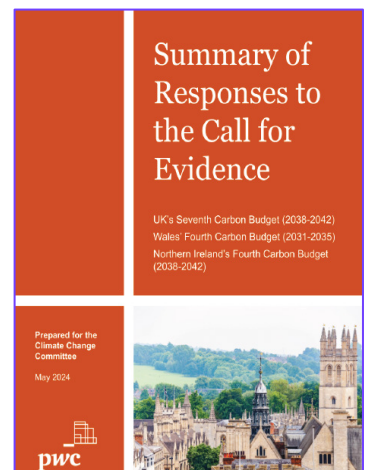
Notes: The number of required outcomes varies between outcome areas. There are eight required outcomes in land, nature and food, 16 in infrastructure, eight in built environment, two in health and wellbeing, and nine in economy.

Strategic priority: conduct independent analysis into climate change science, economics, and policy

Target: deliver high quality analysis through the successful delivery of the analytical work programme

<p>2024/25 achieved</p>	<p>Success measures:</p> <p>Achieve delivery milestones for key analytical work programmes.</p> <p>Satisfactory completion of quality assurance processes for all analytical work.</p>	<p>2023/24 achieved</p>
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As part of the work programme to deliver the Seventh Carbon Budget advice, the CCC undertook a significant programme of research, collaborating with a wide range of external organisations. The outputs of this research programme are published alongside the Seventh Carbon Budget advice report on the CCC website. Examples include:



Strategic priority: engage with stakeholders to promote understanding and inform an evidence-based debate on climate change and its impacts, and measures to address it

Target: achieve effective stakeholder engagement through the successful implementation of the stakeholder engagement strategy

	Success measures	
2024/25 achieved	<p>Agree and deliver communications plans for key reports, achieving key metrics where specified.</p> <p>Deliver international stakeholder engagement as specified in each funding agreement.</p>	2023/24 achieved

Stakeholder engagement is a key area of focus for members of both the Committee and secretariat with a significant programme of engagement completed during 2024/25 to develop the analysis, recommendations and advice published by the Committee and Adaptation Committee. Examples of stakeholder engagement undertaken include:

Citizens panel

The CCC, supported by Sciencewise, commissioned Ipsos to deliver a citizens' panel to explore the question of what an accessible and affordable vision of Net Zero would be for households. The panel consisted of 26 members of the public (reflective of the UK population) from Birmingham and the surrounding area and focused on what policies are needed to ensure that key household choices for Net Zero are accessible and affordable for all households, across four areas:

- Low-carbon home heating and insulation.
- Electric vehicles (EVs) and reducing driving through a shift to public transport and active travel.
- A reduction in average meat and dairy consumption.
- A smaller than expected increase in flying.

International engagement

The CCC has continued to support UK Government international climate diplomacy and capacity building objectives through a programme of international engagement.

Regular separate engagements with many countries across the globe have been undertaken during 2024/25. These have included support to leverage CCC expertise in climate change risk and adaptation assessments as well as the ongoing mitigation support on climate governance, carbon budgets and emissions reductions progress monitoring. Key examples of this engagement include the following:



Malaysia: the CCC delivered a workshop to Malaysian ministerial officials on adaptation planning in preparation to Malaysia developing its first NAP. In November 2024, we further supported the British High Commission to review the Malaysian Climate Bill (RUUPIN). In December 2024, the CCC Interim Chair attended a ministerial dinner on the bill with the Commissioner and NRES Minister.



India: supported NITI Aayog, a key government advisory body, with establishment of an adaptation modelling unit by reviewing their concept note. In 2025/26, the CCC is planned to deliver adaptation workshops on cost-benefit analysis.



Colombia: the CCC followed up on engagement in 2023, delivering two online costing workshops on adaptation and mitigation.



Brazil: we engaged with Brazilian officials to scope demand for supporting the establishment of Brazil's Scientific Chamber, a CCC-like body that is being given statutory footing. The deployment of this is likely to involve a series of online workshops and in-person visit with Committee attendance.



Mexico: the CCC scoped potential deployments on supporting climate governance and providing adaptation support to Mexico's Nationally Determined Contribution (NDC), adaptation costs, and monitoring and evaluation frameworks.



Nigeria: the CCC scoped deployment to support Nigeria in developing a robust national carbon budget framework.



China: Committee members and members of the analytical secretariat engaged in an ongoing UK-China Climate Policy Dialogue, facilitated by FCDO and Chatham House.

In addition, the Committee has supported the Government in its global engagement in climate action at international summits such as COP29. A team of delegates from the CCC attended COP29 in Baku, Azerbaijan in November 2024, and we produced a letter detailing the key outcomes of the conference, assessing the UK's role and next steps.

The Committee noted that the UK had a strong presence at COP29, and that the announcement of the UK 2035 Nationally Determined Contribution (NDC) emissions reduction target of at least 81% below 1990 levels, in line with CCC advice, was a clear statement of intent and was received well by international partners. The underpinning of this progress by the UK Climate Change Act and carbon budget methodology is being increasingly recognised and replicated abroad, with over 20 other countries now using climate change advisory committees to support their governments.

However, whilst COP29 maintained the process of international climate diplomacy and negotiating of key agreements, it deferred several other key decisions on finance goals, a finalised carbon market agreement, sectoral coalitions, and further action on mitigation and adaptation measures. Working with the COP30 Brazil presidency and other parties, the UK has the opportunity to play a significant diplomatic role in supporting global climate progress at the next summit. The Committee recommends key actions such as leveraging the UK's strong finance sector expertise, continuing to strengthen delivery coalitions, and submitting a comprehensive UK NDC that formalises the UK's plans to contribute across all goals of the Paris Agreement.

Advice on emerging issues

Box 1

Key letters to the UK Government

Advice on implementing the expansion of the UK ETS

In November 2024 the CCC's Interim Chair, Professor Piers Forster, wrote to the Secretary of State for Industry, Minister Jones, in response to a request for advice on implementing the expansion of the UK Emissions Trading Scheme (UK ETS) to include Energy from Waste (EfW) and waste incineration from 2028.

The key messages of the letter were:

- The Committee is supportive of the inclusion of EfW and waste incineration in the UK ETS but recommends that the ETS Authority does not increase the overall cap on emission allowances when these emissions are added.
- Not increasing the cap while including EfW and waste incineration in the UK ETS offers an opportunity to tighten the UK ETS, increasing its effectiveness in driving decarbonization (including deployment of recycling) and reducing the burden placed on the non-traded sectors.

Advice on the UK's 2035 Nationally Determined Contribution

In October 2024 we wrote to the Rt Hon Ed Miliband MP, Secretary of State for DESNZ, to provide advice on the UK's Nationally Determined Contribution (NDC). This was prior to the CCC's formal advice on the UK's Seventh Carbon Budget.

We recommended that the UK's NDC commits to reduce territorial greenhouse gas emissions by 81% from 1990 to 2035. In line with the UNFCCC convention, we recommended that international aviation and shipping (IAS) emissions are excluded from the headline NDC target, but that the UK must maintain its ambition on reducing its share of IAS emissions. The letter also emphasized that an ambitious NDC should be complemented by commitments across all pillars of the Paris Agreement, and that the Government should correspondingly strengthen: its plans and actions around climate finance; its National Adaptation Programme; the UK's domestic and international goals on nature and biodiversity; and UK plans to fortify and contribute to other key international climate initiatives.

Source: [CCC website](#)

Box 2

Key letters to the Northern Ireland Executive

Letter to the Northern Ireland Climate Commissioner

In November 2024 a letter was sent from the Interim Chair of the Climate Change Committee, Professor Piers Forster, and the Chair of the Adaptation Committee, Baroness Brown, in response to a request for views on the draft Northern Ireland Climate Commissioner Regulations (Northern Ireland) 2024, as required under section 56 of the Climate Change Act (Northern Ireland) 2022 (the Act).

The Committee welcomed the increased scrutiny under the Act and supported the Northern Ireland Executive setting up the Northern Ireland Climate Commissioner as per Section 50 of the Act. We also reviewed the draft Regulations and welcomed that an annual monitoring duty was set for the Commissioner. It was noted that due to potential overlap with the Committee's work, the Committee is keen to cooperate with the Commissioner and ensure that each respective role provides effective scrutiny on the Northern Ireland Executive's plans and delivery on climate change mitigation and adaptation.

CCC response to Minister for the Future of Roads on NI Amendment

In August 2024 the Interim Chair of the Climate Change Committee, Professor Piers Forster, wrote to Minister Greenwood in response to a request for the Committee's advice on the amendment order to the zero-emission vehicle mandate and CO₂ regulations for new cars and vans, pursuant to s48(1) and s48(2) of the Climate Change Act 2008.

The Committee expressed our support for the zero-emission vehicle mandate and the inclusion of Northern Ireland in the scheme, as brought about by this amendment. We supported the level of the caps for allowances and activity based on percentages of in-year registrations and were content with all other changes to the scheme included in the amendment.

Source: [CCC website](#)

Design and implement carbon budgets in Scotland

In May 2024 the Interim Chair of the Climate Change Committee, Professor Piers Forster, wrote to the Cabinet Secretary for Net Zero and Energy, Màiri McAllan MSP, to provide advice in response to a request about how to design and implement carbon budgets in Scotland.

The Committee affirmed that it was deeply disappointing that the Scottish Government chose to withdraw its 2030 and 2040 interim targets, although there was some reassurance that the 2045 Net Zero target was remaining in place.

The Committee also expressed concern that although Scotland's established legal framework of setting annual targets for emissions reductions ensured regular scrutiny of decarbonization progress, these targets are highly vulnerable to year-to-year fluctuations in emissions. Such fluctuations can be smoothed within multi-year budgets, which are a more reliable indicator of underlying progress, and five-year carbon budgets are most appropriate.

It was advised that the Scottish Government should be proactive and transparent in monitoring and evaluating progress and continue to ask the Committee to assess its progress in reducing emissions regularly. The Committee recommended at least two dedicated reports on Scottish progress per budget period, coupled with a more frequent assessment through the annual UK-wide progress reports, and strongly urged the Scottish Government to act quickly to implement a new legal framework and bring its decarbonisation approach in line with the other nations of the UK.

Response to the draft third Scottish National Adaptation Plan (SNAP3)

In April 2024 the Chair of the Adaptation Committee, Baroness Brown, wrote to the Cabinet Secretary for Wellbeing Economy, Net Zero, and Energy, Màiri McAllan MSP, providing the CCC's response to SNAP3.

The CCC advised that the draft SNAP contained proposed policies and actions that, if delivered effectively, could help move forward Scotland's preparedness for climate change. However, we encouraged the Scottish Government to provide more detail on many of the policies that are currently in development and to bring forward new ambitious policy actions to help move Scotland towards being well-adapted to climate change. As it was, there remained important gaps in the structure of the SNAP3 programme that needed to be addressed in revised and final versions, including setting specific and quantified targets for levels of resilience, creating a clear framework of activities and outcomes, and explicitly assigning ownership for each outcome to a part of the Government.

Source: [CCC website](#)

1.2.3 Risk management strategy

The main risks managed by the CCC relate to the successful delivery of its statutory responsibilities and work programme and are summarised in Table 3 below. The CCC's risk management strategy and risk appetite are led and managed by the Senior Leadership Team and reviewed by the Operations Board with regular scrutiny and challenge provided by the Audit and Risk Assurance Committee.

Table 3
Challenges and issues

Risk	How the risk has affected the CCC in achieving its objectives	Key mitigations
<p>Senior appointments including, Committee Chair, members and Chief Executive</p>	<p>The significant delays experienced in the appointment processes for senior appointments, including the Chair, Committee members, and the Chief Executive created a risk to the capacity and expertise available to the Committee during a year of significant programme delivery.</p>	<p>The process to appoint the Committee Chair and members is managed by the UK Government. The CCC has continued to engage proactively at both official and Ministerial level to encourage and monitor progress. The appointment of the Chief Executive in October 2024 and the Chair in July 2025 has mitigated a portion of the risk. Work remains ongoing to manage the risks relating to the appointment of new Committee members to the Committee and Adaptation Committee.</p>
<p>Scrutiny, challenge, and political context</p>	<p>The CCC's creditability as an independent advisor is negatively impacted by a perceived or actual failure to operate within expected standards or by real or perceived conflicts of interest.</p>	<p>Key corporate policies have been reviewed and updated throughout the year. Mandated staff training is in place for key areas of risk, such as information security. Guidance is provided to all new Committee members and staff on key corporate policies, such as managing conflicts of interest.</p>
<p>Programme delivery and funding</p>	<p>The team experienced a sustained period of intense work due to the timing of a number of key statutory advice reports during 2024/25. This created a risk to the successful delivery of the work programme. Delays to the confirmation of funding restricted our ability to adequately resource work.</p>	<p>Programme delivery and risk logs were closely monitored at each Programme Board meeting to ensure project plans were manageable given resource constraints within the teams.</p> <p>The Operations Board reviewed the latest finance forecast at each meeting to ensure resources were allocated to the highest priority areas.</p>
<p>Corporate services programme</p>	<p>As part of the Government's shared services strategy, the CCC will transfer to a new finance and HR platform and shared services provider in 2025/26. The second phase of the programme is to transfer from the current IT services provider.</p> <p>A lack of clarity regarding the funding position and capacity constraints within the team have created a risk to the CCC's ability to achieve a timely and efficient transfer to the new finance and HR platform and shared services provider.</p>	<p>Proportionate, but robust, governance and project management frameworks have been established to ensure programme risks are assessed and escalated appropriately.</p> <p>Regular reports are provided to the Operations Board, Chief Executive, and Audit and Risk Assurance Committee with each providing scrutiny and challenge of the proposed mitigating actions.</p>

1.2.4 Task force on Climate-related Financial Disclosures

The International Public Sector Accounting Standards Board is developing a climate-related disclosure standard for the public sector, expected by late 2025. In the UK, HMT has introduced phased reporting requirements from 2023/24 which are aligned with the Task Force on Climate-related Financial Disclosures (TCFD). These requirements complement initiatives such as the updated Greening Government Commitments. The CCC has elected to report on these and is using the implementation schedule set out in HMT guidance, reporting recommended disclosures on governance, risk management and metrics and targets this year.

The TCFD recommendations are structured around four thematic areas:

- **Governance:** the organisation's governance around climate-related risks and opportunities.
- **Strategy:** the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy, and financial planning.
- **Risk management:** the processes the organisation uses to identify, assess, and manage climate-related risks.
- **Metrics and targets:** the metrics and targets the organisation uses to assess and manage relevant climate-related risks and opportunities.

Figure 8 The four pillars of the TCFD recommendations



Table 4
TCFD recommendations

Thematic area	Governance	Strategy	Risk management	Metrics and targets
Recommendations	Disclose the organisation's governance around climate related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Disclosures				
a)	Describe the board's oversight of climate-related risks and opportunities.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Describe the organisation's processes for identifying and assessing climate-related risks.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
b)	Describe management's role in assessing and managing climate-related risks and opportunities.	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Describe the organisation's processes for managing climate-related risks.	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks.
c)		Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Implementation of the TCFD framework

The annual report climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures are included in the following sections of this Annual Report and Accounts document.

Table 5 An overview of TCFD recommendations within the Annual Report and Accounts		
TCFD recommendation	Disclosure within Annual Report and Accounts 2024/25	
Governance: Disclose the organisation's governance around climate-related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	Section 2: Accountability Report Governance Statement pages 56 – 58
Risk management: Disclose how the organisation identifies, assesses, and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks. b) Describe the organisation's processes for managing climate-related risks. c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Section 2: Accountability Report Governance Statement pages 48 – 51
Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process. b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks. c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against target.	Section 1: Performance Report Sustainability Report, pages 37 – 43

1.2.5 Sustainability report

The Climate Change Committee's work is grounded in robust evidence, data, and policy insight. However, our commitment to climate and environmental responsibility extends beyond analytical outputs. We are dedicated to reducing our environmental footprint across all aspects of our operations – from the production of our research and analysis to the operational and financial processes that underpin them.

Context

Since 2021/22, the CCC has held an annually reviewed Carbon Neutral Certification. Historically, the reporting period for this certification followed an annual cycle running from September to August.

In 2024, upon meeting the minimum size criteria to participate in the Greening Government Commitments (GGC) sustainability scheme, the CCC sought to align its reporting framework with that of the wider GGC groups. This required a transition to a financial year reporting cycle, covering April to March.

A direct switch to the financial year would have created a seven-month gap (September 2023 to March 2024) in the sustainability accounts. Such a gap would have been unacceptable, as it would compromise reporting continuity and risk the loss of the CCC's Carbon Neutral Certification.

To uphold the highest sustainability standards and ensure continued compliance with Carbon Neutral requirements, adjustments to the established reporting approach have been implemented for the 2024/25 period. These changes are outlined below.

Reporting periods

To ensure full transparency and to facilitate meaningful comparisons across time, data has been disclosed, presented, and analysed in relation to three distinct reporting periods, as outlined below.

Period	Dates	Description
Period 1	September 2022 – August 2023	Corresponds to the Sustainability Report within the CCC's 2023/24 Annual Report and Accounts, prior to joining the Greening Government Commitments (GGC). Updated to include emissions from research spend on purchased goods and services (PG&S) and capital goods (CG).
Period 2	September 2023 – April 2024	Covers CCC operations during occupancy of a temporary office in Westminster, London.
Period 3	May 2024 – March 2025	Reflects CCC emissions following relocation to the new permanent office at 10 South Colonnade, Canary Wharf, London.

Purchased goods and services

Standards for sustainability reporting continue to evolve, and the CCC undertakes an annual review of its disclosure protocols to ensure the highest levels of transparency. In the current reporting cycle, the methodology for calculating emissions from purchased goods and services (PG&S) and capital goods (CG) has been refined to improve accuracy.

When emissions data for Period 1 (September 2022 – August 2023) was first calculated, PG&S and CG were newly incorporated into the Climate Impact Partners (CIP) assessment process. At that stage, research spend was not included in the sustainability dataset. This reflected accepted practice, whereby PG&S and CG reporting is introduced iteratively over the initial years as data availability improves, and reporting requirements are clarified.

Following the recommendations of our emissions reporting advisors, the CCC has consistently expanded the scope of PG&S disclosures in line with organisational growth and the development of sustainability reporting capacity.

As part of this year's review, the PG&S and CG emissions category has, for the first time, been widened to include research spend, in accordance with advisor guidance. This revised approach has been applied to the calculation of emissions for Periods 2 and 3, and the Period 1 dataset has been restated to incorporate the uplift from research spend.

Going forward

As a result of the reporting developments outlined above, the CCC has successfully renewed its Carbon Neutral Certification for 2024/25. With full alignment now established to the financial year reporting cycle, from 2025/26 onwards the CCC will adopt this format exclusively, enhancing the clarity and transparency of our sustainability disclosures.

The assessment of the CCC's greenhouse gas (GHG) emissions presented in this report has been undertaken in accordance with the CarbonNeutral® Protocol, developed by CIP. The Committee remains committed to maintaining consistency with recognised standards and frameworks, including the sustainability reporting criteria set out in the Greening Government Commitments (GGC) and HM Treasury Sustainability Reporting Guidance, as well as supporting the UK Government's overarching target of achieving net zero by 2050.

These commitments, and the ways in which they inform and shape our sustainability strategy, are examined in greater detail in the sections that follow.

2024/25 emissions overview

Emissions accounting and measurement

In addition to the uplift from purchased goods and services (PG&S) and capital goods (CG) – which accounts for emissions not previously included in earlier reporting periods – differences in the figures disclosed for Period 1 compared with those in the last Annual Report and Accounts are attributable to refinements in categorisation. These changes were introduced to improve both the completeness and accuracy of reporting.

Results presented in the tables of this report are accurate to the number of significant figures shown. Any minor inconsistencies between totals and individual values in previous reports are the result of rounding and should not be interpreted as errors.

Emissions breakdown

Emissions in Table 6 and Table 7 are presented as monthly figures to facilitate consistent comparison across reporting periods of differing lengths.

In Table 7, emissions are classified as 'controllable', 'partially controllable', or 'non-controllable' by the CCC at present. As a very small organisation, aspects of our everyday operations – such as our building management and IT service provision – are managed by larger stakeholders outside of the CCC's direct governance. Categorising emissions allows the CCC to identify which emission sources are under our organisation's direct control and highlight realistic, actionable areas for emissions reduction.

Table 6 GHG emissions summary			
Emissions data	GHG emissions tonnes of carbon dioxide (tCO ₂ e), market-based		
	Period 1 (Sep 2022 – Aug 2023)	Period 2 (Sep 2023 – Apr 2024)	Period 3 (May 2024 – Mar 2025)
Monthly GHG emissions per FTE	0.56 (46.87)	0.44 (51.6)	0.75 (56.8)
Monthly GHG emissions	26.38	22.63	42.82

Table 7
Comparison of GHG emissions by category across periods

Emissions source category	Monthly GHG emissions (tCO ₂ e)	Monthly GHG emissions (tCO ₂ e)	Monthly GHG emissions (tCO ₂ e)	Emissions classification
	Period 1 (Sep 2022 – Aug 2023)	Period 2 (Sep 2023 – Apr 2024)	Period 3 (May 2024 – Mar 2025)	
Direct emissions (Scope 1)	0.58	0.03	0.1	Non-controllable
Purchased energy (Scope 2)	1.25	1.5	5.91	Non-controllable
PG&S and CG (Scope 3)	21.33	13.66	32.18	Partially controllable
Fuel and energy related activities (Scope 3)	0.31	<0.00	<0.00	Controllable
Outbound courier deliveries of packages (Scope 3)	n/a	n/a	<0.00	Controllable
Waste generated in operations (Scope 3)	0.01	0.41	0.01	Non-controllable
Business travel (Scope 3)	1.75	4.38	2	Controllable
Employee commuting & remote working (Scope 3)	1.17	2.63	2.45	Controllable
Total (market based)	26.38	22.63	42.82	
Emissions per FTE staff (market)	0.56	0.44	0.75	

Source: Nature Positive on behalf of Climate Impact Partners (August 2025) Committee on Climate Change Greenhouse Gas Assessment, 2023-25.

Note: Well to tank (WTT) emissions are reported alongside activity emissions to provide a more comprehensive and accurate representation of the greenhouse gas emissions associated with CCC operations. WTT emissions capture the upstream processes involved in the extraction, refining, and transportation of fuels and energy prior to their use. Including these emissions within the relevant categories ensures that reported figures more accurately reflect the full impact of CCC activities.

Evaluation of environmental performance

PG&S and CG emissions

Table 6 states that there has been an increase in average monthly emissions from Period 1 to Period 3, and Table 7 shows that this is largely due to an increase in emissions from PG&S and CG. The increase in PG&S and CG emissions from Period 1 to Period 3 is largely due to the expansion of research projects undertaken as the CCC's work programme has developed since September 2022. Specifically, it correlates to the increase in budget and resources allocated to work on the delivery of CCRA4.

The PG&S and CG emissions category is classified as 'partially controllable' in this report, as although it is in part non-controllable due to the statutory demands of our work programme, we will continue to work to mitigate its emissions via supplier review.

It should be noted that the CCC's PG&S emissions calculations are based on Environmentally Extended Input-Output (EEIO) factors published by [Defra in 2021](#). EEIO factors estimate emissions by linking economic spending categories (such as research services) to average emissions intensities derived from broad economic and environmental data. Essentially, they convert monetary spend into estimated emissions based on industry averages. EEIO factors tend to reflect the full supply chain and economic impact of spending categories. So even though the CCC's research activities externally look similar to our internal operations — primarily desk work with associated electricity and heating — the model accounts for emissions embedded throughout the supply chain of providing that research service. This includes upstream production and energy use indirectly related to delivering those services. The factors provide consistent spend-based carbon estimates but cannot be adjusted for service-specific nuances beyond the model's scope.

Overall GGCs performance

The environmental data presented below aligns with disclosure mandates in [HM Treasury's 2024/25 Sustainability Reporting Guidance](#) and GGC targets introduced by the government in 2021.

Emissions by scope

The CCC does not purchase energy or pay energy bills directly. Rather, the organisation is recharged for total occupation costs by the building landlord, and the emissions of the GPA are apportioned to the CCC according to floor area. As a result, the CCC does not hold verifiable data on gross expenditure on the purchase of energy and expenditure on reported areas of energy. However, a breakdown of scope 1 emissions from natural gas and scope 2 emissions from electricity consumption is presented below in Table 8.

The increase in consumption of electricity in Period 3 is attributable to the CCC's new office building. The CCC's new office is within a Government Property Agency (GPA) building and occupies less than 1% of the floorspace. As a tenant, the CCC has limited input to decisions relating to emission generating activities within the building.

However, our analysis for climate mitigation in the UK in the Seventh Carbon Budget shows public buildings decarbonising slightly faster than commercial buildings, as the most cost-effective route to scale solutions and decarbonisation. Indeed, as part of a 2020-2030 Net Zero Carbon Programme, the GPA are committed to increasing usage of renewable energy sources and continuing to work with green energy suppliers, having completed installation of Air Source Heat Pumps in January 2025. There are ongoing projects to reduce the electricity use in the building, including upgrades to the Building Management System, surveying of submeters, and feasibility studies for solar panels. GPA have set a target to reduce Government office portfolio carbon emissions by 50% by 2028. The CCC will continue to play our part as an advisor and auditor of government progress in supporting our landlords to make such changes.

In the financial year 2024-25, the CCC purchased accredited offsets of 72 tonnes CO₂e to a solar project in India and a reforestation and community development project in Ghana. These carbon offsets were not used to assess GGC emissions targets.

	Period 1 (Sep 2022 – Aug 2023)	Period 2 (Sep 2023 – Apr 2024)	Period 3 (May 2024 – Mar 2025)
Natural gas	3,056	0	140
Electricity	3,202	3,377	12,907

Source: Nature Positive on behalf of Climate Impact Partners (August 2025) Committee on Climate Change Greenhouse Gas Assessment, 2023/25.

Expenditure on official business travel is displayed in Table 9 below, alongside air travel distance in miles. These figures encompass both international and domestic travel. Our business travel emissions are attributable to travel undertaken at the request of the UK Government as part of the Foreign, Commonwealth & Development Office-led international engagement programme of work.

The CCC seeks to minimise emissions from business travel through its Travel Policy. Where travel is deemed essential, staff are required to choose the most sustainable option such as travelling by train rather than plane where possible. Where travel by plane is the only feasible option, we minimise emissions via a policy mandating economy class travel for both short and long-haul trips. Opting to fly economy significantly reduces total travel emissions compared with business class and first class which produce three and nine times more emissions respectively. All CCC flights in Periods 1, 2, and 3 were economy class bookings.

	Period 1 (Sep 2022 – Aug 2023)	Period 2 (Sep 2023 – Apr 2024)	Period 3 (May 2024 – Mar 2025)
Official business travel expenditure including taxi, bus, metro, rail, and air travel	£1,287.56	£3,030.70	£3,017.45
Air travel distance (miles)	4,358	10,468	3,548

Source: Nature Positive on behalf of Climate Impact Partners (August 2025) Committee on Climate Change Greenhouse Gas Assessment, 2023/25.

Tables 7 and 9 show a spike in business travel emissions and expenditure in Period 2. This is attributable to the particular demands of the statutory work programme at the time, which included an international COP conference, PACT programme engagements in South America, and UK-based travel to collaborate with sponsor departments. However, Table 7 shows that business travel emissions decreased in Period 3 to near Period 1 levels, despite the CCC's projects having developed and our workforce having grown. This long-term stabilising of business travel emissions is both due to the CCC's internal Travel Policy and a restructuring of the CCC's international work programme.

Waste minimisation and management

Waste is reported in metric tonnes. The CCC directs waste to reuse schemes facilitated through the Government Property Agency (GPA).

Table 10 Average monthly waste by period (tonnes)			
	Period 1 (Sep 2022 – Aug 2023)	Period 2 (Sep 2023 – Apr 2024)	Period 3 (May 2024 – Mar 2025)
Waste	0.11 recycled 0.008 anaerobic digestion	0.84*	0.05 recycled
<p>Source: Nature Positive on behalf of Climate Impact Partners (August 2025) Committee on Climate Change Greenhouse Gas Assessment, 2023/25. Notes: * benchmarked due to unavailability of data</p>			

Paper use

Paper use is disclosed as the volume of paper purchased in A4 ream equivalents. The CCC has maintained minimal paper use over all reporting periods.

Table 11 Average monthly paper use by period (kg)			
	Period 1 (Sep 2022 – Aug 2023)	Period 2 (Sep 2023 – Apr 2024)	Period 3 (May 2024 – Mar 2025)
Paper	0	0	0
<p>Source: Nature Positive on behalf of Climate Impact Partners (August 2025) Committee on Climate Change Greenhouse Gas Assessment, 2023/25.</p>			

Finite resource consumption

Estates water consumption is reported in cubic metres. Water management forms part of GPA's facilities management and is a key objective in GPA's Workplace Services Sustainability Strategy. CCC workplace culture also encourages minimal water usage, with signage reinforcing this principal in our office space.

Table 12 Average monthly water use by period (m3)			
	Period 1 (Sep 2022 – Aug 2023)	Period 2 (Sep 2023 – Apr 2024)	Period 3 (May 2024 – Mar 2025)
Water use	14.08	50.13*	25.73
<p>Source: Nature Positive on behalf of Climate Impact Partners (August 2025) Committee on Climate Change Greenhouse Gas Assessment, 2023/25. Notes: * benchmarked due to unavailability of data</p>			

Sustainable procurement

Developing a formal Sustainable Procurement Policy is a priority for the coming year. This policy will embed sustainability principles into procurement processes, supporting responsible sourcing, reducing environmental impact, and strengthening our environmental and social governance framework.

To guide this transition, the CCC will adopt recognised tools including the Flexible Framework, Prioritisation Tool, and Balanced Scorecard for Food, enabling structured assessment and improvement of procurement practices. Compliance with the Government Buying Standards (GBS), and specifically the GBS for Food & Catering (GBSF), will be incorporated to ensure procurement decisions meet mandatory sustainability and ethical requirements, supporting healthier and more socially responsible outcomes.

As part of our Carbon Management Plan, we will enhance monitoring of supply chain impacts, considering methodologies such as the CAESER approach, while implementing robust systems to improve transparency and drive sustainable procurement aligned with our carbon reduction goals.

Nature recovery and biodiversity action planning

We are currently considering the development of a Nature Recovery Plan in the coming year. This initiative will support our commitment to enhancing local biodiversity, restoring natural habitats, and contributing to broader environmental sustainability goals.

Climate change adaptation

Developing a Climate Change Adaptation Strategy – including a Risk Assessment and Adaptation Action Plan for our estates and operations – is planned as part of our broader Carbon Management Plan. This integrated approach will help us identify climate-related risks and implement effective measures to enhance resilience across our assets and activities.

Reducing environmental impacts from ICT and digital

The CCC uses Defra IT, which means that all staff must follow the Defra IT guidance and IT policies. As a department, Defra is leading digital sustainability across government. Recent commitments and policies around reducing digital environmental impacts can be found in Defra's [Annual Report and Accounts 2024/25](#).

The CCC meets regularly with colleagues at Defra to discuss our IT service and ensure minimal digital environmental impact in our procurement and usage of devices.

Sustainable construction

No construction or refurbishment projects have been undertaken in 2024/25, with no plans intended for the foreseeable future.

1.2.6 Financial Performance

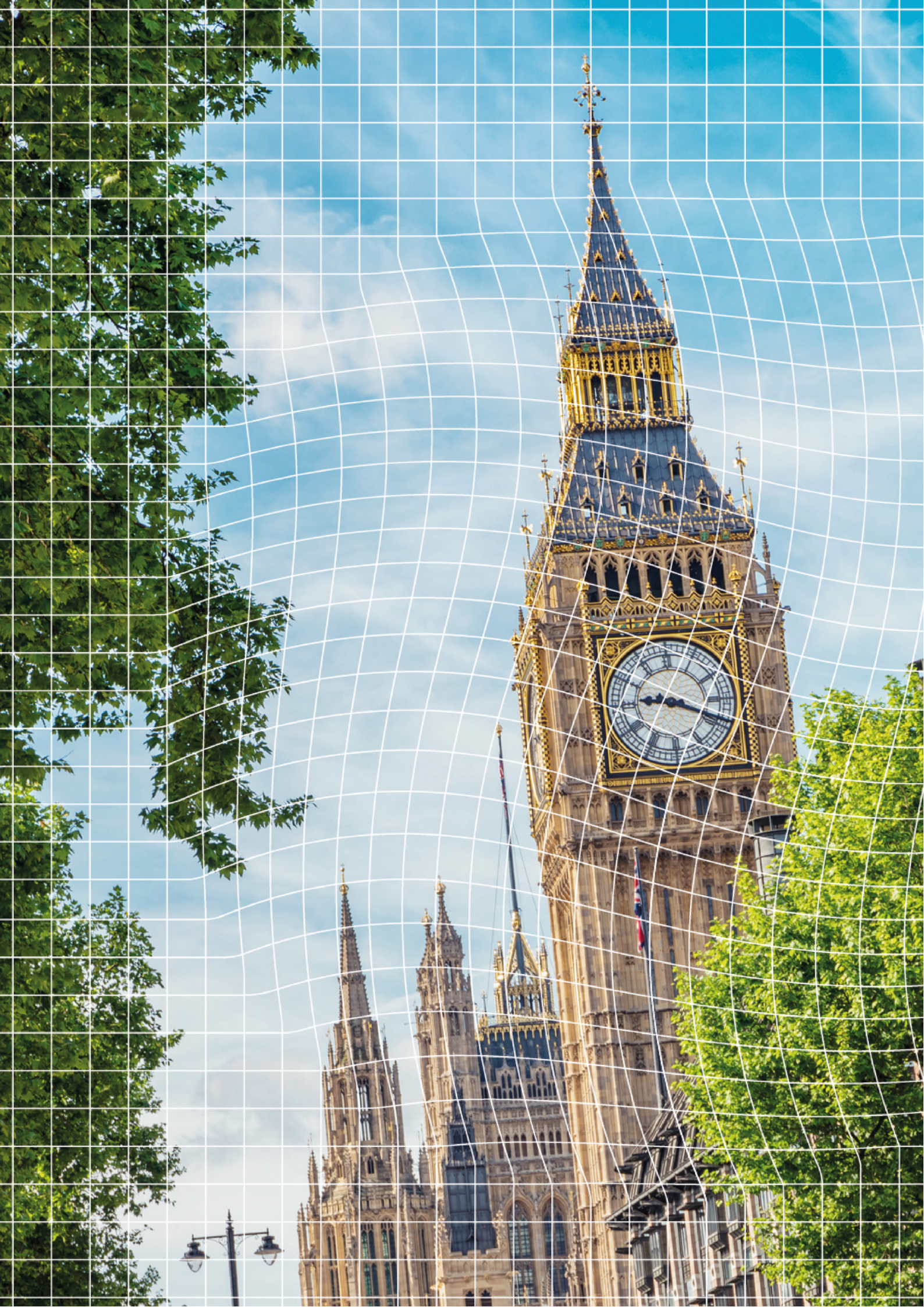
The CCC's expenditure has increased in 2024-25 in line with a budget increase for the CCRA4 programme. Extra staff have been hired, and research expenditure has increased as we enter the final phase of the CCRA4 cycle. Both the CCC's assets and liabilities have increased during the year due to the CCC signing a long-term lease and moving into the new offices at canary Wharf. The accounting treatment of this new lease resulted in a large increase in right of use assets and a corresponding increase in lease liabilities.



Emma Pinchbeck

Chief Executive

15 December 2025



Section 2: Accountability report

Introduction

The accountability report contains:

- **The corporate governance report**, which comprises the Chief Executive's report and the statement of Accounting Officer's responsibilities. It also includes the governance statement, which explains how the Climate Change Committee (CCC)'s governance structures, risk management arrangements, and internal controls operate and support the achievement of its objectives.
- **The remuneration and staff report**, which details the pay, pension arrangements, and staffing structure of the office.
- **The parliamentary accountability and audit report**, which details the audit arrangements and the relevant parliamentary accountability disclosures.

2.1 Corporate governance report

2.1.1 Statement of Accounting Officer's responsibilities

Under Schedule 1, Section 24(3) of the Climate Change Act 2008, the Secretary for State for Energy Security and Net Zero has directed the CCC to prepare for each financial year a statement of accounts in the form and on the basis set out in the accounts direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the CCC and of its income and expenditure, statement of financial position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the accounts direction issued by the Secretary for State for Energy Security and Net Zero, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts.

- Prepare the accounts on a going concern basis.
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accounting Officer of DESNZ has designated the Chief Executive as Accounting Officer of the CCC. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the CCC's assets, are set out in Managing Public Money published by the HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the CCC's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Emma Pinchbeck

Chief Executive

15 December 2025

2.1.2 Governance statement

Overview

The governance statement sets out how the CCC was governed during the year and provides an outline of our risk management and internal control systems. It applies to the financial year 1 April 2024 to 31 March 2025 and up to the date of the approval of the Annual Report and Accounts.

Introduction

As Chief Executive I am nominated to be the Accounting Officer for the CCC and have responsibility for maintaining and reviewing the effectiveness of our governance, risk management, and internal control arrangements. I am personally responsible for safeguarding the public funds in my charge and for ensuring propriety and regularity in the handling of those funds.

Specifically, I am tasked with ensuring that the CCC:

- Operates within the requirements of the Climate Change Act 2008 and the Concordat and Framework Agreements agreed jointly by the UK and devolved governments.
- Is run on the basis of standards, in terms of governance, decision-making and financial management that are set out in HM Treasury's Managing Public Money.
- Operates in line with the requirements of the Freedom of Information Act (FOIA) 2000 and complies with data protection legislation.

The CCC's governance

The CCC's governance structure is framed by the requirements of the Climate Change Act 2008 which sets out both the legal duties of the CCC and the functions and broad governance structure of the organisation. The primary legislation is supported by the [CCC's framework agreement](#) which describes how the CCC is accountable to the UK and devolved governments, our governance arrangements, and our management and budgeting processes.

The CCC's governance structure, shown in Box 4, has been designed, where relevant, to be consistent with the principles of the 'Corporate governance in central government departments: code of good practice', published by HM Treasury. As a small organisation the CCC is encouraged, as far as is possible, to adopt the practices set out in the Code or to explain non-compliance. No instances of non-compliance have been identified.

Adaptation Committee

Climate Change Committee

Assurance

Audit and Risk Assurance Committee

Supports each Committee by reviewing the CCC's risk management and internal control framework and governance arrangements.

Operations

Operations Board

The Board develops the CCC's strategy and provides oversight of the management of the CCC's resources.

Management team

Supports the Chief Executive and leadership team in the delivery of the organisation's strategy.

Delivery

Programme Board

Provides sponsorship and guidance to the delivery of the work programme including the management of delivery risks.

Sector groups

Working-level groups to provide review and challenge.

Climate Change Committee

The Climate Change Committee (CCC) is responsible for the delivery of independent, evidence-based advice on reducing carbon emissions. An annual work programme is agreed with the Secretariat with the Committee meeting regularly to assess progress against the work programme.

Members of the Committee during 2024/25:



Nigel Topping CMG, Chair from 21 July 2025

Nigel Topping was appointed by the UK Prime Minister as UN Climate Change High Level Champion for COP26. In this role Nigel mobilised global private sector and local government to take bold action on climate change, launching the Race to Zero and Race to Resilience campaigns and, with Mark Carney, the Glasgow Financial Alliance for Net Zero.



Professor Keith Bell

Keith Bell is a co-Director of the UK Energy Research Centre (UKERC), a Chartered Engineer and a Fellow of the Royal Society of Edinburgh. He has been at the University of Strathclyde since 2005, was appointed to the Scottish Power Chair in Smart Grids in 2013 and has been involved in energy system research in collaboration with many academic and industrial partners.



Professor Michael Davies

Michael Davies is Professor of Building Physics and Environment at the UCL Institute for Environmental Design and Engineering (IEDE). At UCL his research interests relate to the complex relationship between the built environment and human wellbeing. He is also Director of the Complex Built Environment Systems Group at UCL and a member of the Scientific Advisory Committee of 'Healthy Polis'.



Professor Piers Forster, Interim Chair from 12 June 2023 to 20 July 2025

Piers Forster is Director of the Priestley Centre for Climate Futures and Professor of Physical Climate Change at the University of Leeds. He has played a significant role authoring Intergovernmental Panel on Climate Change (IPCC) reports and is a coordinating lead author role for the IPCC's sixth assessment report.



Dr Steven Fries

Steven Fries is a Senior Associate Fellow at the Institute for New Economic Thinking at the Oxford Martin School, University of Oxford, and Non-resident Senior Fellow at the Peterson Institute for International Economics. Steven has previously held roles as group chief economist at Shell and chief economist at the Department of Energy and Climate Change.



Professor Corinne Le Quéré FRS

Corinne Le Quéré is a Royal Society Research Professor at the University of East Anglia (UEA), specialising in the interactions between climate change and the carbon cycle. She was lead author of several assessment reports for the UN's Intergovernmental Panel on Climate Change (IPCC) and previously Chaired the French Haut Conseil pour le Climat.

Table 13

Climate Change Committee focus areas during 2024/25

Seventh Carbon Budget	At the start of the year, when the Committee met in April 2024, the approach to key Seventh Carbon Budget pathways was approved. The Secretariat presented analysis for each sectoral pathways comprising the Seventh Carbon Budget advice throughout 2024/25 for discussion and approval. The report was published in February 2025.
Progress, statutory and reports	<p>The Committee reviewed chapters of the Progress in reducing emissions: 2024 report to Parliament during the first quarter of 2024/25. The progress report was laid in the UK Parliament on 18 July 2024, being the first possible opportunity following the dissolution of Parliament in May 2024 for the UK general election.</p> <p>The Committee provided advice to the UK Government on the level of the country's 2035 Nationally Determined Contribution (NDC), recommending that the UK's NDC commits to reduce territorial greenhouse gas emissions by 81% from 1990 to 2035.</p> <p>The Committee discussed and approved the approach for the Northern Ireland, Scottish and Welsh advisory reports which are due to be published in 2025/26.</p> <p>The Secretariat updated the Committee on the impact of current UK and international events, such as COP29.</p>
Stakeholder engagement	Members of the French High Council on Climate attended in September 2024 to discuss their organisation's work.

Box 5

Meeting attendance

Total number of meetings held: 11

X / X = number of meetings attended / number of meetings eligible to attend

Professor Piers Forster	10 / 11
Professor Keith Bell	11 / 11
Professor Michael Davies (until 31 October 2024)	7 / 7
Dr Steven Fries	11 / 11
Professor Corinne Le Quéré	11 / 11
Nigel Topping CMG	6 / 11
Professor Swenja Surminski (from 1 November 2024)	4 / 4
Professor Rebecca Willis (Expert Adviser to the Committee, from 1 November 2024)	4 / 4

Adaptation Committee

The Adaptation Committee is responsible for the delivery of advice on climate risk and the UK's preparedness for climate change. The annual work programme includes the delivery of a range of statutory and non-statutory reports, letters and consultation responses.

Members of the Adaptation Committee include:



Baroness Brown of Cambridge, Chair

Baroness Brown of Cambridge DBE FREng FRS (Julia King) is an engineer, with a career spanning senior engineering and leadership roles in industry and academia. She currently serves as Chair of the CCC's Adaptation Committee; non-executive director of Ceres Power, Ørsted and Frontier IP; Chair of the Carbon Trust; and Chair of the House of Lords Science and Technology Select Committee.



Dr Ben Caldecott

Ben Caldecott is the founding Director of the Oxford Sustainable Finance Group and the inaugural Lombard Odier Associate Professor of Sustainable Finance at the University of Oxford. Ben is also the founding Director and Principal Investigator of the UK Centre for Greening Finance & Investment (CGFI), established by UK Research and Innovation in 2021 as the national centre to accelerate the adoption and use of climate and environmental data and analytics by financial institutions internationally.



Professor Chris Evans

Chris Evans is a biogeochemist studying the impacts of land-use and other environmental drivers on the terrestrial and aquatic carbon and nutrient cycles. He currently leads UKRI, Defra and DESNZ projects with a value exceeding £10m on mitigating GHG emissions from peatlands and managing them for carbon capture and storage.



Professor Hayley Fowler

Hayley Fowler is a Professor of Climate Change Impacts at Newcastle University and Director of the Centre for Climate and Environmental Resilience. Her research focuses on improved physical understanding of changing precipitation extremes, floods and droughts, and providing better projections and guidance for climate adaptation of infrastructure systems.



Dr Marina Romanello

Marina Romanello is the Executive Director of the Lancet Countdown: Tracking Progress on Health and Climate Change, an independent and multi-disciplinary research collaboration of almost 300 researchers around the world and headquartered at University College London's Institute for Global Health.



Professor Nathalie Seddon

Nathalie Seddon is Professor of Biodiversity and Founding Director of the Nature-based Solutions Initiative in the Department of Biology at the University of Oxford. Nathalie trained as an ecologist at Cambridge University and has over 25 years of research experience in a range of ecosystems across the globe. As a University Research Fellow of the Royal Society, she developed broad research interests in the origins and maintenance of biodiversity and its relationship with global change.



Professor Swenja Surminski

Swenja Surminski is Chair of the Munich Climate Insurance Initiative, Managing Director Climate and Sustainability at Marsh McLennan and Professor in Practice at the Grantham Research Institute at the London School of Economics (LSE). Her work focuses on capacity building and knowledge transfer between science, policy and industry, building on her work in industry and as advisor to governments, private sector and civil society, including as Visiting Academic at the Bank of England.

Table 14 Focus areas during 2024/25	
UK climate risk	<p>The work programme to deliver the independent assessment of the UK's Fourth Climate Change Risk Assessment (CCRA4) formed a key component of the Adaptation Committee's focus during 2024/25.</p> <p>The Adaptation Committee received updates on:</p> <ul style="list-style-type: none"> • The technical report including a detailed review of the methodology. • Priority deep dive areas including urban heat, water scarcity and cold chain distribution. • Key workstreams including cascades and vulnerabilities. <p>Professor Elizabeth Robinson, Chair of the Economics Advisory Group attended to present the group's interim report.</p>
Progress, statutory and other reports	<p>The Adaptation Committee received updates on the Progress in adapting to climate change: 2025 report to Parliament, which was published in April 2025. In addition, the secretariat updated the Committee on the impact of current UK and work events, such as COP29.</p>
Stakeholder engagement	<p>The Adaptation Committee heard from a range of external speakers including:</p> <ul style="list-style-type: none"> • A presentation from the National Infrastructure Commission on developing resilience standards in UK infrastructure. • A briefing from UK Research and Innovation (UKRI) on the research programme 'Maximising Adaptation to Climate Change'.

Box 6

Meeting attendance

Total number of meetings held: 10

X / X = number of meetings attended / number of meetings eligible to attend

Baroness Brown	10 / 10
Dr Ben Caldecott	10 / 10
Professor Richard Dawson	10 / 10
Professor Michael Davies	10 / 10
Professor Chris Evans from (1 November 2024)	5 / 5
Dr Marina Romanello (from 1 November 2024)	5 / 5
Professor Nathalie Seddon	7 / 10
Professor Swenja Surminski	10 / 10
Professor Richard Betts (Expert Adviser to the Committee)	9 / 10

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) is responsible for advising the Accounting Officer on the adequacy of the internal control and risk management framework and the governance of the internal and external audit processes. This includes ensuring that risks are identified and assessed, and that sound systems of risk management and internal control are in place. The ARAC also provides assurance on the quality of the CCC's financial statements. Representatives from External Audit (the National Audit Office), Internal Audit (the Government Internal Audit Agency), DESNZ, and Defra attend each meeting.

Table 15

Focus areas during 2024/25

Annual reports	The ARAC reviewed and approved the 2024/25 Annual Report and Accounts.
Independent assurance reports	The ARAC approved the 2024/25 internal audit work programme and reviewed each report issued. The reports included reviews of controls in the following areas: business continuity, key financial controls, and succession planning and staff skills. The Head of Internal Audit Annual Opinion for 2023/24 was received by the ARAC. The ARAC also reviewed the planning and completion reports produced by the NAO in respect of their audit of the financial statements.
Service provider assurance	A member of the Defra Shared Services Group attended in December 2024 to provide an update on the provision of shared services provided to the CCC. In March 2025, a member of the Defra Digital and Technology Services (DDTS) group attended. An update on the internal audit work programme and progress to address recommendations was provided as well as an assessment of the main risks for the service provision was provided.

Table 15 - continued

Focus areas during 2024/25

Management assurance	<p>At each meeting the ARAC reviewed the corporate risks and issues register and trackers to review progress to implement internal audit recommendations and action FOI and EIR requests. The ARAC also reviewed the assurance framework in March 2024.</p> <p>The ARAC received updates in relation to two significant operations projects during the year, being the project to move to the new office at 10 South Colonnade, Canary Wharf, and the project to transfer to a new shared services platform and provider.</p>
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Box 7

Meeting attendance

Total number of meetings held: 3

X / X = number of meetings attended / number of meetings eligible to attend

Rosalyn Schofield	2 of 2
Dr Steven Fries	3 of 3
Professor Piers Forster	2 of 3
Roshana Arasaratnam	2 of 2
Susan Barratt	2 of 2

Operations Board

The Operations Board supports the Chairs of the Committee and Adaptation Committee in terms of fulfilling their role and responsibilities as set out in the framework document. The remit of the Board includes:

- The development and implementation of strategy and operational plans.
- Monitoring operating and financial performance.
- Prioritisation and allocation of resources.
- Responsibility for risk management and internal controls systems with the ARAC assisting the Operations Board in respect of this responsibility.
- Overseeing the governance arrangements in relation to the work to minimize the CCC's environmental impact and to adapt to climate change.

Table 16 Focus areas during 2024/25	
People	Key HR metrics were reviewed. Actions to address feedback received from annual engagement and monthly workload surveys were agreed and progress to implement those actions reviewed. Decisions relating to HR priority areas, such as the creation of an elected staff forum, were agreed.
Finance	The Operations Board reviewed the 2024/25 forecast spend position to ensure resources were prioritised to key priorities. The Operations Board also considered the short to medium term financial position.
Governance	The corporate risks and issues register was reviewed at each meeting with discussion and challenge on the assessment of the risk and issues ratings and adequacy of mitigating actions.
Operations	The Operations Board received regular progress reports in respect of two corporate projects: the move to the CCC's new office at 10 South Colonnade and the project to transfer to new shared services and IT providers.

Programme Board

The role of the Programme Board is to provide sponsorship and guidance to the programme to manage progress and continuous improvement.

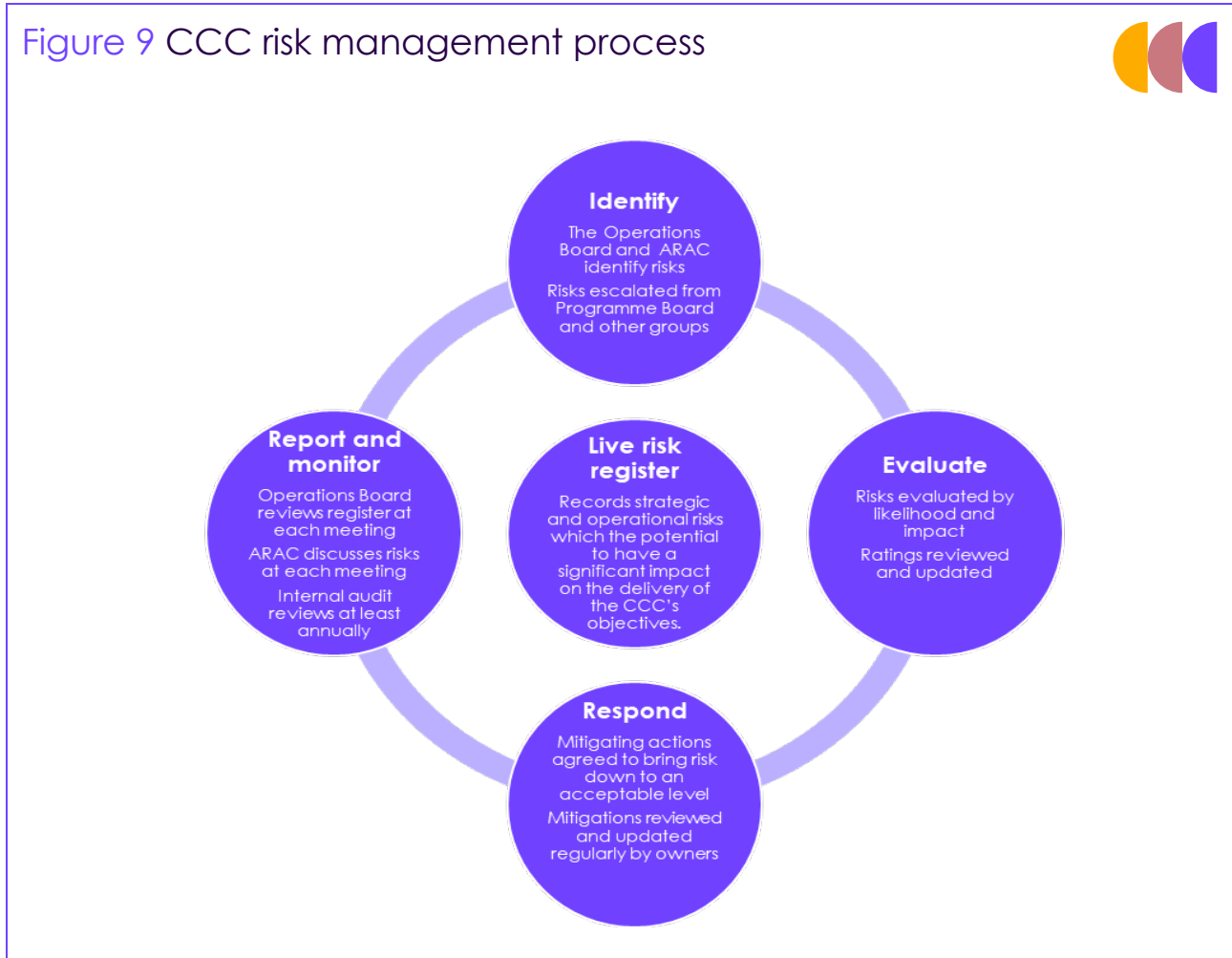
The Programme Board has the following responsibilities:

- Providing overall strategic direction for the programme.
- Communication of information about progress of key projects.
- Managing risks associated with the programme including those escalated from project level.
- Agreeing programme or project tolerance for time, quality, and costs.
- Resolving deviations from plans or escalating as necessary.

Table 17 Focus areas during 2024/25	
Progress updates	At each meeting the Programme Board reviewed the progress reports and key risk and issues logs for the following work areas: <ul style="list-style-type: none"> • Seventh Carbon Budget. • UK Climate Risk Report. • Statutory reports for the UK and devolved governments. • International work programme.
Resource outlook	The resource outlook which focusses on the recruitment pipeline is reviewed and presented at each Programme Board meeting.
Research priorities	The Programme Board reviewed and agreed the key priority areas for research.

Risk management and control

The CCC's risk management framework and processes are aligned with principles set out in [The Orange Book – Management of Risk – Principles and Concepts](#) (Figure 9).



A review of the strategic risks which have been managed during 2024/25 is provided in the performance report.

Governance around climate-related risks and opportunities

Our governance structure to manage climate-related risks and opportunities, as related to the operational activities of the CCC, is described below.



Oversight of climate-related risks and opportunities, and management's role in assessing and managing climate-related risks and opportunities

Forum	Role
Operations Board	<p>The Operations Board monitors the impact of climate-related issues on the organisation by:</p> <ul style="list-style-type: none"> Ensuring climate-related issues are included when reviewing the CCC's strategy, organisational plans, and corporate policies. Reviewing the CCC's risk management policies to ensure climate-related risks and opportunities are reviewed as part of the organisation's risk reporting process. Overseeing the implementation and performance of the organisation's progress against the Greening Government Commitments.
Chief Operating Officer (COO)	<p>The COO is the highest management-level position with responsibility for climate-related risks and opportunities.</p> <p>The COO is responsible for leading the identification, assessment, and management of climate-related risks and opportunities, including:</p> <ul style="list-style-type: none"> Reporting to the Operations Board on the identified climate-related risks and opportunities.

Audit and Risk Assurance Committee	<ul style="list-style-type: none"> Monitoring the management of climate-related risk in relation to the overall risk-exposure of the CCC. Ensuring sustainability receives appropriate focus across the organisation. <p>The ARAC reviews an annual update on the CCC's emissions and progress against the organisation's sustainability commitments.</p>
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Risk management of climate-related risks and opportunities

Any risk with a significant climate component is identified and quantified alongside other risks using the framework and process shown in Figure 8 above. We take steps to reduce our risk exposure where the level of risk exceeds our target level of risk. Risks that could materially affect our performance or reputation are included in the corporate risks and issues register. The Chief Operating Officer is responsible for the CCC's risk methodology. The Senior Leadership Team own individual risks and review these at Operations Board meetings.

The corporate risks and issues register includes a risk that we fail to operate within the environmental standards expected of our organisation. In order to mitigate this risk, the CCC implements best practice in terms of reporting and managing its emissions even if, due to our size or the nature of operations, the actions are not mandated. This includes electing to report voluntarily on the HMT guidance for TCFD-aligned disclosures, engaging an independent organisation to review and assure our emissions data and obtaining carbon neutral certification.

Internal control framework

Quality assurance of analytical models

The CCC uses analytical models to inform its advice. The models are assured to ensure they are fit for purpose and comply with the Government's Analytical Quality Assurance (AQUA) Book. Quality assurance (QA) is embedded in the CCC's analytical work. All projects and significant models are allocated a senior responsible owner, who is accountable for quality of data and analysis.

All analysis undergoes challenge from individuals outside the immediate project team and, where appropriate, outside the organisation. Senior analytical clearance of analytical work must be obtained prior to presentation. Any data limitations or limitations in the QA process must be drawn to the attention of the Committee.

Consultants contracted to provide work for the CCC are expected to meet QA requirements, as set out in invitations to tender, which includes senior review and sign off.

Information security

The CCC procures its information technology services through Defra's Information Technology (IT) contracts.

No reportable data loss incidents occurred during 2024/25 and the CCC continues to take a proportionate approach to the management of security risks in line with the range of sensitive and personal information which it holds.

Shared services

The CCC procures its shared service provision through a contract with Shared Services Connect Ltd (SSCL). The service provides the majority of the CCC's financial, procurement and human resource processes.

The CCC receives assurance from the Cabinet Office over the processes and controls operated by SSCL, including the results of the annual International Standards on Assurance Engagement (ISAE) 3402 report, which evaluates the design and effectiveness of internal controls impacting financial statements.

For 2024/25 audit, out of a total of 242 control activities, 213 were found to be designed and operating effectively and there were four controls that had not occurred in the period (and therefore could not be tested). The auditor identified 25 exceptions during their testing which is a 25% increase from the 20 exceptions reported in 2023/24.

The 25 exceptions are categorised as follows:

- 15 were due to the control not being operated.
- Six were due to a lack of evidence being available for the auditors to inspect during testing.
- Three were due to transposition errors.
- One was due to an IT issue.

Of the 25 exceptions, five were deemed low risk and did not impact on SSCL achieving the related control objective. For the remaining 20 exceptions, the auditor found that these did impact achievement of the related control objectives and therefore qualified a total of 14 control objectives. Whilst this is a slight decrease from the 16 qualified control objectives reported last year, proportionately the results are consistent, with a third of the total control objectives qualified (14 out of a total of 42 this year vs 16 out of a total of 48 last year).

SSCL has provided management responses to each of the exceptions identified with confirmation of the remedial action undertaken. This includes reiterating the importance to the relevant teams of operating the control as documented and retaining evidence, updating work instructions, and undertaking retrospective checks where required. The Cabinet Office will continue to work with SSCL to identify any further mitigating action required to drive down the exception volumes during 2025/26.

Functional maturity

A rolling cycle of self-assessments against applicable functional standards is in place. Some functions, whilst relevant, have limited impact and applicability given the CCC's operations and size. Consequently, we may judge that a 'good' level of assurance is sufficient rather than a 'better' or 'best' level of assurance.

Whistleblowing

We encourage our employees to speak up and raise any concerns they may have about a potential wrongdoing. During 2024/25 a new external whistleblowing hotline was established. There is a clear whistleblowing policy in place which provides guidance on the process for raising a whistleblowing concern (including roles and responsibilities). The policy is accessible to all staff on the CCC's SharePoint site.

During 2024/25 the CCC did not receive any whistleblowing allegations (2023/24: none).

Conflicts of interest

The CCC has a policy for the declaration and management of interests in place for all staff and Committee and Adaptation Committee members which adheres to the requirements of the Civil Service Management Code. Our policy for Managing Conflicts of Interest can be found on our website [Transparency page](#).

At the beginning of every Committee and Adaptation Committee meeting, all members are asked to declare any new personal or business interests which may influence (or be perceived to influence) their judgement. Any such interests are noted along with the appropriate action taken to manage them.

All Committee and Adaptation Committee members and employees are asked to review and update their interests record held on the Register of Interest at least annually. The list of Committee and Adaptation Committee members interests can be found in the [transparency](#) section of the CCC's website.

Review of effectiveness of system of risk management and internal control

As Accounting Officer, I am required to conduct an annual review of the effectiveness of the CCC's governance structures, risk management and internal control framework. This review is informed by:

- Feedback from the leadership team with delegated responsibility within the CCC about the use of resources, responses to risks, compliance with standards and the extent to which in-year budgets and other targets have been met.
- Insight into the CCC's performance from internal audit, including an audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk and control.
- The work of the National Audit Office (NAO) through their financial audit of the accounts of the CCC.
- The views of the Audit and Risk Assurance Committee (ARAC) on the design and operation of the CCC's governance, risk management and internal control frameworks.
- Review and challenge by our Sponsor Group which includes representatives from DESNZ Defra and the devolved governments.

Government Internal Audit Agency

One of the main sources of independent assurance within the CCC is derived from the activities of the internal audit function, which provides me and the ARAC with a clear view on issues identified from internal audit work.

The internal audit programme is closely aligned to the principal risks of the CCC. Arrangements are in place to ensure that I am made aware of any significant issues that indicate that risks are not being effectively managed. I am assured that the internal audit service complies with the public sector internal audit standards.

The Head Internal Auditor has provided a 'moderate' annual opinion on the CCC's framework of governance risk management and control. This is defined as: 'some improvements are required to enhance the adequacy and effectiveness of the framework of governance risk management and control'. The positive approach taken by the CCC to the timely implementation of recommendations was commended by the Head Internal Auditor.

External audit

The National Audit Office scrutinises public spending on behalf of Parliament, auditing financial statements to hold government to account and improve public services.

Accounting Officer's conclusion

Having reviewed the annual governance statement, the findings of the GIAA, and the independent scrutiny and advice of the ARAC, I have considered the adequacy and effectiveness of the CCC's governance, risk management and internal control arrangements during the year ended 31 March 2025.

In line with the GIAA annual opinion, the CCC's overall assurance rating for 2024/25 is 'moderate'. The CCC will build on the progress made to date, adapting and enhancing its governance and control arrangements to support the effective delivery of its priorities, ensure value for money, and respond to current and emerging risks.



Emma Pinchbeck

Accounting Officer

15 December 2025

2.2 Remuneration and staff report

2.2.1 Remuneration report

Service contracts

Committee members

All appointments to the Committee are made jointly by the Secretary of State for Energy Security and Net Zero and the other national authorities. Appointments to the Adaptation Committee are made jointly by the Secretary of State for Environment, Food, and Rural Affairs and the other National Authorities. These appointments are made in accordance with the Code of Practice for Ministerial Appointments to Public Bodies issued by the Office of the Commissioner for Public Appointments.

Chairs and committee members are normally appointed for a fixed period of up to five years. Either party may terminate an appointment for any reason upon giving three months' notice in writing, or the appointment may be terminated immediately by mutual consent. The Departments (DESNZ or Defra) may also terminate an appointment immediately should the member be guilty of any conduct that, in the opinion of the Department, renders them unsuitable to continue.

The remuneration for the Committee members is determined jointly by all funders. In 2024/25, the Chair of the Committee of Climate Change was paid £1,000 per day with an average time commitment of three days per month. Committee members were paid £800 per day with an estimated time commitment of two days per month.

The remuneration for the Adaptation Committee is determined jointly by all funders. In 2024/25, the Chair of the Adaptation Sub-Committee was paid £650 per day with an average time commitment of three and half days per month. Committee members were paid £550 per day, with an estimated time commitment of two or three days per month.

Chief Executive

The Chief Executive is appointed by the Committee on a permanent contract that may be terminated by the CCC or the Chief Executive by giving three months' notice, unless agreed otherwise by both parties. The Chief Executive's appointment must be approved by the national authorities as set out in the Climate Change Act 2008. The recruitment of the Chief Executive is carried out in accordance with the CCC's recruitment policies which are accredited by the Civil Service Commission as compliant with the Civil Service Commission's Recruitment Principles.

Staff

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at www.civilservicecommission.org.uk.

Remuneration policy

The Chief Executive's remuneration is determined by the Committee. This is on the basis of a performance evaluation by the Chair of the Committee and with regard to recommendations by the Senior Salaries Review Body regarding senior civil service pay.

Up to 6% of the Chief Executive's remuneration is subject to meeting agreed performance criteria measured against delivery of objectives set by the Committee at the beginning of the year and is only triggered if all the main performance targets are exceeded.

The CCC's permanent employees are public servants, and their pay arrangements are governed by the policy framework set out by the Cabinet Office, HM Treasury, and the CCC specific pay remit which is approved by the Secretary of State for Energy Security and Net Zero.

None of the remuneration of any Committee member is subject to performance conditions.

Senior officials – single total figure of remuneration (audited information)

The tables below summarise the remuneration of the Chief Executive and the Committee, Adaptation Committee and the Audit and Risk Committee members during 2024/25.

	Salary †		Bonus Payments		Benefit in kind		Pension Benefit		Total	
	£'000 2024/25	£'000 2023/24	£'000 2024/25	£'000 2023/24	£ 2024/25	£ 2023/24	£'000 2024/25	£'000 2023/24	£'000 2024/25	£'000 2023/24
Chief Executive										
Emma Pinchbeck	65 - 70	–	–	–	–	–	27	–	90 - 95	–
James Richardson	90 - 95	–	5 - 10	–	–	–	123	–	220 - 225	–
Chris Stark	10 - 15	145 - 150	–	5 - 10	–	–	3	49	10 - 15	205 - 210
Committee on Climate Change										
Committee Chair										
Lord Deben*	–	5 - 10	–	–	–	–	–	–	–	5 - 10
Professor Piers Forster**	55 - 60	45 - 50	–	–	14,600	2,400	–	–	70 - 75	45 - 50
Committee Members										
Professor Corinne Le Quéré	10 - 15	10 - 15	–	–	1,300	400	–	–	10 - 15	10 - 15
Professor Keith Bell	20 - 25	10 - 15	–	–	4,500	1,800	–	–	25 - 30	15 - 20
Professor Michael Davies***	10 - 15	15 - 20	–	–	300	200	–	–	10 - 15	15 - 20
Nigel Topping	10 - 15	15 - 20	–	–	1,700	1,400	–	–	10 - 15	20 - 25
Dr Steven Fries	15 - 20	15 - 20	–	–	1,600	100	–	–	20 - 25	15 - 20
Dr Swenja Surminski****	0 - 5	–	–	–	100	–	–	–	0 - 5	–
Adaptation Sub-Committee										
Committee Chair										
Baroness Brown of Cambridge	15 - 20	20 - 25	–	–	–	300	–	–	15 - 20	20 - 25
Committee Members										
Professor Michael Davies***	10 - 15	5 - 10	–	–	400	100	–	–	10 - 15	5 - 10
Professor Richard Dawson	15 - 20	15 - 20	–	–	2,000	1,100	–	–	20 - 25	20 - 25
Dr Benjamin Caldecott	5 - 10	5 - 10	–	–	–	–	–	–	5 - 10	5 - 10
Professor Nathalie Seddon	5 - 10	5 - 10	–	–	200	100	–	–	5 - 10	5 - 10
Dr Swenja Surminski****	5 - 10	5 - 10	–	–	–	–	–	–	5 - 10	5 - 10
Professor Chris Evans	0 - 5	–	–	–	1,300	–	–	–	5 - 10	–
Dr Marina Romanello	5 - 10	–	–	–	200	–	–	–	5 - 10	–
Professor Hayley Fowler	0 - 5	–	–	–	400	–	–	–	5 - 10	–

† Salary consists of actual salary for CEO and fees for all other board members.

Emma Pinchbeck joined as CEO on 11 November 2024. Salary full year equivalent 165 - 170.

James Richardson was Interim CEO from 27 April 2024 to 10 November 2024. Salary full year equivalent 145 - 150.

Chris Stark left on 26 April 2024. Salary full year equivalent 145 - 150.

Professor Chris Evans joined 1 November 2024 - Salary full year equivalent 10 - 15. Total full year equivalent 10 - 15.

Dr Marina Romanello joined 1 November 2024 - Salary full year equivalent 15 - 20. Total full year equivalent 20 - 25.

Professor Hayley Fowler joined 1 February 2025 - Salary full year equivalent 10 - 15. Total full year equivalent 10 - 15.

*Lord Deben ceased being a member of the Committee on Climate Change on 11 June 2023.

**Professor Piers Forster became the Interim Chair of the Committee on Climate Change on 12 June 2023.

***Professor Michael Davies is a member of the Committee on Climate Change from March 2021 and the Adaptation Sub-Committee. He received separate remuneration for both committees.

****Dr Swenja Surminski is a member of the Adaptation Sub-Committee and a member of the Committee on Climate Change from 1 November 2024. She received separate remuneration for both committees.

	Salary †		Bonus Payments		Benefit in kind		Pension Benefit		Total	
	£'000 2024/25	£'000 2023/24	£'000 2024/25	£'000 2023/24	£ 2024/25	£ 2023/24	£'000 2024/25	£'000 2023/24	£'000 2024/25	£'000 2023/24
Audit and Risk Assurance Committee										
Committee Chair										
Rosalyn Schofield*	0 - 5	0 - 5	-	-	-	-	-	-	0 - 5	0 - 5
Dr Steven Fries**	0 - 5	-	-	-	300	-	-	-	0 - 5	-
Committee Members										
Professor Piers Forster	0 - 5	0 - 5	-	-	200	-	-	-	0 - 5	0 - 5
Roshana Arasaratnam	0 - 5	-	-	-	-	-	-	-	0 - 5	-
Susan Barratt	0 - 5	-	-	-	100	-	-	-	0 - 5	-

*Rosalyn Schofield ceased being a member of the Audit and Risk Committee on 31 December 2024.

**Dr Steven Fries joined the Audit and Risk Committee as chair on 1 January 2025.

***Roshana Arasaratnam joined the Audit & Risk Committee on 1 November 2024.

****Susan Barratt joined the Audit & Risk Committee on 1 November 2024.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the CCC and thus recorded in these accounts.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they became payable to the individual. The bonuses reported in 2024/25 relate to performance in 2024/25 and the comparative bonuses reported for 2023/24 related to performance in 2023/24.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

The Committee and Adaptation Committee members were reimbursed for travel and subsistence costs incurred whilst attending committee meetings, on which the CCC also paid the tax due. The accounting of the CCC's benefits in kind reimbursed during the year is done on a cash basis.

Fair Pay Disclosures (audited)

Pay ratios

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median, and upper quartile remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the organisation in the financial year 2024/25 was £165k-£170k (2023/24, £155k-£160k). The relationship between the mid-point of this band and the remuneration of the organisation's workforce is disclosed below.

2024/25	25th Percentile	Median	75th Percentile
Total remuneration (salary and benefits) £	46,852	60,697	69,028
Pay ratio	3.7	2.8	2.4
Salary £	45,481	59,782	68,228

2023/24	25th Percentile	Median	75th Percentile
Total remuneration (salary and benefits) £	51,504	57,854	65,679
Pay ratio	3.1	2.7	2.4
Salary £	50,567	57,154	64,571

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The median pay ratio for 2024/25 is assessed to be consistent with the pay, reward and progression policies for the CCC's employees taken as a whole.

In 2024/25, no (2023/24, nil) employees received remuneration in excess of the highest-paid director. Remuneration ranged from the following bands £30,000 – £35,000 to £170,000 – £175,000 (2022-23: £25,000 – £30,000 to £155,000 – £160,000).

Total change in remuneration

Reporting bodies are also required to disclose the percentage change from the previous financial year in the:

- Salary and allowances.
- Performance, pay, and bonuses of the highest paid director and their employees as a whole.

Percentage change for:	2024/25 v 2023/24	2023/24 v 2022/23	2024/25 £	2023/24 £
Average employee salary and allowances	2.5%	6.0%	55,000 - 60,000	50,000 - 55,000
Highest paid director's salary and allowances	13.6%	3.5%	165,000 - 170,000	145,000 - 150,000
Average employee performance pay and bonuses*	38.6%	-32.8%	1,000 - 1,500	500 - 1,000
Highest paid director's performance pay and bonuses	0.0%	0.0%	5,000 - 10,000	5,000 - 10,000

The calculation for the highest paid director is based on the mid-point of the band within which their remuneration fell in each year.

Average employee performance pay increased by 38% in 2024/25 compared to 2023/24, with average performance payments falling within the £1,000 – £1,500 band in 2024/25 and the £500 – £1,500 in 2023/24. Whilst the average value of performance pay has increased, performance pay is managed within a performance pay 'pot', calculated as a fixed percentage of pay bill. The fixed percentage applied remained the same in both financial years.

Pension benefits

	Accrued pension at 31/3/25 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/3/25 £'000	CETV 31/3/24 £'000	Real increase in CETV £'000	Employer contribution to partnership pension account Nearest £100
Chief Executive						
Emma Pinchbeck	0 - 5	0 - 2.5	18	–	13	–
James Richardson	50 - 55 plus a lump sum of 125 - 130	5 - 7.5 plus a lump sum of 10 - 12.5	1,205	1,048	125	–
Chris Stark	40 - 45 plus a lump sum of 105 - 110	0 - 2.5 plus a lump sum of 0	836	829	1	–

Committee and Adaptation Committee members are not members of any pension scheme, and no contributions are paid towards an individual's personal pension plan.

Civil Service pensions

Pension benefits are provided through the civil service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), a defined benefit scheme which is divided into different sections.

- Classic, premium, and classic plus, providing benefits on a final salary basis.
- Nuvos, providing benefits on a career average basis.

From 1 April 2015, a new defined benefit pension scheme for civil servants was introduced: the Civil Servants and Others Pension Scheme (alpha), which provides benefits on a career average basis. All newly appointed civil servants wishing to participate in defined benefit pension arrangements, and the majority of those already in service, joined the new scheme. Employees may also opt for a defined contribution pension with an employer contribution, called the partnership pension account (see further below).

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (ranging between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

All members who switched to alpha from the PCSPS had their earlier PCSPS benefits 'banked', with those in one of the final salary sections having benefits based on their final salary when they leave alpha.

The pension figures in this report show pension earned in PCSPS or alpha – as appropriate. Normal pension age is 60 for members of classic, premium, and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha.

Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the two schemes, but the constituent parts of that pension may be payable from different ages.

Employers' contributions to all pension schemes in 2024-25 is expected to be in the region of £1,026,093.

The public service pensions remedy

When the government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members (the 'McCloud judgment').

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

The accrued pension benefits, CETV and single total figure of remuneration reported for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals who were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the PCSPS for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

Partnership pension account

The partnership pension account is an occupational defined contribution pension and is part of the Legal and General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but the employer will also match employee contributions, up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution).

Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details on the civil service pension arrangements can be found at www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Value

CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure benefits in another scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a result of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the civil service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs have been calculated using the HM Treasury guidance published on 27 April 2023.

Real increase in CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by senior management.

It is worked out using common market valuation factors for the start and end of the period.

Payments to past directors (audited)

There were no payments made to past directors in the accounting period (2023/24: no payments made).

2.2.2 Staff report

The CCC is committed to the Civil Service recruitment principles of fair and open competition and selection on merit. Our staff have been recruited externally as well as from within the Civil Service. We promote equality of opportunity for all staff irrespective of their race, sex, disability, age, sexual orientation, or religion.

Staff costs (audited)

	2024/25 Total £	2024/25 Permanent staff £	2024/25 Other* £	2024/25 Committee members £	Year to 31 March 2024 Total £
Committee Members' remuneration	245,798	–	–	245,798	214,849
Wages and salaries	3,618,350	2,399,533	1,218,817	–	3,209,920
Social security costs	416,555	287,642	76,118	52,795	377,000
Other pension costs	886,160	692,644	193,516	–	808,814
Sub total	5,166,863	3,379,819	1,488,451	298,593	4,610,583
Less recoveries for secondments	–	–	–	–	–
Total net costs	5,166,863	3,379,819	1,488,451	298,593	4,610,583

* Other comprises staff either employed by other government departments or agencies, whether recharged or not, inclusive of VAT where applicable, or employed directly on a short/fixed term basis by the CCC. This also includes temporary staff.

Staff pension costs

The Civil Servants and Others Pension Scheme (alpha) was launched as a new pension scheme for civil servants from 1 April 2015. Details on the transition arrangements between alpha and Principal Civil Service Pension Scheme (PCSPS) are outlined from page 67. The PCSPS scheme actuary valued the scheme as at 31 March 2020. Details can be found in the valuation report by the Government Actuary Department in the [Scheme Valuations – Civil Service Pension Scheme](#).

For the accounting period, employers' contributions of £886,160.18 were payable to the PCSPS at 28.97 per cent of pensionable earnings. The scheme actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2024/25 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Exit packages (audited)

No severance payments were made in the financial year (2023/24, £nil).

Compensation for loss of office (audited)

No compensation payments for loss of office were made to Committee and Adaptation Committee members during the reporting year.

Off-payroll engagements

The CCC had one off-payroll engagement during the financial year (2023/24, £nil).

For all off-payroll engagements as of 31 March 2025, for more than £245 per day	
Number of existing engagements as of 31 March 2025	0
Of which	
Number that has existed for less than one year at time of reporting	1
Number of temporary off-payroll workers engaged between 1 April 2024 and 31 March 2025	
Of which	
Number subject to off-payroll legislation and determined as out of scope of IR35	1
Number subject to off-payroll legislation and determined as in scope of IR35	0

There were no off-payroll engagements of committee members or senior officials with significant financial responsibility between 1 April 2024 and 31 March 2025.

Expenditure on consultancy

The CCC's spend on consultancy during the financial year 2024/25 is £nil (2023/24, £nil).

Staff numbers (audited)

The average FTE number of staff during the period is shown below:

	2024/25 Total	2024/25 Permanent staff	2024/25 Others	2023/24 Total	2023/24 Permanent staff	2023/24 Others
Chief Executive Office	1.0	1.0	–	1.0	1.0	–
Adaptation Committee	13.4	5.0	8.4	13.3	7.3	6.0
Mitigation Committee	32.8	23.2	9.6	30.4	22.9	7.5
Corporate Team	9.6	8.0	1.6	7.8	6.9	0.9
Total	56.8	37.2	19.6	52.5	38.1	14.4

The increase in the average FTE of staff during 2024/25 reflects the need for additional staff to deliver two key programmes of work, the Seventh Carbon Budget and the Climate Change Risk Assessment.

Staff composition (Audited)

The composition of staff as of 31 March 2025 is show below:

	Female	Male
Directors - Chief Executive and Committee members	9	6
Senior Civil Servants (pay bands 1 and 2)	2	2
Secretariat	25	18
Corporate Team	7	2
Total	43	28

Staff turnover and engagement survey

The staff turnover rate for 2024/25 was 21% (2023/24, 17%).

The CCC undertakes an annual staff engagement survey in addition to regular workloads and work-related wellbeing survey. Feedback from each survey is shared with the team. Following review of the survey feedback and engagement through a number of discussion fora, a set of management priorities have been developed to address the feedback.

Equality and diversity

The CCC embraces diversity and promotes equal opportunities. The CCC is part of the Disability confident Scheme (DCS) for job candidates with disabilities who meet the minimum selection criteria when applying for roles. We operate an open and fair recruitment process that is compliant with the Civil Service Commission Recruitment Principles.

We take a positive approach to providing suitable workplace adjustments for colleagues who need them. We use specialist organisations to give us advice on how best to support disabled and neurodivergent colleagues and those with long term health conditions to fulfil their potential in the workplace. Colleagues have access to an employee assistance programme which provides confidential, independent, professional information and emotional support to staff and is always available. We also have trained mental health first aiders who provide confidential support and guidance to colleagues.

Personal data related incidents

There were no personal data related incidents for the year ended 31 March 2025 (2023/24, nil).

Trade union facilities time

No employees were relevant union officials during the period, consequently the CCC has no disclosures to make on payments to relevant union officials for facilities time. The CCC has no agreement in place for facilities time and therefore has nothing to disclose in relation to the percentage of time spent on facility time or paid trade union activities by employees.

2.3 Parliamentary accountability and audit report

Other Parliamentary accountability disclosures

The accounts of the Committee on Climate Change (the Committee) are audited by the Comptroller and Auditor General under the Climate Change Act 2008. The audit fee charged was £47,000 (2023/24 £61,500). The auditors did not provide any non-audit services.

The auditors have been provided with all relevant audit information necessary to complete their audit and the Accounting Officer has taken all the necessary steps to ensure that the auditors are aware of any relevant information.

Regularity

All expenditure was applied to the purpose intended by Parliament (audited).

No fees or charges were charged by the Committee (2023/24: none) (audited).

The Committee has not incurred any losses or special payments during the reporting period to 31 March 2025 (2023/24: none) (audited).

The Committee has no remote contingent liabilities (2023/24: none) (audited).

There were no gifts either received or given over the limits proscribed in HM Treasury's Managing Public Money (2023/24: none) (audited).

Government functional standards

A rolling cycle of self-assessments against applicable functional standards is in place. Some functions, whilst relevant, have limited impact and applicability given the CCC's operations and size. Consequently, we may judge that a "good" level of assurance is sufficient rather than a "better" or "best" level of assurance.



Emma Pinchbeck

Accounting Officer

15 December 2025



Section 3: Financial statements

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament, the Scottish Parliament, Senedd Cymru and Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of the Committee on Climate Change for the year ended 31 March 2025 under the Climate Change Act 2008.

The financial statements comprise the Committee on Climate Change's

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Committee on Climate Change's affairs as at 31 March 2025 and its total comprehensive expenditure for the year then ended; and
- have been properly prepared in accordance with the Climate Change Act 2008 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Committee on Climate Change in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Committee on Climate Change's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Committee on Climate Change's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Committee on Climate Change is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Climate Change Act 2008.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Climate Change Act 2008; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Committee on Climate Change and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Committee on Climate Change or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Committee on Climate Change from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Climate Change Act 2008;

- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Climate Change Act 2008; and
- assessing the Committee on Climate Change's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Committee on Climate Change will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Climate Change Act 2008.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- Considered the nature of the sector, control environment and operational performance including the design of the CCC's accounting policies, key performance indicators and performance incentives.
- Inquired of management, the CCC's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the CCC's policies and procedures on:
 - Identifying, evaluating and complying with laws and regulations.
 - Detecting and responding to the risks of fraud.
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the CCC's controls relating to the CCC's compliance with the Climate Change Act 2008 and Managing Public Money.

- Inquired of management, CCC's head of internal audit and those charged with governance whether:
 - They were aware of any instances of non-compliance with laws and regulations.
 - They had knowledge of any actual, suspected, or alleged fraud.
- Discussed with the engagement regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Committee on Climate Change for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Committee on Climate Change's framework of authority and other legal and regulatory frameworks in which the Committee on Climate Change operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Committee on Climate Change. The key laws and regulations I considered in this context included the Climate Change Act 2008, Managing Public Money, Cabinet Office spending controls and employment law.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance, the Climate Change Committee, the Adaption Committee and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

15 December 2025

Comptroller and Auditor General

Date

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

3.4 Statements

3.4.1 Statement of comprehensive net expenditure

For the year ended 31 March 2025.

	Note	£ 2024/25	£ 2023/24
Expenditure			
Staff costs	2,3	5,166,863	4,610,583
Depreciation, amortisation and loss on disposal	5,7	1,187	108,930
Depreciation on right of use assets	6	206,910	62,079
Non cash expenditure - Provisions	4	118,400	–
Other expenditure	4	2,765,629	1,930,228
Total operating expenditure		8,258,989	6,711,820
Net operating expenditure		8,258,989	6,711,820
Interest payable	6	78,002	71
Total comprehensive expenditure for the year		8,336,991	6,711,891

All income and expenditure is derived from continuing operations.

There were no gains and losses or comprehensive expenditure other than that shown above.

The notes on pages 88 – 99 form part of these accounts.

3.4.2 Statement of financial position

As at 31 March 2025.

	Note	£ 2024/25	£ 2023/24
Non-current assets			
Property, plant & equipment	5	4,651	5,838
Right of use assets	6	1,360,493	–
Total non-current assets		1,365,144	5,838
Current assets			
Trade and other receivables	9	293,961	9,216
Cash and cash equivalents	10	724,824	1,573,060
Right of use assets	6	227,097	–
Total current assets		1,245,882	1,582,276
Total assets		2,611,026	1,588,115
Current liabilities			
Trade and other payables	11	(1,553,655)	(1,455,512)
Lease liability	6	(259,146)	–
Total current liabilities		(1,812,801)	(1,455,512)
Non-current assets plus/less net current assets/liabilities		798,225	132,603
Non-current liabilities			
Provisions	12	(157,500)	(39,100)
Lease liability	6	(1,373,361)	–
Total non-current liabilities		(1,530,861)	(39,100)
Total assets less total liabilities		(732,636)	93,503
Taxpayers' equity			
General reserve		(732,636)	93,503
Total Equity		(732,636)	93,503

The financial statements on pages 83 – 87 were approved by the Committee on 15 December 2025 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'EP', followed by a long horizontal line extending to the right.

Emma Pinchbeck
Accounting Officer
15 December 2025

The notes on pages 88 – 99 form part of these accounts.

3.4.3 Statement of cash flows

For the year ended 31 March 2025.

		£ 2024/25	£ 2023/24
	Note		
Cash flows from operating activities			
Net expenditure		(8,258,989)	(6,711,891)
Adjustments for non-cash transactions	5,6,7	208,097	171,080
Increase of provision	12	118,400	–
(Increase)/Decrease in trade and other receivables	9	(284,744)	2,848
(Decrease)/Increase in trade payables	11	98,143	(232,116)
Net cash (outflow) from operating activities		(8,119,093)	(6,770,079)
Cash flows from Investing activities			
Purchase of property plant and machinery	5	–	(5,937)
Net cash (outflow) from investing activities		–	(5,937)
Cash flows from financing activities			
Grant from sponsoring department		7,510,852	6,692,217
Repayments of principal on leases	6	(239,995)	(59,544)
Interest charged on leases	6	–	(71)
Net cash inflow from financing activities		7,270,857	6,632,602
Net decrease in cash and cash equivalents in the period	10	(848,236)	(143,414)
Cash and cash equivalents at the beginning of the period		1,573,060	1,716,474
Cash and cash equivalents at the end of the period		724,824	1,573,060

The notes on pages 88 – 99 form part of these accounts.

3.4.4 Statement of changes in taxpayers' equity

For the year ended 31 March 2025.

	£
	General Reserve
Balance at 31 March 2023	113,177
Changes in Taxpayers' Equity 2023/24	
Grants from sponsoring department	6,692,217
Comprehensive Expenditure for the year	(6,711,891)
Balance at 31 March 2024	93,503
Changes in Taxpayers' Equity 2024/25	
Grants from sponsoring department	7,510,852
Comprehensive Expenditure for the year	(8,336,991)
Balance at 31 March 2025	(732,636)

The notes on pages 88 – 99 form part of these accounts.

3.5 Notes to the accounts

3.5.1 Statement of accounting policies

In accordance with Schedule 1, Section 24(2) of the Climate Change Act 2008 and the Accounts Direction issued by the Secretary of State for Energy Security and Net Zero these financial statements have been prepared in accordance with the 2024/25 government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the CCC for the purposes of giving a true and fair view has been selected. The specific policies adopted by the CCC are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

3.5.2 Basis of preparation

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and certain financial assets and liabilities.

The preparation of the accounts in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies.

3.5.3 Reporting standards issued but not yet effective

IFRS 17 (Insurance Contracts)

IFRS 17 (Insurance Contracts) was issued in May 2017, replacing IFRS 4 Insurance Contracts. The effective date of IFRS 17 in the public sector is 1 April 2025. Due to the nature of the CCC's activities, the CCC has no contracts that are in scope of this standard and therefore the financial statements are not affected by this adoption.

Non-investment valuations

The 2025/26 FReM will update the valuation approach for non-investment assets (for example, property, plant and equipment), replacing references to 'service potential' and 'specialised/non-specialised' assets with 'operational capacity'. This change does not alter the valuation basis, which remains Existing Use Value (EUV).

An adaptation to International Accounting Standard (IAS) 16 will remove the requirement to revalue assets solely due to material differences between fair value and carrying value. Assets will now be valued through:

- A quinquennial revaluation with annual indexation.
- A rolling five-year revaluation programme with interim indexation.

- Appropriate indices for non-property assets; or in rare cases, quinquennial revaluation with a desktop review in year three if no index is available; the option to use the revaluation model for intangible assets is withdrawn; carrying values at 31 March 2025 will be deemed historic cost from 1 April 2025.

Social benefits

The 2025/26 FrEM introduces guidance on social benefits, defined as current transfers to households to meet needs arising from events such as sickness, unemployment or retirement. Management has assessed the likely effect of the new standard and has concluded that the CCC does not incur any expenditure classified as social benefit payments, and therefore this standard will have no impact on the CCC financial statements.

3.5.4 Significant judgements and estimates

The CCC's dilapidations provision of £157,500 has been calculated by the Government Property Agency and is based on the dilapidations cost for the whole of 10 South Colonnade compared to the amount of space within the building that the CCC occupies.

3.5.5 Property, plant, and equipment

Assets are capitalised as property, plant and equipment if they are intended for use on a continuing basis and their original purchase cost, on an individual or group basis, is £4,000 or more, including VAT. These assets are reported at fair value.

The FrEM states that all non-current assets should be valued using the revaluation model as prescribed in IAS 16. In accordance with the FrEM, the CCC has opted to value non-property assets on a depreciated historical cost (DHC) basis, as a proxy for fair value as these assets have short useful lives or are of low value or both.

Internally developed property, plant and equipment are recognised as assets under construction (AUC) and treated as capital expenditure but not depreciated until the completed asset is brought into service. AUC are not revalued.

3.5.6 Depreciation

Property, plant, and equipment assets are depreciated at rates calculated to write them down to their estimated residual value on a straight-line basis over their estimated useful lives. Depreciation is not charged on assets under construction. Assets are normally depreciated over the following periods:

- **Furniture and fittings:** 18 months to five years.
- **Information technology:** three to five years.

A full month's depreciation is charged to the net expenditure account in the month following acquisition and in the month of disposal.

Management reviews the residual values and estimated lives of property, plant and equipment at least annually at each reporting date.

3.5.7 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and net of accumulated impairment losses as a proxy for fair value. The cost of intangible assets comprises the purchase cost and any directly attributable costs incidental to their acquisition. Intangible assets are capitalised where expenditure of £4,000 or more is incurred.

Intangible assets are amortised over the shorter of their useful economic life or five years. Amortisation of intangible assets is charged to the statement of comprehensive net expenditure on a straight-line basis when the assets are available for use so as to allocate the carrying amounts of the intangible assets over their estimated useful economic lives.

3.5.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the statement of financial position when the CCC becomes a party to the contractual provisions of an instrument.

The CCC has no borrowings and relies primarily on grant-in-aid from DESNZ, Defra, and the devolved governments for its cash requirements and is therefore not exposed to liquidity risks. All material assets and liabilities are denominated in sterling therefore it is not exposed to currency risk.

3.5.9 Grant-in-aid

Grant-in-aid which is used to finance activities and expenditure supporting the statutory and other objectives of CCC is regarded as a contribution from a controlling party, treated as financing and credited directly to the general reserve.

3.5.10 Pensions

Most past or present employees are covered by the provisions of the Civil Service pension arrangements, which are defined benefit schemes open to participating public sector bodies in which the benefit the employee receives during retirement is dependent on factors such as age, length of service and salary. These schemes are administered by My Civil Service Pensions (MyCSP) on behalf of the cabinet Office. The CCC pays contributions into these schemes at an agreed rate. As one of many participating organisations the CCC is not able to identify its share of any liability for making future pension payments to members and accordingly. The CCC accounts for this as if it were a defined contribution scheme and recognises the costs of these contributions when they fall due.

Employees may opt to join a personal stakeholder pension scheme instead. These are defined contribution schemes where the CCC pays established contribution rates into a separate fund. The amount of pension benefit that a member receives in retirement is dependent on the performance of the fund. The CCC recognises the cost of these contributions in the statement of comprehensive Net Expenditure when they fall due. There is no further payment obligation for the CCC once the contributions have been paid.

PCSPS disclosures are set out in full in the remuneration report.

3.5.11 Employee benefits

Short term benefits, such as salaries and wages, post-employment benefits resulting from employment, and long-term benefits such as long service awards and pension benefits, are recognised at the cost of providing the benefit in the period in which it is earned by the employee, rather than when it is paid or becomes payable.

IAS 19 (employee benefits) requires the CCC to recognise the expected cost of the annual leave entitlement of its employees that is accrued at the end of each financial year. The CCC estimates this accrual by calculating using average employee salary cost based on a working year of 260 days.

3.5.12 Value added tax (VAT)

The CCC is not registered for VAT purposes and therefore all expenditure is shown including the irrecoverable VAT.

3.5.13 Leases

At the inception of each contract, the CCC assesses whether the contract is, or contains a lease, where a lease is any arrangement which conveys the right to control an asset for a period of time in exchange for consideration. The CCC recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and is depreciated on a straight-line basis over the residual lease term. The lease liability is initially measured at the present value of remaining lease payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, a rate determined by HM Treasury and based on government's incremental borrowing rate.

3.6 Expenditure

3.6.1 Analysis of net expenditure by segment

	Committee on Climate Change £ 2024/25	Adaptation Committee £ 2024/25	CCRA4 £ 2024/25	Total £ 2024/25	Committee on Climate Change £ 2023/24	Adaptation Committee £ 2023-24	CCRA4 £ 2023-24	Total £ 2023-24
Staff Costs								
Committee members	146,282	51,415	48,101	245,798	134,441	40,204	40,204	214,849
Staff	2,993,554	752,267	1,175,244	4,921,065	2,777,636	688,463	929,635	4,395,734
Total Staff Costs	3,139,836	803,682	1,223,345	5,166,863	2,912,077	728,667	969,839	4,610,583
Other Costs								
Research	315,262	37,336	1,524,954	1,877,553	420,124	72,346	440,074	932,544
Occupancy	186,511	53,222	57,793	297,526	63,869	69,792	79,792	213,453
Shared services	49,123	15,348	15,997	80,468	54,843	17,442	17,443	89,728
IT service costs	4,301	1,101	1,629	7,031	84,026	47,366	8,593	139,985
Communications	77,069	26,716	6,330	110,115	70,562	30,709	30,688	131,959
Travel and subsistence	22,583	22,707	22,800	68,090	28,513	7,090	7,058	42,661
Corporate services	211,726	40,796	63,926	316,449	174,786	36,637	80,250	291,673
Learning and development	15,695	4,763	3,551	24,010	17,166	3,135	2,414	22,715
Telephony	1,912	698	592	3,202	2,296	474	474	3,244
Auditor's remuneration	33,840	11,280	11,280	56,400	36,900	12,300	12,300	61,500
Other	592	197	1,997	2,787	480	143	143	766
Total	918,615	214,165	1,710,851	2,843,631	953,565	297,434	679,229	1,930,228
Non-Cash Items								
Depreciation / amortisation	208,097	–	–	208,097	112,433	–	–	112,433
Loss on disposal	–	–	–	–	58,576	–	–	58,576
Increase/(decrease) in provision	118,400	–	–	118,400	–	–	–	–
Total Other Costs	326,497	214,165	1,710,851	3,170,128	1,124,574	297,434	679,229	2,101,237
Total Net Operating Costs	3,466,333	1,017,847	2,934,196	8,336,991	4,036,651	1,026,101	1,649,068	6,711,820

The split between the Committee, the Adaptation Committee and CCRA4 is based on actual figures, where available. For elements where the cost is shared it has been apportioned on the basis of headcount and procurement activity. All assets and liabilities are held centrally by the CCC and it is therefore not appropriate to apportion these between operating segments.

3.6.2 Staff numbers and related costs

Information on staff numbers and related costs are disclosed in Section 2.2.2 of the remuneration report.

Information on the pension costs of staff is disclosed in Section 2.2.1 of the remuneration report.

3.6.3 Other expenditure

	£	£	£	£
	2024/25		2023/24	
Administration costs				
Research	1,877,553		932,544	
Occupancy	297,526		213,453	
Shared services	80,468		89,728	
IT service costs	7,031		139,985	
Communications	110,115		131,959	
Travel and subsistence	68,090		42,661	
Corporate services	316,449		291,673	
Learning and development	24,010		22,715	
Telephony	3,202		3,244	
Auditor's remuneration	56,400		61,500	
Other	2,787		766	
		2,843,631		1,930,228
Non-Cash Items				
Depreciation / amortisation		208,097		112,433
Loss on disposal		–		58,576
Dilapidations provision		118,400		–
Total Expenditure		3,170,128		2,101,237

3.6.4 Property, plant and equipment

2024/25	Furniture and Fittings £	Technology £	Total £
Cost			
At 1 April 2024	192,643	5,937	198,580
Additions / transfers	–	–	–
Disposals	(192,643)	–	(192,643)
At 31 March 2025	–	5,937	5,937
Depreciation			
At 1 April 2024	(192,643)	(99)	(192,742)
Charged in year	–	(1,187)	(1,187)
Disposals	192,643	–	192,643
At 31 March 2025	–	(1,286)	(1,286)
Net Book Value at 31 March 2025	–	4,651	4,651
Net Book Value at 31 March 2024	–	5,838	5,838
Asset financing			
Owned	–	4,651	4,651
Leased	–	–	–
Net Book Value at 31 March 2025	–	4,651	4,651

2023/24	Furniture and Fittings £	Technology £	Total £
Cost			
At 1 April 2023	251,219	–	251,219
Additions	–	5,937	5,937
Disposals	(58,576)	–	(58,576)
At 31 March 2024	192,643	5,937	198,580
Depreciation			
At 1 April 2023	(142,387)	–	(142,387)
Charged in year	(50,256)	(99)	(50,354)
Disposals	–	–	–
At 31 March 2024	(192,643)	(99)	(192,741)
Net Book Value at 31 March 2024	0	5,838	5,838
Net Book Value at 31 March 2023	108,832	–	108,832
Asset financing			
Owned	–	5,838	5,838
Leased	–	–	–
Net Book Value at 31 March 2024	–	5,838	5,838

3.6.5 Leases

The lease reported below relates to a Licence to Occupy an office at 10 South Colonnade, London, E14 4PU, signed by the CCC on 25 April 2024 which will run until 27 June 2032.

	Land & Buildings £
Cost or Valuation	
At 1 April 2024	–
Additions	1,794,500
At 31 March 2025	1,794,500
Depreciation	
At 1 April 2024	–
Charged in year	206,910
At 31 March 2025	206,910
Carrying Amount	1,587,590

	Land & Buildings £
Cost or Valuation	
At 1 April 2023	310,407
Additions	–
At 31 March 2024	310,407
Depreciation	
At 1 April 2023	248,328
Charged in year	62,079
At 31 March 2024	310,407
Carrying Amount	–

	£ 31 March 2025	£ 31 March 2024
Amounts falling due:		
Not later than one year	(259,146)	–
Later than one year and not later than 5 years	(924,929)	–
Later than five years	(448,432)	–
Total	(1,632,507)	–

Amounts recognised in the Statement of Comprehensive Net Expenditure

	£ 31 March 2025	£ 31 March 2024
Amounts falling due:		
Net operating expenditure	206,910	62,079
Interest expense	78,002	71
Total	284,912	62,150

Amounts recognised in the Statement of Cash Flows

	£ 31 March 2025	£ 31 March 2024
Amounts falling due:		
Net operating expenditure	239,995	59,544
Interest expense	78,002	71
Total	317,997	59,615

3.6.6 Financial Instruments

As the cash requirements of CCC are met through grant-in-aid provided by DESNZ, Defra, and devolved governments, financial instruments play a more limited role in creating and managing risks than would apply to a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with the CCC's expected purchase and usage requirements and the CCC is therefore exposed to little credit, liquidity or market risk.

In general, financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the CCC in undertaking its activities.

3.6.7 Trade receivables and other current assets

	£ 31 March 2025	£ 31 March 2024
Amounts falling due within one year:		
Deposits and advances	165,612	7,928
Other receivables	128,349	1,288
Balance at 31 March 2025	293,961	9,216

3.6.8 Cash and cash equivalents

	£ 31 March 2025	£ 31 March 2024
Balance at 1 April	1,573,060	1,716,474
Net change in cash and cash equivalent balances	(848,236)	(143,414)
Balance at 31 March 2025	724,824	1,573,060
The following balances at 31 March were held at:		
Government banking service accounts	724,824	1,573,060
Balance at 31 March 2025	724,824	1,573,060

3.6.9 Trade payables and other current liabilities

	£ 31 March 2025	£ 31 March 2024
Amounts falling due within one year:		
Other taxation and social security	105,922	96,017
Trade payables	109,229	75,201
Capital creditors and accruals	–	5,936
Accruals and deferred income	1,080,237	1,098,371
Pension contributions	97,432	86,642
Staff unpaid leave accrual	160,835	93,345
Balance at 31 March 2025	1,553,655	1,455,512

3.6.10 Provision for liabilities and charges

	£ 31 March 2025	£ 31 March 2024
Dilapidations balance:	39,100	39,100
Provision utilised	–	–
Provisions written back	(39,100)	–
Provided for in year	157,500	–
Balance at 31 March 2025	157,500	39,100

The dilapidation provision balance relates to the CCC's premises at 10 South Colonnade and represents the obligation to make good the condition of the premises.

	£ 31 March 2025	£ 31 March 2024
Expected timing of cash flows:		
No later than one year	–	39,100
Later than one year and not later than five years	–	–
Later than 5 years	157,500	–
Total	157,500	39,100

3.6.12 Related-party transactions

The CCC is not required to disclose any related party transactions with other government bodies but did have significant transactions with the Department for Energy Security and Net Zero, the Department for Environment Food and Rural Affairs and the Government Property Agency.

Fees and expenses paid to Committee members are disclosed in the remuneration report.

3.6.13 Events after the reporting period

There are no reportable events after the reporting period.

The Accounting Officer has authorised these Accounts to be issued on the same day as they were certified.

December 2025

Annual Report and Accounts 2024/25

Climate Change Committee
10 South Colonnade
Canary Wharf
London, E14 4PU

www.theccc.org.uk
@theCCCuk