Symposium: The Labour Party's climate strategy in government

John Barrett, Steve Coulter, Chris Hayes, Sahil Dutta, Lucie Middlemiss, Carolyn Snell, Andrew Wood, Kate Lock, Alfie Prothero, Sam Perry

Despite its commitments to a range of pro-climate measures, questions remain over what Labour's strategy for tackling climate change can and is likely to achieve over the longer term. This symposium is based on the contributions to a workshop on the Labour Party's climate strategy in government, held at the University of Leeds in March 2024.

Providing a credible pathway to net zero

John Barrett

The UK is at a watershed moment where future Greenhouse Gas (GHG) emission reductions will have to be delivered differently from the past. The new Labour Government faces the challenging task of providing a credible pathway to achieve the UK's 2030 target of a 68 per cent reduction in GHG emissions based on 1990 levels, which forms part of our international commitment covered under our 'Nationally Determined Contribution'. To meet the 2030 target we need to reduce GHG emissions by nearly 5 per cent/year, three times the 1.5 per cent/year reduction rate achieved since 1990.¹ Previous reductions have come mainly from decarbonising the power sector and offshoring heavy industry, where it is becoming increasingly difficult to deliver further substantial GHG reductions. It is simply not possible to rely on the policy of 'electrifying everything and provide zero carbon electricity'. Labour must now give broader consideration of how to align patterns of production and consumption with climate targets that can deliver short term goals (by 2030) and reduce risks in the long-term (by 2050).

Labour has shown a serious commitment to decarbonising electricity with the aim of removing all fossil fuels from electricity generation by 2030. This is no easy task, and the creation of GB Energy is an important initiative. However, electricity only accounts for 18 per cent of UK energy demand. Climate change mitigation is clearly a complex, multi-faceted problem where no single approach can provide the necessary insights required to achieve a just transition. Despite this, investigations into mitigation strategies have historically been siloed and dominated by technological solutions (i.e. focussing on how we produce energy/ materials and neglecting patterns of consumption). In reality, patterns of production and consumption are fundamentally linked through a complex system of supply and demand.

In the past, the analysis of net zero has often been restricted to understanding the energy system. This has involved a consideration of social perceptions of energy system change, economic costs of infrastructure and political will. However, this fails to recognise that the energy system only exists to provide inputs into wider economic systems. This complex global system defines the future level of energy demand, the availability of technologies and places the UK within the global context. There is a significant shortcoming in only exploring the net zero transition purely through an energy system lens. There is a need to consider GHG emissions from all sources, as well as drivers of energy demand, patterns of production and consumption, and potential inequalities.

While given less attention, it is energy efficiency improvements across the whole economy that have delivered greater reductions than the decarbonisation of the electricity system. In fact, energy efficiency has contributed towards more than 55 per cent of UK emissions reductions between 1990 and 2019, three times more than emissions savings stemming from renewable electricity production.² There is also a need to go beyond energy efficiency to consider the broader societal changes that alter patterns of consumption. Detailed analysis undertaken by Barrett et al (2022)³ demonstrates that energy demand can be reduced by up to 52 per cent in the UK by 2050, with half of this coming from efficiency improvements and the other half coming from broader societal changes like shifts to active travel, purchasing longer lasting products, reducing the need to travel and improving home insulation. The same analysis suggests

that reductions in energy demand in the region of 40 per cent are required by 2050 to meet the UK's net zero target.

The implications are that the new Labour Government needs an energy demand target and an economy-wide strategy on how to reduce energy demand to accompany the ambitious programme of electricity decarbonisation. This will be challenging politically, but it is crucial if we are to take climate change and our international commitments on net zero seriously. This cannot be done without the public noticing and therefore a good starting point is to consider the interventions where public acceptance is high or growing (electric cars, insulating homes, heat pumps, efficient public transport) and secondly identify where consensus of societal change needs to be developed (flying less, plant-based diets and ultimately consuming less).

John Barrett is a Professor in Energy and Climate Policy at the University of Leeds

The growth case for green investment

Steve Coulter

Labour blames chronically low investment for the UK's dismal productivity performance over the last two decades. But how coherent are its plans to change this by boosting investment in the green economy?

Had we managed even OECD average levels of public investment over the past two decades (around 3.7 per cent of GDP a year, 50 per cent higher than the UK), we would have invested around £500 billion more (in 2022 prices).⁴ But Labour has been hesitant about reversing this. Early this year it gutted its Green Prosperity Plan for £28bn of annual investment as it judged this to be incompatible with its fiscal rules.

The Chancellor, Rachel Reeves, also announced public sector pay increases alongside initial cuts to capital investment. Although the October Budget reversed course with a large cash increase in spending on infrastructure, this still barely maintains the level of capital spending as a share of GDP. A post-Budget spike in gilt yields reflected market nervousness over whether this will lift trend GDP.

Investment advocates hope that changes to how the Office for Budget Responsibility (OBR) appraises the growth impact of extra investment could allow for more to be spent within the fiscal rules. But Labour needs to decide what it thinks about green investment. Is it purely to deliver net zero, or growth as well? Advocates of investing-your-way-to-growth face entrenched scepticism within economics, including the Treasury. Some historical studies suggest the output elasticity of capital investment is small. Robert Solow estimated that only one-eighth of the increase in US GDP per worker in the first half of the twentieth century was due to increased capital investment.⁵

On this basis, given the enormous size of the UK's capital stock – estimated by the ONS at \pounds 3.5 trillion – it would take a lot of capital spending to achieve even a minor increase in growth.⁶ Investment also diverts money from consumption, which can run up against the preferences of individuals and firms and may have a negative short-term impact on growth.

But this may be overplaying the problem and ignoring the context.

First, the effect of investment on growth is compounded over time, so it pays to start early, and any large impact takes time to occur. But it does occur. Had, for example, the UK filled the f_{500} billion investment gap, we could have built over 150GW of offshore wind along with the interconnectors necessary for electricity export to the EU. By 2030, accounting for the expected electrification of heat and transport, this would be enough to return the UK to being a net energy exporter, supplying a sixth of the EU's total electricity demand. Put another way, the UK would by then be exporting more power than either France or Germany consumes, making electricity a large export earner for the UK.⁷

Second, the neoclassical framework of investment sceptics takes a static view of the economy that ignores key spillovers and underplays the dynamism of the technological and environmental transformations underway. Many green industries are new and embody a lot of emerging technology. Investing in these provides learning opportunities that are greater than from the established technologies they replace.⁸

The growth effect does not, therefore, come only from the investment itself but also by improving total factor productivity. This is reflected in sharply falling costs of renewables and plunging estimates of the annualised resource costs of getting to net zero.

Still, the government needs to be selective about where it invests if it wants growth as well as decarbonisation. More renewable energy generating capacity will be wasted in the absence of improvements to the grid. Other reforms are needed as well, particularly on planning. It would help to foster more urgency around the green investment case if the Treasury, OBR and CCC could coordinate more about what investment is needed, whether this can be accommodated by the fiscal rules, and its wider economic impact.

Raising trend growth is hard. More green capital spending will be difficult and is no panacea. But the government is right to try.

Dr Steve Coulter is Head of Economy at Green Alliance

Great British Energy, state capacity and the 2030 clean power target

Chris Hayes

Great British Energy epitomises the tension at the heart of the Labour Government, between Starmer's fondness for missions and Reeves' Houdiniesque fiscal hand-tying. The popular but enigmatic policy survived February's axing of the $\pounds 28$ bn to stand out with bold promises of lower bills and energy independence amidst an otherwise cautious election campaign.

But without a larger capitalisation and a more extensive mandate, Labour's grandiose 2030 clean power target will not be reached. Without a strategic reorientation of state capacity, talk of mission-driven government is mere rhetoric. Beyond existing commitments, GB Energy must invest directly in and own a mix of proven and not just frontier technologies, develop a retail arm, and eventually acquire existing assets with expiring Renewables Obligation contracts.⁹

The decarbonisation mission is a highly capital-intensive process – daunting in speed, scale and scope – of transition between fundamentally different systems. Furthermore, energy is a 'systemically significant price ', whose minimisation and stabilisation should be a macroeconomic priority. Public investment and ownership thus have, broadly, three powerful advantages over private: cost, certainty and coherence.

Firstly, eschewing the state's structurally lower cost of capital (amounting to nearly 20 per cent cheaper wind power) for such a set of assets would be an upwardly redistributive economic blunder – bad for growth, inequality and the tax base. The public always pays, whether as billpayer or taxpayer; let's help them pay less.

Secondly, efforts to derisk profit-driven private investment are, for all their elegance, fragile in the face of macrofinancial or supply chain turbulence. Allocation Round (AR) 5 failed to secure any offshore wind, while AR4 projects have suffered setbacks. Only the state can match the existential certainty with which these investments must be made. Even when co-investing with private partners, GB Energy investments should bypass the Contracts for Difference (CfD) auction system, which fossilises ex ante cost uncertainties into price premia for years after uncertainties have been resolved, and instead set prices ex post to recoup costs. (The CfD system can remain available for private developments.)

Importantly, this will overcome the chicken-egg coordination problem between developer and supply chain, allowing the latter in turn to invest in greater manufacturing capacity, enhancing productivity and job security. Furthermore, it will protect the beleaguered supply chain from the severe pressures that CfD developers foist upon them to ensure project profitability. Investing the new National Wealth Fund in these supply chain firms can achieve further synergies.

Finally, our unbundled, privatised system lacks coherence in its buildout and operation. Its components co-create value collectively with the (increasingly intermittent-centric) system, but the isolated project-level profitability they each demand depends on their varying ability to *capture* that value in distributional conflict. Condemning GB Energy to the private sector's unprofitable leftovers is bad value for public money.

What should GB Energy invest in? For one thing, projects should be based on the results of the upcoming Strategic Spatial Energy Plan, which the Government and new National Energy System Operator should accelerate. More problematically, a combination of GB Energy's prohibitively small $\pounds 8.3$ billion capitalisation ($\pounds 1.66$ bn annually, compared to investment needs of over $\pounds 30$ billion according to the Resolution Foundation)¹⁰ with a widespread sanguineness about the private sector's readiness already to invest in proven technologies has led to a coalescing collective wisdom that GB Energy should therefore invest overwhelmingly in speculative, frontier technologies. But loading up a small, undiversified portfolio of high-risk assets would present a serious financial survival risk to the institution, boding poorly for any ambitions that this could become Starmer's NHS – an enduring beloved institution.

Essential to delivering lower bills in the first parliament – and thus to GB Energy's political survival – will be spreading the financial benefits not just of new but of existing low-cost renewables. So far, the wholesale pricing system has channelled those benefits away from consumers towards the generators. A GB Energy retail arm could buttress the decarbonisation mission's popular legitimacy by targeting this producer surplus – especially if operating monopsonistically in a wholesale market that is increasingly anachronistic – and delivering other welfare goals such as a social tariff.

To assist with these bills savings, to give GB Energy experience in *operating* assets, and to limit the risk of capacity going offline, the Government could make partial or full public ownership a condition of any further public subsidy for older pre-CfD assets after expiry of their Renewables Obligation (RO) contracts.

Ultimately the Treasury will have to increase the capitalisation if the Government is serious about its missions, about climate, about the public balance sheet, and about living standards.

Chris Hayes is Chief Economist at Common Wealth

Fiscal monetary coordination and Great British Energy

Sahil Dutta

Labour wants green energy to lie at the heart of its decade of national renewal. Yet to succeed it must reform the country's contradictory macro-financial regime. Too often, monetary policy set by the Bank of England and fiscal policy set by Treasury work in opposite directions, making it harder and more expensive for government to finance itself.

The result is a government shunning the public investment the country desperately needs. The Climate Change Committee puts necessary public investment for net zero at £30 billion a year.¹¹ It is a tall task that Labour has already backed away from when it dropped its annual £28bn investment pledge. While GB Energy was maintained, it was given £8.3 billion for the entire parliament when it was launched last July. Private finance will instead cover the inadequacy. This will make green energy capacity development harder to coordinate, sequence, and crucially makes the government more dependent on private investors, hardly surprising giving Labour's current relationships with private investment and energy industries.¹²

An alternative public investment route requires institutional change. At the moment the Bank of England is undertaking a Quantitative Tightening (QT) programme, selling UK government debt (gilts) into the open market at a rate of \pounds 100 billion a year.¹³ This comes at a time when the Debt Management Office estimates a financing requirement of \pounds 297 billion worth of gilt sales over the next year.¹⁴ Demand for safe assets like gilts remains strong but flooding the market risks contributing to lower prices and increased yields. In effect, it means that rather than supporting fiscal policy, the Bank is working against it. This is part of the reason why UK government borrowing costs have been

pushed higher than in comparator economies recently. Mal-coordination of fiscal and monetary policy is also seen in how the Bank's QT is impacting Treasury costs.¹⁵ Having amassed a vast portfolio of low-yield, higher-cost gilts over the last fifteen years, selling it off now at lower prices means the government is on the hook for what could ultimately amount to £95 billion loss by the time QT ends.¹⁶ The government has removed the cost of potential losses off its balance sheet.

Instead, there can be lessons gleaned from history about the Bank and the Treasury working together. For example, recognising that the socio-ecological context of the Covid-19 crisis in 2020 required macroeconomic intervention to protect public health, the Bank directly supported the Treasury's fiscal programme. It bought \pounds 450 billion worth of gilts onto its own balance sheet, keeping government borrowing costs very low in the process, while supporting financial markets at the same time. The sweep of interventions made through that period worked more to intensify than ameliorate the country's existing fractures, but a green programme by a new government need not necessarily follow that path.

Public investment should be backed by an accommodative monetary regime. Currently, Labour will channel \pounds 5.8 billion into its National Wealth Fund hoping to crowd-in private finance. Better would be for the NWF to issue its own liabilities and leverage its balance sheet in that way. The Bank could then directly and indirectly support the process – either on its own balance sheet or by including NWF liabilities in its collateral framework – helping their marketability and keeping costs low. It would also serve pension fund demand for high-quality liquid assets.¹⁷

Of course, all this would also require Labour to change its fiscal rules and stop misleading voters about how public finance works. The idea that monetary and fiscal policy could ever really be separated was always more a normative ideal of neoliberal theorists than a substantive historical reality. Indeed, the contemporary financial system depends on safe assets like UK government debt to function. It is why the political economy of public finance has more been a question of how the necessary entanglement of monetary and fiscal policy is put to use and for who. Since entering office Labour has done much to continue its campaign of discrediting the Conservative's fiscal politics, but to actually govern it will need to address the country's monetary politics too.

Sahil Dutta is a Senior Lecturer in Political Economy at City, University of London

The possibility of a socially inclusive net zero

Lucie Middlemiss and Carolyn Snell

A net zero transition must be socially inclusive: to ensure both public support and equal opportunities for people to engage in this agenda, progressive social reform must go hand in hand with carbon emissions reduction. In our recent work, led by the Young Foundation, we offer a novel conceptualisation of the social transformation that net zero represents across everyday lives, investigating who is at risk of exclusion in that transition.¹⁸ We undertook a substantial evidence review, and talked to low-income participants in Leeds and Newcastle about net zero, getting to grips with the risks that such households face in the transition.

As part of this work we have built a stronger concept of a socially inclusive net zero.¹⁹ We challenge existing visions of net zero, which tend to be both a-historical (failing to respect people's current and past life conditions) and a-social (ignoring how different people will experience policy). A just transition has to start in the present, which for low-income households is shaped by the cost-of-living crisis, austerity and local authority cuts, and the destabilising experience of COVID 19. Anyone facing the public will know that times are hard, especially for those on low incomes. Net zero policy must recognise people's different abilities to participate, and account for that in policy design. This requires a socially sensitive approach, with low carbon but socially progressive futures envisioned for diverse communities. It is hugely important both practically and politically, to allow everyone to see their role in this agenda: whether young, disabled, out of work, or living rurally.

Our work with diverse low-income participants in Leeds and Newcastle was rich and interesting, and three key insights are most important for the Labour government:

- People saw a vacuum of leadership on this issue. Once our participants realised the enormity of net zero as a social project, they could not understand why leaders (from local authorities but also national politicians) are not centring net zero in their communications, policy and action.
- 2. People articulated a cynicism about the possibility for change, in the context of the eroded state. Our participants saw the closure of community facilities and services and were worried about the implied localisation of everyday life under net zero. There was an overriding sense that life would get harder if they are expected to work and socialise more locally.
- 3. People were frustrated with the lack of support for households to engage

in net zero change. Our participants could see the possibility for action in their own homes, and were broadly willing to act, but most could not afford to take action on their own.

Much has been made of the potential co-benefits of net zero: including better health and wellbeing, better living conditions at home, as well as the possibility for new green jobs. There are clearly opportunities for virtuous circles, resulting from carefully designed policy which addresses both climate change and inequality. For example, accessible and cheap low-carbon public transport has huge potential on both fronts. However, these ring rather hollow in the light of the politics of recent years, in which public service cuts have resulted in people having low expectations of government investing for the common good.

Social inclusion is by no means an inevitable consequence of net zero, and our participants were sceptical of environmentalist optimism about social reform. There are huge risks in the net zero agenda as a result: people on low incomes are cynical about leadership and commitment, and struggling after years of under investment in social infrastructure. Indeed there is evidence that people are already feeling excluded,²⁰ both because of the political and social context, and because they can see that they are being left behind with increasingly expensive and outdated technology, and with limited prospect to make changes for themselves.

Bringing together social and environmental concerns in a socially inclusive net zero agenda represents a real opportunity for leadership in this space, as well as a possibility to truly integrate climate action into progressive social reform. Simply put, future climate policy should start by understanding people's diverse experiences now, designing diverse journeys to a net zero that offers hope for everyone for a better life, as well as meeting emissions targets.

Lucie Middlemiss is Professor of Environment and Society at the University of Leeds and **Carolyn Snell** is Professor of Social Policy at the University of York

Further and faster: Yorkshire and the Humber's mission to inspire national climate action

Andrew Wood and Kate Lock

Climate policy may be made largely in Westminster, but delivery of it happens where people live. Local government is critical to this, and place-based organisations like Climate Commissions also have an important role, not only by helping to drive climate action but also by directing policy asks back up to national level.

The new Labour Government's approach to climate action is three-pronged: clean energy, planning reform, and economic growth. It has declared a mission for the UK to be a clean energy superpower, but renewable energy alone is not enough. We need missions to make homes, industry and transport, as well as land and water use, much more energy efficient, and to adapt the places we live in to the risks posed by the changing climate.

Reforms to the planning system promise to engender better strategic planning, with a strengthened role for Combined Authorities. And many local authorities want to be more ambitious than the national standards on carbon and energy performance set down in the Building Regulations, and there is no good reason to stop them. Key standards that could be adopted include Energy Use Efficiency Targets, which would help target the benefits towards lower-income groups, and Whole Life Carbon Assessments, which encompass both embodied carbon within buildings and their construction and the operational emissions they produce.

The Government's economic growth mission aims to finance the investment that is needed. Being adaptive and resilient to the changing climate is a pre-condition for growth, not vice- versa, because shocks are bad for the economy. The climate is becoming more disruptive at the same time as the population is ageing and other demographic changes emerge, leaving people more vulnerable to climate-related stresses. As a society, we need to create a future in which people can have healthy and fulfilling lives and be economically productive in the context of that vulnerability.

Yorkshire & Humber Climate Commission's (YHCC) research shows that we need decisive, mission-driven action across the board. The Commission is an independent, politically neutral advisory body that brings together a wide range of people from the public, private and third sectors to support, facilitate and enable the delivery of ambitious climate action across the region. Our formation, and our success so far, owe much to a cross-party appetite for climate action in local government, enabling the region to speak with a clear, informed voice to national government about the policy changes that will help us to go further and faster than UK targets.

Together, through the Yorkshire Leaders' Board, local and combined authorities have supported a 2038 decarbonisation target for the region in our Climate Action Plan;²¹ worked with the Commission on an innovative Climate Adaptation Programme for local authorities; and endorsed the work of our Regional Policy Forum in developing a menu of eight shared policy principles for the planning system.²² This means that we understand the policy levers that authorities currently have and the changes that are needed, and that we can advocate for these changes based on a foundation of political support for our work across the parties.

The Commission's recent publication, Our Carbon Story,²³ draws upon academic research into technical pathways to decarbonisation in the region, and our consumption patterns, and translates this into key messages for policymakers, decision-makers and communities. The headlines are that we can still meet the region's net zero target of 2038, and that it would be good for the economy, the environment, and people to do so; but that investment must be scaled up, longer payback periods factored in – and that mission-driven action is needed to make all this happen.

At national level, political commitment to climate action has been through a rocky patch. Though progress has been made in some areas, the outmoded narrative that saving the planet is too expensive has resurfaced, and this poses a challenge to the new Labour government. It is vital that the cross-party call for action coming from local level cuts through loud and clear.

The key message for our new Government from Yorkshire and the Humber then, is that climate change is a fundamental part of the context in which all its declared missions must be delivered, around growth, energy, opportunity, health, and even crime. We know there is a strong appetite for action, and we want to get on with it. Inaction will only increase the risks and the costs.

Andrew Wood and **Kate Lock** are part of the Yorkshire and Humber Climate Commission

Effective and informed democratic engagement in the climate and nature crisis

Alfie Prothero

Democratic engagement is often touted by activists and politicians as a powerful tool in creating societal change. Yet just 15 per cent of constituents connected with a politician or official in the last twelve months.²⁴ This is a huge problem at a time of crisis for the climate and nature, and where political action lags behind public opinion and concern.

For many, interacting with their elected representatives seems a daunting and unapproachable form of activism. But with such positive opportunities when

successful, supporting impactful democratic engagement seems relevant to the climate and nature movement. This is precisely the work Hope for the Future (HFTF) does, providing training and tailored support across the movement and sector.²⁵ HFTF's approach encourages research, developed political requests, and co-operative thinking in effective engagement.

Holistic research of a politician's history, motivations and interests fleshes out the person behind the politician and helps identify areas of consensus. Common ground allows a positive starting point for developing a constituent-political relationship, and provides a safe topic to return to, if disagreement does emerge. Positive environmental action the politician has taken legislative or otherwise can be a place of agreement, however such the environment is not a high priority for all politicians. Consequently, HFTF encourages constituents to think creatively about the co-benefits of their climate or nature issue, and to emphasise areas that will resonate with their politician's motivations and interests. These will vary by politician, although a local connection, rather than more abstract consequences and benefits, is often a useful focus.

Constituents are often tempted to make expansive requests of their politicians, as they are frustrated by the lack of action on climate and nature, and want to see dramatic, rapid change. However, the breadth of such asks can lead to vagueness, and difficulty in delivery. A politician can reply with the work that their party is already doing if in power, or – if in opposition – use it as an opportunity to criticise those in power. Additionally, a politician may agree to the request but be unable to deliver on its breadth in a meaningful way. This can create frustration in the relationship, as the constituent feels unrepresented, and the politician feels they cannot please the constituent. HFTF encourages the use of SMART criteria in developing political requests. Integrating specificity, measurability, achievability, realism, and a timescale ensures clarity of action and a direct response, and makes accountability easier. Requests which make relevant use of politicians' positions as elected representatives ensures engagement is adding unique value to the climate and nature movement.

This approach works - across the UK, 30 per cent of MPs commit to an action following a meeting with their constituents, compared to 90 per cent when supported by HFTF.²⁶ An example of the approach in action was with Alex Chalk, MP for Cheltenham between 2015 and 2024. Originally defensive of the government's climate record, a local group accessed HFTF's support to meet with him, after which he spoke supporting stronger climate policy in Parliament. Following continued engagement and events, including a solar themed local event where he stated the government should take a greater lead, Chalk submitted several relevant Parliamentary questions, and proposed a bill to commit the UK to reaching net zero emissions by 2050. The government backed this proposal, making the UK the first major economy to mandate this target by law.

Tackling the climate and nature crisis depends on so many approaches and strategies involving numerous individuals, campaigns and projects - just as engaging Alex Chalk, and the introduction of world first legal emission goals did. But what is clear, is that meaningful democratic engagement between constituents and their local politicians has an important role to play in driving environmental action, and as such support and facilitation of such engagement is necessary.

Alfie Prothero is a Policy and Engagement Officer at Hope for the Future

A great, green rebalancing

Sam Perry

Climate change is not human-caused, as is so commonly stated, but capitalism-caused. It has come about because of the particular ways that industrialised and post-industrialised economies are organised, and is thus a manifestation of systemic underlying instabilities, closely related to the sister crises of income inequality, regional inequality, housing, the cost-of-living, debt, livelihood precarity, and far-right resurgence. A truly greened economy, therefore, must necessarily be wired differently, with responsibility safeguards built in. This can be achieved by an opening up and an inviting in; were the government to recognise the enormous, frustrated potential of workplace trade unionists to champion ambitious and genuine climate action and expose climate inaction, transformations of workplace across the country would be witnessed.

To achieve sustainability (economic stability within planetary boundaries), our sights cannot be set only on emissions; we must address the structures that produce the sharpest edges of the market-driven, alienating, precarity-promoting, low-skills economy which causes emissions. The carbon capture and storage logic of plugging 'green' solutions onto legacy ways of working is of profoundly limited potential, perhaps suitable for extending end-of-life care but certainly not as a cure. Carbon emissions, biodiversity loss, and volatility will chase the economy so long as we rely on patching over rather than fixing. Most ESG efforts only ever amount to the same – at best, small-scale edge-blunting actions, and, at worst, inconsequential side projects. Even robust, high-fines legislation has not stopped exploitative practices, corner-cutting, hidden emissions, offshoring, and deliberately opaque supply chains. The neoliberal style of pursuing wealth (through

profits or rents) over anything else has made corporations structurally unable to avoid doing ecological harm and unable to provide better than a baseline of acceptability for workers, regulating governments, and customers.

Environmental law seeks to control certain categories of ecological exploitation, as health and safety legislation does certain categories of labour exploitation. Neither are fully successful, but the latter does much better because, since 1977, health and safety has been radically decentralised, with workers gaining powers to scrutinise and intervene. The empowerment of those most at risk has halved injury rates in manufacturing workplaces with safety reps and made injuries that do occur less severe and instances of illness less frequent.

No such decentralised oversight exists to audit enterprises' environmental impacts nor inspect their Climate Action Plans. The consultation that does sometimes occur is generally one-way, not the kind of constructive scrutiny that has made work much safer. In step with how firms are now structured, no workers have Climate Action Plan inspection rights protected by statute, and no communities have ecological rights much beyond being able to note their objections.

In Labour's *Plan to Make Work Pay*, commitments were made to 'removing unnecessary restrictions on trade union activity and ensuring industrial relations are based around good faith negotiation and bargaining', in part by ensuring 'there is sufficient facilities time for all trade union reps' to carry out their roles. During a time of unparalleled change, where all workplaces are necessarily having to reevaluate how they operate and, in some cases, whether they operate at all, these trade union rights could not be more relevant. Yet, on the very issue of the imperative for root-and-branch green transformation of every enterprise, Labour's Plan offers nothing specific and nothing befitting a climate crisis.

The technical capacity exists for the economy to become sustainable, but even tight regulation of capital interests is struggling to achieve it. Effective and positive workplace transitions will not come without applying the enabling potential of protected open dialogue between those with conflicting interests. Just as workplaces were made safer by a simple act of the law recognising health and safety trade union reps, the creation of genuinely sustainable enterprises can be achieved through opening up workplaces to properly empowered and directed trade union green reps, everyman agents of responsible green transformation.

Green reps are a maturing but unsupported creature of the labour movement. They're already shifting the dial in workplaces across the country, but, without statutory rights and a legally recognised role, they're unable to unleash new solutions and inject social justice into anything more than a minority of progressive companies. To ensure that energy producers, chemical factories, retailers, banks, construction companies, and so many more undergo the genuine, deep, lasting, safe, accountable, and just transformation to sustainability that's required, we can no-longer do without statutory recognition for green reps.

Sam Perry is the Green Bargaining Officer for Yorkshire and the Humber TUC

Notes

- 1 UK Government (2023) Greenhouse Gas Statistics, https://www.gov.uk/ government/collections/uk-greenhouse-gas-emissions-statistics
- 2 Lees, E., & Eyre, N. (2021). Thirty years of climate mitigation: lessons from the 1989 options appraisal for the UK. Energy Efficiency, 14(4).
- 3 Barrett, J., et al. (2022). Energy demand reduction options for meeting national zero-emission targets in the United Kingdom. Nature Energy, 7(8), pp726–735.
- 4 Resolution Foundation, March 2023, briefing note, 'Cutting the cuts: how the public sector can play its part in ending the UK's low-investment rut'
- 5 Solow, R. 'Technical Change and the Aggregate Production Function', *The Review of Economics and Statistics*, Vol. 39, 3, 1957, pp312-320
- 6 Dillow, C. 'Investment and Growth, Some problems.' Stumbling and Mumbling blog, July 13, 2024.
- 7 Green Alliance, February 2024. 'Why the UK needs nature-positive fiscal rules.'
- 8 Grantham Institute, 2012. 'The basic economics of low carbon growth in the UK.'
- 9 Khan, A, 2024, 'Common Wealth's Vision for Great British Energy ', July 2024, Common Wealth.
- 10 Marshall, J. and Fry, E, 2024, *Electric dreams: How can we decarbonise electricity without disadvantaging poorer families?*, Resolution Foundation.
- 11 Environmental Justice Commission. 'Fairness and Opportunity: A People-Powered Plan for the Green Transition', IPPR, 2021.
- 12 Geoghegan, P, 2024, 'Labour and the Lobbyists'. London Review of Books, 15 August.
- 13 Rees, et al., 2024, 'BOE Peers Over Gilt-Market Chasm Pivotal for Reeves's UK Budget'. Bloomberg.Com, 8 September 2024.
- 14 UKDMO, 'UK DMO Financing Remit', https://www.dmo.gov.uk/responsibilities/ financing-remit/full-details.
- 15 Gabor, D, 2024, 'The Bank of England Is Misusing Its Fiscal Powers', *Financial Times*, 29 February.
- 16 Bank of England. 'Asset Purchase Facility Quarterly Report 2024 Q2'. Asset Purchase Facility Quarterly Report. London: Bank of England, August 2024.
- 17 Positive Money, 'Briefing: A National Wealth Fund for a Just Green Transition', https://positivemoney.org/ publications/a-national-wealth-fund-for-a-just-green-transition/
- 18 Theminimule, S., et al, 2024 Our journey to net zero, Young Foundation.

- 19 Middlemiss, L., *et al*, 2023, 'Conceptualising socially inclusive environmental policy: a just transition to net zero', *Journal of Social Policy and Society*.
- 20 Paterson, M., *et al*, 2023, 'The Rise of Anti-net zero Populism in the UK: Comparing Rhetorical Strategies for Climate Policy Dismantling', *Journal of Comparative Policy Analysis: Research and Practice.*
- 21 YHCC, 'Climate Action Plan', https://yorksandhumberclimate.org.uk/climate-actionplan
- 22 YHCC, Regional Planning Policy Principles, https://yorksandhumberclimate.org.uk/ regional-planning-policy-principles
- 23 YHCC, 'Our Carbon Story', https://yorksandhumberclimate.org.uk/news/yorkshireand-humber per centE2 per cent80 per cent99s-carbon-story-can-be-positive-one-says-commission
- 24 Office for National Statistics, 2024, '*Trust in government*', https://www.ons.gov.uk/ peoplepopulationandcommunity/wellbeing/bulletins/trustingovernmentuk/2023
- 25 HFTF offers free training and resources. If you would like to learn more about this approach, or access HFTF's support, information can be found at https://www.hftf. org.uk/.
- 26 HFTF (2024) *Working with Organisations,* https://www.hftf.org.uk/working-withorganisations