



1. About us

1.1. This response is submitted on behalf of Green New Deal UK. We are a non-profit organisation founded in 2019 to build a UK movement for a Green New Deal: an ambitious ten-year national action plan to tackle climate breakdown in a way that improves peoples' lives and builds a fairer, more democratic society and economy. Our core principles for a UK Green New Deal are as follows:

1.2 The Green New Deal must:

1. Totally decarbonise the economy of the United Kingdom in a way that enhances the lives of ordinary people, workers and communities and works to eliminate social and economic inequality.
2. Create millions of new well-paid, secure, unionised jobs across the country guaranteeing healthy and fulfilling livelihoods for all workers, and communities including those in today's high emissions sectors.
3. Transform our economy so the financial system serves the needs of people and planet, with an accountable and democratic government in the driving seat. Our economy must work in the interest of everyone – with greater democratic participation, accountability and common ownership – empowering those communities currently marginalised and respecting natural ecological limits.
4. Protect and restore vital habitats and carbon sinks, including forests and wild areas, and ensure the provision of clean water, air, green spaces and a healthy environment for all.
5. Promote global justice by supporting all peoples and countries to decarbonise quickly and fairly, in line with timeframes set out by science. The Green New Deal will ensure the UK does its fair share to tackle climate breakdown – and more – to account for historic emissions and the exploitation of resources and communities, particularly those in the Global South.

1.3 The coronavirus pandemic is putting immense pressure on our national health service and economy, exposing years of underfunding in public and social infrastructure that we all depend on. The decisions made in response to the crisis will be instrumental in determining whether it is possible to limit temperature rises to 1.5°C – there is no 'neutral' response, and

decisions that support business as usual will serve to reinforce global high-carbon economies, thereby locking in climate disaster scenarios.

1.4 Meaningful and inclusive democratic participation must be an underpinning feature of the Green New Deal. A national plan will only be successful if regional elements are co-designed in localised strategies, working with local authorities, unions and civil society organisations mapped against the needs of regions or localities.

2. Priorities for investment

2.1 Investment should be targeted at sectors which have a key role to play in a zero-carbon economy. This includes renewable energy, retrofitting for energy efficiency, the circular economy, and infrastructure for walking, cycling, and public transport; but also vital sectors such as education, health and social care, which are fundamentally low-carbon and are key both to a just transition and to dealing with the impacts of climate breakdown which are already locked in.

2.2 Any funding for industries which do not have a clear plan to transition away from fossil fuels in the next ten years should be targeted at supporting workers, not companies. Funding currently earmarked for new high-carbon infrastructure should be redirected to projects compatible with the UK's climate targets: for example, the £27bn announced for road building in this year's budget should be diverted to walking and cycling infrastructure, low-carbon buses and electrification of rail, and zero-carbon freight, including cycle infrastructure for last-mile delivery.

2.3 The government should fast-track and build upon the £9.2bn manifesto promises for energy efficiency measures, with a focus on large-scale retrofits of social housing. This has been seen in Denmark, which has earmarked DKK 30bn (over £3.5bn) for green renovations to social housing between 2020-26, including insulation measures, window replacements and replacing oil-fired heating systems.

2.4 The installation of low-carbon heating solutions needs to be rapidly scaled up: at the current rate of installation, research suggests it will take more than 1,500 years to install the 19 million heat pumps needed for net-zero. The Government must scale up funding and incentives required to accelerate this pace, following the lead, for example, of the Dutch government: which announced in 2018 that, by 2022, 200,000 homes a year will be transitioned off natural gas to alternative sources of energy.

2.5 Farming has a key role to play in a just transition: a shift to smaller-scale, agroecological farming is necessary to future-proof our food production and halt the destruction of natural habitats, and would create thousands of jobs. Farmers and others working in the food system should be supported and incentivised to adopt agroecological methods and other sustainable practices. This could be achieved through a combination of financial incentives, start-up funding and grants, subsidies, and environmental taxes on non-renewable resources and high-input agricultural systems.

2.6 The challenge of adapting to the impacts of the climate crisis must also be taken much more seriously and be a priority for investment. The present crisis has underlined the importance of both crisis planning and long-term investment (for example in health and social care) to build resilience to shocks. The UK needs higher investment in natural flood

prevention, and in making drainage and sewerage systems resilient to changing patterns of rainfall.

3. Supporting green jobs

Health, safety and wellbeing of workers should be considered as a central pillar as the UK continues to deal with the coronavirus crisis. The need to ensure the return to work is safe offers an opportunity for the Government to work with businesses, unions and employees to simultaneously address long-standing concerns over working conditions in multiple sectors to make industries more resilient. Safer, more secure working conditions are critical to ensuring the industry can recover while being resilient to further pandemic-induced shocks and impacts on Government spending. Tripartite agreements – between Government, employers, employees and self-employed contractors – have been seen in Denmark as a swift and reliable way of ensuring such conditions can be met and resilience achieved.¹

3.1 In addition to financing the low carbon sectors of the future, the Green New Deal must also support the just transition of high-carbon sectors and those that they employ. Support programmes should be provided for workers and communities shift towards green industries through retraining programmes and other support mechanisms.

3.2 The UK is facing high levels of unemployment; yet there is no shortage of work to be done to build a society beyond fossil fuels and which can withstand the impacts of climate breakdown. A massive job creation programme for retrofitting, renewable energy, horticulture, restoration of nature and so on would pay for itself many times over, helping the UK meet our climate targets and lifting people out of poverty. This could be achieved through a combination of direct job creation and training by the state, greatly increased funding for local authorities to employ and train people on sustainable local infrastructure projects, and stringent requirements on, for example, energy efficiency standards, which would create jobs in the private sector.

3.3 We would also like to see greater support for alternative business models such as cooperatives, which have been shown to be more resilient than private for-profit companies.

3.4 Green New Deal UK is in the early stages of developing a Green Jobs campaign which will be a top priority for us over the coming months. We would be keen to be consulted further on this.

1

<https://www.euractiv.com/section/economy-jobs/opinion/how-to-solve-the-crisis-strengthen-workers-voices/>

3.5 Training and skills will be key for building future green industries and green employment opportunities. This could be applicable for those who are looking for work, or currently unable to return to sites in the near-term due to health risks. There is a major opportunity to establish vocational education and training programmes to develop the UK's quality net zero

construction and renovation skills base for the future. Skills and training are a central component of New Zealand's recent COVID-19 budget: it has already allocated NZ\$1.1 billion (£0.55bn) as part of an environmental jobs package, and a further NZ\$1.6 billion (£0.8bn) over four years for trades and apprenticeship training.²

4. Addressing regional inequalities

4.1 The UK must seize this opportunity to rebalance the economy away from London and the South East, and create good jobs all over the country. Strong local economies are central to our vision for a Green New Deal, with cities and regions meeting a much greater proportion of their needs through local production.

4.2 A Green New Deal would create thousands of jobs in retrofitting, renewable energy, and small-scale farming, with services located close to need, and therefore required all over the country (as opposed to focusing investment on a few mega-projects in selected areas while leaving much of the country behind).

4.3 For an efficient and zero-carbon energy system, the future is local; and the same applies to a large extent to food. Shifting to more locally-based models of production also creates an opportunity for a massive expansion of community ownership. The potential for community energy projects in the UK is enormous, and yet it seems to have dropped off the UK government's agenda entirely. While Scotland and Wales have targets for expanding community energy, England has none. Measures such as Social Investment Tax Relief, a low or zero-interest loan facility, a smart export guarantee and a renewed Feed-in Tariff for community energy projects could see rapid impact and make the most of the vibrant social capital community energy groups represent

4.4 In general, we support much more exploration of community wealth building models, community ownership and worker ownership - for example, as put forward by the Center for Local Economic Strategies. In the UK, people involved in these approaches tend to be disproportionately white, and we would welcome more focus on how to address this, and on the experiences and voices of people of colour in this sector.

4.5 Local people are best placed to know what is needed in their area, and it is vital that local communities play an active role in co-creating a Green New Deal. It is regrettable that economic development funding in recent years has principally been distributed through Local Enterprise Partnerships (LEPs), which lack civil society or worker representation, rarely

² New Zealand Government (2020) Free trades training to support New Zealanders into work. [Online]. 14 May 2020. The Beehive. Available from: <http://www.beehive.govt.nz/release/free-tradetraining-support-new-zealanders-work> include small business representation, and have been found to be lacking in transparency. Structural changes could be advanced to address these democratic shortcomings.

4.6 The remit of the LEPs or a replacement body should be focused on regional just transition, with membership drawn from a wider range of businesses as well as public sector, trade unions and the charity sector, with proper democratic oversight (possibly from a

citizens' assembly or similar model). Regional investment strategies should be required to prioritise a just transition and to assess the climate impact of investment options, with proposals rejected if they do not contribute to decarbonisation. This would ensure that regional investment is targeted where it can have the most impact on decarbonising the economy and tackling inequality. A regional Just Transition Fund could be set up to support this investment.³

4.7 To support the development of stronger local economies and benefit people on low incomes, investment in local bus and rail infrastructure and active travel should be prioritised over long-distance links.

5. Support for existing businesses

5.1 Support for large businesses as part of the Covid-19 recovery must have conditions attached on emissions and workers' rights, including mandatory pay ratios, paying the real living wage, and demonstrating a high level of transparency in their tax affairs. Large businesses should not be bailed out if they cannot show that their business plan is compatible with a rapid transition to zero. Corporate governance reforms should give workers a seat on company boards and a share of company ownership to ensure a bigger share of those company incomes went to the wider workforce, rather than billionaire owners⁴ and investors. Changes to the tax system including the introduction of a wealth tax, updates to property taxes and taxing capital gains at the same rate as income from work would also mainly hit those that could afford to pay a bit more to fund public services that benefit everybody.

5.2 Businesses with local roots contribute significant social and economic benefits to their local area. Yet for many years, business support has prioritised big corporations, and economic development strategies have focused on attracting inward investment. This has been disastrous for small businesses and has created a situation where wealth generated in a locality is frequently siphoned straight out, and where a corporation's decision to cease operations in a particular locality can be devastating for the local community. Promoting and building on the Social Value Act to support local procurement and short supply chains would help small businesses to thrive.

5.3 Cooperatives have been shown to be more resilient than private for-profit businesses – providing incentives for private companies to become cooperatives could help make them more resilient as well as benefiting workers and the local community.

³ <https://neweconomics.org/2019/11/trust-in-transition>

⁴ <http://highpaycentre.org/blog/billionaires-and-poverty-should-not-coexist>

6. Improving quality of life

6.1 If we are to build an economy which gives us a better quality of life, we must be explicit that this is our aim, and design it into all economic policies. At present, we remain trapped in a system based on private debt and endless growth, which is devastating the living world while failing to provide for people's basic needs. The correlation between GDP growth and

carbon emissions is extremely strong, and there is no evidence that 'absolute decoupling' of the two is possible. It is therefore imperative that we abandon the fixation on growth in favour of more meaningful indicators of prosperity and wellbeing.

6.2 This will not be easy: even now, the government continues to hope we can grow our way out of the economic crisis. Even if this were possible (which is highly doubtful given the long-term economic slowdown in the rich world), it would be at the expense of the world's poorest people, who are already suffering the effects of our centuries-old habit of taking far more than our fair share.

6.3 We must escape the growth paradigm if we are to have a liveable future. We hope to see development of a new narrative, building on the work of Kate Raworth, the Wellbeing Economy Alliance and others. We urge the party not to get drawn into talking about overall GDP growth as a solution to the economic crisis precipitated by Covid-19.

6.4 In more practical terms, there are many measures which could be taken to improve quality of life while also helping to decarbonise the economy. Redesigning streets to prioritise walking and cycling, and ensuring that temporary changes made for the purpose of social distancing are made permanent, would transform our cities and benefit our health. The cycling boom we have witnessed during lockdown will only last if the infrastructure is there to support it.

6.5 The lockdown has also given many people an opportunity to spend leisure time in local green spaces, and perhaps strengthened their desire to protect them. Local authorities need funding to guarantee the future of parks, action should be taken to protect rights of way which could vanish from 2026 (<https://www.oss.org.uk/what-do-we-fight-for/footpaths-rights-of-way/taking-action/>), and the Environment Bill must be strengthened to ensure existing environmental protections cannot be watered down.

7. What other issues/points do you think are important? What are the Covid-19 challenges of delivering such a programme and how might they be overcome?

7.1 Economic and social inequality, divisions and alienation within society, and degradation of the natural environment will all be exacerbated by the climate crisis, which is already making itself felt in the UK in the form of heatwaves and flooding. Covid-19 has shown how ill-prepared we are for major crises, and is a warning that we must urgently rethink our economic system. The climate crisis, and the need for a just transition which improves people's lives, must be the lens through which we see all policymaking. We have no more room for manoeuvre; we cannot afford any more policy decisions or infrastructure projects which fuel climate change instead of tackling it.

7.2 We would like to see work showing the government that detailed carbon accounting is possible and using detailed projections to challenge them on the climate impact of their decisions. It is likely that we will (finally) begin to see movement from the government on some of the good things we need to do, such as retrofitting; opposition parties must

emphasise that in order to make any progress, we must also stop doing the bad things: we must have a clear plan for urgently phasing out oil and gas and drastically reducing flights.

7.3 The causes and impacts of the climate crisis are of course global, and those impacts are being disproportionately felt by the countries which have done least to cause them. The UK must acknowledge its global responsibility and do far more to support a global just transition. This includes debt cancellation, genuinely new and additional finance for adaptation and loss and damage, and ending all public financing of fossil fuel projects.

7.4 The climate crisis is still not widely understood as an issue of justice both globally and in the UK. We would welcome greater efforts to develop public understanding of the issues, and the extent to which they will affect all our lives.