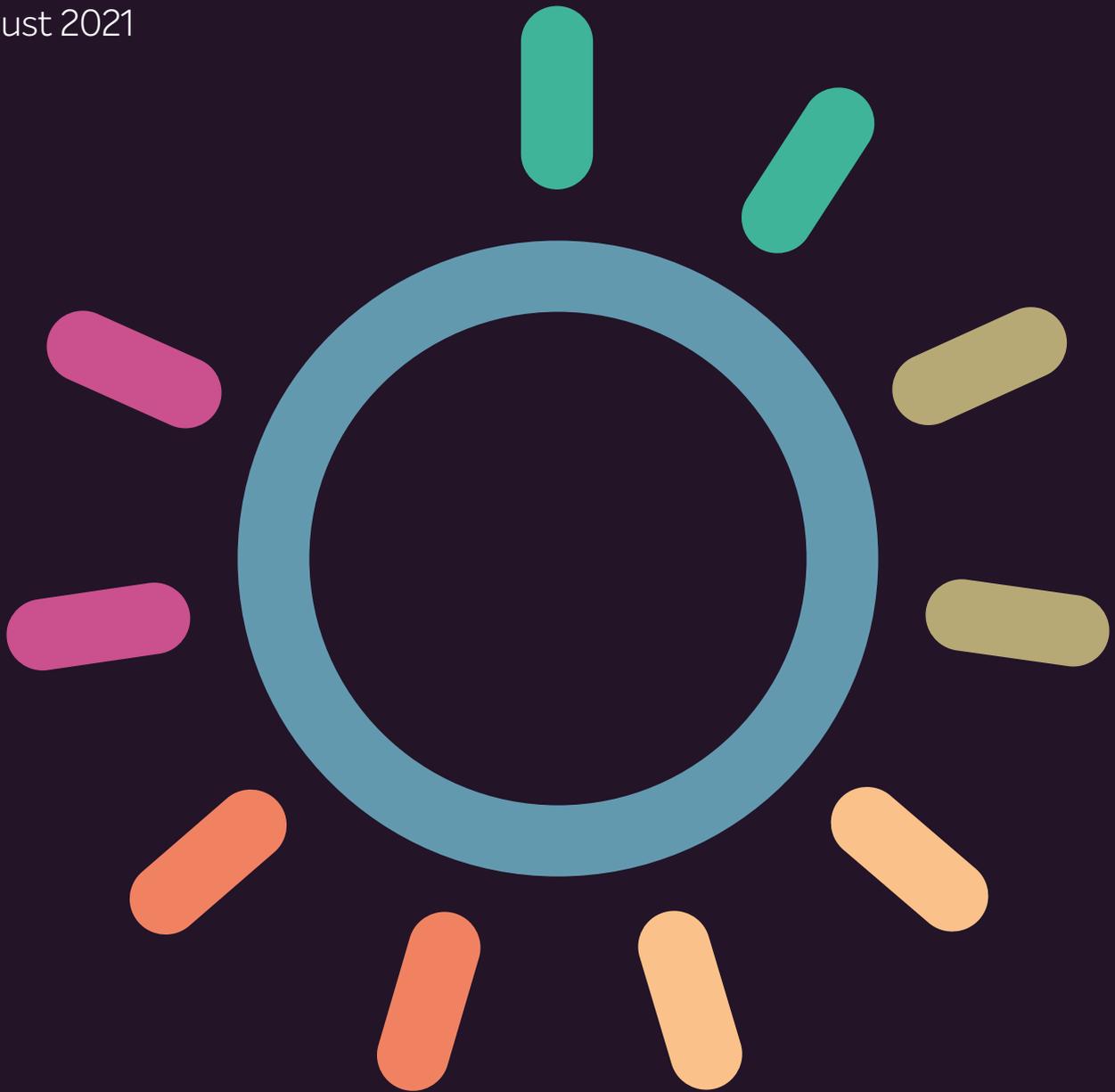


# Solving the climate crisis

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**What the UK government should do now to create a sustainable future**

Nick Tyrone  
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centre for  
**progressive  
policy**



*In the months leading up to COP26 the importance of mitigating climate change is more urgent than ever. Reducing emissions to net zero is a substantial task requiring careful planning, coordination and resources to ensure it is both achievable and fair.*

*This paper by CPP Visiting Fellow Nick Tyrone marks the start of a series of CPP publications exploring how the UK can transition to net zero in a way that supports the aims of inclusive growth – leaving no people or places behind.*

In late June 2021, the small town of Lytton, British Columbia became world famous for being not only the hottest place on Earth for almost a week straight, but also for breaking the record for the hottest temperature in the whole of Canadian history on three successive days.<sup>1</sup> At its peak, the heatwave saw the town reach 49.6 degrees centigrade, a temperature that would be scary in Dubai or sub-Saharan Africa, never mind in a place with an average mercury reading of 14 degrees and a record low of 36 below zero.

A few days later, most of Lytton burned to the ground, a victim of the forest fires caused by the incredible heat. It was a potent reminder of the dangers of climate change everywhere on Earth, even portions of it no one would have been thinking about a decade ago in terms of feeling the most adverse effects of changing weather patterns. It looks like we might be entering an era of ever more unpredictable weather across the globe, putting greater pressure on meeting net zero targets before it becomes too late.

Luckily, there is consensus across most of the political spectrum in Britain that countering climate change is one of the most important challenges of the present day. While one can argue that Labour's proposed Green Industrial Revolution in its 2019 general election manifesto<sup>2</sup> went a lot further than the current government would dare on sustainability, this Conservative government has put forward a Ten Point Plan for a Green Industrial Revolution,<sup>3</sup> with the language in its title not so subtly evoking the opposition's blueprint for combining concern for the environment and the levelling up agenda. Almost everyone agrees these days, in Great Britain at least, that climate change must be urgently countered.

Yet despite this agreement across party lines on sustainability, not enough is being done to tackle the

climate crisis in the UK. The current government likes to state that greenhouse gas emissions (GHG) have fallen by 42% over the past three decades. This is technically true<sup>4</sup> but with one incredibly important caveat: while there are several proactive ways that the UK has reduced its territorial emissions since 1990,<sup>5</sup> the biggest reason GHG emissions have fallen by so much over the past thirty years has not been by design but as a result of a more depressingly prosaic fact – the UK makes far less stuff than it once did. A decline in manufacturing has naturally resulted in a fall in emissions. Worse, all this means is that the UK imports its carbon footprint from elsewhere, meaning worldwide emissions have stayed relatively the same in relation to what the UK actually consumes.

This is key because it can easily become part of the narrative that the UK faces a choice between being greener *or* creating more jobs, particularly within lower income or traditionally working-class vocations. But this is false. In fact, the UK can reach its emissions targets and grow the economy, while also levelling up at the same time if it follows a course designed properly to do all of those things at once.

## **The Ten Point Plan for a Green Industrial Revolution examined**

The government unveiled its Ten Point Plan for a Green Industrial Revolution in November 2020. It implicitly superseded a green plan unveiled in July of 2020 for green growth post-Covid that was valued at a paltry £350 million.<sup>6</sup> The latest plan is thankfully much more ambitious.

*The ten-point plan breaks down as:*

- 1 More offshore wind
- 2 Driving the growth of hydrogen
- 3 More nuclear power
- 4 Accelerating the shift to low-carbon vehicles
- 5 Green public transport – making it easier to cycle and walk
- 6 Jet zero and green ships
- 7 Greener buildings
- 8 Carbon capture
- 9 Protecting the natural environment
- 10 Green finance

The categories as stated are all reasonable; the government is broadly looking in the right areas. The issue with the plan comes when you begin to look at the detail. It is high

<sup>1</sup> Holthaus, E. (2021) *How did a small town in Canada become one of the hottest places on Earth?* The Guardian. Available at: <https://www.theguardian.com/commentisfree/2021/jun/30/lytton-hottest-places-world-climate-emergency>

<sup>2</sup> Labour Party. (2019) *A Green Industrial Revolution*. Available at: <https://labour.org.uk/manifesto-2019/a-green-industrial-revolution/>

<sup>3</sup> Department for Business, Energy & Industrial Strategy. (2021) *The ten point plan for a green industrial revolution*. Available at: <https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution/title>

<sup>4</sup> Department for Business, Energy and Industrial Strategy. (2017) *UK Greenhouse Gas Emissions Report*. Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/695930/2017\\_Provisional\\_Emissions\\_statistics\\_2.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/695930/2017_Provisional_Emissions_statistics_2.pdf)

<sup>5</sup> These include including reducing coal burning – coal's share of the UK's total carbon emissions was 28% in 2012; by 2018, that had fallen to 5.5% – energy improvements such as more efficient household appliances combined with the phase out of incandescent lightbulbs, and, mostly through subsidies, cleaner power becoming much more prevalent – energy from renewable sources was only 4.56% of the UK market in 2006; in 2019, this had jumped to 35.8% (ibid).

<sup>6</sup> Prime Minister's Office. (22 July 2020) *PM commits £350 million to fuel green recovery*. [Press Release] Available at: <https://www.gov.uk/government/news/pm-commits-350-million-to-fuel-green-recovery>

on admirable targets but often very short on the practical means to achieve them.

Take the ‘greener buildings’ point, number seven. The main target here is to: “Ensure that the public sector has reduced its direct emissions by 50% compared to a 2017 baseline” by 2032,<sup>7</sup> which is a positive aim. The problem comes when you examine how it intends to do this. There is an ambition to have 600,000 homes switch from boilers to heat pumps by 2028 – an incredibly tight schedule for such a mammoth task – which comes across as another lofty ambition with no solid policies publicly visible on how it will be achieved. Sentiment at large in the UK is not there yet in terms of large-scale switching from gas boilers to heat pumps, which means there is a PR exercise required which has not even begun. The government also faces a shortage of people qualified to install the pumps. In fact, most of the practicalities around achieving the target appear to be missing.

This is also true when you look at the other policy solutions laid out under the ‘greener buildings’ section of the ten-point plan, which consist of having new builds be “zero carbon ready” (which is a no-brainer and the least any government should be doing) and a re-tread of the Green Homes Grant, something which has already twice failed spectacularly.<sup>8</sup>

The reasons the Green Homes Grant did not work are straightforward. There were not enough qualified people to do the work, and the way to become an approved contractor was complicated and inefficient. The incentives to homeowners were not good enough. The plan was not widely publicised. There seems to be an idea held sacred by this government that these sorts of initiatives will simply work through vague market mechanisms, when the big problems are usually of a kind that cannot be overcome without some kind of governmental support to at least instigate change. If the government could help things along by creating the right regulatory environment, while using its ability to publicise initiatives, the private sector could do a lot more on retrofitting than has been the case to date (see more on this below). People fear the unknown, particularly in the age of Covid; convincing millions to install heat pumps and/or get their houses retrofitted will require much more than hoping for the best.

Although the ‘greener buildings’ section is noticeably poor in this respect, the tendency to overpromise on ambitious targets while providing far too little policy substance on how they will be achieved is a common theme throughout. The worst aspect of the green industrial revolution outline may be that, although there is some direct provision for support and training for some of the

jobs required to meet the targets, there are large holes which one can only assume the government is hoping the invisible hand of the market will resolve. For instance, the ‘jet zero and green ships’ section states that, “Up to 5,200 jobs supported by a domestic SAF industry” will be created. Yet the plans as detailed only include a “£15 million competition to support the production of Sustainable Aviation Fuels (SAF) in the UK”, the creation of an SAF clearing house, and an unquantified investment in “the infrastructure upgrades required at UK airports to move to battery and hydrogen aircrafts”.<sup>9</sup> It is difficult from this to get to 5,200 jobs being created and the danger is that underlying assumptions are being made that, given the lack of success of recent green initiatives, are not warranted.

Is this any worse than what other governments are doing on green growth? How does the UK stack up compared to other countries on this issue?

## The situation in the EU

The EU adopted the Circular Economy Action Plan in March 2020.<sup>10</sup> This can be seen as an upgrade on a similar plan the EU took up in 2015<sup>11</sup> which was for the most part successful in reaching its targets. One of the best things about this EU project is that its goals have been and are continuing to be measured directly, due to the establishment of the Monitoring Framework for the Circular Economy,<sup>12</sup> which allows for transparent observation of policies against goals within short timeframes. There is nothing like this in any area of UK policy, and this should be done in Britain, only better. In fact, there tend to be a lack of feedback loops for all of the UK government’s green measures – one of the main reasons no one knew the Green Homes Grant was failing until it was too late – and a way of measuring success for green policies should be put in place as soon as is logistically possible.

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The EU plan is considerably more fleshed out with practical policy steps than the UK government’s ten points. However, it is less ambitious in many respects. The EU circular economy plan is focused primarily on cutting

<sup>7</sup> Department for Business, Energy & Industrial Strategy. (2021) *op sit*.

<sup>8</sup> Murray-West, R., (2021) *Why did the Green Homes Grant fail and what is the impact on home and business owners?* Metro. Available at: <https://metro.co.uk/2021/04/19/why-did-the-green-homes-grant-scheme-fail-and-whats-the-impact-on-consumers-14422354/>

<sup>9</sup> Department for Business, Energy & Industrial Strategy. (2021) *op sit*: Point 4.

<sup>10</sup> European Commission. (2020) *Circular Economy Action Plan*. Available at: [https://ec.europa.eu/environment/strategy/circular-economy-action-plan\\_en](https://ec.europa.eu/environment/strategy/circular-economy-action-plan_en)

<sup>11</sup> European Commission. (2020) *First circular economy action plan*. Available at: [https://ec.europa.eu/environment/topics/circular-economy/first-circular-economy-action-plan\\_en#:~:text=In%202015%2C%20the%20European%20Commission,growth%20and%20generate%20new%20jobs](https://ec.europa.eu/environment/topics/circular-economy/first-circular-economy-action-plan_en#:~:text=In%202015%2C%20the%20European%20Commission,growth%20and%20generate%20new%20jobs)

<sup>12</sup> Eurostat. (2018) *Monitoring Framework*. Available at: <https://ec.europa.eu/eurostat/web/circular-economy/indicators/monitoring-framework>

down on waste and moving to more sustainable materials in everyday products. While these are important, it does not delve into sustainable transportation, retrofitting of older housing stock or reforestation. Organising such matters across 27 member states, with significant variations in progress and applicability, is either difficult or impossible; many of the policy areas addressed in UK's plan would reside at the national level, outside EU competency. Yet, having made these caveats, one still must credit the ten-point plan in the UK for being comprehensive and ambitious in its targeting.

Strange as it may sound, if we could combine the practical intricacy of the EU's plan with the ambitious targets of the UK government's ten points, we might arrive at something that is highly effective.

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### The situation in the USA

In America, President Biden introduced his Green New Deal early into his presidency.<sup>13</sup> In some senses it is massively ambitious, particularly given the need to start from scratch in light of the previous administration's view on the subject. The US government is not shying away from throwing money at the problem either, with \$2 trillion promised.

The issues with the US Green New Deal are twofold. Much of the targeting is centred on 2050 as opposed to anything sooner (there are some 2035 milestones in there, just not enough of them). Second, there can be a tendency to fold green targets into overall Democrat policy, resulting in confusion. A good example is the section on the auto industry, which reads:

*“Create 1 million new jobs in the American auto industry, domestic auto supply chains, and auto infrastructure, from parts to materials to electric vehicle charging stations, positioning American auto workers and manufacturers to win the 21st century.”<sup>14</sup>*

It is not clear here if the goal is to simply create a million new jobs in the sector overall, some of which will be in creating electric vehicles and attendant infrastructure, or whether all the new jobs will be specifically created around sustainable transportation. If the former, that could even result in creating jobs in the old carbon economy which, from a green perspective, would be a retrograde step.

The Green New Deal offers a massive improvement on the blank sheet of the Trump administration – but lags behind the practical steps being taken by the EU and the much more ambitious targets of the UK plan.

To summarise, in comparison to plans being developed by other governments and supra-national entities across the west, the UK's ten-point plan has some things to recommend it. However, the plan relies heavily on the private sector doing a lot of the heavy lifting, while simultaneously not supporting it enough, either through subsidies or a better regulatory environment in which green business could thrive. The plan suffers from a lack of practical policy steps and could be summarised succinctly as: targets good, methods poor.

### What should be the immediate sustainability ‘quick wins’ for the UK?

The government has more than just its ten-point plan in the public domain, notably the Energy White Paper, published in December 2020<sup>15</sup> and subtitled ‘Powering our Net Zero Future’. For the most part, it reiterates the ten-point plan, but there are some interesting policy takeaways that are much more fleshed out here than in what the government put out in November last year.

#### *Greening buildings*

A key policy area is around rented properties and EPC (Energy Performance Certificates) bands. The Energy White Paper pledges to require all rented non-domestic buildings to be Energy Performance Certificate (EPC) Band B by 2030, barring lawful exceptions.<sup>16</sup> Given that newly rented non-domestic buildings have been required to be EPC Band E since 2018 and renting any commercial property below that Band will become unlawful from the start of 2023, jumping up to Band B less than a decade from now is another lofty green target from this government. However, the weakness of their strategy is, again, in the practical process. Surely keeping the cut-off for rented offices at Band E until 2030 and then jumping suddenly to Band B in one go is preposterous?

The government needs to put in place a plan to ratchet the Bands up for the lead-in to 2030. A proposed version

13 Biden, J. (2020) *The Biden Plan To Build a Modern, Sustainable Infrastructure and an Equitable Clean Energy Future*. Available at: <https://joebiden.com/clean-energy/>

14 Federal Government. *Recognizing the duty of the Federal Government to create a Green New Deal*. H. Res. 109. 116th Cong. (2019) pg. 5. Available at: <https://www.congress.gov/116/bills/hres/109/BILLS-116hres109ih.pdf>

15 Department for Business, Energy & Industrial Strategy. (2020) *The Energy White Paper: Powering our Net Zero Future*. Available at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/945899/201216\\_BEIS\\_EWP\\_Command\\_Paper\\_Accessible.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/945899/201216_BEIS_EWP_Command_Paper_Accessible.pdf)

16 *ibid.*

might look like this: make Band D the minimum EPC rating by 2025 and Band C the minimum by 2028. This would serve two main functions: one, to ensure the transition is not too harsh or results in a lot of stranded assets (i.e., property owners figuring it might be easier to demolish buildings instead of retrofitting them, which is a carbon intensive undertaking, particularly if there will be construction of a new building to replace the old one); two, it would demonstrate that the government is completely serious about its Band B 2030 proposal. By rolling out a practical plan for how we get to a minimum Band B EPC rating for all commercial properties by 2030, asset managers will take the plans much more seriously, as opposed to simply lobbying the next government to scrap the plan or, at the very least, extend the transition period given how difficult it will be for commercial property owners to put into practice as 2030 approaches.

Again, the ‘how’ within the ten-point plan is its most acute failing. Beyond the EPC plan detailed above, for the government to try and meet the ambitious green targets it has set for itself, it needs to act to:

- create the jobs necessary
- incentivise the private sector to play its part
- put in place structures to hold the government to its own promises and measure their real-world impact on the environment and the economy.

#### *Upskilling for green jobs*

Creating a much greener economy than the one we have now, not to mention replacing the jobs tied to carbon-heavy industries with jobs in a new, sustainable economy will require a lot of retraining and upskilling. This is particularly so if we wish to create jobs that will be around for a while and relatively safe (as opposed to green jobs that might be temporary), thus helping the government’s levelling up agenda. The ten-point plan mentions 250,000 green jobs to be created, yet this figure seems too low if the plan’s other goals are to be achieved, particularly as these jobs will not appear all at once but over the course of a decade. On current trend, unless things change dramatically, the green sector will only be as large as the fishing sector by 2030, which currently makes up only around 0.1% of GDP.<sup>17</sup>

It is also not at all certain that a post-Brexit UK has the skills required in the domestic population to create the green growth the government is promising. Relying on immigration to fill the gaps, particularly post-Brexit, would be risky.

As a result, upskilling is of utmost importance, not just as a practical means of achieving the government’s green industrial revolution but to ensure that the transition to a more sustainable economy results in employment growth, not job losses. Retraining needs to go to the people whose livelihoods are most at risk. As part of the move to ‘global

Britain’ post-Brexit, would it not be great if the UK not only trained the workforce in all areas required to meet the sustainability needs of the country, but could also lend its expertise and resources acquired from being early adaptors and first movers in the net zero space across the whole planet?

We need local technical colleges (or to expand the range of courses offered by institutions that already exist) which will allow employers to upskill quickly in the new, sustainable economy. These colleges could work with employers to identify and meet skills gaps according to need. The government also needs to invest in a lot more PhDs in the areas relevant to the ten-point plan. Essentially, it has to work out the jobs that will be required over the next two decades in as much detail as possible and then localise that plan, setting up training institutions wherever necessary.

#### *Incentivising the private sector*

The Taskforce on Climate-Related Financial Disclosures (TCFD) is seeking a set of items that all publicly listed companies, large private companies and limited liability partnerships have to publicly disclose on an annual basis.<sup>18</sup> While the TCFD disclosures have yet to be fully determined, Number 10 is talking about making them mandatory for a range of businesses by 2025. This is to be welcomed, but the government should go further. It should be directly involved in making sure that elements of the final disclosure package line up with the ten-point plan delivery as much as is logistically possible. A good example would be on EPC ratings: the government places a welcome emphasis on them in its latest Energy White Paper,<sup>19</sup> and yet they are not mentioned specifically within TCFD guidelines at all as it currently stands. The government should also take the annual requirement for disclosure and make it quarterly as soon as possible for all but certain caveated items. By tying sustainability disclosure into quarterly financial reporting, we would be embedding climate change measures into the very fabric of the way business and capital investment is done in the United Kingdom.

#### *Holding the government to its promises*

Policy performance bonds (PPBs) – a type of Environmental Impact Bond (EIB) – could form a big engine of net zero targeting. These would be slightly different than what have come to be known as ‘green bonds’, which are simply bonds that tend to be tied to the success of specific sustainable projects. PPBs would be much more like normal government bonds in a sense that they would be almost like insurance for companies, a way to hedge bets on whether the government really is serious about its plans for sustainability or not.

<sup>17</sup> Franklin, B. (2020) *The levelling up outlook*. Available at: <https://www.progressive-policy.net/downloads/files/PPP-Levelling-up-outlook-no2.pdf>

<sup>18</sup> Task Force on Climate-related Financial Disclosures. (2021) *Proposed Guidance on Climate-related Metrics, Targets, and Transition Plans*. Available at: [https://assets.bbhub.io/company/sites/60/2021/05/2021-TCFD-Metrics\\_Targets\\_Guidance.pdf](https://assets.bbhub.io/company/sites/60/2021/05/2021-TCFD-Metrics_Targets_Guidance.pdf)

<sup>19</sup> Department for Business, Energy & Industrial Strategy. (2020) *op sit.*

PPBs would be tied to green measures announced by the government and specific targets within those policies. If targets were met or exceeded, the bonds would only increase in value with basic inflation. If, however, the government missed those targets, the PPBs would increase in value, scaled to the level of how badly the target was missed. Pay outs on the PPBs above inflation would then have to be channelled into green initiatives. While PPBs have not been tried anywhere in the world as yet, the theory makes sense.<sup>20</sup>

This would directly incentivise the government to meet its targets given there would be a large financial penalty for not doing so. It would also send a huge signal to the private sector that the government was extremely serious about hitting sustainability targets. The private sector would then have to account for the idea that environmental targets are not just for show any longer; that it must now adjust to a world in which these targets are absolutely for real and will not be ditched when the going gets tough.

Either way, the green economy grows. The selling of the PPBs would incentivise green growth on its own because either the government meets its targets, which is great in terms of sustainability, or it does not and has to pay out to the private sector, which would hopefully be incentivised to pick up the slack on net zero. Ideally, this would be done through tying investment in the bonds to green measures, regardless of outcome, meaning any upside experienced by investors had to go to something that contributed to net zero. If this was deemed too draconian a measure, the incentives for the government to meet green targets would still be present, making a huge difference to net zero outcomes.

### *Monitoring and measuring success*

Finally, the government must find a way to measure the success or failure of its efforts at fulfilling the targets within its ten-point plan, and these results need to be made available to the public. A starting point would be the EU's Monitoring Framework for the Circular Economy; and setting out clear publicly available measures of how each initiative in the ten-point plan is reducing Metric Tons of Carbon Dioxide Equivalent (MtCO<sub>2</sub>e) in quantifiable terms.

### **How to take the public along on the journey**

Two things will be vital in bringing the public along for the ride that will accompany the disruption a shift to a net zero economy will bring over the coming decades. One is creating at least as many jobs as are lost to carbon-intensive and other industries abandoned to the new, sustainable world. The other is contextualising Britain's battles to transform its economy in light of what is happening across the globe, particularly in China.

Starting with job creation: as previously mentioned, one of the biggest problems the UK faces is the lack of a

domestically based skills market needed for the transition to a more sustainable economy. If people see that green initiatives seem to result in fewer jobs or even lower paying jobs than the old carbon heavy industries created, public support for green measures will inevitably wane. Similarly, if voters in former 'red wall' areas feel they are taking the brunt of the change to net zero, it might cause the government to change tack. The distribution of green jobs and opportunities, not just overall number, is important.

## The reward for the UK of making itself greener needs to be clear to the general public

The basic message from the government has to be this: yes, we will all have to pay a little to avert a climate disaster. This is unavoidable. But for a start, *we have to do it*. We cannot simply leave it to other countries and hope for the best. Talking about how much the UK has reduced its carbon footprint over the last thirty years does not absolve the country of the moral responsibility of doing all that it can, nor help us avoid localised issues around climate change as they affect the UK in particular. The reward for the UK of making itself greener needs to be clear to the general public, particularly those who do not pay that much attention to national politics. The messages must be simple but effective: we have to change, but we also have to support people and places through this vital transition.

This is how public relations can do a lot to popularise green measures – or at least, ameliorate hostile feelings towards them. This government has not taken full advantage of this tool as yet. A good example of this failing is the Green Homes Grant in which too few people either understood what was on offer or even knew there was an offer at all in terms of having their home made more energy efficient. The government needed to run a large public affairs campaign to get people to understand that:

- 1 Retrofitting houses will be a major way of getting to net zero
- 2 The government is willing to pay for this to take place
- 3 The public will save on heating bills as a result

Beyond all this, there is even a patriotic, dare one say, socially right-of-centre take on the battle to turn the economy green waiting to be taken advantage of by this government. Namely, that if we do not take the lead on sustainability, we will be leaving net zero growth to China, further weakening the west's and by extension liberal democracy's hold on one of the most important matters of the day.

<sup>20</sup> Professor Michael Mainelli of Gresham College and UCL (formerly of LSE) has done a lot of work on modelling how PPBs could work in practice. See Mainelli, M. (2019) *Policy Performance Bonds For ESG & Climate Change – A Primer*. Available at: (<https://www.longfinance.net/news/pamphleteers/beyond-words-why-london-climate-week-needs-policy-performance-bonds/>).

## Conclusion

In comparison to other green growth plans throughout the western world, the one the UK government has put together is not bad – in theory, at least. The targets set are ambitious in places and even admirable, but how we are meant to practically meet them remains a mystery in many cases. The government needs to start putting the ‘how’ together, including the role of local leadership, in order to answer the ‘when’ and ‘what’ questions around climate change already posed.

First and foremost, the government needs to demonstrate that it is genuinely serious about meeting the climate change related targets that it has set for itself. Large parts of the private sector remain unconvinced, and rightly so; the green targets are all set for a date beyond which the current prime minister can expect to still be holding the office. Without detail on how the targets will be delivered, they lack credibility. This, combined with the lack of practical measures to reach the current net zero targets, means it becomes easy to see why a lot of businesses do not take it seriously enough. There is a feeling within parts of the private sector that the government can be talked out of green measures as we approach dates like 2030 or 2035.

If the government can flesh out its policies, making the targets it has set come to life, then it can start to legitimately work towards the goals of the Green Industrial Revolution and demonstrate that it means what it says. Otherwise, the worry is that the ten-point plan feels like a temporary political exercise, signifying not much other than hot air – something to do as a showpiece for COP26 and little else. The government has half a plan on sustainability, which is a great deal better than nothing, but it needs to make its plan for moving to a sustainable economy complete.

### **The recommendations in full – how the government can help achieve net zero within the time limits set by its own agenda**

- 1 The government is pledging to make all rented non-domestic properties Band B minimum by 2030. If this is seen through, it would create a massive retrofitting project of commercial buildings, which are a huge source of GHG emissions, so it is to be welcomed. However, the government needs a plan to ratchet toward this goal, both for practical reasons and to show the target is serious and will not disappear. We suggest: Band D minimum by 2025, Band C minimum by 2028.
- 2 We need local technical colleges (or to expand the range of courses offered by existing institutions) that will allow employers to upskill quickly in areas of the new, sustainable economy. These colleges could work with employers to identify and meet skills gaps according to need. The government also needs to invest in a lot more PhDs in the areas relevant to the ten-point plan. It needs to nurture the domestic workforce as we switch to a less carbon-intensive economy.
- 3 Words from the government around making TCFD-related disclosures mandatory by 2025 are welcome. But it should work to ensure that the disclosures made

would be right for the needs of the UK. It should also look to make a range of the disclosures mandatory on a quarterly, not just annual, basis.

- 4 The government should begin to issue Policy Performance Bonds, which would be bonds tied to green measures announced by the government and specific targets within those policies. This would act as an insurance policy, guaranteeing green outcomes: either the government meets its targets or has to pay out to the private sector.
- 5 There needs to be a way of measuring the success or failure of green initiatives and these metrics must be transparent, available to the public, preferably in real time but, failing that, very regular intervals. A starting point should be to replicate the EU’s Monitoring Framework for the Circular Economy.

## **About the Centre for Progressive Policy**

The Centre for Progressive Policy is a think tank committed to making inclusive economic growth a reality. By working with national, local and international partners, our aim is to devise effective, pragmatic policy solutions to drive productivity and shared prosperity in the UK.

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