

SECURE, FAIR AND GREEN

A Plan For Climate, People & Nature

The British public has never been so concerned about climate change and the destruction of nature. But we've also never been more hopeful about our power to tackle it. People all over the UK are ready and willing to make the changes we need to slow down climate change and bring nature and wildlife back to its full glory.

Our vision is for a country and a world where children walk to school breathing fresh air instead of dangerous fumes, and where their parents think about the future with hope instead of fear. We want brilliant engineers, builders, and scientists to roll out the solutions that will make our homes and cars safer, cleaner and cheaper to run. We want to hold our heads high in the knowledge that the UK is doing its fair share to stop climate change, and helping the hardest-hit. We want to look at our mountains, forests and seas with wonder, not worry.

Now we need the government to step up to the challenge. Science tells us that this is a make-or-break decade for the planet we live on. Time is short, and we're running out of patience for more warm words. Instead, this must be a decade of delivery. We call on the Prime Minister, Chancellor and every government minister to rise to their historic responsibility to keep people safe, the climate stable, and nature protected.



For climate: make the UK's homes warmer, bills cheaper, and air cleaner by urgently increasing energy efficiency and replacing polluting fossil fuel energy with affordable renewables.



- 1. Keep homes warm** and make bills affordable with a fully funded ten-year plan to increase home energy efficiency. Help people switch to heat pumps, which are cheaper to run, safer, and keep our air cleaner than gas boilers.

WHAT WE WANT THE GOVERNMENT TO DO

We need a large-scale, long-term UK-wide programme to upgrade our homes, to help reduce the UK's reliance on volatile international gas markets, reduce energy bills at a time that gas prices are soaring and reduce emissions. The Government should commit to an additional public investment of £9.75bn over the remaining course of this parliament, including £3.6bn for home insulation measures and £4.15bn for heat pumps. This should be delivered in a way that is sensitive to historic and listed buildings. Regulatory changes - such as introduction of new minimum standards for homes being rented or placed on the market - should be introduced with affordability as a central consideration, taking steps to ensure all fuel poor and low-income households are positioned to benefit from the clean heat transition.

THE PROGRESS SO FAR

Housing in the UK is leaky and draughty. We have older housing, and our homes leak heat three times faster than those in Northern Europe. This means we spend more money and energy keeping our homes warm - and the cost of that energy is going up, contributing to the current cost-of-living crisis. For more than a decade, Government policy on this has been stop-start, with no long term plan and investment.

In October 2021 the UK Government published its Heat and Buildings Strategy, which should have addressed these issues. However, the Committee on Climate Change says that while the strategy lays out important high-level decisions on the UK's approach to reducing emissions from heating buildings, "plans are not yet comprehensive or complete". There are gaps in the strategy in particular for energy efficiency improvements to 'owner occupier' homes which make up the majority of UK housing. Another example, the Boiler Upgrade Scheme (BUS), which provides £450 million over three years, will help just 30,000 installations a year - nowhere near enough to build capacity in the installer market to deliver the Government target of 600,000 heat pumps a year by 2028.

With fuel bills at a record high and projected to rise even further, retrofitting and building homes fit for the future is vital, with the Future Homes Standard being developed and written in 2022. The UK Infrastructure Bank could play an important role in supercharging the transition, offering attractive concessional finance similar to the German KfW development bank which has helped underpin a mass market.



2. Safeguard our energy security by scaling up homegrown renewable energy from the UK's inexhaustible wind, sun and tides, including tripling well-sited onshore wind and solar in harmony with nature. Protect British bill payers from price hikes caused by volatile fossil markets by ending our reliance on gas, and keeping fossil fuels in the ground.

WHAT WE WANT THE GOVERNMENT TO DO

Fully decarbonising our power system as quickly as possible is vital for achieving the UK's climate targets across a range of sectors. The war in Ukraine has emphasised the fragility of fossil fuel prices and supply chains, and the importance of the UK getting off hydrocarbons and ruling out new fossil fuel extraction as soon as possible. The Government must guarantee that over 30GW extra offshore wind will be contracted to be delivered by the end of the decade, and that support for community energy, and well-sited onshore wind and solar schemes with community support will be significantly boosted so that onshore renewables are at least tripled by 2030. All of this needs to be matched by upgrades to deliver a smart energy grid to share energy between European countries with better storage and flexible demand. All energy development must avoid harm to the natural and historic environment and be compatible with ecological recovery.

THE PROGRESS SO FAR

The Prime Minister announced in the British Energy Security Strategy in April 2022 a commitment to achieve 50GW of offshore wind by 2030. This sits alongside a commitment for more stringent requirements for supply chains to provide UK jobs in Contract for Difference (CfD) auctions. A commitment was also given to allow solar and onshore wind to compete in the CfD auctions due to start in the autumn of 2021, giving them a route to market. And offshore wind will now compete in a separate 'pot' from other less established tech (e.g. floating offshore, marine etc) in future auctions. Most recently, the Government has committed to annual CfD auctions for renewables. This is all a huge boost for renewable power development in the UK which will generate thousands of jobs. Significant additional wind and solar capacity needs contracting over the next 4 years to meet the Government's targets - which is more vital than ever in light of the energy security crisis. This requires high capacities of each technology in future allocation rounds, enlarging the CfD funding pot which will create more funds for floating offshore wind and tidal. The urgency of the climate and security crises requires lifting the artificial cap of 5GW contracted capacity on onshore wind and solar at each auction. It also requires extra policy and fiscal support for onshore wind, solar and community energy. A spatial plan and nature positive actions are needed to accelerate offshore wind development. Simultaneously, the minimum size of projects eligible to take part in CfD auctions should be reduced to better enable smaller-scale and distributed energy schemes. And ambitious targets for renewable hydrogen, interconnection, battery storage and demand-side response are needed to support grid upgrades.

Home grown energy is also playing an increasing role in electricity generation with domestic solar now exceeding 3GW. There is also a role under the Local Electricity Bill for community based generation to support villages and small towns. Ground Source and Water source heat networks are also playing a vital role in helping to decarbonise the grid. The cost of solar has fallen to an all time low with installations around £5,000 with payback periods under 10 years.



- 3. Make our roads cleaner and lungs healthier** by speeding up the shift to zero emission vehicles. Make Britain the best place in the world to get around by investing in high-quality, electrified public transport across the country, and in more walking and cycling networks.

WHAT WE WANT THE GOVERNMENT TO DO

A zero carbon transport system fit for the 21st century can boost productivity, create jobs, support levelling up, and clean up the air we breathe. To achieve this, the Government needs to set ambitious targets, increase investment in walking and cycling and update the National Planning Policy Framework for new developments - making walking, wheeling, cycling or public transport the easiest choice for short journeys. The transition to zero emission vehicles needs to happen as fast as possible, with an ambitious Zero Emissions Vehicle mandate and no loopholes for more polluting hybrid vehicles. Emissions from aviation need to be reduced through policies such as a Frequent Flyer Levy and avoiding all new airport expansion, including at Heathrow.

THE PROGRESS SO FAR

In 2020, the Prime Minister announced a 2030 phase out target for new petrol and diesel vehicles and a 2035 phase out target for hybrids. This is a major breakthrough and will help accelerate the transition to zero carbon transport. However, there is a high risk that more polluting hybrids will be allowed until 2035 which would be a massive loophole in phase out plans for fossil fuel cars. A Zero Emissions Vehicle mandate with ambitious annual targets is needed to force manufacturers to shift production.

A £2 billion funding pot for cycling and walking was also announced at the beginning of 2020 for a 5 year period as well as additional funding for electrification of rail and more electric buses. But this is not enough to get on track to net-zero. As well as additional funding, local authorities need to build skills and capacity to enable them to effectively invest in active travel. Without a significant modal shift we will not reduce transport emissions enough. Funds for new roads need to be redirected towards clean transport solutions instead, especially expanding bus services and adding new routes to service rural communities. More funding is also needed to continue the roll out of zero emission buses, and rail electrification.



- 4. Use Britain's economic influence** for good. Ensure public spending and private finance invests in projects that help cut pollution and protect nature - and that they stop putting money into fossil fuel projects that drive climate change.

WHAT WE WANT THE GOVERNMENT TO DO

Finance is the bridge between promises and delivery. The UK should therefore set out a clear plan for how it is going to reform both public and private finance to finance the net zero

strategy in the 2022 Green Finance Strategy review. As part of this, the UK Infrastructure Bank must ensure all of its investments are net zero aligned to create sustainable infrastructure and jobs across the whole of the UK, as well as supporting UK targets on nature and biodiversity. Companies and Financial Institutions across the whole economy must be required to put in place climate transition plans aligned with the 1.5°C temperature limit within the Paris Agreement on climate change.

THE PROGRESS SO FAR

The UK has moved significantly on green finance, but there is much to do. The UK Infrastructure Bank was launched in 2021, a new national investment bank which has a dual mandate of tackling climate change and helping to 'level up' the UK. This is a major breakthrough. The Government now needs to design the bank to ensure it supports decarbonisation action across the UK & avoids supporting any high carbon investment. The Bank does not currently have a mandate to support nature. The legislation will be produced this year. The Government also announced a Green Sovereign Bond and intention to develop a Green Taxonomy. The Government has signalled its intentions to include nuclear within the taxonomy. The EU experience has also demonstrated the very real political risk in the UK that the taxonomy may include gas - which would mean it is not science-based. The Government has also announced mandatory climate risk reporting for large companies and financial institutions, however the current plans do not necessarily make it mandatory to have to prepare and implement plans to make portfolios and business operations compatible with 1.5C of warming. This must be addressed and should be extended to all large companies across the UK. The UK Government has set up the Transition Plan Taskforce to produce 'science-based' guidance on what good looks like for a transition plan. This should be science-based and include clear guidance on interim targets and use of offsets.

The Treasury still does not have a Climate Finance Plan and the Green Finance Strategy looks to be private finance focused. This plan must also include public finance and policy to be truly effective. This must also include mapping to ensure the Government fully understands the financing needs across the economy, and where public investment is most crucial for net zero e.g. nature and the built environment.

It is also important to develop new financial products to help homeowners like PACE loans at 0% interest rates and supported or at least underwritten by the UK Infrastructure Bank. At present the Bank's remit does not allow it to function in this way and we need to lobby the rules of the Bank as it does not see retrofitting existing homes as infrastructure.



5. Keep your promises to cut pollution by making sure Government spending is in line with your promise to reach net zero.

WHAT WE WANT THE GOVERNMENT TO DO

The UK Government should set the foundation for a prosperous, sustainable, and resilient economy by introducing a Net Zero Test, requiring the Treasury to measure all future spending plans against the UK's climate and environment commitments. This would mean that, at each

Budget or Spending Review, the Treasury would assess the impact of the overall fiscal package against a range of environmental criteria, including carbon emissions, and assess whether the overall emissions impact is on track for net zero. If they are to deliver on their climate promises, the UK Government must make sure public money is spent on building towards the greener, cleaner future that we all want.

THE PROGRESS SO FAR

The Treasury has included a requirement in the Spending Review process, requiring departments to state the greenhouse gas emissions of bids and their impact on meeting net zero. It has also updated the Green Book methodology so that policies are assessed against how well they deliver on the Government's long-term policy aims such as net zero.

There is still no commitment, however, to introduce an overarching Net Zero Test to ensure that overall tax and spending is aligned with a net zero trajectory. The Treasury referenced this issue in the Net Zero Review, stating that "there is no internationally adopted methodology for assessing and reporting on the climate change impacts of Government spending in aggregate.... Nor (for) taxation". Given that a number of methodologies exist, including one prototype developed specifically for UK Government processes, the Government should commit to introducing a Net Zero Test and working with stakeholders on its detailed design.

For people: stick to the British value of fairness by supporting the people hit hardest by floods, droughts and other climate disasters around the world, and who are least responsible for the crisis.



- 6. Support the hardest-hit countries** by securing money for loss and damage caused by climate change. And in addition, deliver the promised funding to help countries adapt so they're more resilient to the pressures of climate change.

WHAT WE WANT THE GOVERNMENT TO DO

The UK must use its global influence to ensure there is an urgent and significant scale up of financial support to poor and vulnerable countries and communities on the frontline of the climate crisis. The UK should use the rest of its COP Presidency to broker a deal on the creation of a loss and damage finance facility for climate impacts, and commit new and additional UK finance to loss and damage as a first step. And it should ensure wealthy nations' \$100 billion promise, including shortfalls, is met as quickly as possible, and that the Glasgow commitment to double support for adaptation globally is fulfilled. Urgent attention is needed to ensure that climate finance is given primarily in the form of grants and that it reaches those who need it most. This means ensuring significantly more finance reaches women, who are on the frontline of the climate crisis. Children's vulnerability to the climate crisis must also be addressed, given that they stand to inherit a future they did not create.

THE PROGRESS SO FAR

The UK Government still refuses to treat loss and damage finance as a separate and specific climate finance need or to support a separate international fund for this. No international finance mechanism has been established for loss and damage, and no significant new or additional sources of finance have been identified to pay for it, with Scotland the only country to pledge funding so far. As COP26 President, the UK bowed to pressure from wealthier nations not to include the proposal by the G77 + China - representing 6 in every 7 people on earth - to agree to a Glasgow Finance Facility for Loss and Damage as an outcome of COP26. The UK, US, and other high income countries continue to actively block progress on agreeing a finance mechanism for loss and damage.

Meanwhile, the Government has failed to ensure that the promise of \$100 billion a year in climate finance by 2020 is fulfilled by donor countries (with this target not likely to be met till 2023 at the earliest). The Government remains committed to spending 50% of UK climate finance on adaptation, but OECD figures show that globally, adaptation remains woefully underfunded. The UK must now ensure that the commitment in Glasgow to double adaptation finance is met, in the form of grants. Climate finance must be new and additional to the aid budget, alongside re-establishing aid spending at 0.7% of GNI to support low-income countries achieving their development goals.



7. Take our fair share of action to keep global temperatures from rising more than 1.5°C. Stick to the promises you made at the UN climate talks in Glasgow by speeding up the UK's plans to reduce emissions. The UK should reduce emissions by at least 75% by 2030 to do more toward our fair share of the global climate action needed.

WHAT WE WANT THE GOVERNMENT TO DO

Following COP26, existing pledges from the world's countries to reduce greenhouse gas emissions put us on course for a catastrophic 2.4 to 2.8°C of global heating. More is needed and all countries must increase their pledges in 2022, as agreed at the UN climate summit in Glasgow. This includes the UK. The UK must this year increase its greenhouse gas emissions reduction target to at least 75% reductions by 2030. This should be achieved through domestic action without the use of international credits. The UK must also use diplomatic efforts to urge other countries to increase their commitments in line with 1.5°C, ahead of COP27 in November 2022.

THE PROGRESS SO FAR

The UK Government set out its Net Zero Strategy in October 2021, just prior to COP26, which set out for the first time how they plan to deliver emissions targets of Net Zero by 2050. This builds on the Government's announcement in April 2021 that they would accept the 6th carbon budget advice from the independent UK Climate Change Committee and, crucially, includes the UK's share of international aviation and shipping emissions for the first time.

The science shows that greater near-term emissions reductions are vital if we are going to achieve humanity's collective goal to prevent us from overshooting the 1.5°C temperature limit. Therefore while the 2050 net zero law is important, all countries must do all they can as quickly as they can to decarbonise their economies. This includes the UK, and there is evidence that the UK can go further than the current 68% 2030 reduction target. As the country that led the industrial revolution - and benefited most from it - we are morally obliged to do our fair share. The UK must this year increase its Nationally Determined Contribution to the UNFCCC to at least 75% reductions by 2030 to contribute to the global effort and demonstrate commitment to the global goal. Action this decade will be the most decisive and the action that determines what future we will live in.



8. Stop funding fossil fuels abroad by closing the loopholes that still allow British money to fund fossil fuel projects in other countries. Switch UK investment to renewable energy projects and support people in poverty to access reliable clean energy.

WHAT WE WANT THE GOVERNMENT TO DO

The UK Government must address loopholes in its own policy and in the Glasgow joint statement to end all support, both aid and export finance, for fossil fuels overseas and support countries instead to leapfrog to renewable and efficient energy, and energy access for all. In particular, removing exemptions for gas and what constitutes "unabated" fossil fuels (when the production of fossil fuels doesn't include any measures to reduce emissions or pollution from the production process). Ensuring these commitments are delivered to the highest integrity is key for the UK's climate legacy and ongoing COP26 Presidency. The UK needs to work with signatories to ensure these commitments get cemented in existing policy processes at the international level, including at the G7 (where Japan is the only member that has not signed the commitment), and the OECD (where 50% of members have signed the statement). Rather than backsliding on their commitments to shift public finance, the UK and other signatories need to accelerate this agenda so that public finance can be used strategically to reduce dependency on polluting and expensive fossil fuels. This is key to avoiding locking in further fossil fuel infrastructure overseas and could bring huge benefits - including jobs, healthcare and better education - for people living in poverty around the world.

THE PROGRESS SO FAR

There have been two big steps forward in our campaigning to end support for fossil fuels. The first was the Prime Minister's announcement in December 2020 that the UK would become the first major economy to end taxpayer support for fossil fuel projects overseas and transition to support for low-carbon energy. The policy - which came into force at the end of March 2021 - commits the UK to ending finance, aid funding and trade promotion for new oil, gas and coal projects overseas. However, there are loopholes in the current policy, particularly around gas power, which could allow millions to still be invested in fossil fuels.

The second was the commitment by 39 countries and institutions at COP26 to stop agreeing new overseas public finance for coal, oil and gas by the end of 2022. If fully implemented, this could shift up to \$24.1 billion a year out of fossil fuels and into clean energy - and

play a significant role in limiting global temperature rise. Signatories now need to turn this commitment into high integrity policies, ensuring that finance is shifted out of fossil fuels and into clean energy.

The energy security crisis makes the need for a just transition more urgent than ever. Without action to address the loopholes in these policies, the progress made throughout 2021 and in Glasgow risks being undermined.



9. Involve and support the public. As the UK makes the changes needed to cut pollution and protect nature, make sure decisions are delivered fairly, support the most vulnerable and don't worsen inequality. Give people a chance to have a say and an active role in the future of their communities.

WHAT WE WANT THE GOVERNMENT TO DO

The transition to a zero carbon economy must be fair if it is to be successful. At a time when energy costs are rocketing and as we transition away from fossil fuel industries, the Government must protect the most vulnerable households by immediately upgrading benefits in line with inflation at a minimum, and support workers and consumers with a proactive and well-funded just transition strategy. Explicit financial support should be provided, for local and regional distribution, to aid skills development, retraining and local investment - particularly in areas where there are workers in carbon-intensive or exposed industries. A new National Community Energy Fund to include urban, heat, energy efficiency and retrofit projects would enable community energy organisations to mobilise hundreds of millions of community investment and realise key decarbonisation opportunities as they arise. Seed funding for community action would enable many dynamic, entrepreneurial citizens and community businesses to play vital roles, inventing, advocating for and delivering net zero solutions at scale, along with huge social, environmental, community and public engagement benefits.

PROGRESS SO FAR

The Net Zero Strategy and Levelling Up White Paper both pledge to 'empower local leaders' but they seem to mean 'local elected leaders' ignoring the legion of local community leaders and entrepreneurs who have been leading the way on developing local climate solutions at scale for many years.

The Environmental Audit Committee recommended that the Government remove barriers to the development of community energy, emphasise its importance to achieving net zero and provide "practical support measures to harness the potential of community energy". The BEIS Secretary of State promised to set out the Government's "future plans for community energy" in the Net Zero Strategy. It contained neither plan nor "practical support measures". Nor did it provide support to the wider social or community business sector. The Rural Community Energy Fund ended on 31 March 2022.

For nature: protect and restore the UK's priceless forests, rivers and moors so they're there for future generations. Expand our green spaces to help keep the climate stable and allow nature to thrive in our wild and farmed places.



10. Protect and restore UK nature by setting ambitious goals to restore nature, ensuring that at least 30% of UK land and sea is fully or highly protected by 2030, and setting out a dedicated plan for climate and nature friendly farming. Make sure everyone across the UK has access to green spaces to boost our health and happiness.

WHAT WE WANT THE GOVERNMENT TO DO

Nature is a front line defence against climate impacts, including floods, and natural biodiverse ecosystems are more carbon rich and more resilient to climate impacts. Governments across the UK should put ambitious nature restoration targets into law. In England, delivery should include designating 30% of land and sea to be strongly protected and well managed for nature by 2030, as well as the creation of ambitious Nature Recovery Networks. Governments must set out a decarbonisation plan for agriculture and land use by creating nature friendly agricultural systems that rely on healthy ecosystems, supporting farmers to transition to more regenerative agriculture, plant-based agriculture and agro-forestry through substantial future public farm payments, and introducing measures to significantly reduce pesticide and fertiliser application. Governments across the UK should increase native woodland cover, protect and restore peatlands, wetlands and oceans and create more green space where people live, turning the UK's land into a net carbon sink no later than 2040. Governments across the UK should also provide official guidance encouraging consumers to adopt a climate and nature friendly diet.

THE PROGRESS SO FAR

The Prime Minister has committed to managing 30% of land and sea in England for nature by 2030. Whilst this is welcome, it is important the Government puts as much effort and resource into better managing the land that is already protected as it does to new designations - currently only 3% of land could reliably be said to be specifically protected for nature. The Environment Act, passed in November 2021, has put in place a framework for creating a connected network of diverse habitats for nature's recovery, but now we must ensure that words in legislation become action on the ground. The new Environmental Land Management Schemes replace previous EU farming subsidies, and are intended to transform the farming system in England by paying for environmental outcomes. The first ELM scheme to be launched lacks ambition, detail, and risks funding farmers to just continue with business as usual. However, Government can and must ensure all three ELM schemes are capable of supporting a transition to nature and climate friendly farming. Any progress which has been made so far for nature is undermined by a continued shortfall in funding; the Autumn Budget in October 2021 failed to include any significant new investment in nature, despite the need for at least £1 billion of extra nature funding over the next year. Upcoming planning reforms and nature recovery

legislation provide opportunities to restore our natural environment - but policies must be ambitious and action must be taken urgently.



11. Stand up for the natural wonders of the world by encouraging global action to stop destruction of habitats and wildlife. Stop products being sold in the UK if they worsen deforestation, destroy ecosystems, or exploit people.

WHAT WE WANT THE GOVERNMENT TO DO

The UK must be at the forefront of efforts to, by 2030, halt and take action to rapidly reverse the decline of biodiversity and nature globally, given nature's vital role in limiting catastrophic climate change and ensuring our future generations' ability to produce food, to have enough water, to remain healthy, and to thrive. The UK can lead the way by pushing for an ambitious and comprehensive Global Biodiversity Framework to restore habitats and species, supported by action plans, at COP15 of the Convention on Biological Diversity and at the final round of negotiations for a Global Ocean Treaty in 2021, and by introducing due diligence legislation to ensure commodities are only imported to the UK that are produced sustainably and do not drive deforestation, conversion of other ecosystems or human rights abuses.

THE PROGRESS SO FAR

The UK Government's leadership in progressing the Leaders' Pledge for Nature, committing over 60 country leaders to decisive action on nature to protect human and planetary health, was welcome – as was the introduction of due diligence commitments in the Environment Bill in November 2020. Furthermore at COP26, there was significant progress on the interlinkages between the biodiversity and climate crises with a dedicated Nature Day and a World Leader's Summit event which culminated in the Glasgow Leader's Declaration on Forests and Land Use and a raft of political and significant financial commitments. There was also significant progress in the negotiated text on the importance of protecting and restoring ecosystems and the role that nature plays in reaching 1.5C and supporting livelihoods. This progress needs to be followed up by further action in 2022, when the UK Government will need to work hard to deliver its declared intention of securing a strong global goal for nature in the post-2020 Biodiversity Framework at the Convention on Biodiversity (CBD) COP15 in Kunming, with targets for 2030 underpinned by robust implementation strategies at a national level, including appropriate financing and MERV frameworks. CBD COP15 will provide an opportunity to build on the outcomes of COP26 in strengthening the link between the climate and nature crises.

The Climate Coalition is the UK's largest group of people dedicated to action against climate change.

We are a group of over 140 organisations, collectively representing 22 million supporters. Together we ask decision makers to protect the people, places and nature we love from the worst impacts of climate change.



This plan was developed by the members of The Climate Coalition, including the following organisations:

