

**Friends of  
the Earth**

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# “The Greenest Government Ever”: One Year On

A Report to Friends of the Earth

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## Foreword:

The ink was barely dry on the Coalition Agreement when Prime Minister David Cameron strode across Whitehall to declare that this would be the ‘Greenest Government Ever’.

These ambitious words certainly made an impact. The environment had long been one of Cameron’s interests, leading him to public displays of cycling to work, adding a wind turbine to his North London home, and changing the Tory party logo to the iconic green tree. In addition, Cameron had led the Conservative Party into a Coalition with a Liberal Democrat party that had both a strong track record on the environment, and a firm promise in its manifesto to integrate the environment into all policy areas.

This new partnership prompted many to point out that ‘blue and yellow equals green’. NGOs applauded the ambition set out on the 14<sup>th</sup> May 2010, backed by tough action to reduce emissions from the government estate by 10% in one year. However, along with the warm reception came caution, with Cameron himself saying that “I don’t want to hear warm words about the environment. I want to see real action.”

So one year on, the question remains, how green is “the Greenest Government Ever”? This report from Jonathon Porritt reviews all of the policies and initiatives proposed by the Government in the last twelve months, and analyse how well they match up to their green promises, both in opposition and in government.

Andy Atkins  
Friends of the Earth

## Introduction:

I am delighted to have been asked by Friends of the Earth to contribute this Report to its ongoing analysis of how well the Coalition Government is doing on its “Greenest Government Ever” claim.

Claiming you want to be ‘the greenest ever’ can either be interpreted literally (i.e. no government anywhere in the world has ever performed better in terms of sustainable development), or against the rather more limited benchmark of performing better than former UK governments. Unfortunately, the Coalition Government has provided no guidance on what it means by “Greenest Government Ever”. Requests to both Caroline Spelman (Secretary of State at Defra) and Chris Huhne (Secretary of State in DECC) to provide that guidance have gone unanswered; David Cameron himself has offered only supplementary platitudes, and the Chancellor of the Exchequer would appear to be unaware that such a commitment has even been made.

As a result, this Parliament has no specific set of measures to judge government policy against. To help the Government out, we’ve done this Report for them. We will assess a combination of commitments made in and out of government. This includes the Election Manifestos of the two Parties, the Coalition Agreement and subsequent departmental Business Plans.

(We’ve taken a broad view of what ‘green’ means, based on the five themes of the Coalition’s ‘Mainstreaming Sustainable Development Vision’: promoting a Green Economy; tackling climate change; protecting and enhancing our natural environment; ensuring fairness and wellbeing; and building the Big Society. We’ll explore this in more detail in the next section.)

My starting point here is exactly the same as that of Friends of the Earth: there is no *a priori* reason (practical or ideological) why a Conservative Government (let alone a Conservative/Lib Dem Coalition) should not be “the greenest ever”. From Chris Patten onwards, many leading Conservatives have been assiduous in demonstrating the links between the green agenda and traditional Conservative values. Tracing that heritage back to Edmund Burke, they argue with some justification that at least as many of the building blocks of today’s environmental legislation have come from Conservative governments as from Labour governments – including some of the earliest anti-pollution laws and iconic milestones such as the Wildlife and Countryside Act. In opposition, David Cameron himself helped to secure the passage of the Climate Change Act on a consensus basis.

The default position of all environmental NGOs is to give any incoming government an opportunity to prove itself – both against its own promises and commitments and against the actual state of the environment. One year in is a good time to put those promises and commitments to the test.

Given that the Government has set up no proper scrutiny function to assess its own performance in this area, I have depended heavily on the research of my colleague, Bethan Harris, and on information and insights from Friends of the Earth itself. To help make the assessment process a little more accessible, we've developed a purpose-built "scale" based on the Coalition Parties' own logos.

I have reserved my own concluding comments until the final section of this Report.



May 2011



moribund



limited progress



encouraging progress



the birds are singing

## What do we mean by “Green”?

Green” is sometimes used as shorthand for “the environment”, and sometimes as shorthand for sustainable development. In judging the Coalition’s “green credentials”, it is important to adopt the broader definition of green, looking not only at measures to address climate change and protect biodiversity, but also at how these relate to economic and social policy, as captured in the themes of the Coalition Government’s Sustainable Development Vision.

Some people might still find it odd to see ‘fairness and social justice’ included in such an assessment, but this is an artificial separation to make. We cannot design environmental policy without considering social issues, just as much as we cannot develop social policy without thinking about natural resources.

These definitional issues were equally vexatious under the Labour Government. Despite setting up the Sustainable Development Commission, Tony Blair had no real interest in the broader framework of Sustainable Development, but was very intently focussed on climate change. The same was true of Gordon Brown. But neither of them showed any enthusiasm for pursuing matters relating to the natural environment such as biodiversity, water, air pollution and so on.

David Cameron is already showing worrying signs of following in those lightweight footsteps. When asked by the Parliamentary Liaison Committee what his plans for sustainable development were, he answered that he would develop a plan for ‘carbon and greenery’, succinctly reducing all non-climate change environmental issues to mere pot plants.

We’re still a very long way away from Sustainable Development being accepted as “the central organising principle” for the whole of the UK Government - although it is highly significant that the Government in Wales has now adopted that overarching commitment to Sustainable Development. (We will look briefly at some of the other aspects of devolution as they relate to Sustainable Development in Chapter 7).

Another common problem in Whitehall is that ‘green’ actions are often centred on the more immediate issues and on low-hanging fruit such as turning off lights and recycling office paper. Although these actions are important for any organisation, they are only a drop in the ocean in comparison to the impact of any government’s policies. The principal focus of this Report is therefore on policy. However, in Chapter 6 we will outline how well the Government is ‘Leading by Example’, looking at its target to cut emissions by 10%, and on other measures to address sustainable procurement and the impact of the wider public sector.

We will also look at what’s missing entirely, and, where relevant, identify where there are missed opportunities in relation to international progress.

## 1. Building a Green Economy

Putting our economy on a sustainable footing, both in relation to the financial crisis and in our use of natural resources, is of the utmost importance. It is clear that economic growth remains the central political priority for this Government, but the kind of growth that it seeks to generate is equally important.

Our environment and economy are intricately interconnected. We rely on economic investments to drive the sorts of changes we need to lower carbon emissions, protect biodiversity and improve our transport infrastructure. Our economy is vitally dependent on both the resources and services that nature provides.




However, the concept of the 'green economy' has all too often been seen as a nice-to-do – the garnish on a host of mainstream economic policies – rather than the principle on which to base all of these policies. In opposition, both the Liberal Democrats and Conservatives showed signs of understanding the need to connect the two, as seen for example in George Osborne's pledge to establish a Green Investment Bank or Vince Cable's plan to transform aviation taxation.

There's no shortage of references to the Green Economy in the Coalition Agreement and in the various Business Plans of the Department for Business, Defra, DECC, and HMT. The Green Economy Road Map (still to be published) will be an important interdepartmental initiative to identify the policy levers and conditions needed to drive green investment.


Further, we are told that there will be initiatives to improve economic valuation of natural and social capital in government accounting, as well as policies aimed at valuing the environment in wider economic activity, such as raising the carbon price floor and providing financial incentives for environmental goods.

However, the central linchpin of progress in this area is HM Treasury. In opposition, George Osborne promised to be "a friend, and not a foe" of the environment. Fine words, but in reality this has not been the case. The Government's deficit reduction programme was inevitably going to hurt all departmental budgets; however, the Comprehensive Spending Review (CSR) was particularly harsh from an environmental point of view, with Defra accepting the biggest cut of 33%.



Sadly, this was only a dress rehearsal for an even more catastrophic Budget, which not only further reduced environmental spending and cut important initiatives, but also provided further and much more problematic incentives for environmentally-damaging activities.

PROMISED	DELIVERED	GREEN?
<p>The <b>Green Investment Bank</b> was George Osborne's "big idea" in opposition, and was promised in the Coalition Agreement. The Bank will be used to fund and drive investment in green infrastructure projects in the UK.</p>	<p>George Osborne announced £1 billion of funding in the CSR and a further £2 billion in the March 2011 budget. Although the Green Investment Bank has been welcomed in principle by business and environmental groups, there has been much concern that the Treasury has vetoed plans for borrowing until 2015, on the grounds that any liabilities will appear as part of government debt. Even the £3 billion falls short of the £4-6 million that Ernst and Young say is needed to truly drive low-carbon investment. The CBI and many businesses have expressed deep disappointment at Treasury's delaying tactics. It is a particular embarrassment for Chris Huhne, who originally stated that 'Ducks quack, and banks borrow as well as lend'. Furthermore, the additional £2 billion pledged in the Budget will have to be raised through the sale of future assets, including the controversial High Speed Two Project. Such receipts are highly speculative.</p>	
<p>The Coalition Agreement set out aims to introduce a <b>minimum floor price for carbon</b>, as well as efforts to persuade the EU to move towards full auctioning of ETS permits.</p>	<p>George Osborne announced in the budget that the floor price would be set at £16 a tonne in 2013 rising to £30 a tonne in 2020. A high and predictable carbon price would give investors and businesses the security they need to make low-carbon choices. However, the proposed price set out in the Budget has been set too low to have a meaningful impact on investment decisions, and will do little if anything to encourage higher-risk technologies (such as wave and tidal stream) or Carbon Capture and Storage. What it will do is to provide a windfall for <u>existing</u> nuclear power stations of at least £1.8 billion through to 2026. It will also drive up costs to consumers, and negatively impact those in fuel poverty.</p>	
<p>The Liberal Democrats promised to <b>reform aviation tax</b> in their manifesto – this was carried through to the Coalition Agreement and HM Treasury's departmental Business Plan. Instead of a per passenger duty, airlines would be expected to pay a per plane duty. By doing this, the Government would disincentivise the current practice of flying</p>	<p>Despite this pledge, George Osborne delivered a very weak alternative in the March Budget. Not only did he abandon plans for tax reform, but he also scrapped the planned rise in Air Passenger Duty. The loss in tax revenue is estimated at £150 million, whilst passengers stand to gain by an average of £12 for a European short-haul flight. Add inflation to this, and effectively air travel costs will fall in real terms. Not only is this a far cry from being green, but also does little to help the economy or the most disadvantaged in society. Air travel is still disproportionately used by middle to high-earners and businesses, who will stand to gain the most.</p>	



PROMISED	DELIVERED	GREEN?
<p>part empty aeroplanes. At the moment, the aviation industry pays no VAT or duty on kerosene, which continues to give it an unfair advantage over other ways of travelling.</p> <p>The Treasury's departmental Business Plan promises measures 'increasing environmental sustainability', including a commitment to <b>increase the proportion of revenue accounted for by environmental taxes.</b></p>	<p>Furthermore, there is no distinction between the payments made by the least and most polluting aircraft.</p> <p>The unwillingness to tackle this at European level also demonstrates the Government's lack of ambition to lobby on key environmental issues.</p> <p>There is as yet no indication of how the Treasury intends to implement these proposals. To attentive observers of Treasury flimflam, this all sounds exactly like the Labour Government's pledges on green taxes in its first year in office.</p> <p>The Treasury has just made things a great deal harder in that respect by postponing the planned fuel duty increase for a year, and cutting it by 1p a litre - the cost over five years will be around £10 billion.</p> <p>Ministers have justified this move on the basis that they are ending the 'war on the motorist'. However, evidence shows that this war is completely fabricated - Norman Baker had to admit recently to Parliament that the real cost of motoring had declined by 7% under Labour. This is compared to a 24% increase in bus fares and a 17% increase in rail fares in the same period.</p>	
<p>DECC's Business Plan pledged <b>to reform the electricity market</b> to ensure that the UK has a diverse, safe, secure, and affordable energy system and to incentivise low-carbon investment and deployment. They argue that we need £110 bn investment in low carbon energy by 2020. The proposed market reform is designed to meet this through a number of measures including carbon pricing, Feed-in Tariffs and Emissions Performance Standards.</p>	<p>DECC will publish a White Paper on reforms in 2011.</p> <p>Some policies have been announced which go some way to achieving this ambition. However, it is already clear that recent decisions have done little to ensure stable investment in low-carbon energy. Furthermore, the reforms are not yet sufficient to drive investment in CCS and renewables, and will disproportionately benefit nuclear.</p>	
<p>The departmental Business Plans include a joint commitment by BIS, Defra and DECC to publish a <b>Green Economy Roadmap</b>, setting out how government will create the right conditions for a green economy. This is designed to help businesses plan for this</p>	<p>This was due to be published in April 2011, but was predictably delayed.</p> <p>Although in principle the Roadmap is a good idea, in practice the Government seems to be doing the complete opposite in making last-minute changes to policies that will affect business such as Feed-in Tariffs and the Carbon Reduction Commitment.</p>	

PROMISED	DELIVERED	GREEN?
<p>transition.</p> <p>The Tories promised a VAT rise up to 20%. Despite criticising this in opposition, the Liberal Democrats agreed to this in Coalition.</p> <p>In their respective Manifestos, both Parties talked about the need for “better, smarter regulation”, with the customary enthusiasm for lifting the burden of red tape and regulation off business – all part of its “new model of economic growth”.</p>	<p>The VAT rise was implemented in January 2011, and is set to cost the British public £12.5bn. Some feel that it is not the best method of raising this income, and have been calling instead for a crackdown on tax evasion and bankers bonuses, as well as a Robin Hood Tax on financial transactions. There are also calls for reductions in VAT on environmental goods to incentivise sustainable behaviour. For example, a number of companies have been lobbying for reductions for insulation materials and low-energy light bulbs.</p> <p>This remains a critical part of the Coalition’s overall position on the economy and its approach to wealth creation. Its current “Red Tape Challenge” – a crowd-sourcing initiative to surface views about axing those regulations that are deemed to be most irksome to the business community – reveals an implacably hostile view of regulation, with zero recognition of the benefits that regulation brings to both business and society at large.</p> <p>The decision to include all 278 different environmental Laws (including the Clean Air Act, the Wildlife and Countryside Act, the Climate Change Act and other “building blocks” of our current environmental legislation) within the scope of the Red Tape Challenge has astonished and infuriated environmentalists – and alarmed many business-people. As the Aldersgate Group has so cogently argued: “the general portrayal of regulation as anti-growth is misguided. Well designed regulation can spur growth, innovation and competitive advantage”.</p> <p>This manifest abuse of ‘crowd-sourcing’, let alone of any sensible kind of inclusive participatory decision-making, is all the more worrying given the overall intention of the Cabinet Office: “But here’s the most important bit: the default assumption will be that burdensome regulation will go. If Ministers want to keep them, they have to make a very good case for them to stay.”</p> <p>The Coalition has also set itself a “one in, one out” test: no new regulation proposed by a government department will be taken forward until it demonstrates which existing regulation will be struck out. This “bedroom farce” approach to regulation (with competing protagonists in and out of various beds and cupboards) makes a laughing stock of the Coalition.</p>	

PROMISED	DELIVERED	GREEN?
<p>As part of Government's Sustainable Development Vision, the SoS for Defra will <b>become a member of the Economic Affairs Cabinet Committee</b> in order to scrutinise government economic policy on sustainability grounds</p>	<p>This move is to be welcomed. However, the proof will be in the pudding - Caroline Spelman has sat back and allowed HMT not only to take a large chunk of Defra's Budget, but has seemingly not put forward any opposition to the budget changes since her membership on the Committee was announced. We will need to see clear positions adopted by DECC and Defra if environmental considerations are to be taken seriously. Although the Economic Affairs Committee allows for environmental considerations to be surfaced, the way the Committee works means that these discussions will largely remain behind closed doors.</p>	
<p>Defra's Business Plan pledged to improve valuation of sustainable development in policy appraisal. As part of this, <b>the National Ecosystem Assessment (NEA)</b> was due to be published in Spring 2011.</p>	<p>The Coalition is continuing work started under Labour to improve scientific understanding and economic valuation of environmental goods and services - enabling us to gain a greater understanding of the state of the environment and how this relates to the economy. The NEA is to be welcomed and needs to be backed up with clear policy measures so that this is translated into policy appraisal for government. Publication of the NEA has now been delayed until later this year.</p>	

## *Green Economy: Overall Conclusions*

It's only fair to point out that the Coalition Government made it abundantly clear that its overriding priority would be to address the Budget Deficit and the miserable state of the public finances bequeathed to them by the outgoing Labour government. The debate about the extent and speed of the measures taken to implement that policy priority is touched on in Chapter 4, but is to a large extent beyond the scope of this paper.

However, it remains extremely disappointing that so little effort has been made in the first year to establish any kind of momentum in establishing the Green Economy. Against such a problematic economic backdrop, it would not be reasonable to expect radical changes in the first year. Simple, transparent steps in the right direction would have been enough. However, our research shows that all too often those steps are heading in the wrong direction.

There's no turning away from the conclusion that the principal reason for this lies, once again, with the short-term neo-liberal ideologues that still rule the roost in the Treasury. In late 2009, George Osborne promised: "under a Conservative government, the Treasury will no longer be the cuckoo in the Whitehall nest when it comes to climate change. If I become Chancellor, the Treasury will become a Green ally, not a foe."

Exactly the opposite has proved to be the case. And as with the previous Labour government, it is all basically smoke and mirrors. Great play, for instance, is made of the potential to create new jobs in the Green Economy. Chris Huhne has bandied around various figures (from 500,000 to 100,000 to "significant numbers") in exactly the same way that Gordon Brown was wont to do, with exactly the same lack of rigour as characterised Gordon Brown's earlier pronouncements.

This may change with the upcoming Green Economy Roadmap, but even here the "significant numbers" rhetoric may well win out over a more rigorous plan of action – especially if the much more modest assessments of the potential for new jobs from Chris Huhne's Ministerial colleagues gain the upper hand. The whole "jobs and skills" dimension of what some once called "the Green New Deal" is slowly evaporating in front of our eyes.

We must therefore welcome the establishment of the new Green Economy Council bringing together DECC, BIS and Defra (at Secretary of State level) and representatives of leading companies. What we don't need from the Council is yet more analysis of the potential for developing the green economy in the UK – we really do know what that looks like by now. What we do need is coordination and action on the ground.

## 2. Tackling Climate Change

Climate change is undoubtedly the biggest challenge facing our generation. International governments have come a long way in recent years in recognising this challenge, and the UK is amongst the leading countries calling for international action to halt runaway climate change.




On this score, the Coalition Government inherited a reasonable track record from Labour. There was the landmark Climate Change Act, the formation of the Department of Energy and Climate Change (DECC), as well as a number of initiatives at both the national and international level to drive change. However, strong targets didn't always translate into meaningful action, and the Labour Government failed to get broader traction across the wider public sector.




The Coalition has made some progress over the last year in highlighting the implications of climate change across a number of government policy areas. DECC published a Carbon Plan in January this year outlining the departmental actions that will contribute to climate mitigation across government. There are some real positives in this Plan, with climate change firmly planted in the remits of both the Foreign Office and Department for International Development (DfID) as well as domestic Whitehall departments.





It should also be said that Chris Huhne has done a good job as Secretary of State in DECC, and effectively fought his corner in the early months to get key policies adopted. He also proved himself to be a very able negotiator and mediator at the Climate Change Conference in Cancun at the end of 2010.

However, the Carbon Plan is still restricted to the "usual suspects" (Defra, Department for Transport (DfT), DECC, BIS, HMT, DfID and FCO), and fails to articulate the crucial role of the likes of the health service or education in fighting climate change. Furthermore, another key element missing from the Carbon Plan is the initiative (started by Labour) to translate the high-level national carbon targets into departmental budgets. These budgets would outline the share of reductions that each Department's sectors would need to make towards the overall target. What we have instead is a long list of actions, but no way of telling that they will add up to level of reductions required.



Not only are the measures to meet the targets in question, but so too are the targets themselves. The Climate Change Act commits the Government, acting on the advice of the Committee on Climate Change (CCC), to set interim targets, or 'budgets'. The fourth Carbon Budget is due to be decided shortly, and there are fears from the CCC that Treasury officials are putting pressure on Ministers to reject the recommended targets on economic grounds. If this turns out to be the case, it will be a devastating blow to the Coalition Government's credibility – not least because the Conservatives argued very strongly in opposition that targets should be set by independent experts and not dictated by politicians to suit their own short-term purposes.




PROMISED	DELIVERED	GREEN?
<p>DECC's Business Plan sets out a vision for the long-term transition to secure <b>affordable, low-carbon energy</b> on the way to an 80% cut in greenhouse gas emissions by 2050.</p>	<p>The Cabinet is due to be deciding the fourth Carbon Budget to meet the 80% reduction in emissions by 2050, as set out in the Climate Change Act. (The Act commits government to setting targets at least three budget periods in advance.) However, the Committee on Climate Change has indicated that Treasury hardliners are opposing the recommended indicative emissions target (of 60% by 2030) based on the difficulties of the current economic situation. This would also require an adjustment of the second and third budgets. Abandoning early action would signal disaster for the Coalition's vision of an 80% cut by 2050.</p>	
<p>The Coalition Agreement states that both parties agree to increase the target for energy from <b>renewable sources</b>, subject to the advice of the CCC. The Carbon Plan commits government to agree new targets by Jul 2011, and sets out an aim of 30%.</p>	<p>The Government estimates that up to £110 bn is needed to invest in energy supply over the next twenty years if these targets are to be met. Although full details of this energy mix have not yet been published, there are a number of policy announcements relating to renewable sources, as outlined below.</p>	
<p>In March 2011, DECC announced the 'world's first <b>Renewable Heat Incentive</b>' (RHI). This comprises £860m of government spending to increase investment by £4.5bn by 2020, through a seven-fold increase in uptake by industrial, commercial and public sector installations.</p>	<p>Heat sources generate 47% of our GHG emissions so this is a welcome move by the Government. The RHI will not only help reduce these emissions, but it is also claimed it will lead to an estimated 150,000 jobs.</p> <p>RHI payments to households will be available from October 2012, and will go towards solar thermal, ground source heat pumps, biomass and use of waste heat. In the meantime, 25% of the first year's budget will go to 25,000 HRI premium payments to encourage take-up. As Friends of the Earth has said: "An ambitious Renewable Heat Incentive will allow people to earn and save money by heating their homes and workplaces using clean energy. Energy Minister Greg Barker has done well to resist pressure to delay the scheme for another year - this would have had a devastating effect on the renewable energy industry."</p> <p>However, there are major concerns from industry and NGOs on the credentials of some heat sources e.g. biomass derived from unsustainable sources, incineration without capturing waste heat, and the use of municipal solid waste without any requirement to remove recyclables first. The Government need to make all grants conditional on meeting strict sustainability criteria.</p>	



PROMISED	DELIVERED	GREEN?
<p>The Coalition Agreement promised the rapid confirmation of the Feed-in Tariff regime. <b>Feed-in Tariffs (FiTs)</b> were introduced by DECC under the Labour Government for schemes of less than 5MW. This differs from the Renewables Obligation Certificates for larger scale energy generation (over 5MW)).</p>	<p>Despite the promise, the Coalition first announced a cap to funding (at £440 million) in the Comprehensive Spending Review and later in February announced an emergency review of all solar PV plans over 50KW. This was based on fears that there were a number of planned large-scale solar farms that would stand to benefit from the FiTs.</p> <p>This was another sharp change in policy direction for the Government, and has been met with widespread criticism in terms of the impact on community groups, schools and social housing schemes that have pursued plans for solar PV above 50KW. This also has serious consequences for the industry, with investors likely to pull out in fear of future uncertainties. This is a real threat to the planned 17,000 jobs expected by the end of this year.</p>	
<p>When forming the Coalition, there were several areas where the two parties agreed to disagree, and one was on <b>nuclear</b>. The Conservatives were in favour and the Lib Dems strongly opposed. The Coalition Agreement stated that the Lib Dems would have the right to oppose a planning statement on new nuclear builds, as well as abstain from any vote in the Commons.</p> <p>The Coalition also pledged that no public money would be spent on new nuclear plants, and that any new builds would have to be funded through private investment without any public subsidy.</p>	<p>Despite the opposition to nuclear power from the Lib Dems, the Coalition has indirectly created a number of conditions that are favourable to the industry. For example, the carbon price floor as it currently stands will directly benefit nuclear companies. The Carbon Plan states that 'We will also need low-carbon electricity from a new generation of civil nuclear power, built without public subsidy. The Government will support this by creating an enabling framework to facilitate new nuclear development from 2018' - despite the fact that there is as yet no formal Planning Statement on nuclear power.</p> <p>Fukushima has led to increased public concerns over safety. However the real issues of nuclear have yet to be aired - waste, security, lock-in to the old energy infrastructure, and cost (including the added cost of even more rigorous safety regulations).</p>	
<p>The Coalition Agreement set out two commitments around <b>Carbon Capture and Storage (CCS)</b>. They pledged to both continue the former Government's proposals for public sector investment in CCS technology for four coal-fired power stations; and they pledged to</p>	<p>The Coalition has committed £1 billion to fund the first CCS plant. It was announced in the Budget that it was scrapping a proposed levy on energy bills to pay for CCS and will instead pay for it through general taxation. Although it is positive that the commitment to fund CCS has not been dropped, the details of how they will be funded through general taxation are yet to be finalised. The commitment will provide some investor certainty; however, the energy companies</p>	




PROMISED	DELIVERED	GREEN?
<p>establish an Emissions Performance Standard that will prevent coal-fired power stations being built unless they are equipped with sufficient CCS.</p>	<p>themselves may still be very reluctant to proceed given that there are concerns that the energy companies themselves will still be very reluctant to proceed.</p>	
<p>The Carbon Plan commits the Government to develop proposals to tackle barriers to <b>offshore grid development</b> by December 2012.</p>	<p>So far the only concrete commitment related to offshore wind was the very welcome announcement to commit funds to UK ports to ensure sufficient connections to offshore wind farms. The date of December 2012 is a long way off, and even then we will only see proposals and not action. This should be a priority.</p>	
<p>The Coalition Agreement pledged to introduce <b>measures to encourage marine energy</b>.</p>	<p>Nothing has yet emerged as to how the Government intends to move forward in this critical policy area - in stark contrast to the Scottish Government which is implementing a number of significant interventions. The decision to scrap the £42 million Marine Renewables Development Fund has been seen a body-blow to the emerging industry. The short-sightedness of this startling. The Carbon Trust's analysis of the marine energy sector has shown that it could be worth £76 billion to the economy by 2050, supporting 68,000 jobs. This represents nearly a quarter of the global wave and tidal power market, and could be one of the UKs biggest export opportunities.</p>	
<p>The Coalition Agreement pledges measures to promote a huge increase in <b>energy from waste through anaerobic digestion</b>.</p>	<p>This is likely to be announced as part of the Waste Review in May 2011. The strategy for Energy from Waste will include Anaerobic Digestion (which is to be welcomed) as well as gasification and combustion. (See p.25)</p>	
<p>The Coalition Agreement pledged to establish a <b>smart grid and the roll-out of smart meters</b>.</p>	<p>The Government announced a strategy at the end of March stating that 53 million smart meters will be installed in 30 million homes and businesses, starting in 2014 and finishing in 2019. Government has claimed that householders will save £23 on annual energy bills by 2020. This is a very welcome development, although many commentators still have concerns over the implications of power companies having access to sensitive information. There are also concerns about fairness with those able to understand energy use and purchase efficient appliances standing to benefit more.</p>	




PROMISED	DELIVERED	GREEN?
<p>The <b>Zero Carbon Homes</b> policy was introduced under Labour and would have required new builds from 2016 to make a 'zero net contribution' to the UK housing stock. The Coalition pledged to uphold this policy, both in the Coalition Agreement and in subsequent discussions with housebuilders and the Green Building Council.</p>	<p>Despite continued promises, Osborne announced in the Budget that the requirements for zero carbon homes would be downgraded to only include emissions covered by existing building regulations (on conservation of heat and power). In other words, there would be no compulsion to tackle user-emissions related to appliances in the home. This change has been met with criticism by industry and NGOs alike. The UK Green Building Council estimates that this will mean that only two thirds of the annual emissions will be reduced.</p> <p>Chief Executive Paul King has argued: <i>"In the space of two weeks, this Government has gone from a firm commitment on zero carbon homes, to a watered down policy. A zero carbon home will no longer do what it says on the tin. The world leading commitment that new homes would not add to the carbon footprint of our housing stock, from 2016 has been scrapped, despite a remarkable consensus between industry and NGOs in support of it. Thanks to a crude de-regulation agenda, we now have a policy that is not only anti-green but anti-growth. Low carbon construction has been one of the few sectors showing genuine green shoots of growth. This U-turn will result in loss of confidence leading to lower investment, less innovation, fewer green jobs and fewer carbon reductions. It is a backward step by a government that wanted to be seen as 'the greenest ever'".</i></p> <p>WWF has resigned from the Zero Carbon Taskforce in protest over the decision to downgrade the zero carbon homes criteria.</p>	
<p>The Carbon Plan also includes a commitment to <b>'enable all non-domestic buildings to be zero carbon'</b>, and will introduce measures in 2019.</p>	<p>The planned Enhanced Capital Allowance Scheme will enable business to claim 100% of tax deductible allowances in the first year of spending on energy efficient products. Display Energy Certificates have also been extended to commercial buildings.</p> <p>Despite these two measures, the policy remains very vague. There are no details of what 'enabling' means, and no explanation as to why enabling measures will not be introduced until 2019.</p>	
<p>The <b>Carbon Reduction Commitment</b> was introduced under Labour to incorporate business and organisations (not currently captured by the EU Emissions Trading</p>	<p>Although this will create revenues for government to spend on environmental projects (£715m in 2011/12, rising to £1,020m in 2014/15), there are criticisms from business that this quick change has led to investment uncertainty and undermined trust between business and government. The scheme's details around</p>	

PROMISED	DELIVERED	GREEN?
<p>Scheme) into a scheme to reduce carbon emissions. The Coalition shocked industry when it announced in the Spending Review that it intended to “simplify” the scheme by retaining payments due as a contribution to general taxation rather than recycling them to participants as previously planned.</p>	<p>purchasing permits have been further delayed. The CBI has protested vigorously: ‘businesses that take steps to cut their emissions should be rewarded, not penalised. That’s why the CRC needs changing to ensure it is an incentive for action.’</p> <p>However, Friends of the Earth argues: “The old CRC was complicated, bureaucratic and unfair. It was a poorly-designed scheme that needed an overhaul, and making it simpler is a good move.” In addition, it removes one flawed element in the old scheme that public sector organizations might have ended up indirectly paying large companies if they had performed better in the league table.</p>	
<p>Defra’s Business Plan includes a high-level priority to promote a “<b>sustainable green economy resilient to climate change</b>”.</p>	<p>Action to tackle climate change includes both mitigation and adaptation. However, policy is lacking on the latter, despite calls from the CCC to improve adaptation measures. Amongst the spending cuts for Defra, flood defences were badly affected on the grounds that government can no longer meet the bill alone: instead private developers and local authorities will be expected to share in the cost of flood defences. Defra estimates that the cuts amount to 8% of spending. However, the Environment Agency and the National Floods Forum believe the figure is closer to 25%, (or £616m over four years if 2009 is taken as a baseline). An EFRA committee report in December showed that the cuts risk leaving the country’s 5 million at-risk homes less protected and the poorest communities losing out to richer areas.</p>	
<p>The Government committed in the Comprehensive Spending Review to £2.9 billion of international climate finance (called the <b>International Climate Fund</b>) over the spending review period (2011/12 – 2014/15) to enable the UK to help developing countries both adapt to the impacts of climate change and move onto a low-carbon growth path.</p>	<p>This Fund is to be applauded, coming on top of existing “Fast Start” spending for 2010-11. However, details of funding for 2011-12 onwards have not as yet been confirmed, and criticism has been raised, as some of the funding will take the form of loans. Asad Rehman, Friends of the Earth’s International Climate Campaigner, said: “The UK, as a major contributor to this Fund, has a responsibility to ensure that money for developing countries comes from grants, not loans – at the moment, far too much of this cash will simply shackle developing countries with more debt.”</p> <p>DfID received no funding cut in the Spending Review, and the decision to allocate some its funding to climate change is positive. However, to lay claim to being the greenest government ever the government must look to ensure <u>all</u> work with</p>	

PROMISED	DELIVERED	GREEN?
<p>The Carbon Plan states that <b>Ultra Low Emission Vehicles (ULEVs)</b> are an overwhelming priority for transport related carbon emissions. “Decarbonising road transport is likely to have the most significant greenhouse gas impact and so be our greatest priority for change”.</p> <p>In addition to this, the Coalition had already promised a national recharging network for electric and plug-in hybrid vehicles. In the Budget, Osborne committed DfT to developing a national strategy to promote installation of electric vehicle infrastructure by June.</p> <p>The Government is also working with the EU to establish EU common standards for vehicle charging.</p>	<p>developing countries delivers sustainable development, not just some.</p> <p>Whilst the market is still in its infancy, the Government is sponsoring a Plug-in Car Grant for consumers, and has put £80 million into innovation in the sector. This is on top of an already established grant scheme to promote the purchase of electric cars by offering consumers up to 25% off the cost of the car, capped at £5,000.</p> <p>The Coalition has committed £43 million until March 2012 for recharging infrastructure, with a review of funding in January 2012. Grants of £30 million will support eight towns and cities to roll out charging infrastructure so that there are 8,500 charging points by March 2013.</p> <p>There are all sorts of concerns about ULEVs, not least the fact that the electricity they will be using will be drawn from carbon-intensive power stations for a long time to come. Decarbonising the grid as rapidly as possible is a critical priority in this regard.</p> <p>The Government is correct to see ULEVs as part of the future. There are substantial economic gains from driving investment in this sector but Ministers should also address pressing equity issues associated with the roll out of EVs, given that 30% of people in the UK do not own a car at all.</p>	
<p>DfT’s Business Plan promises to ‘encourage sustainable local travel and economic growth by making <b>public transport</b>...more attractive and effective, promoting lower carbon transport and tackling local road congestion.’ It also includes plans for a <b>Green Bus Fund</b> for bus operators and local authorities to buy new hybrid and electric vehicles. The Government estimates that there will be 170 vehicles purchased by Mar 2012.</p>	<p>The Bus Operators’ Subsidy Grant was cut by 20% in the Spending Review. Fuel duty for buses will go up by 8p per litre in 2012, added to which there will be changes to how councils calculate bus pass payments. Local authorities have had their funding for public transport cut by 28%.</p> <p>The Campaign for Better Transport believes this will lead to route cuts, fare hikes and reduction in weekend and evening services. ONS statistics already show that bus passenger miles are decreasing – by 5.7% between 08/09 and 09/10.</p> <p>As for the Green Bus Fund, although this is a good start, ONS statistics for 2009/10 shows that there are currently 46,900 buses in public service in the UK. The 170 buses purchased, as part of the Green Bus Fund, is a tiny proportion of this total.</p>	

PROMISED	DELIVERED	GREEN?
<p>The Coalition Agreement pledged to continue with Labour's plans for <b>High Speed 2</b>. The Coalition has recently published its consultation on proposed routes. HS2 will cost £17bn, and current plans do not see construction start until 2019. It will be completed by 2030s, and it is claimed that there will be no added overall transport emissions as a result of HS2.</p>	<p>It is premature to make a judgement about High Speed Rail. There's a huge amount of research still to be done. But more and more people are starting to ask if this is really the priority that the Government makes it out to be.</p> <p>A group of NGOs has formed an alliance calling for a more detailed consultation on HS2 - along with accurate measurements of CO<sub>2</sub> impacts. The Right Lines Charter is backed by CPRE, RSPB, Greenpeace, Campaign for Better Transport, Chiltern Society, Civic Voice, Environmental Law Foundation, Friends of the Earth, The Wildlife Trusts and The Woodland Trust. They have set out four principles for doing HS2 well: a national transport strategy; better future-proofing of big transport proposals; effective public participation; and a more strategic approach to minimising adverse impacts.</p> <p>"Carbon emissions from UK transport must be urgently cut - but the current High Speed Rail proposals will do little, if anything, to help. The majority of journeys are relatively short, so the Government's top priority should be to cut emissions from these trips. This means action to encourage greener travel and measures to reduce the need to travel for work or essential services."</p>	
<p>DfT's Business Plan also includes plans for a vision of '<b>Railways for the Future</b>' to secure the sustainability of our railway and improve capacity and service. Part of this includes further electrification schemes.</p>	<p>Electrification certainly delivers more reliable, cheaper and cleaner rail services, and government plans to complete extensions to the Great Western and NorthWest mainlines by 2016 are very welcome. The costs of the electrification of these routes are relatively small compared to other government spending (£600 million for Great Western and £300 million for North West), but it is still very encouraging that the Government has protected funding for this and other major rail schemes such as Crossrail.</p>	
<p>DfT's Business Plan states that they will promote the more effective use of strategic roads by addressing the causes of congestion. <b>Freight transport</b> is both a significant contributor to and casualty of congestion. Elsewhere, the Carbon Plan includes a commitment to promote eco-driving amongst bus and lorry drivers.</p>	<p>Road congestion costs businesses £17 million per annum (FTA 2008), largely through inefficient logistics. One way to tackle this problem is to move freight off the roads. (Rail freight produces 20% less CO<sub>2</sub> than the equivalent road journey). Government has continued to fund the Mode Shift Revenue Support Grants, pledging £20 million for 2011-12 and £19 million by 2012. This provides grants for rail or water freight operators where the road option would have been cheaper but the alternative results in environmental benefits. Yet despite continuing the MSRS grants (at a slightly reduced budget and with no long-term commitment laid</p>	

PROMISED	DELIVERED	GREEN?
<p>Both parties pledged in opposition to scrap plans for the <b>Heathrow third runway</b>, and to refuse additional runways at Stansted and Gatwick</p>	<p>out), the Coalition has scrapped the capital funding for rail and water conversion through axing the Freight Facilities Grant which pays for things like cranes and handling equipment and acts as an incentive for companies to move into rail or water operations.</p> <p>The Government has stuck to its guns on this commitment and this should be applauded. They are facing pressure from the aviation industry to increase capacity in London, and will need to stand firm in opposition to this. It is also disappointing that measures to tackle consumer demand for aviation, through the Air Passenger Duty, have been missed.</p>	

### *Climate Change: Overall Conclusions*

This analysis presents a very patchy performance, demonstrating yet again that it is impossible for a single Whitehall department (DECC) to deliver comprehensive, integrated plans to address climate change strategically when the rest of Whitehall is fundamentally disengaged - apart from Treasury, which is fundamentally hostile. There are particular concerns here regarding the ability of Chris Huhne (Secretary of State in DECC) to change things around, especially as he would appear to have had so little support from his fellow Liberal Democrats Vince Cable (Secretary of State in BIS) and Danny Alexander in the Treasury.

Despite strong ambitions internationally, domestic performance has fallen short of what was expected from a Department with a strong Ministerial team. The backtracking on the Carbon Reduction Commitment, Feed-In Tariffs and the “Zero Carbon” target are all highly regrettable in themselves, and will have already had a very damaging impact on the mindset of investors in the UK and send a mixed signal to international audiences. Yet again we have a Government that looks to the private sector and to capital markets to deliver critical policy objectives, but seems to have zero understanding of the way in which its twists and turns massively ramp up both the level of regulatory risk and the consequent cost of capital.

This is borne out by the collapse in investment in UK renewables in 2010 - down 70%, according to the latest report from the authoritative Pew Foundation. This demonstrated that the UK had fallen from fifth place in 2009 to thirteenth place in 2010, eliciting the following comment from the report’s authors: “Investors appear to believe that there is a high level of uncertainty about the direction of clean energy policy-making in the country”.

Indeed.

### 3. Enhancing and Protecting our Natural Environment






Tackling climate change, although important, is not the only big-picture sustainability challenge to which government must turn its attention. Species and habitat loss is a significant risk to the global economy through the decline in raw materials and eco-system services such as pollination and natural carbon sinks. In the UK alone, the value of natural resources to the economy was estimated at over £15 billion in 2007. Current methods cannot begin to capture the overall value to both our economy and our wellbeing of benefits such as having clean air, pleasant green spaces and beautiful landscapes.

The wider environmental agenda has been something of a neglected orphan in recent years as climate change has stolen the limelight. Many believe that the formation of DECC has led to the further marginalisation of Defra, already one of the weaker departments. By focusing on climate change in isolation, policy-makers run the risk of developing mitigation and adaptation policies that can either damage the wider environment, or fail to capitalise on opportunities to deliver co-benefits. These include the use of sustainable biofuels as a form of renewable energy, or the use of natural floodwater drainage systems rather than carbon-intensive engineering solutions.


The Coalition has been outspoken in its determination to address these challenges. The forthcoming publication of the National Eco-system Assessment (NEA) will set out the conclusions of a new initiative to measure and value eco-systems in the UK. This will form the basis of a new Natural Environment White Paper, setting out the policies that will contribute to protecting and enhancing the UK's natural assets.

The Coalition has also already announced some of these policies, but progress seems patchy and inconsistent. On the one hand, there are strong measures to promote environmental stewardship with farmers, but on the other hand, the recent response to the Foresight Report on Food and Farming showed a government absolutely intent on sticking with the same old policies on resource-intensive farming and technologies like GM.

There is also the token gesture to engage "Big Society" in planting trees, but the Government was still able to bring forward utterly inept and inappropriate proposals to sell off the whole of the Public Forest Estate. Only massive public pressure forced Ministers to withdraw these proposals.



PROMISED	DELIVERED	GREEN?
<p>The Government plans to publish the first <b>Natural Environment White Paper</b> in 20 years. The paper will set out a new vision to shape the nature of England and will identify policy actions to deliver this.</p>	<p>Although there has been a widespread consultation on this, and much surrounding noise, the detail has yet to be published. The intention has been broadly welcomed by the NGO community, but it will remain to be seen whether this will lead to concrete and tangible actions. There is a danger that it will be like the Carbon Plan: a synthesis of pre-existing actions with few new and robust policies.</p>	
<p>During the UN's Year of Biodiversity, the UK Government has pledged its commitment to international action to halt species decline.</p>	<p>The 10<sup>th</sup> Conference of Parties for the International Convention on Biological Diversity in Nagoya in 2010 led to a number of positive outcomes, including agreements on access and benefit-sharing in developing countries, and resources for financing the plans to at least halve and, where feasible, bring close to zero the rate of loss of natural habitats, including forests. The UK Government played a strong role, along with the EU, in securing a deal.</p>	
<p><b>The UK National Eco-system Assessment</b> (UK NEA) is the first analysis of the UK's natural environment in terms of the benefits it provides to society and continuing economic prosperity. It is being run collaboratively by the University of East Anglia and Defra as well as other partners.</p>	<p>The NEA was due to be published in Spring 2011, but is now substantially delayed. Ministers are keen to reassure stakeholders that it has high ambitions in this area, after years of neglect, and that this will represent the biggest shift in thinking about the natural environment in decades. To which the response has to be that "thinking" is fine, but what about the specific policies and actions on the ground?</p>	
<p>Defra's Business Plan includes a commitment to launch a <b>tree-planting scheme</b>.</p>	<p>The "Big Tree Plant" was launched in December 2010 and aims to bring together civil society groups, NGOs and central government to get more people involved in planting and caring for trees and in establishing local community tree projects throughout England.</p> <p>The idea behind this scheme is positive, but has been completely overshadowed by Defra's attempts to sell off the Public Forest Estate.</p>	
<p>Following the Spending Review, the Government issued proposals for <b>the sell-off of the Public Forest Estate</b>.</p>	<p>Government badged this as a consultation, but many felt it had been poorly handled with policies established prior to the consultation launch. The Government tried to patch this up by offering to leave some of the forest in trust for NGOs to maintain. However, following widespread anger and criticism of the proposals, the Government peremptorily ditched its plans both for the consultation and the proposals to sell off up to 15% of the existing Estate. Spelman was forced to apologise for getting it wrong in Parliament.</p>	



PROMISED	DELIVERED	GREEN?
<p>Defra's Business Plan includes a priority to 'promote a sustainable food and farming sector'. <b>The Higher Level Stewardship (HLS)</b> is a scheme for farmers whereby they receive payments on a six-monthly basis if they deliver significant environmental benefits, particularly in high priority areas. The scheme runs for ten years per farm.</p>	<p>An independent Panel of Experts has now been established to advise the Government what to do next. This will report in the autumn. There are also commitments to publish a revised forestry standard to promote carbon management by June 2011, as well as £10 million promised for a woodland improvement grant for wood fuel preparation and continued funding of new woodland creation through the Rural Development Programme.</p> <p>In November 2010, the Government announced changes to HLS funding so that money would be given for protecting wildlife and waterways rather than farm conversions and access. Funding will also increase by 80% by 2014. These changes have been received warmly by environmental groups, with the RSPB in particular congratulating the Government on raising funding in the Spending Review. Education groups are also pleased that farm visits will be brought back into HLS funding. However, there are concerns that cuts to Natural England (which provides advice to farmers on stewardship, will affect the scheme's overall viability.</p> <p>In addition, the Government is investing £12.6m to improve the science base and measurement of on-farm emissions (Agriculture GHG Inventory), launching a pilot scheme to offer integrated advice to farmers on land management and reducing emissions.</p>	
<p>In opposition, both the Conservatives and the Liberal Democrats were forthright in their criticism of Labour's approach to <b>food security</b>.</p>	<p>OECD figures show that UK food prices rose by 6.5% in 2010, fuelling the debate around access and food security. NGOs and small-scale farmers are concerned that the Government's approach (following the recent Foresight report on Food and Farming) will further promote intensification and large-scale production (in both arable and livestock) rather than adopting organic and more resilient low-carbon, low-input systems. They are also concerned that this approach ignores the issue of food waste, given that WRAP's budget has been cut by 37%, particularly in the area of consumer campaigns.</p> <p>The Government has steered clear of looking at consumption-related emissions and has abandoned previous work by the Sustainable Development Commission and Defra to identify "a sustainable diet". The SDC's latest report on food policy is concerned that a coherent strategy on food is not being followed, and there are</p>	

PROMISED	DELIVERED	GREEN?
<p>The Coalition has pledged to introduce control measures in areas of high or persistent risk of <b>bovine tuberculosis</b>.</p>	<p>missed opportunities in failing to implement the Food 2030 strategy which set out a vision for food linking nutrition, economics and environmental goals.</p> <p>Bovine TB is an issue that has split farming and conservation groups who disagree with the policy of badger-culling. In opposition, the Conservatives were keen on proceeding with the proposed culls, and are likely to confirm this in its response to the recent consultation exercise.</p>	
<p>The Coalition Agreement pledged measures to <b>promote green spaces and wildlife corridors</b> in order to halt the loss of habitats and restore biodiversity.</p>	<p>Not yet outlined in policy.</p>	
<p>The Coalition Agreement pledged measures to make the <b>import or possession of illegal timber a criminal offence</b>.</p>	<p>The Coalition inherited the final stages of legislation proposing that the import of illegal timber should be a criminal offence. Since in government, the Coalition has dropped proposals to cover possession as well, despite pressure from many Conservative MPs and environmentalists who have been critical of this decision; however, policy experts argue that enforcement of the possession proposals would be difficult to enact across Europe.</p>	
<p>There was no mention of the <b>Aggregate Levy Stewardship Fund (ALSF)</b> in the Coalition Agreement.</p>	<p>The Aggregate Levy Stewardship Fund was a scheme introduced to support projects that reduce the effects of aggregates extraction on local communities and the natural environment. This was administered by Natural England, and supported projects that contributed to conservation, health and wellbeing, access and recreation, as well as to education and understanding. The scheme is reported to have delivered significant environmental benefits whilst delivering excellent value for money. The Coalition Government pulled funding of the Aggregate Levy Stewardship Fund in the Spending Review, and the scheme came to an end in March 2011.</p>	

PROMISED	DELIVERED	GREEN?
<p>The Department for Communities and Local Government's Business Plan states that it will maintain the <b>Green Belt, Sites of Special Scientific Interest</b> and other environmental protections, and create a new designation to protect green areas of particular importance to local communities.</p>	<p>There are currently no further developments on the CLG website relating to this, although concerns have been raised regarding the potential impact of development on green belt land under the new Planning Framework (see Chapter 5).</p>	
<p>The Coalition has promised a <b>“zero waste economy”</b>, meaning that all waste will be valued in financial <u>and</u> environmental terms, and that nothing will be wasted.</p>	<p>The Coalition Government got off to a good start by cancelling outright a number of PFI mass-burn incinerator schemes on the grounds that they did not represent value for money. Since then, Eric Pickles has reversed a number of decisions by local authorities against questionable ‘energy for waste’ schemes. Defra is due to publish its Waste Review in June 2011. It will set out how a zero waste economy will be achieved. In addition, there are a number of other delayed policy announcements on capturing methane from landfill, energy from waste, and an update on the GHG inventory to include waste-related emissions. There was nothing in the Budget relating to waste, and no reference to the Landfill Tax. Friends of the Earth recommends extending Landfill Tax to all residual waste treatment including and especially incineration.</p> <p>There are grave concerns amongst NGOs as to the continuing incoherence inside Defra regarding what it is that the Government is trying to achieve. The new antipathy to setting targets (especially those that might in any way be seen to be “tell local authorities what to do”) and the reluctance to taking on any further consultation, does not bode well for the likely contents of the Waste Review. It has already been made clear that there will be no additional regulatory burdens either on local authorities or on businesses, with the emphasis entirely on voluntary measures.</p> <p>Defra Ministers have also decided (after fierce lobbying from BIS) not to raise the targets for reducing packaging waste – a highly regrettable step that threatens to weaken the value of the “recovery notes” on which this particular market mechanism depends.</p> <p>Meanwhile, Defra is waging another battle with Eric Pickles at DCLG, whose relentless bullying of local authorities to revert to weekly waste collections</p>	

PROMISED	DELIVERED	GREEN?
<p>The Carbon Plan states that the Government wants to address impacts of <b>biofuels</b> caused by indirect land use change, and is calling on the European Commission to address this by June 2011.</p>	<p>threatens not only to slow or even reduce rates of recycling, but to add additional costs to local authorities of at least £0.5bn over four years.</p> <p>The 2020 Renewables Energy Directive (RED) commits the UK to source 10% of transport energy from renewables – biofuels are a major component of that. The RED includes sustainability standards for biofuels, so that there must be a 35% saving compared to fossil fuels, and they must not be sourced from areas of high biodiversity or carbon-rich soils. However, biofuel production can cause indirect carbon emissions and biodiversity loss by driving people off existing land onto new land. The Government must be applauded for pushing hard in Europe to take a sustainable approach to carbon reduction, but must ensure that domestic transport policy sets an example by ensuring that biofuels are derived from truly sustainable sources.</p>	
<p>Both the Liberal Democrats and the Conservatives pledged to tackle other environmental externalities in opposition. The Carbon Plan states that there will be a consultation on the phasing out of peat in horticultural use in Sept 2011.</p>	<p>No fiscal measures were introduced in the Budget so it remains to be seen how this will be introduced. The RSPB is calling for a peat levy.</p>	

### *Enhancing and Protecting our Natural Environment: Overall Conclusions*

Looking at all these different policy challenges, the inevitable conclusion is that Defra has been considerably weakened by a combination of very harsh spending cuts, serial incompetence on the part of its Ministers, and a sharp decline in morale amongst senior officials. Whether it's BIS, DCLG or The Treasury, Defra is basically being trampled all over in the usual Whitehall stand-offs. It gets little if any support from the Cabinet Office, let alone from the Prime Minister himself, whose handling of the "forests fiasco" demonstrated a disturbing combination of studied indifference and surprise until the point at which he felt compelled to humiliate the Defra Secretary of State in public by ordering the withdrawal of the proposals.

All this is happening before the cuts to key bodies such as the Environment Agency, Natural England and the Forestry Commission really kick in. Whilst it's true that being "the Greenest Government Ever" depends not so much on Defra as on concerted and purposeful action across the whole of Whitehall, it's impossible to deliver on such an ambitious pledge while systematically shredding capacity inside Defra to take any kind of lead in helping deliver on that pledge.

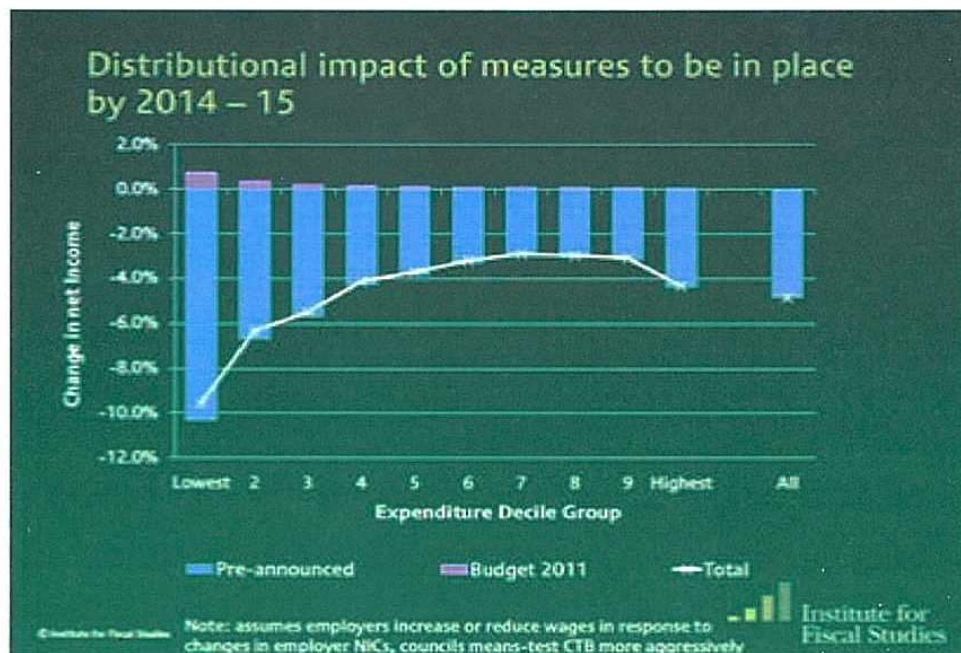
The Natural Environment White Paper and the International Agreements in Nagoya have served to raise cross-departmental awareness of biodiversity and natural resource management. However, this will need to be backed up by strong, explicit policy responses if David Cameron is serious about what he has described as 'greenery'.

## 4. Ensuring Fairness and Wellbeing

One of the most critical elements of Sustainable Development is that it compels the simultaneous consideration of environmental and socio-economic issues. Ultimately, 'green' issues are about reducing our dependence on, and damage to, our natural resources. But we cannot begin talk about conserving these resources without paying proper regard to whether people are able to access their fair share. It is unrealistic to believe that people will reduce their demand for fossil fuels, water, or food if those people (whether they are in developing countries or trapped in vicious cycles of deprivation in rich world countries) do not enjoy basic economic security and a reasonable quality of life.

Many 'green' policies can also deliver substantial social benefits such as insulating homes to prevent fuel poverty, or improving cycling access so that people can reduce the costs associated with travel and become healthier in the process.

It is clearly part of the Coalition Government's overall purpose that fairness and wellbeing should be at the heart of the its Programme for Government. The Deputy Prime Minister has taken upon himself the task of demonstrating that "fairness" underpins all its policy interventions, and David Cameron has followed the lead of President Sarkozy by announcing a UK initiative to develop indicators of national wellbeing to sit alongside measures of GDP. This is an important commitment from the Coalition Government.



However, the speed and depth of the cuts to public spending pose the biggest threat to the Government's fairness agenda. Although deficit reduction is clearly the overarching political priority, many feel that the nature of the cuts is going to put significant pressure on the most disadvantaged in society. We have already



seen increasing unemployment, particularly amongst young people, cuts to children's services and rising living costs.

Figures from the Institute of Fiscal Studies (IFS) published after the Budget show that the total impact of measures implemented so far continue to hit the poorest hardest (see figure)- and this is before future cuts, already in the pipeline, are taken into account

These issues threaten not only to weaken social cohesion, but will also do nothing to put us on the path we need to become an environmentally sustainable and prosperous society. For instance, choosing to slash fuel duty on petrol locks people further into fuel dependency and primarily benefits those in the middle and higher income groups, indirectly punishing those who depend on public transport.





And some cuts fail to deliver either short or long-term benefits. For example, cuts to libraries are taking away free local services that many lower-income groups depend on now, whilst missing an opportunity to innovate our library services so that they can provide different approaches to learning and civic collaboration required for the future.

Perhaps most frustratingly of all, not enough is being done to accelerate policies that deliver both short-term and long-term "win-wins". Jobs and training in retrofitting buildings provide employment, as well as a means to reduce fuel poverty and make a substantial contribution to reducing greenhouse gas emissions. Plans to introduce rights to flexible working could lead to more people getting into work, reduced stress for existing workers, and, in many cases, reduced environmental impacts. But these plans have already stalled.

PROMISED	DELIVERED	GREEN?
<p>DECC's Business Plan includes priorities to save energy with <b>the Green Deal</b> and support vulnerable consumers and the fuel poor.</p>	<p>The definition of fuel poverty is when a household needs to spend more than 10 percent of its income on fuel for adequate heating. This is an increasing problem due to rising energy costs, a decaying housing stock, and lower incomes.</p> <p>The newly introduced Warm Homes discount requires energy companies to spend £250 million on reducing fuel bills for the most vulnerable. This will rise to £310 million by 2014/15. However, the Chancellor has also cut the Winter Fuel Payment for pensioners (£100 less for people over 80, £50 less for people over 60), and suspended the Warm Front scheme which provides funding for insulation and heating solutions for the poorest households.</p> <p>Plans for a 'Green Deal' will establish a framework to enable private firms to offer consumers energy efficiency improvements to their homes, community spaces and businesses at no upfront cost, and recoup the required outlay through a charge in installments on the energy bill. The Green Deal will be introduced in 2012, and will be further complemented by the Energy Company Obligation with a particular focus on fuel-poor households and on retrofitting those homes that would otherwise be too expensive as part of the standard Green Deal.</p> <p>There is still a ferocious battle going on between DECC and the Treasury as regards the details of the Green Deal. Those businesses that were very supportive at the start are increasingly concerned at recent developments, and are now actively lobbying Ministers for a significantly improved scheme.</p>	
<p>The Coalition Agreement includes a commitment to introduce <b>fair rail fares</b>.</p>	<p>Nothing has been done to uphold this commitment. In fact, the opposite has happened. The Government announced in the CSR that it would remove the cap on rail fare increases so that from January 2012 fares can increase by inflation + 3% (previously at +1%). This will mean that rail fares are going to be 25% higher by the end of the parliament. Taking account of other changes, the Campaign for Better Transport estimates that rail fares are set to rise four times faster than average pay next year.</p> <p>The Government has itself admitted that this would lead to 4% fewer trips by rail. Instead of fair pricing, the Government has hit those reliant on train travel the hardest: a Yougov poll showed that it was the most unpopular policy in the CSR (opposed by 8 out of 10). The UK already has highest rail fares in the world, and the fragmented nature of the rail industry makes it up to 40% less efficient than</p>	



PROMISED	DELIVERED	GREEN?
<p>The Government announced an extension to the <b>Healthy Start</b> scheme to include frozen fruit and vegetables, as well as fresh milk, fruit and vegetables and baby milk formula.</p>	<p>other European countries.</p> <p>The vouchers are given to low-income families and pregnant mothers to encourage uptake of healthy food in early development. Young babies receive up to £6.20 and pregnant women and older children get £3.10. This is a classic case of a policy that should have been properly assessed for environmental and social impacts. Frozen food can reduce food waste, but may result in higher environmental impacts through storage and transportation. Further, by providing frozen foods, the Government is supporting large food manufacturers, missing out on an opportunity to use the vouchers to help promote local and seasonal produce.</p>	
<p>The Department for Business's Business Plan has an action to extend the right to <b>flexible working</b> to all employees. A policy that David Cameron championed in opposition.</p>	<p>As yet, there is no detail regarding the introduction of this policy.</p> <p>Flexible working has proven social and environmental benefits through reducing the requirement for employee travel, enabling parents to work (especially single mothers), and reducing work-related stress and illness. It will be disappointing if this opportunity is not realised.</p>	
<p><b>Youth unemployment</b> is a significant issue following the recession. The Government has introduced a number of measures to tackle this, including government internship schemes and apprenticeships.</p>	<p>As covered in Chapters 1 and 2, the Green Economy presents opportunities for employment, and we need to ensure young people are being equipped with the right skills and knowledge to play their part in tomorrow's low-carbon economy. Although there are apprenticeship schemes in place, the delays and "mixed messages" from government mean that substantial opportunities are being missed to create new employment opportunities.</p>	
<p>The Government has adopted the Lib Dem manifesto pledge to <b>raise the income tax threshold</b> to enable more people to get into work who would otherwise be relying on benefits.</p>	<p>A combination of measures announced in the Emergency Budget in 2010 and the Comprehensive Spending Review are designed to deliver cuts of up to £18 billion in welfare spending. As NHS budgets are cut, SureStart centres are closed, childcare credits are withdrawn, and social services have to cut back on all but 'essential programmes', the impact on the less well-off in the UK (and particularly on less well-off women) will be very severe.</p> <p>The Fawcett Society is concerned that the cuts in public spending will disproportionately affect women given a number of factors including percentage of female public sector workers, and the fact that public sector work enables women to act as mothers and carers more effectively. This could mean that whilst</p>	

PROMISED	DELIVERED	GREEN?
<p>The Coalition has constantly repeated that <b>cuts will be “effective but fair”</b>, particularly as regards local authorities and front-line services for which they are responsible.</p>	<p>some initiatives are encouraging individuals into work on the one hand, there are major disincentives on the other. The closure of some Sure Start centres is another barrier. Reducing the capacity for women to enter the workplace could have significant knock-on effects.</p> <p>It is becoming increasingly clear that the cuts in local expenditure are anything but fair, with the most deprived Councils being the hardest hit, and the most affluent being the least affected. Indeed, as revealed by the Local Government Chronicle, there is an almost perfect correlation between the percentage in grant reduction and the level of socio-economic deprivation.</p>	
<p>The Coalition has a stated intent to <b>“end Council dependence on Whitehall”</b>, particular with regard to their central grant and use of business rates.</p>	<p>A review is currently underway to assess the implications of councils being able to retain their own business rates, though Eric Pickles has already indicated that he is broadly in favour of such a proposal.</p> <p>The re-allocation of business rates is one of the few remaining ways of redistributing revenue from well-off areas in England and Wales to less well-off areas. If this mechanism was terminated, poor local authorities would lose out to the tune of hundreds of millions of pounds every year.</p>	
<p>The Chancellor pledged to help hard-pressed families in his Budget speech by <b>scrapping the fuel duty escalator</b>.</p>	<p>The fuel duty escalator cuts are a classic case of a policy that is neither green nor fair. ONS figures show that more than 50% of the poorest households do not have regular access to a car - in comparison to 8% of the richest. Amongst those without access to a car, the most likely households to be affected are pensioners (69%), students (44%) and lone parents (44%). These are precisely the groups who have been impacted most severely by the cuts, and who would stand to gain most from more generous subsidies for public transport rather than cuts in fuel duty.</p>	
<p>Consistent with its localism agenda the Government is leaving many of the difficult decisions to local authorities. The <b>cuts to library funding</b> is one issue that is causing particular concern.</p>	<p>Over 450 libraries and mobile library services across the country are currently threatened with closure. Whilst libraries seem outdated to many, they could actually be the solution to providing a whole host of services that go beyond the traditional business of borrowing books. This would not only reduce environmental impacts of consumption, but also ensure that those in the poorest households have reasonable access to these services.</p>	

## *Ensuring Fairness and Wellbeing: Overall Conclusions*

As the Coalition Government's self-appointed 'Fairness Tsar', Deputy Prime Minister Nick Clegg must be looking back over the last year with very mixed feelings. One suspects that the best interpretation available to him is that things could have been a great deal worse had the Tories won an outright majority in the 2010 General Election.

We have to judge this both in terms of what the Coalition Government has done in its first year, and what it has not done. On the 'has done' front there are few independent commentators who believe that the net outcome of two Budgets and the Comprehensive Spending Review is anything other than disadvantageous for the less well-off in society.

What matters rather more here is what has not been done. Apart from Iain Duncan Smith's highly problematic welfare reform proposals, no attempt has as yet been made to address the deep-seated structural inequities that still lie at the heart of UK society – and on which, to be fair, the Labour Government made very little impact during the course of its 13 years in office. The latest figures from Save the Children reveal that 1.6 million young people live in severe poverty in the UK – with as many as 1 in 4 in some of our big cities. At the other end of people's lives, huge disparities in life expectancy between the rich and the poor still persist.

These things are connected. A review carried out by the London Health Observatory (for Sir Michael Marmot's Health Inequalities Review) showed that 44% of children in the 150 so-called "upper tier" local authorities are not achieving "a good level of development at the age of five". More often than not, it's those children that end up at the wrong end of the life expectancy league table later in their lives.

It is these upper tier Authorities which will take on responsibility for public health under the Coalition's current proposals for reforming the NHS – at precisely the time when their budgets are under unprecedented pressure.

Against that backdrop, launching a concerted assault on the public sector (as the embodiment of all that's wasteful, slothful and "totally out of touch with ordinary people") seems reckless. And one can't help but ask whether the faith that the Coalition Government has in the private sector is entirely justified. David Cameron's overall objective of "reducing regulation and maintaining a flexible and dynamic Labour market" may well translate into further reductions rather than improvements in people's standard of living.

There's one thing we know for sure: when people are feeling insecure about their economic circumstances, in terms of job prospects, mortgages, credit card debts, family responsibilities and so on, there's little likelihood of their sense of wellbeing improving. From that perspective, worrying about wellbeing and happiness whilst doing little if anything to address structural economic unfairness will inevitably be seen by some as political hypocrisy of the deepest order.

## 5. Building the Big Society




The fifth and final policy test of the ‘Greenest Government Ever’ relates to the ‘Big Society’. The changes needed to become the greenest ever cannot be delivered by central government alone; change is also needed at the local, regional and community level, as well by individuals.




The Coalition’s Big Society vision is founded on the principles of decentralising power and responsibility to the local level. This presents both a challenge and an opportunity from a sustainability perspective. On the one hand, creating a more responsible community culture has the potential to drive local action to maintain and enhance the local environment - for example, building community gardens, improving local transport services and protecting green spaces. However, devolving power to the local level can also lead to significant challenges for the environment. There is the risk that “a tragedy of the commons” scenario occurs, as people choose not to take up any additional responsibilities without clear national and regional structures.



This could be particularly problematic in terms of the implementation of policies relating to key national and international obligations. Local authorities and communities have a greater incentive to focus on the immediate and narrowly local issues (such as litter and housing), rather than national issues like climate change. This is especially true in tough financial times, with councils being expected to deliver more for less.




Furthermore, there is a heightened risk that “nimbyism” will present a growing challenge to initiatives like wind farms and rail networks as local individuals seek to persuade planning committees that their voice must be heard above all others.

There are growing concerns that the Government as a whole has either not thought through the potential impact of this kind of populist decentralisation on what needs to be done to build a more sustainable economy, or has thought it through and simply doesn’t care.

PROMISED	DELIVERED	GREEN?
<p>One of David Cameron's most important projects both in opposition and in government is to create a <b>Big Society</b>, one where communities will get both a greater say in decision-making and a larger portion of responsibility in how their local areas are managed.</p>	<p>Although a more participatory approach to government is to be welcomed, the New Economics Foundation and many other NGOs are concerned with the overall Big Society approach. For this to work, it requires that people are given an equal say in their communities and are provided with the skills, funds and information to do this so that their voices are not crowded out by elites. They are also concerned that participation will favour those who can afford not to work. There is a clear consensus that a number of ethical conditions will need to be met for the resulting changes in governance to be both fair and sustainable.</p> <p>However, there is no doubt that 'big society' thinking is, <u>in principle</u>, entirely compatible with the kind of progressive, radical emphasis on decentralisation and civic empowerment that the Green Movement has been advocating for many decades.</p>	
<p>Closely connected to the idea of the Big Society is another key theme: '<b>Localism</b>'. DCLG has given expression to this shared commitment (on the part of both coalition parties) through the Localism Bill, which sets out the implications for local authorities and communities.</p>	<p>Again, there is no a priori reason why an ambitious Localism Bill of this kind should not be entirely compatible, <u>in principle</u>, with sustainable development. However, the sheer incoherence of the Localism Bill has posed a significant risk to the Government's green credentials.</p> <p>The process by which Eric Pickles and his department is ramming through localism has meant that many policies have little regard for environmental or social impacts. The Government needs to ensure that when handing power to the local level that adequate safeguards are in place so that national targets and international obligations are translated into local action. For instance, Friends of the Earth has recently published results of a survey which shows that only 22 of the 354 councils in England have adequate climate change policies to meet the 40% emissions reduction needed by 2020.</p>	
<p>The Government was committed from the start to abolishing the Regional Development Agencies and to establishing a <b>Regional Growth Fund</b> (to support places currently reliant on the public sector to make the transition to sustainable private sector-led growth).</p>	<p>As soon as the new Coalition Government was in office, the decision was taken to abolish both the Regional Development Agencies and the network of Government Offices. To a certain extent, these are to be replaced by Local Enterprise Partnerships between local authorities and businesses. Although DCLG's Business Plan states that this will lead to more effective "sustainable growth", the structures that were in place as part of the RDA and GO network to ensure low-carbon and other sustainability safeguards, have not yet been replaced. For example, Regional</p>	

PROMISED	DELIVERED	GREEN?
<p>The Government is keen to use the <b>Sustainable Communities Act</b> so that local authorities take forward ideas from communities on how to improve their area</p>	<p>Spatial Strategies have been abolished. The new institutional arrangements (Local Enterprise Partnerships, the Regional Growth Fund and new Enterprise Zones) have all been established with little if any attention to sustainable development – an omission confirmed by the first round of funding under the Regional Growth Fund, which has almost entirely ignored any ‘Green Economy’ elements.</p> <p>Cuts in local authority expenditure are threatening budgets for sustainability teams across the country. As well as the decline in regional capacity, there has been a simultaneous and dramatic decline in local authority capacity. The implications of this will be extremely serious for the next few years. Beyond that, it is hard to see how local government capital spending on sources such as waste disposal and environmental protection will not fall sharply over the next few years.</p>	
<p>BIS is committed to “rebalancing the economy” and has plans set out in the Business Plan for a <b>Regional Growth Strategy</b>.</p>	<p>As yet, there are no clear safeguards to ensure that regional rebalancing of the economy will take account of future environmental risks. For example, encouraging major new developments in water-stressed areas would result in shortages in water supply as well as increased energy use to provide alternative solutions.</p> <p>In the Government’s recently published Sustainable Development Vision, it is clear that economic, social and environmental goals should still be met together – the types and location of economic activity matter. As recently as November 2010, David Cameron reiterated that the <u>type</u> of economic activity is critical, and that the wrong types of growth can make our society worse off. That view however, does not seem to be shared by Eric Pickles in DCLG, who is clearly intent on securing growth at all costs, and sees the planning profession as the principal impediment to achieving that objective.</p>	
<p>The Government is committed to reforming the planning system, with the “<b>presumption of sustainable development</b>” being at the heart of it.</p>	<p>The presumption in favour of sustainable development is yet to be clearly defined by the Government, and risks being introduced into legislation without a clear definition in place.</p> <p>It is worth repeating the actual text of George Osborne’s Budget speech to get the true picture about <u>his</u> view on sustainable development: “2.11 The Government</p>	

PROMISED	DELIVERED	GREEN?
<p>The Coalition Government is intent on replacing the Infrastructure Planning Commission with a new <b>Infrastructure Unit</b>, and on 'democratizing' the planning system by asking the House of Commons to vote on National Policy Statements, with the relevant Secretary of State having the final say.</p>	<p>will introduce a new presumption in favour of sustainable development, a principle which will underpin the entire National Planning Policy Framework. This will set out the Government's clear expectation that the default answer to development and growth should be 'yes', except where this would compromise the key sustainable development principles set out in National Planning Policy.</p> <p>2.12 The presumption will reinforce a pro-growth emphasis on plan-making. It will require local authorities to work promptly to accept applications that comply with up-to-date plans and national planning policies. The Government wants more development in suitable and viable locations, and will produce a shorter, more focused, and inherently pro-growth national Planning Policy Framework to deliver this".</p> <p>It should be stated categorically that this kind of 'inherently pro-growth National Planning Policy Framework' and any genuine understanding of sustainable development are <u>entirely incompatible</u>.</p> <p>Further plans announced in the Budget to scrap brownfield development targets and introduce land auctions (whereby local authorities can sell off land with planning permission to make money) are also very worrying. (CPRE estimates that Labour's commendable insistence on brownfield targets has prevented development on greenfield land of the equivalent of double the size of Manchester over the last decade).</p> <p>This represents a definite improvement in governance arrangements regarding major infrastructure projects. However, the CBI remains concerned that there is widespread uncertainty in the planning system, with many major projects on hold (including 37 energy infrastructure projects awaiting a decision) inherited from the previous government. The CBI has called for a prompt policy statement on energy infrastructure.</p>	
<p>The Coalition Government is also seeking to strengthen local communities through giving them a 'community right to build'.</p>	<p>As yet, there are no clear safeguards to ensure that communities can choose not to have environmentally-damaging developments imposed upon them. Oliver Letwin, speaking to the EAC, reassured the Committee that new developments will need to adhere to the National Planning Policy Framework, as well as to</p>	

PROMISED	DELIVERED	GREEN?
<p>DfT's Business Plan committed to establishing a <b>Local Sustainable Transport Fund</b>.</p>	<p>Neighbourhood Plans.</p> <p>The fund of £560 million available for local authorities to bid for projects that encourage sustainable travel options in their local areas (including improved public transport, active travel or car sharing schemes, cycling and walking and so on). This is now up and running and is to be applauded. It will be interesting to see, however, how this sits alongside other measures, which may disincentivise sustainable transport options (cuts in the Bus Support Grants, for instance).</p>	
<p>The Government has promised to <b>end the war on motorists</b>, and cut red tape especially relating to town centre parking.</p>	<p>Policies announced include axing laws stipulating the number of car parking spaces allowed in new housing developments. These measures were introduced to encourage people to use public transport.</p> <p>Another law that will be repealed covers minimum pricing for town centre car parking, which will now enable local authorities to charge as little or as much as they like for parking in city and town centres.</p> <p>These decisions were prioritised by Eric Pickles without proper consultation, and will clearly do little to reduce dependence on the car.</p>	
<p>A key component of the localism and Big Society agenda is societal responsibility and freedom. The recently drafted '<b>Freedom Bill</b>' sets out a number of legislative changes to restore civil liberties.</p>	<p>Restoring civil liberties was an election priority of both parties in opposition, and the idea of a Freedom Bill had been much touted by the Lib Dems in recent years. The draft Bill comprises a number of measures that have been proposed as part of a widespread consultation to restore community and business freedoms. In opposition, the Lib Dems promised that the Bill would include actions to restore rights to non-violent protest. Creating a big society that represents the rights of both present and future generations should permit all groups to air their legitimate concerns and opposition to the decisions of government.</p> <p>Under Labour, many of the rights to protest against the government were eroded, often under the auspices of anti-terror or harassment legislation. We also saw the rise of the surveillance state and worrying police tactics such as covert police surveillance and "kettling". These have been particularly worrying in relation to the green movement with grass roots groups such as Climate Camp and Plane Stupid being targeted.</p> <p>However, despite the strong stance in opposition, action by the Coalition on this</p>	



PROMISED	DELIVERED	GREEN?
	<p>agenda has been slow-burning and often contradictory. Recent police tactics anti-cuts and student protestors shows a police force that is still inclined to be heavy-handed and disproportionate in its use of force. The Freedom Bill still lacks reference to aggravated trespass, a controversial power that the Lib Dems promised to abolish.</p>	

## *Big Society: Overall Conclusions*

This is perhaps the most complex of the five main policy areas laid out in the Coalition Government's new 'Vision for Sustainable Development' on which to make a judgement. Instinctively, one feels that that the Government is absolutely right to call for a rebalancing between state and society, to insist that there is so much more that could be done by local communities and empowered individuals, without the heavy hand of government overshadowing such innovations, and to see that this is as much a cultural transformation as a formal government programme.

On the Localism Bill, for instance, Greg Clarke, the Minister for Decentralisation in DCLG, has been keen to impress upon both environmental and social justice NGOs that the measures contained within the Bill create a whole set of new opportunities to deliver substantial improvements in people's local environment and quality of life.

But there is something about the manner in which the Government is setting about advancing the Big Society that reveals a deeply disconcerting ideological orientation, which invalidates such notional even-handedness. The work of local councillors across the land, for instance, is regularly exposed to brutish contempt from Eric Pickles; the Prime Minister himself has vilified all planners as the principal "enemies of enterprise"; civil society organisations are either patronised or reduced to mere "delivery agents". Only the private sector escapes these rasping critiques.

Meanwhile, the deep cuts in public expenditure make it very difficult for local authorities to find either the necessary resource or the time to establish new ways of working with community leaders or with the voluntary sector.

Though Ministers are now rather more cautious about the way in which they articulate this, one can't help but think that the ideological priority of "shrinking the size of the state" is what is really driving ideas about this Big Society rather than any properly thought-through understanding of how best to mobilise community and individual resources to work cooperatively with local government – and indeed with the State.

The attack on planning is particularly worrying in that regard. Planning is the principal tool we have to ensure that we get the right kind of development in the right places: this is not bureaucracy or red tape, as the Communities and Local Government Secretary Eric Pickles caricatures it, but essential to any civilised society. If new housing development is granted without proper planning, and new communities spring up without linked services, there could be extreme pressure on schools, hospitals, doctors' services and public transport.

Promoting economic development above other considerations will result in a development free-for-all, which local authorities and people will have almost no means to stop. People will end up having less say in what happens in their area, in direct conflict with the Government's own localism agenda.

## 6. Leading by Example

In addition to the policy tests above, it is important to consider what the Government is doing to keep its own house in order.

Reducing the impact of the Government's own estate has always been the easier and stronger area of government green action. When Cameron first pledged to make this the 'Greenest Government Ever', he also announced a 10% cut in emissions from the government estate.




There is always a danger that ambitions of this kind are seen to equate to real action. Just after the launch of the Labour Government's Sustainable Development Strategy in 2005, Tony Blair committed his Government to carbon neutrality for the central government estate by 2012 – a pledge that was well-received at the time but quietly buried a few months later when officials had worked out what this would entail. David Cameron has a similar aptitude for flourishes of this kind.


Although the 10% target was welcomed by many in the Environment Movement at the time, the need to cut emissions so quickly meant diverting resources away from other sustainability projects, as well as undermining the hard-won mantra that investing in energy efficiency is always cost-effective. Many of the measures taken over the last year have not been.

Furthermore, many departments will no doubt have performed well through reductions relating to staff redundancy, downsizing and a more rational use of space leading to the closure of many government offices. The reality is that cuts are already seriously impacting on spending in state departments and procurement, with sustainability teams and budgets rapidly reducing.

As regards procurement, a lot of what is happening at the moment is equally cosmetic. Despite the Centre of Excellence in Sustainable Procurement sitting within the Cabinet Office, it has not been part of the Efficiency and Reform Group that is actually driving these changes. This is a wasted opportunity to ensure that the changes across government departments are made in an environmentally and socially responsible way, and do not make the usual mistake of taking a short-term view of value for money.

The decentralisation agenda also poses some serious threats to reducing overall public sector emissions. Although a 25% reduction target for the wider public sector has been rumoured, there is no detail of this as yet. Furthermore, Ministers are reluctant to push even for voluntary schemes, saying that it is up to schools and hospitals to decide for themselves. Michael Gove has scrapped the successful Building Schools for the Future programme, and the Sustainable Schools initiative, as he believes schools should decide individually how to tackle these issues. Likewise, Andrew Lansley has commented – apparently without irony – that it is no longer “central government's role to tell hospitals what to do” - despite the rather obvious fact that the NHS is one of the biggest emitters of greenhouse gases in the UK, and is currently wasting millions of pounds of taxpayers' money through inefficient resource use.

PROMISED	DELIVERED	GREEN?
<p>Along with the Greenest Government Ever commitment, David Cameron pledged to <b>reduce emissions from the government estate by 10%</b> over the course of the year. A change in reporting procedures was also announced so that departments would be required to publish their data in real time and would be entered into a league table of performance.</p>	<p>This initiative was met with enthusiasm from many green groups, in particular by 10:10, which had long been lobbying the Labour government to pledge their support for the campaign. Despite the good intentions and some renewed vigour in terms of departmental behaviour change, there have been some unfortunate side-effects of the move. Longer-term targets for carbon reduction were already in place, which allowed for better investment decisions. The focus on 10% led to departments having to put increasing amounts of money and effort into making the reductions, often at the expense of other sustainability targets. The focus under Labour had been on widening out the targets to other environmental impacts; this announcement narrowed and distracted departments from the wider SD agenda.</p>	
<p>Defra's Business Plan committed them to publish an Action Plan outlining how stretching <b>operations and procurement targets</b> will replace the existing sustainable operations targets.</p>	<p>The Government published its revised targets as part of the 'Vision' for sustainable development. This includes quantitative targets for waste, water and carbon, as well as qualitative commitments on biodiversity and sustainable procurement. The new targets are positive in that they broaden the scope of the GGE commitment and have stretching targets on waste and water, as well as a revised 25% target on carbon by the end of the parliament. There are issues with the new approach that still need to be addressed. The Government's commitment to transparency means that although the data is publicly available, this is not easily digestible. Annual sustainability reporting has been dropped. The Government has yet to publish its operations performance since the last SDIG report in 2009/10, yet another of the many gaps that have opened up as a consequence of axing the Sustainable Development Commission.</p>	
<p>The Government has, for the first time, published a <b>full carbon footprint of its supply chain</b>, with a view to reducing supply chain related emissions through sustainable procurement.</p>	<p>This move is positive and shows that government is leading by example in relation to measuring indirect emissions. There have been encouraging improvements in procurement standards.</p>	

PROMISED	DELIVERED	GREEN?
<p>The Coalition Government has committed to <b>ensuring that the wider public sector</b> is brought into this 'leading by example' programme.</p>	<p>Although central government targets have now been published, it is still unclear how the Government will ensure that the wider public sector also leads by example through reducing its own environmental impacts. There are calls for a '25:5' initiative (25% cut in five years) following the 10:10 pledge. Previous SOGE targets also covered wider NDPBs, and central government departments were working closely with NHS, schools etc. on reducing their environmental impacts. The Carbon Plan includes a commitment to set out longer-term ambitions for carbon reduction in government and wider public sector, but there is no clear commitment that this will be in the form of targets.</p> <p>The decentralisation agenda has also led to a "hands-off approach" to the wider public sector, with central government officials claiming it is not their role to tell schools or hospitals what to do. The Bill to reform the NHS and the scrapping of the Building Schools for the Future programme are two such examples.</p> <p>This approach is entirely inconsistent with the Greenest Government Ever claim. The Government's own figures show that in 2008/09 local authorities were responsible for 20% of public sector emissions, NHS bodies for 24%, and state schools for 21%. Central government in comparison accounts for just 3%. Yet the majority of action is focused on this small percentage. The only specific action in the Carbon Plan is a loan scheme for energy efficiency projects in public sector if pay back can be guaranteed within five years - hardly ambitious.</p> <p>The Carbon Plan suggests that an action plan will be developed for local authorities to remove barriers, but gives no timescale for this and is even more vague when it says it 'would like to embed leadership in carbon management and transparency in all public services'. There are clearly double standards at work here: if the Government feels it has the mandate to impose massive financial cuts on the wider public sector, why is it so reticent to put conditions on reducing emissions of greenhouse gases?</p>	

## 7. Good Governance

To its own astonishment, the former Labour Government found itself on the receiving end of many plaudits from other governments around the world and from international commentators regarding the 'architecture' it had established for Sustainable Development in the UK - from the 2005 Sustainable Development Strategy through to the establishment of the Sustainable Development Commission, the requirement for all departments to produce a Sustainable Development Action Plan, the Sustainable Development in Government operational targets and so on. Performance may have left a great deal to be desired (as was frequently pointed out by the Sustainable Development Commission), but the foundations for making sustainable development "the central organising principle of government" over time were established with considerable forethought and attention to detail.

Those foundations have been largely dismantled by the new Coalition Government, and there is little left of the 'SD' architecture created by Labour.

In their defence, Ministers have argued that they want to shift to greater 'democratic accountability and transparency' in place of what has been referred to as the 'bureaucratic accountability' of the Labour Government. That is fine in theory, but it's proving very difficult to work out what this will look like in practice. All we've got to go on at the moment is a flood of raw data regarding its 10:10 commitment, with great long lists of policies and future actions in the departmental Business Plans. Transparency is not the word that comes immediately to mind.




Another feature of democratic accountability is an enhanced role for Parliamentarians in scrutinizing government performance. Members of the Environmental Audit Committee (EAC) deserve high praise for the worthy efforts they have made this year to question over and over the actions taken by both Defra and DECC in relation to its 'Greenest Government Ever' pledge. However, Joan Walley, the EAC's Chair, has made it crystal clear that they will not be taking on the formal scrutiny role once exercised by the Sustainable Development Commission, and that the EAC would need substantial additional funding if it was to take on any further commitments in this area.

Both Caroline Spelman and Chris Huhne have made firm commitments to drive forward the 'mainstreaming of sustainable development' across the whole of Whitehall. Caroline Spelman apparently believes that this has already been achieved by her appointment to the Economic Affairs Cabinet Committee, but few others attach much significance to this - a natural scepticism that would appear to be amply justified by what is probably the least 'green' Budget in modern times.


This Report has not been able to 'compare and contrast' the performance of the UK Government with the governments in both Scotland and Wales.

Even under the Labour Government, it was clear that the 'variable geometry' around which the 2005 UK Sustainable Development Strategy was designed had resulted in significant differences in both policy and governance arrangements

between the different administrations. It is widely acknowledged, six years on, that Wales has established the strongest claim to leadership on Sustainable Development within the UK, that Scotland has many important innovations and policy differentiators to point to (especially regarding fairness and wellbeing), and that Whitehall brings up the rear. Apart from the administration in Northern Ireland – which has made almost literally no progress on sustainable development since 2005.

PROMISED	DELIVERED	GREEN?
<p>The Government promised a <b>'bonfire of the quangos'</b> as part of the first wave of spending cuts, as well as a move to increase the accountability of all public bodies. Defra, cutting many of its arms length bodies, assured environmental groups that it would 'mainstream' functions into government.</p>	<p>Many green quangos have been affected by this decision, including the Royal Commission on Environmental Pollution, the Commission for Integrated Transport, and the Sustainable Development Commission itself. The decision to get rid of the SDC has been met with widespread criticism from parliament and NGOs who believe that the SDC delivered benefits to government that massively outweighed its cost. Speaking to the Environmental Audit Committee, the Secretary of State admitted that the cost of the wind-down of the SDC amounted to £800,000. Although it was widely accepted that public sector cuts would inevitably lead to changes in the governance architecture surrounding sustainable development, there are now major concerns that there are no plans to find any substitute for the SDC's scrutiny role. There are, therefore, no means to assess the degree to which the Government is living up to its Greenest Government Ever claim. The EAC has rejected the idea that it has sufficient capacity (or the inclination) to do this role. In addition, spending cuts for Defra have meant that both The Environment Agency and Natural England will have their budgets cut by at least 20%.</p>	
<p>Within the first few months, Eric Pickles decided to get rid of the <b>Audit Commission</b>.</p>	<p>Although this has attracted little attention, it has had a big impact on the readiness and ability of Local Authorities to deliver sustainable outcomes at the local level. The Comprehensive Area Assessment has been swept away, together with all the National Indicators that previously helped define the relationship between national and local government. Many of these indicators had a strong sustainability element.</p>	
<p>The formation of the Committee <b>on Climate Change (CCC)</b> was welcomed by both parties at the time that the Climate Change Bill was going through Parliament in 2008.</p>	<p>The CCC advises government on how to mitigate and adapt to climate change. Rumours are circulating that the CCC may have its funding reduced, and it is currently struggling to get the Government to agree to the next Carbon Budget as part of the Climate Change Act. Any changes to the CCC would signal a step away from the commitments entered into under the Climate Change Act, and could be potentially very damaging for government.</p>	



PROMISED	DELIVERED	GREEN?
<p>As part of the <b>Action Plan on Operations and Procurement</b> a Ministerial Steering Group has been set up.</p> <p>In his Cabinet Office role, Oliver Letwin has undertaken to vet Department's Business Plan reviews.</p> <p>As part of the Coalition Agreement both sides agreed to hold a <b>referendum on the Alternative Vote system</b>.</p>	<p>The aim of the Group is to overcome problems in accounting (e.g. when there are inadequate incentives to encourage 'spend to save' investments), or where there may be conflicts between departments on operational issues. It is too early to judge what kind of impact this Steering Group has had.</p> <p>Questions remain over Defra's expertise, let alone its readiness to use the policy appraisal tools at their disposal to objectively assess policies from an integrated SD perspective.</p> <p>It is widely accepted amongst environmental NGOs that the AV system represents a small but significant step forward in terms of improved governance systems.</p>	

### ***Good Governance: Overall Conclusions***

When making the announcement to be the Greenest Government Ever, David Cameron pledged his personal leadership to this agenda, along with many of his key cabinet colleagues.

It is hard to find substantive evidence of the Prime Minister using any of his personal political capital to promote more sustainable outcomes off the back of the Coalition Agreement. Most of the important battles (on the Green Investment Bank, for example) have been lost, and the predominantly hostile orientation of Ministers like Eric Pickles, Michael Gove, Francis Maude, Andrew Lansley and George Osborne has clearly established what can only be described as 'default negativity' regarding sustainable development in this Government.

It is often observed that Oliver Letwin would appear to be the only senior Tory who is in the least bit discomfited by this overall positioning, but, again, there is little if any evidence of what this has helped achieve in practice.

Liberal Democrat Ministers have failed to promote their cause with sufficient vigour inside the Coalition, and their back-benchers have failed to hold their own Ministers properly to account.

In getting rid of the Sustainable Development Commission, it is now clear that the Coalition Government removed the cornerstone of a quite sophisticated governance edifice. It had no 'Plan B' available at the time, and there is still no 'Plan B' available one year on. It has become even clearer that there is zero likelihood of such a Plan ever emerging from a shrunken and demoralised Defra.

## 8. Final Conclusion

Writing this Report has been a disheartening process. In an ideal world, I would have wanted to demonstrate to Friends of the Earth the usual mixed balance sheet one might expect after just one year. But the 77 individual items pretty much speak for themselves: the bad and the positively ugly indisputably outweigh the good. At this stage, the likelihood of the Coalition Government living up to its “Greenest Government Ever” pledge is vanishingly remote.

Looking back on it, the early signals weren't encouraging. It wasn't just the axing of the Sustainable Development Commission, idiotic though that was. Decisions by DCLG, Treasury and the Department for Education had the alarm bells ringing within the first few weeks. And the outright success stories have been few and far between since then.

So what's gone wrong? The state of the economy has clearly played a big role here; understandably, that has been the overarching priority for the Government. But that's a bit of a cop-out. When it suited him, George Osborne promptly conjured up £10 billion in the recent Budget to offset the reductions in revenues from the fuel duty. And a great deal more could have been done to promote the Green Economy as a central part of the Coalition Government's growth agenda.

The Prime Minister's personal 'lack of visibility' on green issues has not helped. Both Ministers and senior officials read signals of that kind very astutely: however sceptical they may be about the 'Big Society', they know that's what floats Cameron's boat. And there are some uncanny parallels here with Tony Blair's Third Way.

The fact that David Cameron has no personal vision for the Green Economy provides all the permission that is required for piecemeal decisions across the rest of Whitehall working against any notion of becoming the Greenest Government Ever.

Allowances should of course be made for lack of knowledge (let alone experience) on the part of incoming Ministers. But it's clear that several Departments have already learned how to play fast and loose with the language of sustainable development, sounding really committed and enthusiastic, whilst actually doing very little – or even doing the opposite. In DCLG, for instance, they clearly know just how important it is to get the definition of sustainable development properly tied down (as defined in the Local Growth White Paper as “growth that is environmentally sustainable and inter-generationally fair”), but have happily connived in George Osborne's outrageous redefinition of sustainable development in the Budget as ‘just say yes’.

Listening to Osborne, Pickles and even Vince Cable, it is clear that that the ‘growth at all costs’ lobby has won out over the advocates of ‘sustainable economic development’ - particularly Chris Huhne. That in itself is discouraging, but is compounded by some much more problematic positioning on the part of the

Coalition around more ideologically-charged issues like deregulation and “shrinking the size of the state”.

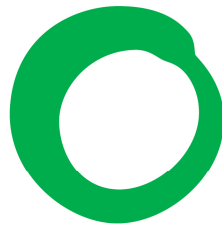
That positioning (anti-regulation, hostile to planning, favouring the private sector, shrinking the state, etc) makes it significantly harder to deliver on the ‘Greenest Government Ever’ pledge, let alone to put sustainable development anywhere near the heart of government.

And that’s a particularly worry for the Liberal Democrats who stand to lose at least as much from a continuing failure to deliver on this pledge as David Cameron does himself.

There is of course a long way still to go, assuming that the Coalition does not fall apart. The hope must be that the more progressive elements in the Conservatives and the Liberal Democrats will use this first year anniversary to take stock of why they have made so little progress to date – and what needs to happen now to retrieve the situation. Labour, and Ed Miliband in particular, must also work harder to bolster those lone voices in Parliament challenging the Government’s progress on green issues.

In the meantime, Friends of the Earth and all other NGOs have clearly got their work cut out helping Ministers raise their sights – and holding them more effectively to account if things don’t improve.

Improve they must. It is, I’m afraid, unavoidably depressing to see just how rapidly things have gone backwards since May 2010. Instead of having a really strong story to tell at the Rio + 20 Conference in a year’s time, having built up an internationally-recognised framework for sustainable development in the 10 years running up to last year’s General Election, our contribution in Rio – as things stand at the moment – will be humiliatingly insubstantial.



**Friends of  
the Earth**

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This report was written by Jonathon Porritt for Friends of the Earth. Research was provided by Bethan Harris and Friends of the Earth.  
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