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Is the government's new climate plan fit for purpose?

The government has just produced a new climate plan which it was legally obliged to do following the High Court ruling that the previous climate plan, produced under the previous government, was not fit for purpose. Friends of the Earth experts have rapidly delved into the details of the new climate plan to provide an assessment of whether this plan is a significant improvement or not.

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Friends of the Earth and others successfully took the previous government's climate plans to Court because they just weren't good enough and didn't meet the requirements of the UK's Climate Change Act. This new climate plan – officially called the Carbon Budget and Growth Delivery Plan – is stronger on carbon reduction delivery and stronger on making life much better for people with lower bills, cleaner air, warmer homes, etc.

But the new climate plan is far from risk free, particularly with overly optimistic expectations for new technology. And even though it is fairer than previous plans, it still falls short of what it could do to address deep inequalities in the UK. And for the UK to do its fair share globally it should be aiming at deeper emissions cuts.

Overall, is it fit for purpose? We don't think it is fully, but it's a step forwards. It will take a lot more campaigning over coming years if the UK is genuinely going to be a world leader on climate change.

Does it meet legally-binding carbon reduction targets?

In 2008 Friends of the Earth won the campaign for a Climate Change Act that sets a series of legally binding carbon reduction targets up until 2050. These targets took the form of 5-year carbon budgets that set a ceiling on how much carbon emissions could be released over the period.

We ran the campaign because successive governments kept on promising to reduce emissions but didn't deliver. The new 238 page climate plan outlines the policies the government says will enable it to meet targets up until 2037.

The government has carried out extensive modelling of its policies to demonstrate that taken together they will, in theory, easily meet the carbon reductions needed for the 2028 to 2032 carbon budget period and will deliver 100% of the cuts needed for the 2033 to 2037 carbon budget. They say the saving estimates they make are "cautious". So far, so good. But there are reasons to suggest they've been far from cautious and that some of the savings they forecast are extremely optimistic, for example:

- They have huge amounts of greenhouse gas removals in their calculations. Greenhouse gas removals are predominately using technology to capture carbon dioxide from biomass power plants and store it underground (BECCS), rather than allowing it to escape into the environment. There has been significant work undertaken over the last year on policies to develop the technology but as a recent report said there are still significant barriers to deployment. Sufficient measures to ensure sources of biomass are sustainable have to date been neglected. And the government's view that harvesting biomass such as wood from forests will not reduce the carbon stored within the forests is questionable.
- They are assuming that their policy to increase the amount of Sustainable Aviation Fuel for use in aviation will work and they are also assuming that the aviation industry's highly criticised carbon offset scheme - called CORSIA - delivers genuine carbon cuts. The Environmental Audit Committee in the House of Commons very recently raised concerns about these.
- Rightfully, they see that nature can make an important contribution to meeting climate targets, for
 example through the planting of trees and restoration of peatlands. They work on the basis that
 existing tree planting targets will be met, but right now they aren't on track.
- Switching to electric-powered heat pumps instead of gas-boilers for home heating is essential if carbon targets are to be delivered. Given the current culture wars on climate, it isn't surprising that they've backed off talking about future bans on boilers and instead said they will rely on carrots rather than sticks to encourage people to make the shift. By 2035, they say the vast majority of heating systems fitted will be heat pumps. But they haven't yet, for example, offered larger grants for those who can't afford to make the switch with the current partial grant. We hope the Warm Homes Plan, expected before the end of the year, will address this issue.

Does this mean the government's claim that their plan will deliver on legally binding targets is incorrect? Possibly.

The government only has a couple of years to demonstrate that its optimism is well-placed because that's when it will then need to produce an updated climate plan detailing policies out to 2042. If policies are off-track, or if the government agree lots of high carbon developments in the meanwhile, there will be plenty, including Friends of the Earth, ready to take action, including in the Courts.

If the government is to keep targets on track it will take sustained effort from Ed Miliband, the Secretary of State for Energy Security and Net Zero, and he will need support from the Prime Minister and Chancellor. At least in Ed Miliband there is reason to believe he is committed and determined to take serious action on climate change. After all, he steered the Climate Change Act through Parliament when last in government. He will need to keep the pressure up on his colleagues in government, especially those that are gung-ho on aviation expansion, and take measures to ensure devolved governments and local authorities are able to step up to the mark and deliver significant carbon cuts.

Does it meet international commitments?

In addition to the legally binding climate targets under the Climate Change Act, the UK has made carbon reduction commitments internationally for 2030 and 2035 (called Nationally Determined Contributions or NDCs). It's 2030 commitment, made when Boris Johnson was Prime Minister, is much tougher than the cuts required under the Climate Change Act. The 2035 commitment, made by Keir Starmer, is virtually the same as those required under the Climate Change Act.

It is important to note that these commitments do not in themselves represent, in Friends of the Earth's view, a fair share of the global cuts needed. There are many different approaches for assessing what a UK fair share of carbon cuts by 2035 should be. When the Climate Change Committee assessed these, it identified that 3 out of 4 methodologies it looked at resulted in much bigger emission cuts than the UK chose to adopt.

In this context, it is doubly disappointing that the climate plan says the quantified policies it's outlined (i.e. those that have numbers on the emissions cuts they are predicted to achieve) only achieve 96% of the cuts for the 2030 NDC, and 99% for the 2035 NDC. To be fair, the previous government was much further off-track to meeting these, and it would have been a Herculean task for the new government to close the gap completely. Although given the reality of the climate emergency, Herculean tasks are not unreasonable demands.

The climate plan says government will close these gaps to meeting the NDCs in coming years, using "best efforts" to do this. As with the Climate Change Act targets, this will take sustained efforts from not just Secretary of State Ed Miliband but also the rest of government.

Does it promise a fairer Britain?

Friends of the Earth wrote to Ed Miliband soon after the election, and met with him in February 2025. In this meeting we told him that we thought it was essential that the climate plan not only meet the targets, but that it had fairness at its heart. He wholeheartedly agreed, not surprisingly since he'd previously stated that "If the transition is to succeed, government must act as a guarantor of fairness. As somebody who believes this country suffers from deep injustice, I am determined we do not go from an unequal, unfair, high carbon Britain to an unequal, unfair clean energy Britain".

Fairness has always been central to Friends of the Earth's work. It is a core value. But also pragmatically, if climate action is not fair it will, rightfully, face strong opposition from those who are already financially and otherwise suffering in our deeply unequal society. It will also be used as a stick by those on the far right of politics, not because they deeply care about poverty, but instead to create division and distrust of any action on climate change.

In our meeting, we presented Ed Miliband with a fairness checklist from our comprehensive report, the Fairness Test, which detailed what fairness looks like in practice in areas such as homes, transport, and jobs.

So how well does the climate plan do on fairness?

Transport

We said the government needs to make electric vehicles more affordable, improve bus services, and make frequent fliers pay for the harm they cause. The climate plan does say:

- It will ensure that EV public charging is fair and transparent and make it easier for renters and those without a drive to fit home chargers. But they did not commit to requiring companies to make public EV charging accessible for disabled drivers if the new voluntary standard they've developed doesn't work. They recognise that the shift to EVs will make a substantial contribution to reducing air pollution which disproportionately impacts low-income areas and communities with a high proportion of people of colour. There's nothing in the plan to make EVs more affordable for low-income households.
- Surprisingly the plan says very little about buses, beyond supporting the switch to electric buses, despite the government taking the bold and necessary steps to enable local authorities to regulate bus services, which should lead to better services. The reality is that in addition to regulation of buses, there needs to be very substantial increases in spending to bring bus services back to where they were 15 years ago and to ensure they are affordable. Outside of London, bus services have declined by 50% since 2010. Friends of the Earth is calling for the Chancellor to introduce polluter pays taxes in the forthcoming Budget to fund better buses and active travel to help people out of cars, to further reduce emissions and ensure those without a car can easily access jobs, services and social networks.
- The climate plan doesn't mention curbs on flying. As mentioned earlier, it is optimistic about the
 ability of sustainable aviation fuel to curb the impact of flying. But realistically, if it is to meet
 carbon targets, particularly those after 2035, it will need to stop giving permission for airport

expansions and will need to take action on ultra-frequent fliers. It isn't fair that a larger and larger slice of the remaining, diminishing carbon allowance is taken up by the wealthiest and their desire for multiple flights every year.

Homes

As for homes, we called for better standards for renters, fully-funded heat pumps for low-income households, the introduction of a social tariff with lower energy costs for those least able to pay, and an insulation programme targeted first at the communities most in need. The government were due to publish its Warm Homes Plan just ahead of the climate plan but has held it back until after the Autumn Budget. So, the climate plan is not the government's final word on the matter, but they did:

- Commit to tougher energy standards from private-rented and social rented sectors. This is in addition to other actions that will make lives for renters better, such as the Renters Rights Act and measures to require action on dangers in homes, such as poor wiring or mould. With Professor Sir Michael Marmot, we published a report outlining the enormous physical and mental health impacts of cold homes as well as the cost to the economy, so these new standards are very welcome. The previous government promised new standards, but then scrapped the plans after pressure from landlords.
- Say they wanted heat pumps to be the heating system of choice. Currently they offer a £7,500 grant for fitting a heat pump but the average cost of fitting them is around £12,000. This clearly puts heat pumps out of the reach of most people. The cost of fitting heat pumps will need to fall significantly and/or grants increase if those on lower-incomes can be expected to make the switch. As mentioned above, the carrots not sticks approach is probably better in the current political environment, but it does mean the carrot must be big enough.
- Commit to insulating 5 million homes, many of which will be reached through the standards on rental homes, but the reality is a much bigger programme is needed. There are almost 10 million low-income households living in poorly insulated homes, around three-quarters of which are home-owners. These people need financial support which could be provided if the government introduced polluter pays taxes as well as fairer taxes on the wealthy.
- On energy bills, they say we will need to wait until the Autumn Budget to see how they will reduce these, beyond rapidly scaling-up renewable energy. Since the Russian's invasion of Ukraine our bills got a lot higher because of soaring gas prices. But our bills also consist of a large number of 'policy costs', such as subsidies for insulation programmes and renewables and the £150 warm homes discount that is going to 6 million households this winter. These policy costs are more fairly paid for through general taxation. Let's see if the Chancellor responds to ours and others' call for this.

Jobs

Just ahead of the climate plan publication the government issued its <u>Clean Energy Jobs Plan</u>, promising 800,000 clean energy jobs by 2030, up from 430,000, now with new training programmes to help young people get the skills they need. It included measures to help workers in oil and gas make the transition, which we called for in our <u>Fairness Test</u> report. The climate plan also covered

other issues we raised in our report:

- It reported it has already reduced electricity costs for 7,000 energy intensive businesses but that
 more support was on the way. We identified the need to reduce high electricity costs for
 businesses, as well as householders, because high energy costs risk firms relocating or closing
 down. As we know, the high cost of fossil fuels is driving the extraordinarily high bills that
 businesses and consumers face in the UK.
- It recognises the importance of government investment to help industries switch to clean green energy and grow the economy. It says it is investing £63 billion in capital funding for clean energy, climate and nature. We've seen the government intervene to stop steel plants closing, which, as our Fairness Test report highlighted, are facing unfair competition from dirty steel manufacturing overseas and excess production sold at cut-down prices. The climate plan also promises to publish Industrial Decarbonisation and Hydrogen Strategies in coming months. Hopefully within these and other strategies we will see more detail on these on how industrial sectors such as steel, automobiles, and agriculture can make the transition and flourish. In a globally competitive world, we need the active hand of government to safeguard jobs and communities; we can't afford the free-market dogma that has left so many communities blighted.

On fairness it is very obvious that this new plan, and associated government actions, is a significant step-change from previous government plans. Millions of lives will be better as a result. Should the government have gone further? Yes, of course. We need to see a much bigger insulation programme, we need to see bus services restored, etc. Friends of the Earth will, as we always have, continue to battle not just for better climate policies but for even fairer ones.

What next?

The new climate plan isn't perfect. Far from it. Although it is much better than the previous plans we've taken to Court, especially on fairness. The government clearly has an optimistic mindset and say the numbers add up to meet the targets.

Over coming weeks, our policy experts and lawyers will be delving ever deeper into the details to assess the plan fully, including in relation to the government's legal duties. And after which, we will update this article, and consider our next steps.

But it is already crystal clear that for the government, the next two years are crucial.

By June 2026 the government has to set an emissions target for the carbon budget period 2038 to 2042, including deciding whether to accept the Climate Change Committee's recommendation for that period. Within the following 18 months or so from this, they will need to publish a new climate plan outlining the policies needed to deliver carbon cuts up unto 2042. By this point we will know if the government's current optimism is misplaced. Also, by this point we will know if they've decided to give the go-ahead to Heathrow expansion and a large number of energy-hungry data centres.

In two years' time, the UK could be on-track to deliver on legally-binding climate targets and our international commitments. Or it could be way off track. If it is off track, the new climate plan will need to demonstrate how the government will get carbon reductions back on track or it will almost inevitably face further legal challenges.

Friends of the Earth campaigned for the Climate Change Act because of the devastation that unchecked climate change will have on the poorest communities around the world and in the UK, who are least responsible for the climate extremes we are witnessing. We also fought for the Act because of the enormous harm climate change will have, and is having, on nature. We're not going away. We will continue to campaign for better and fairer climate policies, and, when necessary, we will hold governments to account through the Courts, if we believe they have acted unlawfully.