

# Delivering an equitable net zero transition

## Workshop series summary

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**IPPR, the Joseph Rowntree Foundation (JRF) and the Zero Carbon Campaign (ZCC)**

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## SUMMARY

The distributional impacts of climate change policies are a growing part of the debate on decarbonisation as the discussion has shifted from 'whether' we transition to the 'how'. However, there is a need to broaden these debates beyond green and environmental perspectives and to involve anti-poverty groups and perspectives.

IPPR, the Joseph Rowntree Foundation (JRF) and the Zero Carbon Campaign (ZCC) have been working together holding three workshops in August and September 2021 to explore the risks and benefits of decarbonisation and the potential impacts of the net zero transition on those living in poverty. The workshops explored three areas – transport, homes, and food and several common, cross-cutting principles emerged from the discussions. These included:

- fairly distributing costs and benefits so that the poorest are not penalised and that the benefits of the transition accrue to those that need it most
- financial support must incentivise low-carbon options well in advance of policies that penalise high-carbon technologies
- the decision-making process must give people, particularly low-income households that will be affected most, genuine control over decision-making rather than being consulted on predetermined policy outcomes
- climate policies should be designed to ensure fair and universal access to all
- climate policies that address poverty must go beyond financial support and include information and education provision.

## INTRODUCTION

### Background and methodology

Social justice has become a core component of UK climate advocacy in recent years, but there has not yet been a prolonged programme of engagement between the green sector and anti-poverty groups regarding what a 'fair and just transition' might look like for the poorest in our society. Moreover, whilst anti-poverty groups perceive engagement with 'net zero' as necessary and important, many lack the time, funding, or expertise to do so meaningfully.

IPPR, the Joseph Rowntree Foundation (JRF) and the Zero Carbon Campaign (ZCC) have been working together to help bridge this gap, holding three workshops in August and September 2021 to explore the risks and benefits of decarbonisation and the potential impacts of the net zero transition on those living in poverty. In each session, IPPR brought together organisations focused on addressing the climate and nature crises and anti-poverty groups to help create a shared understanding of the poverty and inequality risks that could arise from the transition, as well as the potential benefits and opportunities for those on low incomes. The workshops explored three areas – transport, homes, and food – and each was structured around a key question:

### **How can we ensure that policies aimed at decarbonising [policy area] are effective and improve the lives of people living in poverty in the UK?**

The workshops were divided between plenary discussions of all participants and breakout sessions. The breakout sessions focused on (1) the risks and benefits of the net zero transition to poverty (2) the principles which should be embedded in climate policy to protect, and benefit, those on low incomes and (3) practical policy ideas for policymakers.

## WHAT WE LEARNED

### Importance of cross-sector convening

The distributional impacts of climate change policies are a growing part of the debate on decarbonisation as the discussion has shifted from 'whether' we transition to the 'how'. The forthcoming Treasury Net Zero Review is focused on how the UK can fund the transition, including assessing the distributional impacts, and is an example of the increasing focus of government, thinktanks, charities, businesses, and civil society organisations on how to ensure a fair transition.

However, these debates are often led by green and environmental perspectives and the convening undertaken during this project underlines the need for further engagement with anti-poverty groups to ensure the wider context of poverty and policies to address it are understood. In addition, the discussions also underlined the need to go beyond designing climate policies to just protect low-income households but instead to help alleviate poverty – moving from a strategy of 'do no harm' to 'do good' in environmental policy from a poverty perspective.

Framing this discussion in terms of the active benefits of climate policies will also be crucial to overcoming any hesitancy due to perceptions of high cost.

## Workshop insights

Each workshop produced several key insights on each policy area (see sections on [transport](#), [homes](#) and [food](#) below). However, there were several cross-cutting insights that arose from the discussions.

- **Policies are not designed with poverty in mind:** Too often climate policies do not sufficiently take account of the potential impacts on poverty, never mind how such policies could be designed to alleviate it.
- **Insufficient 'systems-thinking':** There is a lack of joined-up and systems thinking across government departments. This leads to policies being designed in siloes, with equity considerations only being evaluated too late in the process (as a 'nice to have') or not at all.
- **Policy and system design is leading to exclusion:** Policies and systems are not designed with the experiences of particular groups in mind, eg disabled people or low-income households. The failure to do so often means that policies or wider systems have a negative impact on certain groups worsening their financial situation and/or their quality of life.
- **Discussions are more advanced in some areas:** The debate on protecting and addressing the needs of those on low incomes in terms of decarbonisation appeared to be further advanced in the areas of housing and transport. In the case of food, the fundamental tension between the higher costs of sustainable agricultural practices and the need not to further impoverish households already living in poverty is far from resolved. The systemic nature of the food system (and the failure of government policy to address it in a systemic way) presents a particular challenge to politicians, policymakers, and campaigners.

## Risks and benefits

Participants were provided with an advanced summary of the risks and benefits in each area (transport, homes and food) of the transition to net zero regarding poverty and they also discussed them within each workshop. The cross-cutting risks and benefits arising from the three workshops and identified by IPPR are:

### *Risks*

- **Environmental impacts are a poverty risk:** The impacts of the climate and nature crises fall disproportionately on the poorest and therefore risk places additional burdens, financial and otherwise, on those who are already economically insecure.
- **Locked into poverty and locked out of prosperity:** Poorly designed environmental policies carry their own risks in terms of exacerbating poverty and worsening financial burdens on those on low incomes –

locking in further inequality. Moreover, without tailored support low-income households could be locked out from the benefits of the transition enjoyed by other households, eg the transition to low-carbon heat and lower fuel bills if insufficient upfront capital support is provided.

- **Money is important but isn't the whole story:** The biggest risks to those on low incomes is that policy changes worsen their financial situation or inadequate capital support locks them out of the transition while other households' benefit. But the risks stretch beyond finance alone and include poor information, failure to address skills, capacity and confidence, and insufficient attention to different people's needs.

### **Benefits**

Despite these risks, IPPR's advanced briefings and discussions from participants highlighted how, with the right policy design and financial support, the opportunities to address poverty in the transition to net zero are extensive and could far outweigh the risks. Indeed, with good policy design, there is an opportunity to embed social justice into all climate policies and improve the lives of those on low incomes. Examples include:

- **reducing air pollution that also improves health** particularly in deprived neighbourhoods
- **modal shifts to public transport and active travel** that improve access to transport for the poorest areas and encourage healthier lifestyles
- **making homes warmer and more comfortable** whilst lowering energy bills and reducing instances of respiratory and cardiovascular diseases resulting from cold, damp and mouldy homes
- **developing more sustainable food practices** while supporting higher incomes to help people make healthier food choices
- **creating good-quality jobs** across the economy for every sector that needs to undergo a transition to net zero.

These are just a few examples of the substantial 'co-benefits' of well-designed environmental policies that are often undervalued.

### **Principles**

Each workshop produced several key principles for each policy area (see sections on [transport](#), [homes](#) and [food](#) below). However, there were several cross-cutting principles that IPPR have identified.

- **Fair distribution of costs and benefits:** Costs must be fairly distributed so that the poorest are protected and not penalised, and that those most responsible for environmental damage pay the costs of addressing it. As far as possible, environmental policies should be designed hand in hand with social challenges to ensure that the health, wellbeing and financial benefits of the transition are accrued by those who need them the most.

- **Support available ahead of change:** Those on low incomes must be allowed to make choices with dignity, rather than having changes forced upon them. This means ensuring good, affordable low-carbon alternatives are introduced and well-advertised to highlight their benefits before penalties are introduced.
- **Urgency:** Given the need to make progress in decarbonisation efforts, the need to embed poverty reduction within climate policy should not be a barrier to making progress. Rather it requires an ongoing need to act with urgency in progressing climate policies which reduce emissions and either protect those on low incomes or ideally alleviate poverty at the same time.
- **Inclusive decision making:** The decision-making process must give people genuine control over decision-making rather than being consulted on predetermined policy outcomes. In particular, climate policies designed with explicit aims to tackle poverty must include and listen to those in poverty themselves.
- **Designing for universal access:** Policy change should be designed to ensure fair and universal access to all. For example, designing net zero policies in transport around disabled people would ensure that the system was better accessible for all.
- **Consider all aspects of support:** A key part of protecting and benefiting those on low incomes will involve providing financial support or ensuring policies are structured in such a way to not adversely impact on those incomes. But support must be about more than money, it must address capacity issues, information and education provision and skills.
- **Accountability and evaluation:** There must be an ongoing process with evaluation taking place after implementation to assess impacts and revise policies where necessary.

### Overarching recommendations

Each workshop produced several key practical recommendations for each policy area (see sections on transport, homes and food below). However, there were several cross-cutting themes of recommendations.

- **Funding and income:** The government must provide support both in the form of capital and revenue to those on low incomes. For homes, this will involve comprehensive grants for low-carbon heat and energy efficiency. In transport, it may entail grants to support the purchase of EVs or delivering more affordable transport. In the case of food, ensuring social security is adequate will be important for low-income households to ensure greater affordability and access to healthy, well-produced foods – as opposed to a focus simply on lowering costs.
- **Regulation and the role of the state:** Targeted regulation and intervention by the state can help support those on low incomes. This includes regulations in the private rented sector for example to support

tenants, earlier phase out dates for commercial petrol and diesel vehicle fleets in the case of transport to support a burgeoning secondhand car market for electric vehicles or a 'right to food'.

- **Inclusive processes:** The need to provide inclusive processes that go well beyond cursory engagement was clear across all areas of discussion. These could take different forms including in-depth interviews and surveys; deliberative and participatory processes; and paying people for their time and expertise.
- **Communication, information and advice:** The need to provide appropriate information about the impacts of people's choices, the solutions and the support available was clear across all areas. This extended from a national information campaign to advice services being made available locally, over the phone and online.
- **Transparency and metrics:** Transparency on the distributional impacts of net zero policies and implementing metrics that meaningfully measure progress in protecting low-income households are regarded as crucial for alleviating poverty.

### Where next?

IPPR, JRF and ZCC are all committed to this being the beginning of a process to further explore the risks and opportunities for poverty reduction that arise from the net zero transition. While the discussions have highlighted broad areas of agreement, high-level principles and some emerging policy suggestions, there is still much more work to be done to embed an anti-poverty approach within climate change and wider environmental policy.

Possible future next steps include the following.

- Convening *across* different sectors rather than within them to identify broader poverty risks and benefits arising from net zero policies. This could include a focus on drawing out the areas of tension and disagreement as well as the common ground and could be modelled as an approach for government policymaking.
- Development of a poverty and net zero charter to enshrine cross-cutting and sector specific principles.
- Undertake qualitative and quantitative analysis of the impacts of existing climate and energy policies on poverty and poverty reduction, and factor those assessments into decision-making.
- Review of international examples and case studies on policies and programmes that have furthered decarbonisation while either protecting or enhancing poverty reduction.
- Further development of sector specific and cross-cutting recommendations on decarbonisation and poverty reduction.

## Remainder of this summary

The following sections outline the risks and benefits, insights, principles, and practical recommendations that arose from the workshop series within the three sectors of transport, homes and food.

## TRANSPORT

### Context

Transport is the largest contributor to the UK's domestic greenhouse gas emissions and levels of emissions have remained largely consistent over the last three decades. In 2019 surface transport (cars, vans, trains, buses etc) made up 22 per cent of the UK's greenhouse gas emissions, with car use accounting for 60 per cent of these emissions (Frost et al 2021).

There are many ways that people in poverty struggle with transport, but common features include: a limited ability to access opportunities and services; spend a significant proportion of their income on transport; or live somewhere with limited or no available public transport.

A lack of access to private transport can significantly limit the accessibility of workplaces, reducing the ability of many to find a job or progress to better paying, more secure work. Public transport does not do a good job of reliably and quickly connecting people to employment opportunities – a particular concern when lower income groups are more likely to use buses, with jobseekers more than twice as likely as anyone else to use them. Analysis of journey times by public transport and car to Manchester Airport in 2018 shows that public transport often takes up to five times as long as travelling by car to arrive by a typical shift start time of 6.00am (Frost et al 2021). Despite issues with availability and reliability, the costs of public transport have increased consistently above the rate of inflation over the last two decades.

Rapid change is critical; significant changes are needed to our transport system over the next decade in order to reach net zero by 2050. Inaction now risks missing the window to significantly reduce emissions in a way that is fair and benefits those who are most disadvantaged by the current system.

### Risks and benefits

Participants were provided with an advanced summary of the risks and benefits of the transition to net zero regarding poverty and they also discussed them within the workshop. The combined summary is as follows.

#### *Risks*

- Continued investment and emphasis on supporting car use and ownership further locks in inequalities of access to services and employment.
- Car usage grows and low-income households continue to be exposed to higher levels of traffic levels, poorer air quality and increased risk of road traffic accidents.



- Electric vehicles remain unaffordable to those living in poverty and costs of public transport continue to rise due to lack of funding. There is a risk that many on low incomes will be left using vehicles that are polluting and expensive to run.

### **Benefits**

- Increased access to amenities and employment providing greater opportunities for work and leisure.
- Reductions in demand for car travel and increases in walking and cycling reduces congestion, improves air quality and health.
- Reduced cost of transport, either through lower motoring costs or more affordable public transport, benefit those on low incomes.
- Other forms of transport (public, active travel, car clubs etc) reduce demand on resources and space as car ownership and use falls. More space for nature and leisure activities.

### **Workshop insights**

Key insights arising from the workshop discussions are as follows.

- There is an **over-emphasis on the rollout of electric vehicles (EVs) in the UK**. While there are many low-income homes, particularly those in fuel poor areas, that rely on cars as the only accessible means of travel, focusing on rolling out EVs alone brings potential risks - as IPPR research has shown, the UK government currently forecasts up to a 51 per cent increase in traffic in England and Wales by 2050, by which time there are expected to be up to 10 million more cars on the road (which would take the total to over 40 million) (Frost et al 2021). There are considerable environmental costs to car numbers increasing, and more cars on the road will not address the underlying inequalities entrenched in our current transport system. Instead, there should be a much greater focus and investment into more accessible public transport and active travel.
- The current policy direction largely neglects a wide range of groups within transport planning. Part of the issue is **'who the transport system is designed around and for'** with, for example, **a disproportionate focus on male commuters**. The groups that were highlighted as being neglected included the following.
  - **Low-income households:** People living on the lowest incomes are least likely to own a car (less than 35 per cent of the poorest households) and are reliant on walking and public transport to access services and workplaces (Frost et al 2021). Despite lower car use, low-income families are exposed to higher levels of traffic, poorer air quality and their children are more likely to be involved in road traffic accidents.

- **Women:** Too often the transport system takes little account of the needs of women, particularly pregnant women, and women from minority ethnic groups.
- **Disabled people:** The move towards EVs is largely neglecting the needs of people with disabilities, with their views often not heard by decision makers. Moves towards active travel also often fail to take account of disabled people's needs, such as the cost, access to, and storage of adapted bikes.
- **Black and minority ethnic (BME) groups:** The high costs of EVs are disproportionately unaffordable for BME communities (due to long standing inequalities in income?) and charging points are more sparsely deployed in areas with a higher proportion of BME communities.
- Some stakeholders argued that the **current policy direction represented an undesirable shift from previous transport planning objectives**. This included a reduced emphasis on cycling, less focus on accessible public transport and the potential for charging infrastructure to make streets more crowded for pedestrians.
- **Some existing policies will have a negative impact on both the climate and on people's wellbeing.** The UK Government's continued investment in road expansion was a particular cause for concern. This lack of joined up thinking and leadership has a knock-on effect at the local authority level. Participants cited well-intentioned councils seeking transport funding that would ultimately lead to an expanded road network and this being harmful both for the emissions involved in construction and for the increase in traffic this would create.
- Any car, even ones with no tailpipe greenhouse gas emissions, still produces air pollutants from non-exhaust emissions<sup>1</sup> and noise pollution. Consequently, **increases in traffic over time, whether EVs or not, will be detrimental to people's health**. As previous IPPR research has shown, this pollution will disproportionately harm poorer neighbourhoods (IPPR 2020).

## Principles

To ensure that environmental transport policies are compatible with tackling poverty, stakeholders developed a series of principles that should underpin transport planning decisions. A significant proportion of transport planning is devolved within the UK, meaning principles will need to be adopted at all levels of government.

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<sup>1</sup> Non-exhaust emissions (NEE) from road traffic refers to particles released into the air from brake wear, tyre wear, road surface wear and resuspension of road dust. [https://uk-air.defra.gov.uk/assets/documents/reports/cat09/1907101151\\_20190709\\_Non\\_Exhaust\\_Emissions\\_typeset\\_Final.pdf](https://uk-air.defra.gov.uk/assets/documents/reports/cat09/1907101151_20190709_Non_Exhaust_Emissions_typeset_Final.pdf)

The principles stakeholders proposed were as follows.

- **Sharing power:** Involving people at the planning and implementation stages and throughout the evaluation processes of transport planning. This must move beyond just consultation on a pre-determined policy, instead involving people in policy design. This inclusion would also help to develop locally tailored transport systems which would in turn help to generate greater local buy in.
- **Inclusion:** There must be an explicit commitment to involve people from different communities, particularly those living in poverty, to shape service design according to their needs. Participants should be paid for their time and expertise.
- **Placing transport in the context of the wider economy:** Planning must go beyond simply connecting different routes - factoring in the impact on people's wellbeing, access to services such as GPs and hospitals and the anticipated impact on poverty. Decisions should also be taken in conjunction with wider development such as housing to ensure a consistent approach.
- **Accountability and evaluation:** There should be clear metrics within an overarching framework against which action can be evaluated and improved upon. Government could then be held accountable for its decision-making.
- **Safer, cheaper, more attractive:** A focus on low-carbon travel must go hand in hand with a wholesale move towards more affordable forms of travel that emphasise the benefits of public transport and active travel. This will help to encourage a modal shift away from personal vehicles, congestion, air pollution and higher emissions.
- **Designed for universal access.** Transport that is made accessible to disabled people will be accessible to all. Transport planning and provision must also avoid making assumptions about disabled people's lives and involve them as critical stakeholders in the decision-making process.

### Overarching recommendations

To some extent, the very act of considering and embedding the principles above within planning practices (such as by including people in the decision-making process) should result in a more inclusively designed, lower carbon and fairer transport system.

However, as part of the discussion, participants were encouraged to outline how the principles could be put into practice. These included the following.

- **Data gathering:** Greater use of in-depth interviews and surveys of transport users' experiences to help inform planning decisions in tandem with involving people in the decision-making process.

- **Embedding active participation.** Consultation with people can often take place towards the end of the decision-making process and is too often tokenistic or perceived to be. Effective public participation requires the following.
  - **Setting milestones for engagement:** Putting in place clear windows for active participation from the very beginning will be essential to reflecting the needs of local communities.
  - **Payment for participation:** Paying people for their time, recognising in particular the financial pressures on lower-income groups who may otherwise be prevented from participating.
  - **Lowering barriers for participation.** Hosting participatory processes in accessible spaces, using video conferencing (internet access permitting) to help encourage participation. This should be accompanied by support and training to help people participate.
- **Clear frameworks and metrics:** Developing new frameworks that set out clear targets based on maximising wellbeing, with clearly measurable criteria. These metrics should include socioeconomic duties which establish minimum access standards for local communities to ensure that government is not designing transport networks but rather accessible, 15-minute neighbourhoods.
- **Diversity sensitive budgeting:** Budgeting for transport decisions should move beyond the model of a male commuter and account for use based on a genuine cross-section of society, with representatives from different groups participating in and shaping these budgets.
- **Training for decision-makers:** Training around holistic transport planning would help local decision-making by frequently non-expert councillors.
- **Increasing funding:** Funding underpins all efforts to ensure affordable, accessible, and low-carbon transport provision. Stakeholders gave several examples of positive community schemes, but they argued that many lacked funding to be scaled up or adopted more widely.

## HOUSING

### Context

The UK's homes represent around 14 per cent of the UK's overall greenhouse gas emissions (EJC 2021). To reduce these emissions, almost every home – approximately 29 million homes – will need to install a new low-carbon form of heating to replace their current heating system, the majority of which are gas boilers. Most homes will also need better insulation (EJC 2021).

In England, around 10 per cent of households cannot afford to heat their homes to a comfortable level (EJC 2021). This rises to 12 per cent in Wales, 18 per cent in Northern Ireland and 24 per cent in Scotland (EJC 2021). This frequently leads to people having to make unacceptable decisions between 'heating or eating'. If people cannot afford to heat their homes, this also leads to cold, damp, and mouldy houses that increase respiratory and cardiovascular diseases. Volatility in international gas markets can lead to energy bill rises that make this situation even worse.

The three main reasons why people cannot afford to heat their homes are because energy prices are too high, incomes are too low relative to living costs, and because many homes in the UK are old and inefficient, with heat leaking out of the building quickly and requiring more energy to keep it at a comfortable temperature (EJC 2021).

### Risks and benefits

Participants were provided with an advanced summary of the risks and benefits of the transition to net zero regarding poverty and they also discussed them within the workshop. The combined summary is as follows.

#### *Risks*

- Without government support, the costs of installing low-carbon technologies will be too high for most people, particularly fuel poor households who could stand to benefit the most.
- If new technologies are installed badly (for example without accompanying energy efficiency measures) or without appropriate guidance on how to use the new systems, then some households may face higher energy bills. This could be devastating for fuel poor households, many of whom are already having to make choices between 'heating or eating'. This will also disproportionately affect ethnic groups who disproportionately live-in fuel poor homes.
- The process of installing these technologies can be very disruptive. This is particularly true for people who need to be in their homes during the installation process as they have nowhere else that they can (afford to) go. For tenants with private landlords, it could prove be difficult to even get upgrades at all.

- Flooding and extreme heating are already affecting many homes in the UK, disproportionately impacting those who are in poverty.

### **Benefits**

- Creating over 300,000 jobs in energy efficiency and low-carbon heating installation (EJC 2021).
- Preventing 10,000 excess winter deaths through warmer homes and saving the NHS £1.4-£2 billion (EJC 2021).
- Lower energy bills (and carbon emissions) and more energy efficient homes, with particular benefit for the fuel poor who suffer from the most inefficient homes.

### **Workshop insights**

Key insights arising from the workshop discussions are as follows.

- **The decarbonisation of homes presents an opportunity for bill savings to those living in fuel poverty** but, without clear and comprehensive support with upfront costs, these homes would be locked out of these savings and could end up worse-off than they were before.
- **Existing policies to decarbonise other parts of the economy are already disproportionately penalising fuel poor homes** by levying costs from energy bills for policies from which they do not directly benefit.
- **Decarbonisation requires adjusting habits to maximise bill savings.** For example, heat pumps work more efficiently when they are more consistently running which may not be how many people are used to heating their homes. In addition, without guidance on how well heat is retained in retrofitted households, fuel poor households receiving energy efficiency may spend the same money to reach a higher level of thermal comfort which may negate some of the cost savings.
- Workshop participants cited risks to the following groups in particular.
  - **Fuel poor households:** The upfront costs of decarbonisation are most prohibitive for fuel poor households. Most of these households do not have enough time or information to know how to apply or access any schemes that may be available to them, and do not have enough information about low-carbon heating alternatives, or even why replacing boilers may be necessary.
  - **Homes hit financially by the lockdown:** Job losses and changes to working hours because of the lockdown have created a new group of financially vulnerable households who do not know how to navigate the benefits system and have been cutting back on heating their homes to try and save money.
  - **Private tenants:** Policies to decarbonise homes must consider differences between tenure types. For example, in the private rented sector tenants have limited or no ability to get their

landlords to deliver retrofits; landlords have little incentive to undertake these measures; and many tenants fear rents going up to recover costs or eviction to allow work to be undertaken.

- **'Hard-to-treat' homes:** The building design of different homes varies greatly, meaning some may need more extensive work to make them well-insulated, or may be designed in a way that makes it physically difficult to install certain kinds of insulation. These homes risk being left behind because they are seen as too difficult to retrofit.

## Principles

To ensure that climate policies are compatible with tackling poverty at the same time, stakeholders developed a series of principles that they believed should underpin policies to decarbonise home heating.

The principles stakeholders discussed included the following.

- **Treating home heating decarbonisation as a public good:** The benefits of low-carbon home heating in terms of bill savings, improved health, the opportunity to create jobs, sustain and create businesses and lower emissions should be seen as a public good. This framing should be clearly communicated to both people and policymakers.
- **Fair distribution of costs:** Policies to decarbonise homes must have a positive impact on fuel poor homes and never increase costs (whether upfront or on bills). This should also extend to existing regressive policies that levy costs<sup>2</sup> on energy bills and broader welfare and housing policy. Fuel poverty should be addressed from every angle – energy efficiency, energy bills, rents, benefits, and incomes.
- **Transparent, accessible information:** Policies must take account of the fact people will engage in different ways. Clear information that is easy to understand and written using non-technical language must be widely available from a variety of different sources.
- **Inclusive design:** People must be included in the decision-making process. Conversations around heat decarbonisation should be about “homes and people, not technology and assets”. This would also include relevant local stakeholders like residents’ associations.
- **Feeling secure in your home:** Tenants should be able to feel secure in their home without the threat of eviction because of home decarbonisation.
- **Urgency:** It is critical to incorporate all the principles mentioned above, but given how far behind UK policy is, it is imperative that a serious scale up in decarbonisation of homes happens as quickly as possible.

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<sup>2</sup> These large refer to policies to support the development of renewable energy generation such as Feed-in Tariffs, the Renewable Obligation and Contracts for Difference.

## Overarching recommendations

Participants discussed many practical steps which could ensure the principles describe above are adhered to. These included the following.

- **Launching a massive national information campaign to support the implementation of the heat and buildings strategy:** People need more information - not just about technologies to decarbonise homes but, more fundamentally, how their homes are contributing to climate change and why this is a problem. A national information campaign would help to answer these questions through a variety of media and points of access (eg TVs, supermarkets, online, letters).
- **Energy advice services:** An information campaign should be complemented by well-resourced independent energy advice services that would act as a 'one-stop shop' by offering free information about home heating and the funding available to them. The Home Energy Scotland advice network was frequently cited as a model of best practice that the UK Government could look to replicate.
- **Personalised retrofit plans:** An information service should be supported by personalised 'building renovation passports' containing a personalised plan for retrofitting an individual's home and the funding available to do so.
- **Mass purchasing to drive down costs:** Some people, particularly landlords, may be reluctant to invest in low-carbon technologies if they knew costs would be cheaper in future. To kickstart the market and drive down costs from the start, policy should encourage mass purchasing and adoption that could benefit from economies of scale.
- **Grants for low-income homes:** Following the principle that fuel poor homes should not pay for the costs of decarbonisation, grants should be available to fuel poor households and should cover the entire cost. Grants should be accessible through the 'one-stop shop' energy advice service or a variety of access points highlighted by the national information campaign.
- **Clear regulations:** Regulations are essential particularly in the private rented sector where landlords may otherwise be reluctant to retrofit homes. There should also be mandatory high energy efficiency standards for new-build homes to ensure that new homes are being built to a high standard now, rather than having to retrofit them at a later stage.
- **Transparent impact assessment:** To ensure transparency over future costs on energy bills, the government should conduct and publish impact assessments that clearly show how their energy policies will affect household bills. This would also help to demonstrate that energy bills are largely driven by wholesale fossil fuel prices rather than green levies which make up a much smaller proportion of the bill (even though the green levies themselves are unfairly distributed on bills).



## FOOD

### Context

In the UK, around nine per cent of greenhouse gas emissions are derived from agriculture. The food system, and agriculture specifically, is the single largest cause of biodiversity decline and species loss over the past four decades in the UK. Food waste, throughout the entire food system, is also a major area of environmental concern.

Our current food system is a major contributor to ill health and inequalities across society. Food insecurity, defined as the inability to access enough affordable and nutritious food, affects around 8–10 per cent of UK households. The impacts of food insecurity are disproportionately felt by people on lower incomes, the unemployed, lone parent households and black and minority ethnic groups.

Food poverty is just one element of the wider patterns of poverty associated with problems such as unemployment, the rising costs of living and rent, insufficient access to transport, low pay, inadequate welfare provision and inequitable access to a good education.

Since the UK's vote to leave the EU, the potential for reform of farm payments to support more climate and nature supportive actions by farmers and land managers has been a promising development. The proposed payment scheme – the Environmental Land Management Scheme (ELMs) – will reward actions that deliver environmental public goods on land with public money, rather than a basic payment subsidy.

The impact of the cost of food shifting to this kind of subsidy for farmers is unclear in the short-term. However, further cost reductions to food would likely place greater pressures on farmers. Consequently, to protect lower-income households, policies to reduce emissions in farming will need to come hand in hand with broader policies to tackle the cost of living, including income support.

### Risks and benefits

Participants were provided with an advanced summary of the risks and benefits of the transition to net zero regarding poverty and they also discussed them within the workshop. The combined summary is as follows.

#### *Risks*

- Climate change poses a direct risk to the way we produce food due to water shortages, extreme heat and flooding.
- Rising levels of food insecurity and childhood hunger sit alongside unsustainable food production practices that contribute to continued environmental degradation, species loss and climate change.
- Our food systems also face threats from increasing demand, being undercut by imported food with lower standards, unhealthy diets and unequal distribution of food.

- Affordability and access to healthy food is a major issue in the UK and is heavily linked to wider social inequalities.

### **Benefits**

- The UK farming sector has the opportunity to significantly reduce emissions and environmental impacts.
- The new ELMs payment scheme for farmers offers the potential to substantially restore nature on farmlands and make farmers key stakeholders in the transition.
- With the right policies, eating healthily and affordably can come hand in hand with reducing environmental impact.

### **Workshop insights**

Key insights arising from the workshop discussions are as follows.

- **Not just food:** The food system (including production, transportation, distribution and consumption) is both complex and highly interconnected to other instances of poverty such as the cost of living and low income.
- **Multiple objectives:** Addressing climate change and restoring nature in agriculture must be about using sustainable farming to address poverty and changing what we eat, not just returning land to nature.
- **Concerns over current policies:** ELMs risks pushing farmers out of the industry if it does not sufficiently replace existing payments (under the Common Agricultural Policy). ELMs also focuses on restoring nature but does not do enough to address the sustainability of farming itself. In doing so, it ignores the problem of soil quality and use of pesticides and herbicides that can affect food and our health. In general, there needs to be a much greater focus on sustainable food practices as this can also have important health co-benefits that help to alleviate poverty.
- **Communications problems:** There is a challenge with communications which can take time. Some people assume that behaviour change is easy if families have the money in their pockets. However, conversations around shifting diets and finding adequate nutrition can take time and must consider different religious and cultural beliefs.
- **Addressing food waste:** Food waste across the economy is highest in households and is comparable across all income groups. Wasting less could, therefore, mean buying less and reducing pressure on incomes.
- **Addressing skills and confidence:** People need to feel that they have the skills and confidence around meal planning and budgeting. Poorer households have a lower carbon food footprint, but this should never mean that being poor is seen as being good for the environment - advocating for low-carbon diets has to be sensitive to this.
- **Taking a systemic approach towards raising the value of food:** Better quality, healthier, more environmentally sustainable food may lead

to higher food prices but driving food prices down or keeping them lower should not be the answer because, beyond a certain point, low food prices start pushing farmers out of the industry or impact on the quality of the food or animal welfare. The focus should instead be on access to healthy food choices via a systemic approach that tackles the high cost of living and low incomes for many households.

- **Food poverty is poverty:** Food poverty is synonymous with broader economic poverty. To this end, some participants noted that policies such as carbon taxes should only be introduced after subsidies for the kind of farming we want to see have had an impact; otherwise, prices will go up with no alternatives and will just increase poverty. Correspondingly, participants noted how food poverty can only be tackled in tandem with wider poverty alleviation such as increased social security provision.
- **Global food systems:** There are risks that the UK simply offshores poverty and environmental impacts. For example, the UK is a net importer of fruit and vegetables and some of these come from water scarce and climate-vulnerable countries. Moreover, some countries are also branding themselves as low carbon but have bad environmental and rearing practices (such as deforestation and pesticide use). In the long run this will also affect people more as environmental degradation of soil gets worse, health deteriorates, and deforestation exacerbates climate change and increase the risk of animal to human contact and disease.
- **Ensuring a fair transition for the workforce:** There needs to be a fair transition for workers in the food industry who can often be low-paid or living in poverty themselves. These workers need to be supported in moving to not just greener but better jobs to avoid situations where the workforce do not have the wages to buy the food they are producing.

## Principles

In response to these challenges, our stakeholders discussed and set out several principles that should guide policymakers' responses.

These included the following.

- **Working across siloes and addressing underlying structural issues.** A joined-up approach across all departments and sectors is necessary to combat food poverty, wider economic poverty, climate change, and environmental breakdown all together.
- **Looking at the whole food system:** There is a need to address production, transportation, distribution, and consumption all at once rather than looking at any one of them in isolation. This includes recognition of the complex international supply chains within the food system.
- **Not leaving things up to individuals:** A cultural shift towards changing diets and food choices is required that doesn't pin responsibility on

individuals, including working with farmers rather than blaming them for emissions.

- **Making choices with dignity, not being forced to change:** For both consumers and farmers, people must be properly engaged in the process of change, recognising cultural and religious sensitivities. Policymakers must work constructively with different communities to create a gradual but sustained shift in what and how much we eat.
- **Valuing food properly:** The whole food supply chain, including land, soil, and health benefits of the food itself, should be properly valued in government policy and cost-benefit analysis rather than leaving decisions up to a market that currently does not value these things.
- **Reducing waste inputs and waste outputs:** Focus on reducing food surplus and food waste in households since this would be a simple way to address climate change and lower household costs.
- **Working with nature and the land's capacity rather than over-producing:** Shift our agricultural model to produce crops that are compatible with ecosystems and increase climate resilience rather than practices which degrade the land further.

### Overarching recommendations

Stakeholders discussed many practical steps which could ensure the principles describe above are adhered to. These included the following.

- **Structural changes:** From a governance perspective, this included briefing each department with clear causal loop diagrams and systems thinking training to demonstrate the linkages between departments. This would also include clear land use and food strategies that look at affordability, nutrition and environmental impact rather than picking specific technological solutions. From an economic perspective, food should be valued differently in cost benefit analysis to take explicit account of environmental and health benefits.
- **Address wider inequality first:** To ensure people are prepared for, and poverty is not exacerbated by, raising the value of food in recognition of sustainable food practices, the solutions also lie in supporting wages, lowering the cost of living overall and increasing social security.
- **Supporting regional and local markets.** Support for regional and local farming could result in a more resilient food system, closer ties to the land and the food it produces, and ensure food was being valued properly. At an individual level, make more allotments available to help increase people's connection with nature and what they eat – consider implementing a 'Right to Grow' to shift thinking in this area.
- **Make domestic food policies a core part of future trade deals:** Trade deals must include high environmental standards on water, animal

welfare, biodiversity, and emissions to help improve the carbon and ecological footprints of international supply chains.

- **Improved national dieting guidelines:** Provide better national guidelines for diet – such as the 'Eatwell Guide' – to include environmental indicators and an emphasis on sustainable and affordable food.
- **Work with communities:** Work closely and sensitively with local community champions to ensure people's lived experiences and perspectives are incorporated into policymaking.
- **Reliefs and incentives:** Reform inheritance tax relief by putting limits on the level of relief available to landowners to prevent gaming of the system which is driving up land prices and not benefiting farmers, farming or the food system.
- **Rights-based legislation:** Enshrine a right to sustainable food which could have the knock-on impact of ensuring that the cost of food is reflected in social security payments.

## REFERENCES

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## APPENDIX

The following groups attended the workshops:

### **1. Transport workshop**

*1 September 2021, 9.30am – 12.00pm*

Women's Budget Group; Community Transport Association; Possible; Transport Action Network; Greater Manchester Poverty Action; Green Alliance; Sustrans; Friends of the Earth; Wheels for Wellbeing; Bevan Foundation

### **2. Homes workshop**

*2 September 2021, 2.00pm – 4.30pm*

Community Housing Cymru; The Barrow Cadbury Trust; National Housing Federation; New Economics Foundation; London Citizens; E3G; Northern Housing Consortium; National Energy Action; Tyne and Wear Citizens; Centre for Sustainable Energy; Energy Saving Trust; Turn2Us; Citizens Advice; Generation Rent

### **3. Food workshop**

*8 September 2021, 2.00pm – 4.30pm*

WWF; Greenpeace; WRAP UK; Green Alliance; Nature Friendly Farming Network; Sustainable Food Trust; Sustain; Child Poverty Action Group; Food Foundation

## A NOTE ABOUT THIS PAPER

IPPR is grateful to Zero Carbon Campaign and the Joseph Rowntree Foundation for commissioning it to carry out this work. IPPR has at all times retained editorial control on the project's outputs and findings, the content of seminars and publications.

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