



HOUSE OF COMMONS

Housing, Communities and Local Government Committee

Oral evidence: Local government and the path to net zero, HC 34

Wednesday 15 September 2021

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Watch the meeting

Members present: Mr Clive Betts (Chair); Bob Blackman; Florence Eshalomi; Rachel Hopkins; Andrew Lewer; Mary Robinson; Mohammad Yasin.

Questions 167 - 192

Witness

I: Lord Deben, Chair, Climate Change Committee.

Written evidence from witness:

– [Add names of witnesses and hyperlink to submissions]



Examination of Witness

Witness: Lord Deben.

Chair: Welcome, everyone, to this morning's session of the Housing, Communities and Local Government Select Committee and this further evidence session to look at local government and the path to net zero—a very important issue to do with climate change and how issues within the purview of local government need addressing in that regard.

This morning, we are very fortunate to have with us Lord Deben, who is chair of the Climate Change Committee, which is a key body in taking measures to deal with climate change and encouraging Government and others to get themselves in the right place.

Before we go over to Lord Deben, I am going to ask members of the Committee with particular interests that they may have to put them on the record at this stage. I am a vice-president of the Local Government Association.

Mohammad Yasin: I am a member of the Bedford town deal board. I do not know whether this is an interest or not, but I will just declare it.

Rachel Hopkins: I am a vice-president of the LGA and I employ a councillor in my office.

Florence Eshalomi: I am also a vice-president of the LGA.

Bob Blackman: I am a vice-president of the LGA and I employ a councillor in my office.

Andrew Lewer: In addition to my register, I am a vice-president of the LGA and a board member of Northampton Forward.

Mary Robinson: I employ a councillor in my staff team.

Q168 **Chair:** That puts our information and interests on the record. Now for the important part of the meeting, we go over to Lord Deben. John, would you like to briefly introduce yourself and the work of your committee to begin with, and then we will go directly to questions?

Lord Deben: I will not be long. I was once the Secretary of State responsible for local government, for four years, so I have some hands-on experience of what it is like to try to deal with that part of Government. Of course, it is a different Ministry now from what it was, but much closer than one would think, under the reorganisation, to the old Department for the Environment.

I am chair of the Climate Change Committee. As you know, I am chosen independently by the First Ministers of Scotland, Wales and Northern Ireland, and the Minister in the United Kingdom Government responsible for climate change. They normally get somebody who is not seen as being other than independent.



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My committee consists entirely, apart from myself, of prominent climate scientists and economists. Our job is to set the targets and the budgets, and to explain how we reach those budgets. We have just done the sixth carbon budget, and that gives us the direct routeway to net zero.

The Government decide on the final target, which was a 60% reduction in emissions, then 80%, and now net zero. We then produce the budgets that reach that. The sixth carbon budget goes to 2038, so we are well on the way to the 2050 date. We have reached or will reach the first three carbon budgets.

Parliament has accepted all six budgets so far. Once it has accepted them, those budgets are fixed and cannot be changed without agreement from the Climate Change Committee. The idea of that is that there is a balance between the democratic mandate for four or five years, which is when Parliament makes the decision, and the necessity with climate change that you have a long-term policy and not one that keeps on being changed as Governments change.

So far, this has been very effective. We are very fortunate in Britain that we have an all-party agreement on the basis of what we have to do, with one or two individuals, who tend to be the same ones, who have not gone along with us. Otherwise, we are very fortunate in the fact that we are both independent and powerful, on the one side, and that the public can be assured that all political parties have signed up to this very important purpose.

Q169 **Chair:** Thank you very much indeed for that introduction to your work, which we all recognise is extremely important. You mentioned the sixth carbon budget and you produced the report *Local Authorities and the Sixth Carbon Budget*. Have Government signed up to that?

Lord Deben: The Government have signed up to the aspirations of all this, and we must not underestimate the degree to which we should be very pleased that the Government are taking a serious lead in the world by insisting upon the targets that we absolutely need to have, if the world is to meet the Paris agreement. I do not underestimate the courage that the Government and their predecessors have shown.

The trouble is that, like all Government, it is much easier to make the policy than to get it done. The gap between the good words and the delivery is the crucial thing. I have been in Government for 60 years, so I know very well that it is always true, and it is not just climate change.

Tony Blair said at the beginning of his second Government, "This time, we have to remember that, if we say something, it does not automatically happen", and I am afraid that that is really where we are here. We have to have much a better programme for delivery, and that is why we are waiting for the net zero strategy and for the Treasury to say how it is going to deal with a fair transition, which is what we have asked for.



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The Government have, so far, a number of areas where they are developing their relationship with local government, but I am looking forward to a really new way in which there is a partnership between central Government and local government, because I do not believe that we can meet our climate change requirements unless local government plays an absolutely crucial and central part. That is why MHCLG is absolutely as key a Ministry as BEIS and DEFRA. I am very pleased to say that we have had some very helpful and encouraging meetings with the Secretary of State, who I believe does understand that that is a role that he has to play.

Q170 **Chair:** That is a really helpful introduction to my next question. What are the challenges in local government? I know that you will be aware, from your past role as Secretary of State, that, while MHCLG, in its current form, is the Department that links directly to local authorities, the policy areas of so many other Departments are relevant to what local authorities do. While MHCLG may be engaged on its direct issues of concern, does it always have the overview and the ability to pull together all the Departments that local authorities have to have regard to in terms of delivering the policies with relevance to climate change?

Lord Deben: No, I do not think it does. That is why we have taken the view that what we really need is a net zero delivery structure, which would be centralised in MHCLG but would bring the other Departments in, so that we would constantly ensure that decisions made by and for local authorities would be made with these matters absolutely at the forefront. You are quite right that, at the moment, it is not like that, and all sorts of decisions are made without that overall strategic view.

In addition to that, frankly, there is a huge role for the Department to inform local authorities. It is serious, with something like more than three quarters of local authorities having declared a climate emergency, committing themselves to net zero and committing their own organisation to do that by 2030. Very often, that is the sort of thing they are doing, but they are all then doing it on their own, because there is no centralised help. There is no learning from best practice. The Department itself does not appear to have a structure that enables it to turn to people who are expert on some of these matters.

We certainly do not, so far, have a planning system, which is absolutely crucial to this, that reflects the commitments that the Government made in Paris, publicly and in statute, to fight climate change. The Planning Bill, which was long thought of, really has to be very different from anything we thought up to now.

Chair: Thank you very much for that. We will move on now to look at some of the powers and duties of local authorities.

Q171 **Mohammad Yasin:** You touched on this briefly already. What is the role of local government in helping the UK to meet its net zero target?



Lord Deben: It seems to me that the net zero target is only going to be met in a granular fashion. It is going to be met because each one of us behaves in a slightly different way—not in a revolutionarily different way but in a slightly different way—and because each of our institutions behaves in a different way.

If you take a single example like housing, the Government's failure with their green homes grant has been paralleled with local authorities' success. That is why the Government put another £500 million into the local authority scheme: because local authorities are much more able to handle those things. In general, people have greater confidence in local authorities than in utilities or the central Government, so there is a confidence factor here, as well as a knowledge factor. They know their area.

For example, if you are going to retrofit houses, which we are going to have to do on a very big scale, retrofitting them in blocks is very important, if you can do that. Only the local authority can organise those things. For me, local authorities are absolutely central to the delivery of what we have to do.

Q172 **Mohammad Yasin:** What are the biggest barriers, in your view, to local authorities' action on climate change?

Lord Deben: The first thing is that we have to create a new partnership between central Government and local government. We still have an awful lot of baggage on both sides, going back many years. We know that, if we are absolutely honest and objective, the faults are on both sides—both local authorities and Government, and both the Conservative party and the Labour party. We know perfectly well that there is a whole lot of baggage that we have to overcome.

The central part of that is that I am looking for MHCLG to be a partner with local authorities, rather than seeing itself, as it very often does, as handing down requests or determinations. I am very conscious that local authorities have a long list of pretty simple things—not about money, although that comes into it—that need to be changed to make it possible for them to do what they want to do, so that they can handle developers in a different way, insist upon standards of a different kind, see what their local needs are and insist upon those. They need the powers to do all those things, and MHCLG should seek to do that in a context of partnership.

Q173 **Mohammad Yasin:** What powers and duties does local government have to contribute to net zero? What additional power does it need?

Lord Deben: We have a list of things, but in a sense they are not what really is necessary. If central Government and local government were working together as they should, it would be possible for both sides to work out, in detail, many of the small things that just get in the way.



Let me give you one simple example that people do not think about. The rules that we have about letting mean that, if you spend more money on building new homes for letting and, therefore, the cost is greater, you cannot share in the savings on the energy in those homes. You are not allowed to do that. You cannot change the rent to share the savings. It seems to me that, if you have a home that costs you £50 a year to heat rather than £450—I am inventing these figures—it is not unreasonable for the local authority to recoup some of that money in order to pay for the extra cost of delivering it in the first place.

I am not going to force them to do it. They just do not have the powers to do it. There are very large numbers of relatively small things that would make a huge difference and will come out only if the relationship between the local authorities and the centre is one of partnership. I have meetings every month with some key local authority people. I try to make it cross-party, with some officers and some leaders. The interesting thing from them all the time is that they want to engage on this, but do not feel at the moment that that engagement is there. I must say that the Secretary of State is obviously determined to get that engagement, but we are not there yet.

Q174 **Mohammad Yasin:** In your view, is it absolutely clear what lies within local government's remit and what requires national action?

Lord Deben: No, it is not clear, partly because of our rather confused local government structure, with the single units and the mixture between county and district. Some of the big issues are very obvious. You only have to look at the issue of waste. As long as we have every district council having a different list of what is and is not recyclable, it is very difficult to do the thing centrally. A whole series of those sorts of differences make it unclear.

Then, of course, most of the issues that are dealt with by the national Governments in Scotland, Wales and the north of Ireland are mixed. Some of them are in their competence and others are in central Government's competence. The difficulty is that there is no easy mechanism whereby these differences are worked out. The Scottish Government has its own climate change legislation; so does the Welsh; so will the north of Ireland. They will have their own legislation, but at the moment, where it overlaps, there is a great deal of confusion.

Q175 **Mohammad Yasin:** You touched on funding earlier. Does local government have access to the necessary skills and funding—for example, if it wants to prepare zero carbon-ready homes—in the time available?

Lord Deben: No, I do not think it has access to it. There should be very much more central information. We are a bit inclined to have central direction but not central information, and it is central information that we need.



If you look at the Cumbrian coal mine, for example, the truth is that Cumbria County Council was relying on what information it had and, indeed, what is in the Planning Acts. Both of those were deficient and that makes it very difficult for a local authority to make the proper decision. It is manifestly true: we cannot have another coal mine. You cannot do what we have to do and have another coal mine, but it is not fair to put the local authority into a position in which it does not have both the statutory backing, with a proper Planning Bill that covers that, and the informational backing.

The minerals authority had to make the decision; the county council cannot possibly have the detailed technical understanding. It has to be able to turn to somebody. I have sought to find out who it would turn to. They could come directly to the Climate Change Committee, and we would be perfectly happy to do that, but it is neither statutorily our duty nor, indeed, how the structure would work. It is not fair on local authorities, in my view.

Chair: We will now look at the framework and engagement issues between central Government and local government.

Q176 **Florence Eshalomi:** Good morning. You have touched on some of the challenges between central Government and local government. From your former role, you will know that agreeing strategies and frameworks is not always the easiest thing. You recommended that the Government include a net zero delivery framework in the net zero strategy and that they should engage with local authorities in drawing up that framework. Are those two things happening?

Lord Deben: When you use the word “happening”, we are back on the “delivery” word, and I have to say we are not delivering it. If you mean, “Is it happening because people are talking about it?”, yes, it is happening in that sense, but it is not talk that I want; it is delivery. The real problem, and I am sure that you understand this, is that this is a hugely urgent thing. We really are wasting every hour that we do not do it, because what climate change means is that we have lost control of the timetable. We have no control over the timetable, and climate change is the timetable. That means that we have to fit ourselves into the timetable of climate change, and we have this decade to put this right. We are already in 2021 and there are nine years to go, and we still do not have the action.

Q177 **Florence Eshalomi:** Could a national framework help address some of those challenges and difficulties or would it just entail more discussions and getting that buy-in?

Lord Deben: You can always destroy a national framework by spending a lot of time talking about it. I do not think that that is what it should be at all. There are some very clear things that you can do, which would not take a lot of discussion. The thing that will be discussed will be the money that is necessary to do this. The problem is that the spending



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review system is extremely ill designed to deal with this, because we are talking, very often or, indeed, almost always, of cross-departmental responsibilities—the point that the Chairman raised in the first place.

One respect in which the spending review really has never worked properly is how you deal with the costs that are cross-departmental. Naturally, if there is a question of where the money should be spent, Departments will be less likely to spend it in common with someone else than getting the things that they want individually.

Somehow or other, we have to deal with that, but you will not get there unless you have the structure up and the people working together to start with, and you are able to dramatise those places where cross-departmental work has to be done. It is then possible for the Treasury to take its traditional role of insisting that these things are done.

Q178 Florence Eshalomi: You highlighted confidence in local authorities and that the Government needs, in a sense, to allow local government to develop those strategies and frameworks to help achieve net zero. Are there any particular issues for rural areas in signing up to this and any challenges that they face?

Lord Deben: One of the reasons why one is so keen on local authorities playing a major part is that every part of the country is different. Every great city is different. I would not suggest that Birmingham has the same answers as those of Leeds. I come from and live in a rural area. In rural areas, there are particular difficulties and advantages.

This is one of the problems with local government. If I may, I will recount something that happened to me on the very first occasion when I, as Secretary of State, addressed the local authorities. I said how much I had always believed in subsidiarity and handing down, and that I did not want anything done in Brussels that could be done in Westminster, which is what I thought was the right thing—and I did not think that we would be in that position now. I did not want anything done in Westminster that could be done in county hall, and I did not want anything done in county hall that could be done in the district council. I was cheered all the way down that, and then I said I did not want anything done in the district council that could be done by the parish council, and I was booed.

The problem with subsidiarity is that you are very much in favour of it, until it gets to you and you are passing it on down below that. This is really important because, as far as climate change is concerned, there are many parish councils around the country that have been working very creatively on having common ways of producing renewable energy, for example, and on having links between the school and the locality—all sorts of things that they can do.

We just have to use every single opportunity that we have to connect with the public, because the other, bigger issue is that the Government have, so far, been incredibly unsuccessful in any kind of public



information and advice system for ordinary, individual people, most of whom would like to do the right thing but do not know what it is.

Florence Eshalomi: Those were very good points. Thank you very much.

Chair: We will move on now to funding issues, which are quite key to what we are trying to do in this regard, as we have mentioned other times.

Q179 **Mary Robinson:** Lord Deben, you have already raised the issues around funding, saying that the spending review system is ill designed to deal with cross-departmental issues in very many ways. I would like to enquire about how this is going to impact on dealings with local government with regard to funding. Where should the funding come from for local government's net zero contribution? What should come from central Government and what needs to come from other sources?

Lord Deben: The first problem in that question, if I may say so, is that neither the Treasury nor any other part of Government appears to know where the present funding comes from. There is no proper assessment of the mix that we have: how much comes from council tax, from central Government and from other issues, and how much can come from outside bodies. In many cases, local government will be working in a public-private partnership, in the proper sense of that, with local firms and such like to achieve what it needs to do achieve.

The first thing, in a very rapid way—I do not mean waiting for ages—is that I would like to have a definitive statement of where it comes from now. I have run businesses all my life. The first thing you do in a business, surely, is to discover where you are. You cannot think of where you want to be until you know that, and we do not know that. That is the first thing that I would be insistent upon.

It is not for the Climate Change Committee—we have neither the bandwidth nor the statutory ability—to direct Government as to how the link should be. It does seem to me that the closer the partnership is, the more the Government will understand that the cheapest way, to be very vulgar about it, to deliver what they need is to give local authorities both the powers and the finance to do it.

Of course, there will be perfectly proper care about it, so that, if you get a good local authority such as Barking and Dagenham, you can trust it with doing the right things. I hesitate to quote a bad local authority, because that would be embarrassing for somebody, but we all know that there are local authorities that you would not leave your purse with.

Government have to be careful about how money is spent, but there is so much that can be done by good local authorities, and Government should be using them.

Q180 **Mary Robinson:** Would you suggest that it should be ringfenced to local



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authorities and that judgments should be made about their ability to carry out a plan that would pass the test of central Government? Is that where your thinking is?

Lord Deben: Would you allow me turn it round the other way? The impetus and the drive should come from local authorities, and the plans should be made by local authorities—I hope rather more quickly than some local authorities are making plans at the moment in other areas, but they should be making the plans.

They should be seeking as much local support and finance as they can, and then presenting those plans to Government, for two reasons: first, for Government to ensure that they have had the opportunity of the best advice in all sorts of ways, which they might not have locally; secondly, to make sure that they get value for money and that they have made a proper judgment. I would want that to be a much more light-touch concept than we have up to now.

That first thing is important. I do not think that we should be asking local authorities to make those plans unless we are also prepared, right at the beginning, to provide them with the resources in the sense of central advice as to who has done what and how well it is done. Look at how well Leeds has been operating and the relationship between what is called the Leeds Climate Commission, the University of Leeds, and Leeds itself. Look at some of the successes of the West Midlands. Look at what Manchester is doing. Pick up Kent, for example. There is no connection, by the way, in my view, between political control and the ability to do these things. It really is cross-party, both the successful and unsuccessful ones.

If we find the good ones, they ought to be helping those that have not done it yet. Trying to do this in east Suffolk, with very limited resources and a very large area, is very different from trying to do it in Manchester, so we really have to try to have a system that helps them properly.

Q181 **Mary Robinson:** Apart from this relationship between central Government and local government, what other sources would there be for funding? You referred to how local authorities are working in a public-private way. What are the other sources of funding that could help with this? What should be the balance between, let us say, Government grants, tax incentives or private funding measures such as green mortgages to encourage retrofitting and the promotion of energy efficiency? Is it all of these things? Is there a balance? Where is the tipping point?

Lord Deben: In a long life, I have begun to believe that it is always “both/and” and never “either/or”. It really is true that every bit of that is important. The public-private partnership bit is partly happening. The whole investment world has changed over the last 18 months and it is demanding that businesses take the proper sustainability steps that they should be taking. It is partly that. At a company level, there has been really serious change, either because they have had to, because their



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investors have insisted on it, or because they want to, because they have understood that sustainability demands that they do this.

The thing that is lacking, partly because we are not providing local authorities with the impetus, the encouragement or the information, is the way in which an awful lot can be done locally, with local companies working with the local authority, as partners. The local authority would see them in partnership, in the same way as I want Government to see local authorities in partnership. It is not a question of saying to J Jones & Sons, "We are expecting you to pay the money and we will tell you what to do". It is not that. It is about asking "Can we work with you"—this is a local retailer of some sort—"to make sure that your shops in our area are reducing their emissions? We will do the things that we can help you with, and you will do the things that you can do. Let us see how we can work that together".

If you think about the relationship with the hospitality industry, local authorities can do a huge amount by working with it on waste and how to collect it, and being much less self-opinionated, just as I am critical of Government for thinking that they are always right and that local authorities need to be told what to do.

I sometimes find in local authorities an unwillingness to recognise that the people who are doing the job can help a lot with how you help them to do the job. Particularly waste authorities in the smaller authorities are inclined to be rather dictatorial, instead of asking, "Are there ways in which we can help you to help us to collect the waste and recycle it, and to do the things that we need to do?"

Chair: We move on now to the important issue of housing, which is key to local authorities' role.

Q182 **Rachel Hopkins:** Are the Government doing enough to decarbonise existing and new homes?

Lord Deben: No. This is the most disgraceful history of all. The Conservative Government, in 2017, decided that they would not go for zero carbon homes, which is what was in the programme set out by the Labour Government previously. We have to be a bit careful about that. I remember criticising the Labour Government at the time, because it seemed to me that they had managed to put the date far enough ahead that no Minister would ever be responsible for it. That is another well-known political issue.

Much worse than that was the decision by the Government that they were not going to go ahead with zero carbon homes. The result of that is that we have built more than a million homes that have to be retrofitted, which just makes the situation worse. If I hear another Minister say to me, "But the real problem is the ones that have already been built", that does not excuse making it worse. This is not a sensible argument.



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I feel very strongly about this. What those million homes that have to be retrofitted represent is the housebuilders handing to the purchaser a bill, which they will have to pay, instead of the housebuilders paying it. If the housebuilders had built their homes so that they were to a sort of Passivhaus level—you do not need quite the technical way that they do it, but you need that sort of level—it would have cost very little extra. Indeed, because of the way our land prices go, it ought to cost no extra, because you would pay less for the land in the first place when you are in your competition, because you know that your housebuilding price will be that much more and, therefore, you pay less for the land.

The sort of housebuilder that was able to offer more than £100 million as a gift to its chief executive, if you remember, has charged the next generation a bill that they are now finding extremely difficult to meet. It was not necessary, and there are a million or more people who are put into that position.

The reason that they did that, and did not come to a more sensible decision, even though the Government had reneged on what they had promised—a very serious decision—was that they had become land speculators and because they had four, five or six years of land for which they had paid a price that involved not increasing the price of building the house. The fact that some of them are still trying to stop the future homes standard and to water it down is a scandal. Why are we in this position, when it is not true in the rest of Europe, in countries like Germany and Scandinavia?

There is no reason for this, except that it has always been true—and I go back to my own position as Secretary of State—that, whatever you suggested, it was impossible as far as the housebuilders were concerned. I am afraid you just have to say, “We are not having it any more”. There are nine housebuilders building about 80% of our homes, and I am afraid that we have to have tough standards that have to come into operation by 2024, which, if you remember, is the slip that the Government made from 2025. We need to have it then and without question. Otherwise, we are asking individuals to foot bills that they should never have been asked to foot.

Q183 **Rachel Hopkins:** Thank you. That is a very clear response there. So, for a quick answer, I take it that you do not think that the Government are moving quickly enough to bring in the future homes standard.

Lord Deben: No, not at all. It is not quick enough and we do not have the details.

Q184 **Rachel Hopkins:** What do you make of the failure of the green homes grant, particularly in light of the NAO report that came out recently? Are there any lessons to be learned from that?



Lord Deben: The NAO report is a very salutary lesson and a sensibly written report. My own view about it all is that successive Governments have found this difficult. We ought to start off by realising that it is difficult and that it is no good pretending otherwise. Even with a Minister of very real effort like Lord Barker, for example—when he was the Minister, he was really concerned to get it right and tried very hard—we still got it wrong.

These are the lessons we should learn. First of all, it has to be simple, so that people can understand it. Secondly, it has to be competitive. If you are going to help people, you really must offer them something that is better than the house down the road. Thirdly, it has to be associated with information, which it is not at the moment. I have recently installed air source heat pumps. I cannot tell you, with all the opportunities I have, how difficult it was to get this thing to work in the sense of finding out whether it would work, whether it would fit, what I do and how it happens.

I also have an electric car. That is the easiest thing in the world, if you have the money. There are a lot of people out there who want to sell you an electric car. They come and show you them, you try them, you make the choice, and there you are. Why is that not happening as far as things like heat pumps are concerned? Not only do we have a Government who are not giving the information out, and we do not have the opportunities, but we seem to have an industry that cannot do it. They can do it in Germany and Scandinavia, so why the blazes can they not do it here? That seems to me to be the real issue.

The last thing is this: these things are complicated and there are many people out there who are not capable of installing them. We really do need a mechanism—and it may well be that local authorities can play an important part in this—where Mrs Miggins knows that, if she has J Smith & Son, it will be properly installed. She can tell that at the moment with the gas installers, because they have a certificate. She cannot tell it with plumbers because, ridiculously, although electricians have to be properly certified, plumbers do not, which is something I have never understood.

The truth is that we need to have a system whereby she feels safe. I say “she” because, very often, the energy for environmental change comes from women, so I am particularly keen on her being able to understand it, to know that it is safe, and to say, “If we do this, it will work, because we have used a company that knows how to do it”. That is what we have to achieve.

Q185 **Rachel Hopkins:** That is an excellent answer, thanks. I recently met with Citizens Advice, which said that 92% of respondents to its survey were really happy to retrofit, and 66% noted that they needed support to do so, which is the point that you referred to earlier.

As a final point, are there any alternatives? You have talked about heat pumps, and that is a recommendation coming from the Committee. Are



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there any other solutions for people who do not have properties that would be suitable?

Lord Deben: There will be other solutions as technology develops and no doubt, in some areas, where there are hydrogen hubs, we will be able to find ways of using that, but that is a way off.

There is an awful lot that can be done that does not involve changing the boilers themselves and suchlike. There are three very simple things. First of all, there are still far too many homes that are inadequately insulated, and some of these belong to the poorest. I am very concerned about a just transition, and we really have to concentrate on the poorest. It does not help, in some ways, because they tended to use less heat than they ought to, because they were cold, and, when they are warmer, they tend to use a bit more, because they can now afford it. It is not always very good as far as the climate is concerned, but it seems to me hugely important socially.

Secondly, there is a lot to be done in making people use the best of the equipment that can be installed. The European Union has given us a huge amount of advantage by improving the energy efficiency of things, and we really have to go on doing that. I am a bit worried that, outside, we do not yet have the systems that will raise those standards, so that, when people buy, for example, electric heating, it is very much more efficient.

Lastly, we really need to remove the burden on the people who do not have gas. The present system, as you know, puts all the cost of change on the electricity bill. You can argue about whether it should be on the bill or the national Exchequer—that is not an issue that I am going to enter into—but it should not just be on the electricity. I am very keen on it shifting from that on to the gas bill, which, for people who have both, will not be a huge change. For the 20% who do not have gas, the fact that they will then not pay so much for their electricity will enable them to use much more modern equipment, which will replace the present situation. There will be many gas users who will be able to turn to electricity too, if you make that change, and I think we need to have that.

Q186 **Chair:** John, if I could just follow up on the housing issues, which I am particularly interested in, the Government have a policy that all fossil fuel boilers in homes should be phased out by the mid-2030s. When I raised this with the Prime Minister at the Liaison Committee about three months ago, he seemed a little surprised. I think it began to dawn on him that somebody was going to have to pay for it. I just wonder what your thoughts are.

This issue of education is really important. People have got the message that petrol and diesel cars are going to be phased out, but I do not think that people have got the message yet that gas boilers are going to have to be phased out. I just wonder whether you think that individuals are going to be willing to pay for something that they do not see as a



personal advantage, or whether there is going to have to be a national scheme of grants, loans or something else, to enable this to happen.

Lord Deben: There has to be a national scheme, because that subtends from what we have asked the Treasury to do and what the Treasury has agreed to do, which is to look at where the weight of change falls. You come back to the issue that it is going to cost us only something under 1% of GNP each year to do what we have to do. The issue is not the total cost but the way that the cost falls. Most of that cost will be on private enterprise, but the trouble is that the charges that private enterprise will have to make because of the investment and those things that are not going to be on private enterprise will fall in an indiscriminate way.

The Government's job is to make sure that it falls in a fair way, which means help for those who cannot afford it. It means saying that new houses have to be properly organised and that people have to pay for them. All those things have to be understood and imposed on the Government system, which is why we are waiting—I will not say "with bated breath", because we would have died if we had done that—for the Treasury to produce its document, which we asked for and will come before COP 26. Thank God for COP 26, because it puts an end date on what really has to be delivered.

As far as the public is concerned, no, of course the public do not understand it, because the Government do not and because there is no certainty about it. This is why the net zero strategy is so important. People must know what is going to happen, and then they must know that there will be help: "This is the sort of way to do it. These are the kinds of choices you have". If they make a choice, the people who are going to install it are not going to do it badly and they are going to deliver. All those things come together.

If I may say, it is not just the Government who are signed up to this; Parliament is signed up to it. It is the law of the land. It is part of the carbon budgets. It is what the Climate Change Committee put forward and it is what, democratically, we have agreed. If you do not explain it to anybody and, indeed, if you look as if you have not explained it to yourself, it really does mean you have not started on stage one. We have to start on stage one.

- Q187 **Chair:** Just following up one of the themes there, you mentioned choice. When Climate Assembly UK, which was commissioned by six Select Committees, did its work, one of the things that came out was that people wanted choice. You mentioned heat pumps and the possibility of electric heating systems, but you slightly dismissed hydrogen as a possibility. I have a bit of constituency interest: ITM Power, a leading producer of green hydrogen, is in my constituency. We are told that hydrogen boilers are virtually there now, but the challenge is getting hydrogen into the grid. I wonder how far you have had a look at this on your committee.



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Lord Deben: We are insistent that every new boiler sold after 2024-25 will be hydrogen available. It does not increase the cost of a boiler by very much and it is a very sensible thing to do.

I am always a little questioning about hydrogen, because I do not want this to be the silver bullet that lets some politicians off the hook. I have been around a long time, like you have, and you know very well that politicians are inclined to find something, so that they are able to say, "We do not need to do that, which is difficult, now, because we are going to have this in five years' time, by which time I am not the Minister trying to do it, so it is much more convenient".

I am just very concerned that hydrogen should not become that kind of thing, because we have three very difficult things to overcome. First of all, we have to make it at a price that is competitive, and we cannot do that at the moment. Secondly, we have to make it with an energy input that is sensible, and we cannot really do that at the moment. Thirdly, we have to make sure that we can deliver it, and the likelihood is that we will not be able to deliver it over the country as a whole, nor will we wish to, but that we will be able to deliver it where you have to have a hydrogen hub anyway for heavy industry and the like. You might be thinking of the north-east, for example.

We really have to find a way of doing it without having to use carbon capture and storage, which is and will be expensive. It is there beyond our fingertips, so to speak, so I am not dismissing it; I am merely saying that it is not here now and we have to work on it. It may be there in the future, but there may be other things as well that will replace it.

Bob Blackman: Thank you, John. I remember your speech at the local government conference, because I was there as leader of Brent Council, but I was not booing.

Chair: That is because you have no parishes in Brent, Bob.

Q188 **Bob Blackman:** Could I just turn to some other policy areas? We have taken a lot of evidence from local authorities and other representative bodies about what local authorities could do. Your report highlights areas making a contribution to getting us to net zero around transport, planning, and energy production and generation. Can you give us any ideas of particular things that local authorities could do right now?

Lord Deben: In the absence of changes in the planning system, they cannot do what seems to me to be the most important thing, which is to make sure that every new building plan is sensible in sustainability terms.

Perhaps I can give an example of the local authority where I live. It seems to me quite nonsensical to allow large building of, let us say, 300 houses in a village where you already have 98% of the population commuting at least 12 miles by car. It seems to me that you should just say, "No, you cannot do that, whereas you can build in the centre of cities or towns, or near enough to a railway station so that you can walk



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to it". I know that that is unpopular with the people who live in that town, but at the moment there seems to be an attitude of spreading the pain so that every village has to have that number of houses, irrespective of the sustainability issue.

There is no defence for large building of houses that are going to be lived in by people who are working nine to five, insofar as that is going to happen—it will be a bit easier, because many will be working at least some of it from home. There is no sense in doing that. You really have to plan your future round the hub, so that people can get to their work on their feet or on a bicycle, and not by car. Every local authority can do that under the present system, and they have to make that very clear in their new plans. The pressures for plans and for more quickly produced plans are very important on that.

The second thing that local authorities can and should do is to be much more willing to interrogate the plans that come in front of them. It must be more and more clear to developers that, if they want to get planning permission and do not have to appeal on it, they have to meet certain sustainability things in the first place. If they do not, it will take longer and the local authority must be very clear as to what it is expecting.

That can make a huge amount of difference now, because, in the end, the developer wants planning permission. The more quickly it gets planning permission, the more money it saves. There are a lot of things that you can do, simply by saying, "This is what we will expect. If you do that, you are much more likely to get our tick". There is much more that can be done that way.

The third thing that can be done immediately is to create an atmosphere in the local authority that means that you think about sustainability right from the beginning. For example, in Suffolk, we have a county council that has stopped cutting the verges, unless it is absolutely necessary, because it understands biodiversity. It does not go around chopping things off because it happens to think it looks neat. Neatness is the enemy of civilisation. It is very much better to allow things to grow and to let us have the kind of countryside that we really ought to have.

Those are decisions by local authorities. They have decided, and there are people who do not like it. They have had to fight that and say, "I am sorry". You can say the same about street lighting. I am using countryside examples, but when people move into the countryside, you just have to say to them, "This is not the town and we do not have street lighting in this village. That is not what we have. You have a torch. That is how you do it". The pressures to urbanise the countryside are largely antagonistic to dealing with climate change.

What I am really saying is that every local authority needs to look at everything that it does. After all, we are complaining about Government, because we do not have joined up Government on this issue. The Secretary of State for Education has, so far, not made a major speech



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about how he is going to change the education system so that the new green jobs will have people to do them. I do not see any leadership there at all on that subject.

Similarly, local authorities have to be very careful that they do not silo their own activities. With everything they do, their waste collection, their roadbuilding or whatever else it is, they must think all the time, "What is the climate change issue here? What do we have to do to make our contribution to net zero?"

Q189 Bob Blackman: In terms of planning issues for local authorities, depending on where they are, they can build in the use of retail and the opportunities of local employment, rather than just literally developing housing. Equally—presumably, you would agree—local authorities could inbuild the requirement to provide facilities for people to work from home, as well as ensuring that services such as high speed broadband are available on new estates, rather than leaving it to utility companies or others to provide that. Would you agree that that is an approach that could be taken?

Lord Deben: I would agree with all of it, except that there are additional powers that they need to be able to do it fully and effectively. There is a very good example in Cambridgeshire, where the local authority in a development area has been able to have common heating arrangements, which will be very good. The difficulty that it has had in insisting that developers join in with that is that it does not have the powers to say, "That development here will involve your committing yourself to the common heating system".

I believe that they should have those powers, because, in many new developments, the way through all this—not having to have heat pumps and the rest of it—is by modern central heating systems. You can have that now in a way that makes it totally controllable in your home, but it can be net zero as far as the generation is concerned. That means that the local authority has to have the power to intervene and the power of making that a requirement for a new development.

Q190 Bob Blackman: During your contributions on housing, you mentioned the role of the major developers, who, as you say, build the vast majority of homes. Taking, for example, the Oxford-Cambridge corridor, where there are all sorts of plans out there for a million new homes over an extended period of time, can a local authority deliver on this? Would it not be better, for example, for some form of urban development corporation, which would have all the powers to enforce this, to make it happen? This, of course, happened in the new towns development back in the 1950s.

Lord Deben: Yes, and it happened to make, for example, the developments down the river from central London work. The Heseltine arrangements there would never have happened if they had not had some different structure.



There is some real evidence that the local authorities are working well together in the Oxford-Cambridge corridor in these preliminary areas. There are some very good local authorities there. South Cambridgeshire is particularly good, and its leader is taking the lead there, I think rather impressively. I am loath to say that it automatically has to be this, but it does seem to me that we have such a patchwork of local authorities and mechanisms that we should revisit these.

I do not think that they should be a matter of party disagreement, because, after all, that is, as you said, how we did the new towns under a Labour Government and it is how we did, under a Conservative Government, so much of the development that took place when Michael Heseltine was Secretary of State.

It is perfectly possible to do this in a way that is acceptable, but it is hard for local authorities because, after all, you are saying to them, "You have to give up some of your powers to do it". It probably will be necessary and, where it is, you have to have a system that at least enables the local authorities to give the voice of locality. That is the problem for the Oxford-Cambridge arc: that it is really difficult for the people who live there. We are saying something to people about their futures, which many of them are really very unhappy about.

Chair: John, you mentioned engaging with the public and getting them on board. Andrew Lewer is going to explore that with you.

Q191 **Andrew Lewer:** You have covered quite a lot of that already, but there are two things to pick up. One is about policies. We have talked about public views about decarbonising homes and Climate Assembly UK. In terms of car usage, bringing the public on board and keeping public support, is the public ready and accepting of messages about reduction of car use, or is more messaging and progress over car types, as in accelerated moves from petrol and diesel to electric and other green forms of car usage, more likely to meet with public acceptance and success?

Lord Deben: Again, we have to do both. First of all, we have wasted all the additional energy efficiency in our internal combustion fleet, because people have just bought bigger cars and more SUVs. One of the things we have been very short sighted about is our taxation system on that. I would just make sure that, if you buy an SUV, it costs you a lot more money. That is what the tax should be. If you buy a small car that is a very efficient energy producer with a petrol engine, it seems to me that you should not pay the same tax as you would on an SUV. There are differences, but I do not think that they are sufficient.

We have to recognise that SUVs are, frankly, for many who buy them, unnecessary. They are not driving over terrain. There is a whole series of things. It has become a fashion. We really have to recognise that there is a cost to that and that we have to charge that cost.



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There are changes that need to be made, but we also have to be better at linking up the alternatives: first of all, our public transportation system and our development, which we talked about—all that has to be done—and, secondly, walking. I really do think that this is partly a question of example. I would like to see rather more of my colleagues and ex-colleagues do a bit more walking, which would be very good for us. We would lose weight and, more importantly, we would be healthier. The linking up with health, walking and suchlike is important, but you have to make it easier for people.

All the time, I believe you have to make it easy to be good and difficult to be bad. That is the necessity. That is a mixture of how you do traffic in towns and how you make ways through. I talked about lighting. One of the places where I would have properly lit areas—using LED, of course—would be where people walk and where they feel safer because of it. Making towns safer and making it easier to walk is necessary. We have to do them all because it is a change in lifestyle in the sense that, as I understand it, the British are more likely to take their cars out for a short distance than any other country in Europe. We have to overcome that.

Q192 **Andrew Lewer:** The other thing, which you have just touched on, is green jobs and a green industrial revolution. I wanted to ask you how, the Secretary of State for Education aside, public messaging about and greater understanding among the public of what green jobs are, and what they could be, might be achieved.

Lord Deben: It is part of a bigger thing. As a nation, we have been, for literally a century and a half, far too dismissive of what I would call the general engineering jobs, and have concentrated far too much on what I would call the general literacy jobs. I say that as somebody who is not terribly good at do-it-yourself, but I recognise that Herr Ingenieur in Germany is a compliment. We use the word “engineer” in a much broader sense and it certainly is not necessarily a compliment.

It seems to me that we have to raise the public attitude to having those sorts of jobs and the importance of those jobs. The great thing about the green revolution is that it gives you the opportunity to reclassify jobs in people’s minds. I do not mean it in the other way, but just psychologically. The digital revolution is going to make a huge difference, but we have to train people to do it.

For example, people have to understand things that most schools do not teach. They have to understand risk. It is not just a computer science addition. It means how digital activity works throughout the whole system. They have to understand, and we have wonderful opportunities, because every young person today is almost bound to have a telephone and access to things that the generation above did not have. We have a very good opportunity to do that. I am just longing for the enthusiastic drive behind that, which we need to have from the Department for Education, and I really do think that that is a very important thing.



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I have always thought we made a mistake, and I was part of the Government then, when we thought that polytechnics all had to become universities. Happily, most of them remained the same, as to what they did, but the reason for it was this curious view that, somehow or other, technical things are less important and less culturally acceptable than the arts. We are getting over it, but we do need to get it over it very quickly if we are going to take advantage of the new, green revolution.

Andrew Lewer: Comments about people's ability to assess risk are extremely pertinent for all sorts of reasons at the moment, so thank you for your comments.

Q193 **Chair:** Is there anything else that you would like to add, John, while you are with us this morning, to help our deliberations?

Lord Deben: Only that I think that your area is now going to become the central place where the Government are going to have to deal with the real problems of delivering net zero, and I very much commend what you are doing. I just think we have to be radical and very direct, because we do not have any time. There is no time, and MHCLG is at the centre of it.

If I had one area that I would hope you would concentrate on, we need a Planning Act that fully represents the fact that we are signed up to net zero, internationally and nationally; otherwise we will not be able to do it. That act is going to be crucial. It must be radical and it cannot be an opportunity missed.

Chair: Thank you very much, and thank you for your comments in general this morning. All members of the Committee and, indeed, people watching from outside will have been really engaged by what you had to say to us. We have found it hugely interesting and informative. Hopefully, what you have had to say to us and your suggestions for improvement and change will be reflected in the report that we will be producing before COP 26, to try to influence those discussions as well. Thank you very much indeed for coming and being with us.

Lord Deben: Thank you very much too.