



UNISON Scotland response: Inquiry on a Green Recovery July 2020

Introduction

UNISON is Scotland's largest trade union with members across the public, private and voluntary sectors. We are the largest trade union in the gas and electricity sectors, as well as in local government and other sectors with a specific interest in this issue, such as the Scottish Environmental Protection Agency. UNISON Scotland is a member of the Just Transition Partnership, created by Friends of the Earth Scotland and the STUC in 2016, and part of the coalition of over 80 civic organisations calling for a Just and Green Recovery from COVID-19.¹

We welcome the opportunity to submit views to this inquiry conducted by the Environment, Climate Change and Land Reform Committee.

Do the principles of sustainable development (as set out in the annexe), and those for a resilient recovery, as proposed by the UK Committee on Climate Change, provide a comprehensive framework for guiding an effective green recovery in Scotland?

A green recovery must also be a socially just recovery. The framework also needs to incorporate the Just Transition principles. And be informed by the work of the Just Transition Commission and the ideas of the Just Transition Partnership, of which we are part. The key question is how principles are translated into action. This is where progress has been slow and beset by conflicting and contradictory government policies and practice.

What are the key barriers to delivering a green recovery (within your sector and / or community)?

The recent report of the independent Economic Advisory Group to the Scottish Government contains some welcome advice. However it also displays some of the key barriers to delivering a green and just recovery.

One of these is the tenacity of belief in orthodox market-led solutions to deliver a green recovery, despite the evidence to the contrary. A second is a disregard for the importance of the ownership and direction of economic activity, which is essential for ensuring that local communities enjoy the full benefits. The failure to reap the benefits for the people of Scotland of offshore wind developments in recent decades is a prime example.²

UNISON believes that planning and direction and delivery by the public sector are essential for a green recovery. The experience of the pandemic has demonstrated the crucial role of public and government initiative and direction in dealing with a national public health crisis. It has also shown that private ownership was a weakness when it came to organising provision of care and supplies for care workers.

The lack of value placed on proactive national planning by government is evident in the apparent absence of any estimate of the resources actually needed to achieve key decarbonisation objectives within specific timescales. The planning system is a key instrument for ensuring that new developments

¹ <https://foe.scot/wp-content/uploads/2020/05/FM-letter-on-Just-and-Green-Recovery-May-2020-1.pdf>

² <https://www.gov.scot/publications/transition-commission-interim-report/>

meet environmental aims and standards, yet planning functions in public agencies have been hollowed out, and local authority planning departments have lost 1 in 4 jobs during the past decade.³

The third key barrier is contradictory and conflicting government strategies and plans, for example the continued emphasis on roads and cars within infrastructure budgets, city region and regional growth deals.

The fourth barrier is austerity. The severe underfunding of local government and public bodies has restricted progress over the past ten years in delivering the transition to a carbon zero economy.

Public investment is crucial to kick start a green recovery and reinsert demand in the economy. We learnt this from experience in the 1930s and during the post-WW2 reconstruction. Spending by government has a multiplier effect generating increased tax revenue for government through rises in employment and consumer spending. Over the long term it is a strategy which pays for itself. Recent years have seen historically low interest rates are due to the collapse in demand for borrowing. On the evidence of the past decade a revival in economic activity will not be instigated by the private sector. Only government, with its ability to borrow at low rates, and raise money by issuing bonds, can do the job.

What key policies, actions and immediate priorities are needed to deliver a green recovery (within your sector and / or community)?

The immediate urgent challenge is to create jobs for the thousands made unemployed during the pandemic, and to secure a future for the young people entering the labour market for the first time. The impact of this is highly unequal and affects different sectors, occupational groups, and areas of Scotland differently.⁴ A highly attuned national and local response is needed.

Local government and other public service organisations can and must play a major role in driving a green recovery at a local level.⁵ But that requires actions to support and empower public sector bodies, particularly local authorities, to take leadership roles and be active players in the green economic recovery within their local areas and sectors.

We welcome the government's interest in [community wealth building](#) approaches. We believe the key to a green recovery lies in democratising our local economies and engaging local communities. A priority in this Budget – in order to achieve that – must be for local authorities to be given greater access to funds to be able to initiate actions with other bodies and communities.

There are many examples of Councils developing projects to reduce energy use, generate energy from renewable sources utilising their properties and land assets, and linking with other public sector organisations, businesses and communities. However there is not enough support or direction to ensure that successful projects are then built upon in other areas and become widespread. This is partly due to Councils having limited capacity and access to investment.

Amongst other measures, the economic recovery demands a pipeline of 'shovel ready' tasks ready to receive government funding. Local authorities and their partners can provide these, while at the same time delivering quality training and apprenticeships, and a jobs guarantee, while targeting employment opportunities at the most vulnerable people in their communities. Some examples of these shovel ready 'green' tasks include delivering energy efficiency retro-fitting schemes, building cycle paths; planting trees, developing parks and green open spaces in urban areas (in severe decline after a decade of cuts

³ <https://www.rtpi.org.uk/media/3681/additional-duties-at-stage-2-december-2018-amended.pdf>

⁴ <https://www.ippr.org/blog/outlook-for-scotlands-workforce-furlough-job-losses>

⁵ <https://cles.org.uk/publications/a-green-recovery-for-local-economies/>

to council budgets). Incentives are also needed for the creation of municipal energy companies and development of local heating systems.

In many areas of the country there is not enough capacity within local supply chains to deliver these projects on the scale and timescale required. Councils and their partners can proactively fill these supply gaps, creating employment for local people. This should include promoting a strengthened and growing mutual and cooperative sector directed at achieving social as well as economic and environmental aims.

The Scottish Government should coordinate but also provide national funding for this activity. One clear example where this is required is finance to improve energy performance and tackle fuel poverty, through the retro-fitting of Scotland's housing stock. A huge labour intensive effort is required involving the training and organisation of thousands of workers Scotland-wide. We believe that this is best coordinated by councils and their partners at a local level.

The public sector should also lead the transformation of the energy sector and public ownership should be extended through a publicly owned energy company (POEC) with powers to own distribution networks and energy generation. The role of the POEC should also be to drive energy transformation at a local level, but this is dependent upon it having the powers and resources to do so.

We would draw the Committee's attention to some of the other measures necessary for a green recovery, including:

- Greater capacity and stronger planning authority for local authority planning departments to ensure that all new developments are in line with decarbonisation and Just Transition principles;
- Measures to strengthen the voices of environmental statutory consultees in planning processes.
- Action to ensure that all national government strategies and plans align with a green recovery, including the transformation of City Region and City Growth Deals, and the Scottish Government's economic strategy, so that these are focused on environmental and social justice.
- Making use of the leverage of public sector procurement and licensing including use of conditionality.
- The expertise of the further and higher education sectors, and Skills Development Scotland must be used to guarantee access to re-training for workers in the fossil fuel industries, and quality apprenticeship schemes in the renewable sectors.
- Strategically targeted support for research and development programmes including government, companies and universities, alongside investment in start-up companies in the solar panel industry, wind turbines and other forms of renewable energy.
- Resourcing to enable financially-starved regional transport authorities and councils to achieve the step change that is needed in public transport usage, e.g. through re-municipalisation and re-regulation.

How should the 2021/22 Budget support a green and sustainable recovery and avoid locking in carbon; and what funding is needed in the ECCLR portfolio to deliver a green and sustainable recovery?

Significant opportunities exist for a green recovery. Research by Transition Economics commissioned by the STUC estimates that 150,000 jobs could be created in the immediate term, based on a £13 billion over 2 years in infrastructure investment.⁶ Much of the opportunity identified sits within the ECCLR portfolio, or straddles the ECCLR and other portfolios. This includes land re-forestation, environmental restoration, green energy and transport, R&D in decarbonising heavy industry, the retrofitting of homes and public buildings, and waste recycling. This is economic activity which meets existing social and environmental needs. However it requires the stimulus of public investment.

⁶ http://www.stuc.org.uk/files/Policy/Consultations/Recover_Rebuild_Renew%20.pdf

Our responses to previous questions identify key areas for public spending needs to be directed.

As a priority, the remit and role of locally provided public services in delivering a green recovery must be reflected in the budget settlement. This Budget must deliver the additional resources councils need to initiate actions with other bodies and communities, and to enable them to scale up projects already successfully completed. This is essential for effective community wealth building approaches.

The POEC needs both powers and an adequate level of resources to enable it to drive energy transformation at a local level, while incentives are needed for local authorities so that municipal energy companies and local heating systems are developed on the scale that is necessary across Scotland.

Both the Scottish National Investment Bank and the Green Investment Portfolio must be much better resourced to perform their role.

Funding is urgently needed to improve Scotland's water infrastructure, in order to address water scarcity and enable development of brown field sites. This is needed to ensure resilience against climate change across Scotland and has the potential to facilitate the re-deployment of workers from the fossil fuel industries.

In addition, as a priority, the budget should include incentives for farmers to play a role in land-based solutions to carbon sequestration, in the process creating employment in rural Scotland.

The budget should include strategically targeted support for research and development programmes including government, companies and universities, alongside investment in start-up companies in the solar panel industry, wind turbines and other forms of renewable energy.

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