

LONDON'S JUST TRANSITION

What should it look like? How will we achieve it?

A summary report on the London
Sustainable Development Commission's
Just Transition conference
on 25 January 2022



CONTENTS

- 01** Introduction
- 02** Jobs and Skills
- 04** Community
- 06** Governance
- 08** Conclusion

About the London Sustainable Development Commission (LSDC)

The LSDC was established in 2002 to provide independent advice to the Mayor of London on ways to make London a sustainable, world-class city. The Commission works to promote sustainable development, embed sustainability into London-wide strategies and help make sustainability a meaningful and understandable concept for all Londoners.

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Glossary

BID - Business Improvement Districts
BAME - Black, Asian and minority ethnic
COP26 - Conference of the Parties 26
LEAP - London Economic Action Partnership
GLA - Greater London Authority
LSDC - London Sustainable Development Commission
SME - Small & Medium sized Enterprises
TUC - Trades Union Congress

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Disclaimer

This report acts to summarise the LSDC's Just Transition Conference (January 2022). The views expressed in the report reflect those of the speakers and are not necessarily the position of the LSDC.

LONDON'S JUST TRANSITION CONFERENCE

Chair	Dr Ashok Sinha LSDC Chair
Keynote 1	Catherine Barber Assistant Director of Environment, GLA
Keynote 2	Richard Watts Deputy Chief of Staff to the Mayor of London

Introduction

In January 2022, the LSDC held a conference to explore what London's equitable journey to a net zero carbon city could look like.

It convened a group of experts and asked them to outline the challenges and opportunities involved with creating a Just Transition in the vital areas of Jobs & Skills, Communities and Governance. This report summarises the key themes that emerged, which will inspire future work from the LSDC (drawing on the conference outcomes).

Context

Recently, the Mayor of London published an analysis of what it would take for the city to achieve its net zero target by 2030, twenty years before the rest of the UK^{1,2}.

To have a fighting chance of meeting this ambitious target, it is fair to say every aspect of Londoners' lives will be affected. In this decade, we will need to see significant changes in the way we:

- move around
- heat and power our homes
- work (how, where and when)
- choose our food and drink
- buy and consume

However, the pathway to a net zero carbon city, as challenging as that may be, is only half the challenge facing the GLA, London's local authorities, businesses and community groups, who will be implementing the policies necessary to get us there. The 'green recovery' must also be achieved in a way that is both equitable and inclusive. We cannot have the poorest in society footing the bill for green policies, just as we must include the relevant community groups in decision-making in a meaningful way. This is all the more crucial given the new economic climate and cost of living crisis, with household and businesses struggling.

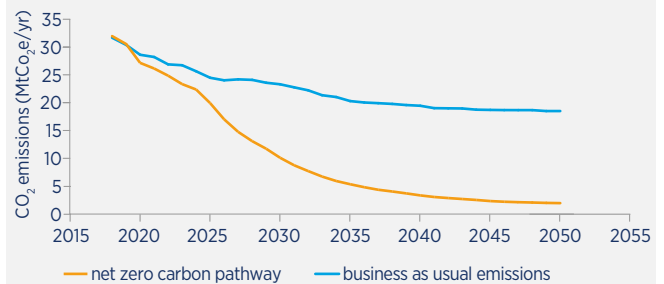
“The Mayor has embraced the target of reaching net zero by 2030 with remarkable vigour, and recognises the sheer urgency of action”

Catherine Barber

“A race to net zero must not become a race to the bottom in employment standards”

Richard Watts

London's race to net zero carbon emissions



What needs to be done in London to achieve net zero

The scale of action required is vast and includes:



200,000

homes retrofitted per year

2.2M

heat pumps installed by 2030



27%

reduction in car use and replacing with walking and cycling

2030

an end to sales of petrol and diesel engine vehicles

“We are really clear that the transition to a net zero can't be managed in a way that will make ordinary Londoners worse off”

Richard Watts

JOBS AND SKILLS

SESSION 1 EXPERTS

Chair **Syed Ahmed** LSDC Commissioner

Speakers **Dr Diana Beech** CEO, London Higher
Simon Pitkeathley LEAP member for business / CEO of Camden Town BID Unlimited and Euston Town BIDs
Sam Gurney Regional Secretary London, East and South East, TUC

Context

The scale of the challenge of transforming London's workforce to ensure it is fit for purpose to serve a future net zero economy is enormous.

The growth of high value 'green jobs' in developing sectors such as clean tech, building retrofit, alternatively fuelled vehicles, sustainable consumption and renewable energy will herald many changes. For example, it will require a mass re-skilling of workers who will find their roles in traditional, carbon-intensive jobs disappearing.

This re-skilling and re-deployment of London's existing workforce needs to go hand-in-hand with equipping the capital's children, young adults and students with the education and skills to embrace the low-carbon career opportunities that will flood the job market this decade.

This session focused on three aspects of the Jobs and Skills debate:

- The role of the higher education sector in developing the workforce of the future
- The need to support SMEs that make up London's economy, helping them de-carbonise and build resilience
- Protecting and enhancing the rights of workers, ensuring they have a prominent voice and fundamental role in shaping the transition.

“We can pick up the phone once to a large business, but it takes a lot of time and effort to talk to the thousands of small businesses”

Simon Pitkeathley

“There are no jobs on a dead planet”

Sam Gurney

Challenges

A major challenge identified involves engaging small businesses in the green agenda. The sheer number of London-based SMEs makes it difficult for green advice delivery bodies, as it takes a disproportionate amount of time and effort to reach them.

Offers of subsidised, even free, eco training are often not taken up, purely because of staff and time restrictions.

The contrast with corporates is stark. Large companies are mostly aware of the net zero agenda and have already created the mechanisms, trained the staff and assigned resources to ensure their business models are compliant.

Many small businesses on the other hand are still in survival mode, post-pandemic. They are particularly price sensitive, worrying about week-on-week survival, and don't have the luxury of considering their sustainability credentials, or indeed lack of. This is especially true when the actions required are expensive and/or disruptive, e.g. updating an old boiler, or refitting to a high energy efficiency standard, in a leased premises is not an affordable option for many.

Consideration of workers' rights, and the need for employees' voices to be heard, is another challenge. The UK's per capita investment in the green recovery is lagging behind, e.g. the UK currently invests £180 per person, this contrasts with ~£3000 in the USA³. We also trail behind many European countries and come last in the G8 investment league table. Investment must be ramped up if we are to have a chance of meeting national net zero targets.

It's estimated ~600,000 UK manufacturing jobs are at risk if we do not invest sufficiently⁴. London has the lowest number of such jobs at risk, but they still count in the tens of 1000s. The example of the British coal mine closures in the 1980s serves as a stark reminder of the devastation that can occur to previously vibrant, close-knit communities when massive restructuring and seismic shifts in industrial policy are implemented without due thought to the impact. It is a salient lesson in what an unjust transition looks like. It cannot be allowed to happen again.

It is believed only through compulsion will we see rapid, mass change at the scale we need, but to ensure fairness the mechanisms and policies developed should not burden small businesses with punitive measures. A degree of extra regulation is inevitable to see green progress at the rate required, but authorities have to support businesses to cope with the additional load.



Access to jobs - including green jobs - is not equitably shared. As evidenced in recent reports⁵, BAME Londoners are more likely to be in insecure work. And although universities have introduced 'widening participation' schemes, more needs to be done to ensure equity of access.

Opportunities

Despite the daunting scale of the transformation needed in the Jobs and Skills sector, there is an equally large opportunity for London to lead the way, both in the UK and on the world stage, in the race to a net zero economy.

London universities educate c. 420,000 students of all ages, backgrounds and disciplines, with over 40 institutions offering a wide ranging number of courses. This cohort constitutes over a third of higher education facilities in the UK. These institutions are perfectly suited to serve the needs of the future, low carbon workforce. By their nature, universities are reactive, responsive and able to adapt to the emerging learning requirements of a new generation of carbon literate students.

London is also home to a disproportionately large number of green start-ups. Universities continue to rise to the challenge of equipping these green entrepreneurs with the right skills and connections to make their low carbon, sustainable ideas reality through the various 'innovation hubs' and support schemes on offer.

For the existing larger businesses and corporates that populate London, there are ample opportunities to play their part in this Just Transition through engaging with, and assisting, these green disruptors and other small, independent suppliers. Ethical procurement, in a Just Transition, will be a crucial tool to ensure a vibrant, resilient, diverse London economy.

So, what will a Just Transition for jobs and skills involve?

- A clear, transparent and well-funded path to a low carbon economy
- Dedicated Green Skills Academies, which the Mayor is establishing
- Existing high carbon jobs, in areas such as aviation, energy and construction will need to adapt to the low-carbon economy, and employees must be provided with access to the training and skills to allow them to transition
- Employers and unions working together to design 40,000 new green jobs per year⁵
- Ensuring those new green jobs are good, high-value employment; moving away from current trends of insecure gig economy, zero hour contracts, and bogus self-employment⁶

“Universities support business growth in an eco-friendly way by passing on green skills through innovation hubs”

Dr Diana Beech

“Workers have to be at the heart of delivering new plans”

Sam Gurney

COMMUNITIES

SESSION 2 EXPERTS

Chair	Nick Mabey LSDC Commissioner
Speakers	Farhan Samanani Just Transition Campaign Leadership Team, Citizens UK Manny Hothi CEO, Trust for London Farah Elahi Senior Manager, Community Engagement, GLA

Context

The concept of ‘community’ can sometimes be a slippery term to define. But everyone can agree, whatever definition of community one adopts, the need to engage with communities of all shapes, sizes and interests is a key requirement to ensure any transition is accepted as being equitable by the groups and individuals it will affect.

Communities may already have, within their ‘institutional memory’, some of the solutions to current dilemmas, and we need to learn the right way to engage with them to gain from this knowledge and experience. It’s no longer a case of inviting communities to take a seat at the table that has been already ‘set’ by the authority, instead we need to create a ‘shared table’ where the settings are co-created with everyone present.

This session posed the questions:

- How do we engage with communities – meaningfully?
- How to frame the, sometimes existential, climate emergency debate in a way that resonates with local concerns?
- How to translate the issues into language that is understood by the people that matter?

“Translation matters! ... Reframing some of these complex issues into that of ordinary concerns is the way to build an inclusive movement”

Farhan Samanani

“Policy making happens in silos, but people do not live their lives in that way”

Farah Elahi

Challenges

Communities are often said to have been ‘consulted’ on local issues, but often this is just seen as paying lip service to the process, a tick box exercise at best.

Community groups are invited to contribute in the first instance, but those soliciting the contributions simply take the feedback and then several months (or even years) later deliver the finished policy with no further consultation with the very people the changes will affect most. This light-touch approach to engagement is not acceptable if we are envisaging a truly fair, inclusive transition. There has to be genuine ownership of local issues, where the community role and voice is intrinsic to the change process.

There is also the current post-pandemic climate, as well as the cost-of-living crisis, to consider when talking to community groups. The idea of engaging citizens to think about net zero targets - years and decades ahead - does not sit easily with people who worry about surviving the next weeks and months. Talk about the ‘future’ can be seen as a luxury only available to the better off.

Indeed, talking about ‘climate change’ in scientific or policy terms can alienate communities who do not understand, hence the topic can seem divorced from every-day, ordinary concerns and perpetuates the idea it is a middle-class issue. The language used in community engagement is important. Words and phrases that are overly technical and aren’t understood can lead to a perceived unequal power dynamic that may drive resentment and a refusal to participate. We need to learn how to translate this unfamiliar terminology as well as how to communicate with these diverse groups.

It must also be acknowledged that there are tensions around the idea of a ‘Just Transition’. It should not be thought of as a ‘motherhood and apple pie’ debate with no potential negative outcomes. There could be unexpected losers, as well as winners, created and it would be foolish to not address this. A challenge is we do not currently have the data and insight available to help identify these potentially disadvantaged groups. For example, there are difficult questions to answer regarding the following:

Who will pay for it?

We know the transition will come at a significant, short-term cost. And currently, there isn’t the public reassurance that the Just Transition will not add extra, unfair burden on the very people and communities who can least afford it.



Who is inconvenienced by it?

The suspicion is people whose day-to-day lives are difficult, or have been made more so by the pandemic and energy price rises, or are reliant on their old, diesel, or petrol, cars for their livelihoods, are going to be the most inconvenienced. Hence it is vital to have early frank and sometimes difficult conversations within local community groups to air these suspicions and try to assuage some of these worries.

Opportunities

There is a vibrant community and voluntary sector within London, and the diversity of their membership reflects the diversity of Londoners themselves.

The nature of community groups means a 'one size fits all' approach to engagement cannot work. Their membership includes all ages, classes, languages, levels of educational abilities, and a range of individual and family situations. The opportunity to reach and engage with Londoners through hyper-local community groups is enormous, but care must be taken to produce tailored approaches that resonate.

There is an opportunity to convene and build coalitions within and between these groups, and the governing authorities, to make change happen and to have that change accepted by the people it affects. A Just Transition simply cannot be achieved without the buy-in of these communities, their leaders and their members.

On the positive, over the last two years, people have been immersed in their own neighbourhoods like never before. A sense of 'community', on a street-by-street level, has been strengthened by the pandemic. This new sense of 'neighbourliness' and interest in local matters creates a perfect opportunity to harness this concern and talk about local issues and co-create plans to address them.

How ensure buy-in and support from local communities for the Just Transition?

- Sell them the benefits of a net zero future, not just the challenges. Lower bills, cleaner air, London as a magnet for high-value green jobs.
- Ensure communities feel empowered and that their voices will be heard and listened to. This results in a more equitable sharing of control of local issues with local groups to allow them to help shape their areas.
- Move from the current paradigm of 'stakeholder dialogue' to a focus on the 'rights' of the community.
- Ask them to create a vision for their neighbourhood. Do not assume what they want or need.
- Finding consensus is easier if you work through the local community leaders and get them on-side, or at least open to discussion.
- Reframe the debate to match the community's concerns.
- Many of the issues are large and complex and need to be chunked down to what really matters for citizens to believe they have agency.
- There are occasions when the issue in question will be too difficult for a community to deal with. This needs to be recognised at an early stage and appropriate levels of assistance offered.

“This transition cannot be done to Londoners, it has to be done with Londoners”

Richard Watts

GOVERNANCE

SESSION 3 EXPERTS

Chair	Malini Mehra LSDC Commissioner
Speakers	Fernanda Balata Just Transition Lead, New Economics Foundation Rob Whitehead Director of Strategic Development, Centre for London Rokhsana Fiaz Mayor of Newham

Context

London boasts the oldest municipal democratic governance system on the planet, some parts even pre-date the Norman Conquest. It is also a fiendishly complex system, operating within a centralised state that comprises a two-tier governance system.

The GLA, run by the Mayor, and the London Assembly comprises the primary tier. Thirty-two London boroughs, plus the City of London Corporation, make up the second tier, with a mix of directly and indirectly elected leaders. Added to this, we have representation within Houses of Parliament. London has 73 parliamentarians, more than any other part of the UK. However, currently, they have little sway over governance issues within the capital.

London has endured centuries of upheaval, so this latest requirement for change in the way it governs itself could be seen in the context of just the latest chapter in an ever-evolving ecosystem.

This session focused on one key question:

What changes are needed to London's governance systems in order to effectively tackle the joint issues of climate change and inequalities?

“Britain has a terrible track record of managing deep industrial change in a fair way. Decades of free market economic policy have undermined the prosperity and power of workers and communities”

Fernanda Balata

“In terms of governance, how we make decisions needs to change as well as being transparent about them”

Fernanda Balata

Challenges

There exists a once in a generation opportunity to co-create a new, fit for purpose governance system that will facilitate London's Just Transition into to a greener, cleaner, fairer capital city. The challenge is in recognising what needs to change and how to achieve it.

An obstacle, that may slow progress is a lack of trust in government and authorities. Dealing in, and enhancing, the currency of trust is vital to achieving a Just Transition. The role of governance should be to develop that level of trust between the citizen and their governing bodies through appropriate policy, guidance and leadership.

In particular, rebuilding that sense of trust in institutions is essential for workers currently employed in high carbon, low value jobs, who worry their future job prospects are worse than their current situation. These people are already experiencing the sharp end of the climate emergency, in that they are soon to lose their livelihoods. They have to feel included and valued for the contribution they can make to the transformation, if they have no trust or faith in the leadership, then this will not happen.

Time, also, is against us. The building, or rebuilding, of trust is a long-term project that cannot be rushed, but the decarbonisation of London's economy must happen rapidly if we are to achieve a net zero carbon status within eight years.

Local authorities need to step out of their comfort zone to engage more deeply and inclusively if trust is to be built. They also need more capacity and resources in order to do that effectively.

There is also a recognition that power and resourcing are unequal. Mayors and other leaders need to address this inequality, and develop and empower the social partnerships required to drive the Just Transition. Many communities most affected by climate change are often the least equipped and resourced to address the impacts. Their voices need to be heard and citizens need to come together, suitably empowered and resourced, to help develop and execute plans, in collaboration with the redefined local governance structures, to build local resilience and ensure fairness.



It was agreed, however, that notwithstanding the work that must be done locally, without more action from national government and/or the devolution of certain powers to regions, or indeed more powers granted to the local level, a Just Transition will not be possible.

A note of caution was raised on the risks of embarking upon such a rapid and comprehensive transformation trajectory. The rate of change and depth of transition we need to achieve could threaten our current conditions of governance, stability and, potentially, even our democratic process.

Opportunities

It is imperative the authorities governing London listen to their citizens and gift them the agency to co-create the solutions needed for a Just Transition.

Communities and citizens must be at the heart of future decision-making. The good news is there are plenty of examples of how this can be achieved.

A commitment to participatory democracy, as has been pledged by Newham's Mayor for example, is a fundamental requirement to enable constituents to engage meaningfully in the conversation around how they want to be governed. This needs to be embedded throughout the transformational process to allow truly democratic decisions to be made, and encourage buy-in throughout civic society for the radical upheaval ahead of us.

Mayors, as elected local leaders, have the agency and opportunity to play that crucial, initial role in setting the direction and establishing the infrastructure for a Just Transition. For example, Newham Council is embedding carbon reduction in their budgeting process, as well as a climate emergency capital investment strategy.

How to build trust and ensure governance systems are fit to serve a Just Transition

- Through the development of policies guaranteeing a fair, living income for all.
- Budgets examined through 'Green lens'.
- Ensuring policies are transparent and fair as to who bears the cost of implementation.
- Addressing the existing power inequalities through establishing and supporting effective social partnership infrastructure.
- The creation of a Just Transition Commission, as shown in Scotland, providing lawmakers and policy makers with practical, affordable recommendations to maximise the economic and social opportunities a Just Transition can bring.
- Explore role of devolved powers to support delivery of a Just Transition, aided by appropriate government funding

The concept of the '15-minute neighbourhood' is an important example of what the future could look like at the hyper-local level within London boroughs. It should be within the jurisdiction of the local authority to make these a reality.

In conclusion, the panel agreed it is the actions of individual councils, combined with those of local authorities, working in tandem with the Mayor's office and the LSDC, that will be imperative to success. Crucially, however, more help from national government, on the back of promises made at COP26, is also essential to realise a Just Transition in London.

“The principle of participatory democracy is embedded and embellishes everything we do”

Rokhsana Fiaz

CONCLUSION

The transition to a cleaner, greener London must be achieved equitably. All Londoners must feel included, listened to and their contribution valued. It is imperative no-one should become disadvantaged through the process. But time is against us.

There are less than eight years left to the Mayor's target date of 2030, so when, if everything goes to according to plan, London will have achieved its net zero carbon goal.

Currently, the jury is still out as to whether this goal can be met in a fair and just manner.

“We need to protect the vulnerable groups, and consider the impact on them of the transition, simply to sustain democracy”

Rob Whitehead

The insightful presentations and robust provocations from the experts did a fantastic job of setting the scene, laying out the issues, and exploring the challenges and opportunities facing Londoners this decade. There were plenty of practical examples of action and approaches that can be implemented now to help shape the journey ahead in an equitable way. However, all speakers were clear about the need for further examination of the issues explored.

This conference is the first in a series of activities and initiatives that will be undertaken by the LSDC, other authorities and third sector groups in London to better understand what more needs to be done, what policy frameworks should be put in place, what funding needs to be awarded (and to whom) to ensure London's green transition is achieved equitably.

The Just Transition conference did not seek to make formal policy recommendations. But it has fired the starting pistol for future work that will look to:

- Identify the potential winners and losers in London society as we transition to a net zero city.
- Explore the possible future areas of inequality that might widen if the transition is undertaken without due consideration of all sectors of society.
- Better understand the gaps and shortcomings in the current governance systems and explore how we might fill them.
- Support an education and awareness raising mission to help communities understand how climate policies will affect them.

“The mention of the word ‘trust’ feels like the connective tissue throughout all the conversations”

Ashok Sinha

