



## Greater Manchester Green City Region Partnership

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**Subject:** LABOUR PARTY MANIFESTO 2024 ANALYSIS

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### PURPOSE OF REPORT

This paper provides an opportunity for the Green City Region Partnership to comment on an analysis done to better understand the implications of the Labour Party's manifesto commitments on Greater Manchester. The analysis focuses on the commitments relating to; energy and decarbonisation (Annex 01), natural environment (Annex 02), and Sustainable Consumption and Production (Annex 03).

The report has been composed using Labour's 2024 Manifesto alongside reflection on current policy on both a national and Greater Manchester level. Wider commentary on the commitments from (then) Labour candidates, and policy analysts, were also considered in the paper's development.

### RECOMMENDATIONS:

The Green City Region Partnership is asked to:

- Note and comment upon the report;
- Provide any detailed feedback to GMCA on further implications the commitments could have to the city region.

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## Annex 01

This document analyses the Labour policies most relevant to energy and decarbonisation and the potential GM impact, given our current work and policies.

### Fossil Fuels

#### *Overview:*

- A strategic reserve of fossil fuels will be kept for security of supply, with the North Sea seeing a phased transition (to protect jobs in Scotland and the North East).
- Will not: issue new licences to explore new fields, or grant new coal licences
- Will: ban fracking and close the loopholes in the Windfall tax on gas and oil companies
- The Energy Profits Levy will be extended to the next parliament and raised by 3 percentage points- the investment allowances will be removed as well.
  - *Currently a 35% levy on ring fence profits of oil and gas companies that applies to 31 March 2028 anyway. The measure also reduces the investment allowance from 80% to 29% -remains at 80% for investment expenditure on upstream decarbonisation –this is expected to be legislated in due course. The current government also confirmed it would not consider phasing out the levy before the end date.*
- Will retain the Energy Security Investment Mechanism.
  - *Legislated by the Energy Profits Levy, ensures that the EPL ceases if the 6-month average price for both oil and gas is at or below the ESIM threshold prices (71.40 dollars per barrel for oil and 54 pence per therm for gas) prior to the EPL sunset date.*
- Manifesto states that 'oil and gas production in the North Sea will be with us for decades to come'

#### Potential GM impact:

- *Increased tax will be used on GB Energy (analysis below) and has the potential to benefit GM particularly through local/community energy deployment*

### Energy Independence Act

#### *Overview:*

- This commitment is for legislation to be introduced to establish the framework for Labour's energy and climate policies
  - *More generally, Labour will ensure the institutional framework for policy making reflects commitments to reach net zero and meet carbon budgets*

- This statement does not describe the frameworks the Energy Independence Act will introduce and assumes the bill will pass through parliament

Potential GM impact:

- This supports GM commitment to net zero, although will be working towards 2050 not 2038

## Create a Green Prosperity Plan

Overview:

- This appears to be the title for all of Labour’s plans in energy and decarbonisation, and the 1/3<sup>rd</sup> increase in spending in this area
- The manifesto says the plan will; partner with businesses and invest in the industries of the future, through the National Wealth Fund; harness clean power to boost energy security; and invest in home insulation - creating 650,000 jobs across the country by 2030
- It will be funded in part by a time-limited windfall tax on the oil and gas giants, with the rest of the funding coming from responsible borrowing to invest within Labour’s fiscal rules
  - Fiscal rules: The current budget must move into balance, so that day-to-day costs are met by revenues and debt must be falling as a share of the economy by the fifth year of the forecast. Will be non-negotiable and will apply to every decision taken by a Labour government.<sup>1</sup>

Funding (annual average)	£bn	Policies funded (annual average)	£bn
		Great British Energy	1.7
		National Wealth Fund	1.5
Windfall tax on oil and gas giants	1.2	British Jobs Bonus <sup>7</sup>	0.3
		Warm Homes Plan <sup>7</sup>	1.1
		Barnett consequentials	0.2
<b>Total</b>	1.2		
<b>Borrowing to invest within fiscal rules</b>	3.5	<b>Total including Barnett consequentials</b>	4.7

6 May not sum due to rounding.  
7 Elements of the British Jobs Bonus (up to £500m per year from 2026-27) and Warm Homes Plan will be devolved.

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<sup>1</sup> [Labour's fiscal plan – The Labour Party](#)

### Potential GM Impact:

- See analysis of individual policies below for potential GM impact.

## **Clean energy by 2030 (Britain as a ‘clean energy superpower’)**

### Overview:

- The manifesto promises a zero-carbon electricity system by 2030, for energy security, lower bills and to meet 2050 commitment
- To do this, Labour will work with the private sector to deliver increased renewables: Doubling onshore wind, tripling solar power, and quadrupling offshore wind by 2030. Will also invest in carbon capture and storage, hydrogen and marine energy
  - Approximately equivalent to scaling the UK’s generation capacity for offshore wind to 60GW, onshore wind to 30GW and solar to 32GW
  - Our expectation is that parts of this policy will slot into Great British Energy although it is unclear from the manifesto

### Potential GM impact:

- Aligns with GM ambition and investment crowding intended through NZ accelerator project
  - Bringing more sites, that have been identified in the LAEPs, forward for renewable deployment
  - Hydrogen plans need to be considered as part of a new GM strategy for H<sub>2</sub>
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## **Great British Energy (GBE)**

### **Commitments as outlined in the Manifesto/GBE Website:**

- GB Energy would be a new publicly owned energy company – owned and serving the British people. This will most likely entail acquiring and investing in renewable energy infrastructure.
- First announced in 2022 when Labour still had the commitment to £28 billion a year on green investment, now would be capitalised with £8.3 billion over the next parliament
- Labour will put the new body on a statutory footing through primary legislation- *presumably the Energy Independence Act*
- GB Energy will partner with industry and trade unions to deliver three main priorities:
  - Co-invest in leading technologies;
  - Help support capital-intensive projects;
  - Deploying local energy production to benefit communities - £3.3 billion will be allocated to community energy

- Will deploy more distributed production capacity through our Local Power Plan: **‘Will partner with energy companies, local authorities, and co-operatives to install thousands of clean power projects’ (onshore wind, solar, and hydropower).**
- Communities will be invited to come forward with projects, and work with local leaders and devolved governments to ensure local people benefit directly from this energy production.
- Will be headquartered in Scotland

## **Great British Energy Delivery Route Options Analysis: (Utilising Flint’s Paper<sup>2</sup>, and Richard Lowes article<sup>3</sup> GB Energy)**

### ***State-Owned Energy Investment Vehicle***

- There have been similar incarnations such as the Green Investment Bank and UK Infrastructure Bank, which have been largely focussed on commercial, minority investments
- Providing financial investment - This could include to mature technologies but also those to be scaled up, such as floating offshore wind which has been mentioned as a priority
- Could mean some overlap with the UK Infrastructure Bank
- Government Investments in energy projects already takes place e.g. Sizewell C
- The £10 million Community Energy Fund also provides funding through regional hubs for local community energy projects
- Big renewable energy companies are investing in renewables already: SSE is investing £18bn in renewable capacity in the five years to 2026-27. (Another example is Scottish Power, who recently announced plans to invest £12bn between now and 2028)

### ***Publicly Owned Energy Developer***

- There have also been previous examples of state-led development vehicles, such as Great British Nuclear, but these have been for tightly defined purposes.
- This would mean being responsible for developing, financing, constructing and operating energy assets, including both onshore and offshore renewables
- Could be in partnership with private sector developers, or independently, or both
- More akin to other state-owned entities
  - Would make sense given the mention of EDF and Vattenfall by Starmer in the past
- Could also include de-risking development projects that are then sold into the private market
  - This could potentially support the roll-out of floating offshore for example
  - This ‘developer’ model is more common (GB nuclear)

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<sup>2</sup> [Great British Energy: What would a publicly owned energy company actually do? \(hubspotusercontent-na1.net\)](https://www.hubspotusercontent-na1.net)

<sup>3</sup> [GB Energy as a vehicle to coordinate the energy transition and clean up heating – heat-policy \(richardlowes.com\)](https://richardlowes.com)

- Would require partnership and expertise to de-risk investment

### ***Net-Zero Delivery Agency***

- This could involve convening and coordinating those in the energy market to accelerate the delivery of the transition
- Could include a role in the supply chain, Labour has indicated that GB Energy could underwrite the centralised procurement of key energy network components
- Translating the soon-to-be established NESO plans into delivery
  - This could overlap with some of the RESP functions

### **Potential GM impact:**

- *Given the uncertainty over how GBE will be delivered, there is also uncertainty over the GM implications Can we be the test bed for the leading technologies?*
- *However, given the firm commitments to invest in leading and capital intensive projects, and guaranteed support for community energy projects, GMCA should consider:*
  - *Support for local energy projects, with priority areas outlined in Local Area Energy Plans and 5-Year Environment Plan, i.e. heat networks, solar farms, onshore wind farms, battery storage and perhaps a renewed impetus too for hydropower potential locally*
  - *Recent IPPR report signalling that GM is a top travel to work area (meaning a diverse range of skills within residents travel to work radius).*
  - *Alongside potential Government funding for technology, EIA and MIDAS could encourage businesses in the area for technology investment/encouraging manufacturing of certain technologies in the area*
  - *Wider role for GMCA in encouraging all of these.*
- *Need to consider how it relates (or could relate) to the zoning policy on heat, local district heat e.g. Kensa, heat networks, renewables deployment,- showing that we will need to stay on top of the detail as it is published*

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## **Warm Homes Plan**

### *Overview:*

- Will invest an extra £6.6 billion over the next parliament, to upgrade five million homes to cut bills for families- doubling the existing planned government investment
- Will offer investment support in insulation and other improvements such as solar panels, batteries and low carbon heating to cut bills.

- Will ensure homes in the private rented sector meet minimum energy efficiency standards by 2030
  - Combined authorities, local and devolved governments will be expected to roll out the above
- Will work with the private sector, including banks and building societies, to provide further private finance to accelerate home upgrades and low carbon heating.
- Will take steps to ensure more high-quality, well-designed, and sustainable homes are being built, that increase climate resilience and promote nature recovery.
- Will extend Awaab's Law to private rented sector - so landlords in England will have to investigate issues within two weeks and begin repairs within a further seven days.

*Potential GM impact:*

- *Labour commit to 20% of homes in the UK to be 'upgraded' over the next Parliament, which aligns with GM ambition within the same time frame – the distribution of is undefined and something to lobby on*
- *Local Authorities may need support with enforcing and resourcing around minimum energy efficiency standards*
- *Although this plan promises to provide 'good-skilled jobs for tradespeople', upskilling tradespeople in green technology may have to be encouraged*
- *Green finance plans could remove the need for the GMCA to roll out a similar scheme*
- *Awaab's law being extended may impact coordination of work with Place team and require closer working. There are additional implications for the Good Landlord Charter and whether we could go further with this e.g. respond within 1 week.*

## **National Wealth Fund & Energy Production and Storage**

*Overview:*

- National Wealth Fund will have a remit to support Labour's growth and clean energy missions, making investments across every part of the country.
- The target will be to attract three pounds of private investment for every one pound of public investment
- Labour plan to allocate:
  - £1.8 billion to upgrade ports and build supply chains across the UK, working in partnership with industry to seize opportunities and remove barriers to growth
  - £1.5 billion to new gigafactories so UK automotive industry leads the world
  - £2.5 billion to rebuild UK steel industry
  - £1 billion to accelerate the deployment of carbon capture
  - £500 million to support the manufacturing of green hydrogen

- Energy production will utilise the existing offshore infrastructure and skills base

Potential GM impact:

- *Increased investment in carbon capture could benefit GM by capturing unavoidable emissions emitted during manufacturing processes*
- *Potential application to GM hydrogen strategy and RE100 Panasonic project*

## **Energy System:**

*Overview:*

- Will ensure a tougher system of regulation which will attract investment to cut bills
- Will work with regulators to reduce standing charges
- Will strengthen the regulator to be able to hold companies to account, and ensure a requirement of higher standards of performance
- Will work with industry to upgrade our national transmission infrastructure and rewire Britain.

Potential GM impact:

- *Upgrading national transmission infrastructure will enable faster electrification across GM, although there are no specific targets assigned to this*

## **Jobs and industry- Industrial Strategy Council**

*Overview:*

- Will establish the Industrial Strategy Council, to provide expert advice to industry, and develop a ten-year infrastructure strategy, aligned with their industrial strategy and regional development priorities
- The proposed National Wealth Fund will directly invest in ports, hydrogen and industrial clusters across the country
- Commit to reward clean energy developers with a British Jobs Bonus, allocating up to £500 million per year from 2026, to incentivise firms who offer good jobs, terms and conditions and build their manufacturing supply chains in our industrial heartlands, coastal areas, and energy communities
  - Energy community is not defined
- Clean energy mission aims to drive down the electricity bills to make businesses internationally competitive.

- Commit to the most energy intensive sectors being supported by the National Wealth Fund to decarbonise (as above)
- Commit to the reversal of the Conservatives' decision to "prevent" the Bank of England giving 'due consideration' to climate change in its mandates
- Commit to making the UK the green finance capital of the world, mandating UK-regulated financial institutions (banks, asset managers, pension funds, and insurers) and FTSE 100 companies to develop and implement credible transition plans that align with the 1.5°C goal of the Paris Agreement.
- Commit to rebuild supply chains 'at home', with the aim of being a leading economy on this front and then exporting the technologies
- Commit to creating 650,000 new high-quality jobs, working with business and trade unions through clean energy strategy.

Potential GM impact:

- *The Industrial Strategy Council could provide the needed expertise, proposals and funding for GM's more complex industries, such as those at Trafford Park, to decarbonise*
- *Financial institutions transitional plans could have an impact on homes if mortgage portfolios are included as part of this, and could have an implication for our retrofit offers locally*
- *Given the commitment to rebuild supply chains at home with the British Jobs Bonus, and invest in leading green technologies, it is worth considering how the GM implications of the IPPR Manufacturing Matters report could feed into this. I.e. in terms of green manufacturing potential growth (GM is 2nd for wind, 6th for heat pumps)*

**Carbon Border Mechanism**

Overview:

- Carbon border adjustment mechanism is the 'fair price' on the carbon emitted during the production of carbon intensive goods that are entering the country. It should mean that businesses manufacturing in locations that don't have carbon requirements can't undercut UK prices
- Labour supports the introduction of a carbon border adjustment to protect British industry as we decarbonise, and supporting the UK to meet climate objectives

Potential GM impact:

- *Potential to positively impact manufacturing industries across GM*

**Transport (including aviation)**

Overview:

- Commit to deliver an automotive sector plan to support transition to EVs by accelerating the roll out of charge points, giving certainty to manufacturers by restoring the phase-out date of 2030 for new cars with internal combustion engines, and supporting buyers of second-hand electric cars by standardising the information supplied on the condition of batteries
- Commit to overhaul Britain's Railways, bringing them into public ownership as contracts with existing operators expire or are broken through failure to deliver (no cost to taxpayer in compensation)
- Building on the work of Labour mayors- the manifesto states the commitment to reform the system through new powers for local leaders to franchise local bus services and commits to lifting the ban on municipal ownership.
- Mayors will have a role in designing transport services in their areas.
- There will be a duty to promote and grow the use of rail freight.
- Commit to securing the UK aviation industry's long-term future, through promoting sustainable aviation fuels, and encouraging airspace modernisation.

Potential GM impact:

- *GM potential impact: potential long-term impact for Bee Network direction/future development*
- *Promoting sustainable aviation fuels has potential application to Manchester Airport Group*

## **Nuclear**

*Overview:*

- Commit to ensure long term security in the sector
- Hinkley Point C Commit to be taken over the line
- Commit to new nuclear power stations, such as Sizewell C
- SMRs Commit to be important in green transition

Potential GM impact:

- *Potential research impacts on GM universities given their relative strengths*

## **Clean Power Alliance**

*Overview:*

- Labour Commit to create a new Clean Power Alliance, bringing together a coalition of countries at the forefront of climate action.

Potential GM impact:

- *Aligns with GMs membership of the global Urban Transition Mission*

## Annex 02

This document analyses the Labour policies most relevant to the Natural Environment and the potential GM impact, **given our current work and policies.**

### **Broader Environmental Strategy**

#### *Overview*

- Labour's manifesto refers to having a strong commitment to a number of key natural environment components as part of their broader environmental strategy, but very little is said about how exactly these will be delivered.
- Labour maintains a strong commitment to nature recovery and biodiversity.
- Labour does however emphasise a focus on collaboration for nature: Working with civil society, communities, and businesses to rejuvenate and safeguard the natural environment, fulfilling Environment Act obligations.

#### *Potential GM Impact*

- Opportunity for GMCA to work with government to shape their ambitions, strategy, and policy in this area, and to continue to be a leader in this space.

### **Improving Resilience**

#### *Overview*

- As part of Labour's commitment to make Britain a clean energy superpower, the manifesto makes further reference to preparing for the future and more climate adaptation.
- The manifesto recognises the risk flooding and coastal erosion pose to people's lives, livelihoods and peoples wellbeing.
- Labour will improve resilience and preparation across central government, local authorities, local communities, and emergency services. This includes formally working with all stakeholders in the Fire and Rescue services to inform policy and establish national standards.
  - *Labour will likely create a separate resilience taskforce to protect England and Wales in the case of extreme weather events.*

### Potential GM Impact

- Opportunity to develop a more coordinated and informed response to flood and flood risk across Greater Manchester, improving efficiency in responding to flooding.
- Reinforces our existing integrated water management approach.
- Opportunity to shape how they need to engage and establish links with their proposed “Flood Resilience Taskforce”, particularly given the GM Integrated Water Management Plan and the challenges around the governance landscape in flood management.
- There have also been reports it may create a new regulatory body, with functions of the Environment Agency, Ofwat and the Drinking Water Inspectorate potentially merged. Again, how such an agency works with Combined and Local Authorities to improve the governance and delivery of improvements is an opportunity for Greater Manchester.

## **Nature Restoration**

### *Overview*

- There is a clear commitment within their Green Prosperity Plan to tackle climate change, and Labour acknowledge that this requires simultaneous action on biodiversity.
- Labour's "Green Prosperity Plan" emphasises nature restoration as a critical component of addressing the climate crisis and biodiversity loss. They propose a £1 billion investment from their green investment fund to create woodlands, wetlands, and other nature-rich habitats between 2024 and 2030.
- The protection of nature makes up a key part of Labour's natural environment commitments, with a strong commitment to ‘deliver for nature’ and take action to meet Environment Act targets working in partnership with civil society, communities and businesses to restore and protect our natural world.
- They also plan to fully fund environmental regulatory bodies like the Environment Agency and Natural England to ensure effective monitoring and enforcement of nature restoration targets.

### Potential GM Impact

- Labour’s commitment to delivering for nature and taking action to meet Environment Act targets likely implies a commitment to continuing to deliver on key environmental policies such as Local Nature Recovery Strategies and Biodiversity Net Gain (BNG) with no unpicking of this legislation to be anticipated.
- Aligns broadly with current GM work to produce and implement a Local Nature Recovery Strategy (LNRS) and the creation of a nature recovery network which will improve access

and 'deliver for nature' through further habitat creation and making it easier for species movement.

- Again, opportunity to influence the government's thinking and policy development in this area, particularly around how the delivery and implementation of LNRS will be supported.

## **Urban Green Spaces and Access**

### *Overview*

- Labour also plans to improve 'responsible access' to nature through the creation of nine new National River Walks, one in each region of England and the establishment of three new National Forests in England, whilst planting millions of trees and creating new woodlands.
- They also commit to increasing the number of urban green spaces, improving walking and cycling routes, and expanding tree planting initiatives to enhance air quality and urban biodiversity.

### **Potential GM Impact**

- Aligns broadly with GM ambitions to improve access to nature for residents.
- Links positively with the Green Spaces Fund and Transport for Greater Manchester active travel (Bee Network).
- Potential further support for Northern Forest ambitions and tree planting targets, working with GM's Community Forest (City of Trees) and others.
- Potential opportunity to enhance recreational routes along rivers, particularly given their potential role in GM as spaces for people as well as wildlife.

## **Clean Water**

### *Overview*

- A large part of Labour's environmental commitments is made up of clean water commitments in response to the impact of sewage spills on watercourses across the country.
- Labour commits to putting failing water companies under special measures to clean up our water. They aim to give existing regulators new powers to block the payment of bonuses to executives who pollute our waterways and bring criminal charges against persistent law breakers. They commit to imposing automatic and severe fines for wrongdoing and will ensure independent monitoring of every outfall.

- Under the proposals, a Labour government will merge most of the Environment Agency, with the financial regulator Ofwat and the Drinking Water Inspectorate to create a new oversight body.

### Potential GM Impact

- An increased focus on water quality will be helpful for GM, given the impact of the sewage system here on water quality in the city-region. Efforts to tackle discharges of sewage into waterbodies are likely to receive even greater attention.
- Opportunity to build on GM's commitment to and accelerate delivery aimed at improving the water quality of our waterbodies, particularly through the work under the IWMP. It may also bring additional scrutiny of the partnership and how GMCA (and also the Environment Agency) are working with United Utilities.
- How any changes in statutory bodies will have an impact on how we work locally with existing partners – in particular the Environment Agency – will be important.

## **Land Use Framework**

### *Overview*

- Labour's manifesto commits to a Land Use Framework which aims to balance competing priorities for land use, such as sustainable farming, nature, clean energy, housing and more.
- Labour also commits to a more 'strategic approach' to the Green Belt through the implementation of National Development Management Policies (NDMPs). They state that NDMPs will streamline development processes and ensure consistency in policy application and ensure that the revised approach includes stringent criteria to ensure that development on released Green Belt land provides significant community benefits, such as affordable housing and enhanced local amenities, while preserving areas of high environmental value.

### Potential GM Impact

- Potential implications for Places for Everyone and forthcoming local authority local plans and an opportunity to work with government as to how to translate the Land Use Framework to a local level.
- The forthcoming GM Local Nature Recovery Strategy (LNRS) could be used to contribute into a land use framework Labour create.

## **Climate Change Adaptation**

### *Overview*

- The Labour manifesto makes reference to a number of different measures that utilise natural capital as a means to tackle the climate crisis whilst maximising other benefits.
- Labour pledge to accelerate tree planting and woodland creation, which is falling far behind targets to boost tree cover as part of measures to curb climate change, with a new tree planting taskforce, and grow nature-rich habitats such as wetlands and peat bogs to store carbon and support wildlife.
  - *A 'Tree Planting Taskforce' is not explicitly mentioned in the Labour manifesto but has been committed to during the Labour campaign.*

### Potential GM Impact

- Climate change adaptation covers a number of different areas we work on across the CA, but Labour's plan does align with what is set out in our new 5-year environment plan.
- Potential further support for Northern Forest ambitions and tree planting targets, working with GM's Community Forest (City of Trees) and others.
- Influencing how the recommendations of any Tree Planting Taskforce are reflective of the challenges of tree planting in an urban area, as well as the multiple benefits this can have, is an opportunity.

## **Annex 03**

**The below is to note the Labour policy on Sustainable Consumption and Production and the potential GM impact, given our current work and policies.**

### **Circular Economy**

*Overview:*

- Labour is committed to reducing waste by moving to a circular economy

*Potential GM Impact:*

- *Supports the GM ambition, although noting this is the only mention of circular economy principles in the manifesto*