

Written evidence from the Institute of Environmental Management and Assessment (IEMA) to the Energy Security and Net Zero Committee's inquiry: Workforce planning to deliver clean, secure energy

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About IEMA

We are the Institute of Environmental Management and Assessment (IEMA). We are the global professional body for over 22,000 individuals and 300 organisations working, studying or interested in the environment and sustainability.

We are the professional organisation at the centre of the sustainability agenda, connecting business and individuals across industries, sectors and borders. We also help and support public and private sector organisations, governments and regulators to do the right thing when it comes to environment and sustainability-related initiatives, challenges and opportunities.

We work to influence public policy on environment and sustainability matters. We do this by drawing on the insights and experience of our members to ensure that what happens in practice influences the development of government policy, legislation, regulations and standards.

Executive summary

IEMA has worked extensively with our members to develop tools and resources for creating a greener workforce in a just and progressive way. This includes our Green Careers Hub and the Diverse Sustainability Initiative, both of which are discussed in this response to the Committee's inquiry.

Our key recommendations are as follows:

- Continuous and transparent government engagement with businesses, educational
 organisations and other key stakeholders is required to ensure that a fluid picture of the
 workforce requirements for meeting the Government's Clean Energy Mission are in place and
 can therefore be addressed.
- The Government should support the development and delivery of industry initiatives geared towards helping those individuals looking to move into a green job role or upskill, including IEMA's Green Careers Hub.
- The Government's new Growth and Skills Levy must enable more flexibility in developing the apprenticeship pipeline than we saw under the previous Apprenticeship Levy, providing employers with more autonomy around how funds are spent.
- Data collected by the Green Jobs Delivery Group on relevant skills and occupational gaps, across sectors, should be made available publicly, so that educational organisations can develop relevant courses with certainty and businesses can plan investment in their people accordingly.
- The Government should support the development of industry initiatives aimed at transforming diversity within the environment sector and sustainability profession, including IEMA's Diverse Sustainability Initiative.
- Building on the work of the Green Jobs Delivery Group, the Government should establish a permanent cross-government body that takes a strategic approach to delivering green skills and jobs growth in the economy that is tied to our long-term climate and environmental goals.

- The Government should publish a Green Jobs Plan, setting out how investment in green jobs and skills will be channelled across different economic sectors so that we have a workforce that can deliver the green economy of the future.
- 1) Does the Government have an appropriate understanding of the skill needs to deliver the Clean Energy Mission by 2030 as well as decarbonise homes and businesses?

Specific aspects of the work undertaken by the Green Jobs and Delivery Group (GJDG)¹ have provided the Government with a basic understanding of the skills requirements for delivering its Clean Energy Mission along with decarbonising our homes and businesses.

For example, demand in workforce growth across specific sectors to 2030² includes:

- Offshore wind (32,000 to 104,000)
- Hydrogen (2,000 to 29,000)
- Carbon capture and storage (800 to 15,000)
- Heat pumps (12,400 to 50,200)

The clustering of industry approach that is being pursued also enables the Government to understand where workforce growth will take place. For example, offshore wind demand is set to be spread across different parts of the UK, whilst carbon capture utilisation & storage (CCUS) and Hydrogen demand will occur in the North of England and Scotland.

However, to develop the picture of skills needs at a more granular level, ongoing engagement with industry and businesses is required. This applies, in particular, to SMEs who often report that they lack the information and resources to begin their decarbonisation journeys.

Beyond establishing a clear picture of demand, the challenge going forward is then to build an understanding of how this will be met. Both in terms of the clean energy mission and beyond.

2) To what extent can the Clean Energy Mission and the retrofitting of homes and businesses be carried out by the existing workforce and to what extent will it require new entrants to the workforce?

Government analysis has rightly recognised the similarities that exist in skills between a range of carbon-intensive and green sectors. The transition of individuals from the former to the latter can therefore play a crucial role in meeting rising demand in key sectors, whilst enabling a just

The Institute of Sustainability and Environmental Professionals (formerly the Institute of Environmental Management and Assessment)

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¹ Green Jobs Delivery Group (2024)

² Department for Energy Security and Net Zero (2024) event presentation



transition. There is, for example, high skills similarity between oil and gas with offshore wind, hydrogen and CCUS.

At IEMA we have developed the Green Careers Hub.³ The Hub is a platform anybody, from any sector or background, can use to understand the role they can play in greening the economy. This includes insights and useful examples for those individuals taking up a green job role for the first time.

Initiatives like this are increasingly important with a joint YouGov and IEMA survey⁴ having found that 65% of British adults perceive that they don't have access to green skills training through their employer.

Whilst growing demand heading towards 2030 and indeed with respect to the UK's 2050 net zero emissions target, will be met from those already economically active switching between careers or upskilling, a large proportion of this demand will also need to be met from those individuals taking up first time jobs and careers.

Gaps in key occupation areas including technical engineers and electrical trades, alongside specific challenges around STEM (science, technology, engineering and mathematics) and specialist skills including heat pump installation, point to the need for a redoubling of efforts in the approach being taken to education and training.

This includes doing more to attract school and university students to choose STEM subjects, alongside getting the apprenticeship regime running more effectively, which was a particular failure of the previous government.

3) How might the Government ensure that the job market in clean energy roles is sustainable enough to incentivise private sector investment in training for 2030 and beyond?

An important aspect in achieving this is to ensure a stable and predictable policy environment. Prior to the last General Election, the Labour Party had committed to spending £28bn per year on environmental policies and projects if they won, but this was subsequently watered down significantly.

Ambitious public investment in clean energy and the wider green economy is a key way in which the Government can crowd in private finance, which in turn creates demand in the job market.

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³ Green Careers Hub (2024)

⁴ <u>IEMA (2022)</u>



Despite the need to recalibrate the £28bn per year investment target the Government had originally set, it has established Great British Energy with capitalisation of £8.3bn and this will no doubt attract investment from the private sector into clean energy.

To create long-term confidence, it is critical that the Clean Energy Mission and the wider green economy transition are foundational aspects of the Government's industrial strategy, which is due for publication in spring 2025.

More specifically in relation to skills policy it is imperative that the Government makes a success of its new Growth and Skills Levy. Increasing apprenticeship numbers is a key plank in building a workforce that can deliver sustainable economic growth.

The apprenticeship system under the previous administration was fraught with difficulties, most notably how inflexible it was for employers in terms of how funds for training could be spent. Rectifying this issue through the new Levy is imperative.

4) How can the new Office for Clean Energy jobs contribute to workforce planning in the energy sector?

The GJDG conducted analysis on the skills and occupational gaps, across sectors, that will impinge on our ability to meet long-term climate and nature targets, including the Government's Clean Energy Mission by 2030.

Making this data available publicly, so that educational organisations can develop relevant courses with certainty and businesses can plan investment in their people accordingly would significantly help to boost efforts geared at developing the clean energy workforce. The same would also be true in terms of the development of the green jobs and skills ecosystem more widely.

It's also important that the Office for Clean Energy jobs works in a joined-up way across government and with Skills England on the development and implementation of the Growth and Skills Levy. Likewise, working closely with the private sector, trade unions, educational organisations and local government is important.

5) What more can the Department for Energy Security and Net Zero do to ensure the workforce is in place to deliver the Clean Energy Mission and accelerate the retrofitting of homes and businesses?

There is a clear need to boost the attractiveness of jobs in this space. Working with educational organisations and businesses to demonstrate how rewarding a career in the energy and decarbonisation sectors can be.

Within this context the Department must also be doing as much as it can to help improve the diversity of those individuals in the workforce that will be delivering its Clean Energy Mission and wider decarbonisation objectives, whilst boosting diversity across green jobs more broadly.

IEMA has established the Diverse Sustainability Initiative (DSI)⁵ to transform diversity within the environment sector and sustainability profession. The overall goal is to build a profession and sector that, over time, is reflective of modern Britain by using education, connection and transparency.

We would encourage the Government to engage with the DSI as part of its work in ensuring that the workforce to deliver its Clean Energy Mission and wider decarbonisation agenda is in place.

Finally, it is incumbent for the Department, working with other parts of government, to think about clean energy job provision as a part of a wider strategy to deliver the green jobs that the UK requires to deliver for the biodiversity crises as well as the climate one.

Prior to the General Election the previous government were due to publish a Green Jobs Plan, setting out how investment in green jobs and skills will be channelled across different economic sectors so that we have a workforce that can deliver the green economy of the future. The working understanding is that this will no longer happen, which is a huge, missed opportunity and something that should be looked at again.

Furthermore, building on the work of the GJDG, IEMA believes that the Government should establish a permanent cross-government body⁶ that takes a strategic approach to delivering green skills and jobs growth in the economy that is tied to our long-term climate and environmental goals.

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⁵ Diverse Sustainability Initiative (2024)

⁶ <u>IEMA (2024)</u>