Sustainability First: Fair for the Future Project
Fresh Insights on Purpose
1 - February 2019

Please find attached the first of our Fair for the Future Project research round-ups, to help in the development of a 'Sustainable Licence to Operate' and a framework for mapping political and regulatory risk in terms of fairness and the environment in energy and water. Our 'Fresh Insights on Purpose' signposts key recently released, relevant research and thinking from the UK, Australia and America in these areas. We hope you find it useful!

UKERC – *Paying for energy transitions: public perspectives and acceptability*

Earlier this year, UKERC published this policy briefing into public perceptions regarding the costs associated with the transition to a low-carbon energy system. It found that the public supported such a transition and would be willing to bear some of the costs through their bills, but that this was dependent on a number of factors, especially levels of distrust in energy companies and concerns about profit, transparency, and accountability. The report discusses procedural and distributive justice and is available here: http://www.ukerc.ac.uk/publications/paying-for-energy-transitions.html

Prem Sikka et al. – *Regulatory architecture to enhance democracy and business accountability*

Commissioned by Labour's Shadow Chancellor John McDonnell, this report argues that 'regulatory failure is in substantial part attributable to the multiplicity of overlapping regulators', which 'are seen to be poorly co-ordinated, marred by conflict of interests, and lacking adequate public accountability'. It recommends sweeping reform of the UK's regulatory framework, including the creation of a new, overarching business regulator answerable to parliament. The report is available here: http://visar.csustan.edu/aaba/LabourPolicymaking-RegulatoryArchitectureReportJan2019.pdf

Dr. Ron Ben-David – *Fairness in the age of competition*

In November 2018, at the launch of the Regulatory Policy Institute – Australia-New Zealand, Dr Ron Ben-David of the Essential Services Commission, the utilities regulator in the state of Victoria, argued for a 'responsibility-based' approach to regulation that goes beyond disclosure, transparency, and basic 'compliance', instead focusing on company judgement based on 'customers' circumstances, experiences and outcomes'. The paper is available here: https://static1.squarespace.com/static/5b7f71a12487fd3b14217dde/t/5bed021f575d1f1bd378f772/1542259242738/1811+Fairness+in+the+age+of+competition.pdf

The Grantham Research Institute on Climate Change and the Environment – *Climate change and the just transition: a guide for investor action*

The Grantham Institute has produced a report on how investors can work towards the just transition agenda building on the Paris Agreement. It outlines both the motivations for investors and also five areas for investor action through which tackling climate change can be built into their core operating practices, namely: investment strategy, corporate engagement, capital allocation, policy advocacy and partnerships, and learning and review. The report is available here: http://www.lse.ac.uk/GranthamInstitute/wp-content/uploads/2018/12/Climate-change-and-the-just-transition_Guide-for-investor-action.pdf

Elizabeth Warren – *Accountable Capitalism Act*

Senator Elizabeth Warren, a potential candidate for the US presidency in 2020, introduced her Accountable Capitalism Act last year, which may help serve as a frame for debates around purpose and values. It looks to tackle the decoupling of US wage growth from productivity and profit increases since the 1980s, proposing measures such as allowing workers to elect board representatives and granting government the power to revoke a corporation's charter where they have 'engaged in repeated and egregious illegal conduct'. The text of the Bill is available here: https://www.warren.senate.gov/newsroom/press-releases/warren-introduces-accountable-capitalism-act