

Labour MPs Challenge Richard Tice Over Plans to Scrap Green Contracts

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Nearly 60 Labour Members of Parliament (MPs) have written to Reform UK Deputy Leader Richard Tice, criticising his pledge to cancel green energy contracts if the party were to enter government. They argue he underestimated the economic value of the clean energy sector, which grew by 10 per cent in 2024 and now supports nearly one million jobs across the United Kingdom (UK).

The letter, led by Polly Billington (MP for East Thanet) and co-signed by 58 colleagues representing constituencies with renewable energy projects, questioned whether Tice was aware he was threatening “one of Britain’s strongest drivers of growth.” They specifically raised concerns over the legality of his proposals, noting that the contracts in question—issued under Allocation Round 7 (AR7)—are managed by the Low Carbon Contracts Company, a private entity owned by the Department for Energy Security and Net Zero (DESNZ), which is not directly controlled by ministers. They warned that any effort to override these agreements could breach contract law and discourage future investment.

Tice had previously warned major firms, including SSE and Scottish Power, that entering new contracts under AR7 would be “politically and commercially unsafe.” He pledged that a Reform UK-led government would revisit contract terms. However, in a later interview, he clarified that only proposed variations to contracts, not the contracts themselves, would be at risk.

This stance directly challenges the government’s legally binding net zero targets, including the goal to decarbonise electricity generation by 2030. The clean energy sector has been highlighted by government and industry alike as a cornerstone of regional economic regeneration and long-term energy security.

Industry groups have cautioned that undermining subsidy-backed frameworks, such as Contracts for Difference (CfD), could damage investor confidence. It could also place up to 12,200 local jobs at risk in regions like Lincolnshire, where green infrastructure projects are deeply embedded in local economies.

Critics argue Reform UK's approach reflects a broader scepticism about net zero, referencing Tice's past statement that man-made climate change was "absolute garbage", a claim widely discredited by climate scientists.

From a centre-right perspective, this clash underscores the balance between economic caution and the risks of abrupt policy reversal. While addressing public spending concerns is valid, tearing up legally binding private-sector contracts could destabilise key growth sectors, hinder regional development, and strain the UK's energy independence. Reform UK will need to clarify how it intends to achieve reform without violating commercial and legal norms.