

Lessons for Labour from its failure in Uxbridge

Published: January 12, 2026, 9:15 pm

The Labour Party's national executive and high-level officials are meeting this weekend to discuss their strategy. I suspect they will have an interesting time. The first task will be to discover just what it is that they are talking about.

That said, one item that is bound to be on the agenda, is the loss of the Uxbridge by-election. This is being blamed on Sadiq Khan and the imminent ultra-low emission zone (ULEZ) scheme being introduced in the area by most commentators this morning, but I rather strongly suspect that this is just a convenient excuse.

Labour's campaign around this issue was incredibly weak given that they knew that it was on the local political radar.

They failed to mention that this whole scheme was created by Boris Johnson, who resigned as MP for Uxbridge, so creating this by-election.

They also failed to mention that Grant Shapps, when he was the Transport Secretary, required that Sadiq Khan extend the ULEZ scheme to the whole of Greater London, including Uxbridge, as a condition of additional funding for Transport for London. In other words, the policy that was being objected to was one imposed by the Tories, but Labour did not mention that.

It also seems that Labour forgot to mention that at least 92% of all cars in Greater London will not have to pay this charge because they are already compliant with its requirements.

And, finally, Labour failed to put forward any proposal on how to deal with the remaining cars that did not comply with the scheme. If they had learned anything from the French experience on these issues, they would have understood that when making a potentially unpopular proposal with regard to climate-related change they must also put forward a transition plan so that those who are less well off (who are also the most likely to have to pay this charge because they are the most likely owners of older cars) must be provided the opportunity to transition to the new requirements.

In this case this very obviously required a 'cash for clunkers' scheme to be introduced, just as one was created to provide a boost to the economy in 2009 by Alistair Darling when he was Chancellor of the Exchequer. If this had been on Labour's agenda then the likelihood that they would have lost this seat would, I suggest, have been very low.

In that case, the question has to be asked as to why Labour did not take the initiative on this issue by mentioning any of these things? I think there is one glaringly obvious answer and that is that Labour high command would not allow any suggestion to be made that implied that additional spending might be incurred by a future Labour government even if it guaranteed the win of a seat.

So great is Labour's paranoia about spending, debt, and all related issues that winning seats, tackling environmental issues, enhancing local well-being and funding necessary processes of change are all ignored simply so that Rachel Reeves can balance her books.

There is a fundamental lesson for Labour in this failure in that case. If they really want to win an election then the time has come for them to get off the fence.

They, first of all, need strategies.

Second, they need to end their obsession with debt.

Third, they might need to talk about additional taxation.

And fourth, they will also need to recognise that there are additional sources of funding available to them that will not impose any stress on the electorate. I have outlined one of these this morning [in my letter in the Guardian](#). There is absolutely no economic or legal reason why the proposal that I have made, that the interest rate payment to commercial banks on deposits they hold with the Bank of England should not be tiered, saving the government maybe £30 billion a year in interest costs could be introduced by Labour. I think we can safely say it would have provided more than enough to have funded any proposal it could have made for Uxbridge.

Labour has to make a choice this weekend. They can accept living with debt paranoia, austerity, and failure, or they can reject those narratives and look for means to fund the necessary transitions that must take place in the UK if we are to become a successful, thriving, vibrant and sustainable country once more. What is certain is that this second option is not available without additional spending, taxation and maybe borrowing.

So, what is Labour going to decide? Is it going to opt for failure, or is it going to talk about the reality of life as it now is, and what they must do to improve it, as well as the necessary funding?