

## West of England LEP Board Board Meeting

**Thursday, 1 October 2020, 9.30 am**

Meeting to be held 'virtually'

Zoe Metcalfe

Joanne Rumley

Margot Day

Richard Bonner

Natasha Swinscoe

Heather Cooper

Prof Steve West (Chair)

Katharine Finn (Vice-Chair)

David Brown

Prof Hugh Brady

Martino Burgess

Neil Douglas

Christopher Grier

Dick Penny

Jon Reynolds

Mohammed Saddiq

Mayor Marvin Rees

Cllr Toby Savage

Mayor Tim Bowles

Cllr Dine Romero

Cllr Donald Davies

ValueSwift

Foot Anstey

Buro Happold

Arcadis

Academic Health Science Network

Hargreaves Lansdown

West of England LEP

PwC

The Bristol Port Company

University of Bristol

Gregg Latchams

Viper Innovations

Airbus

Watershed

GDS Digital

Wessex Water

Bristol City Council

South Gloucestershire

West of England Combined Authority

Bath and North East Somerset

North Somerset Council

### AGENDA

	Subject	Presenting	Pages
1.	<b>Welcome and apologies</b> <i>Apologies received in advance of the meeting from Mohammed Saddiq.</i>	Steve West	
2.	<b>Minutes of the meeting of 12 June 2020</b> <i>To approve minutes from the previous meeting.</i>	Steve West	3 - 6
3.	<b>Declarations of Interest</b> <i>All Board members have a responsibility to treat all proposals/projects equally and impartially and must therefore declare whether they or their organisation has either a direct or indirect interest in any of the projects to be considered by the Board.</i>	Steve West	

	Items for discussion		
4.	<p><b>Update on Covid-19 response</b>  <i>To update the LEP Board on progress on the regional response to the Covid-19 pandemic and consider next steps.</i></p> <p><i>The West of England Recovery Plan is being considered by the Joint meeting of West of England Combined Authority Committee and West of England Joint Committee on 9 October 2020 and is attached here for consideration.</i></p>	Jess Lee	7 - 48
5.	<p><b>Climate Emergency planning &amp; Action plan</b>  <i>In July 2019 the West of England Combined Authority Committee agreed to develop an action to plan to work up the options and actions for delivering carbon neutrality by 2030. LEP Board is asked to consider its role in the delivery of the plan.</i></p> <p><i>The West of England Climate Emergency Action Plan is being considered by the Joint meeting of West of England Combined Authority Committee and West of England Joint Committee on 9 October 2020 and is attached here for consideration.</i></p>	Helen Edelstyn	49 - 98
6.	<p><b>Local Growth Fund and Getting Building Fund</b>  <i>To inform the LEP Board of the integrated programme for these funds and to update on delivery</i></p>	Pete Davis	99 - 104
7.	<p><b>West of England International Market Prioritisation Study</b>  <i>To share with the LEP Board a first draft of the West of England International Market Prioritisation study commissioned by the West of England Combined Authority (WECA) and delivered by OCO Ltd.</i></p>	Stephen Bashford	105 - 144
8.	<p><b>WECA Committee and Joint Committee reports</b>  <i>The Chair to invite comments on the published papers ahead of his attendance at the WECA Committee on Friday 9 October 2020.</i></p> <p><i>The agenda papers for the Joint meeting of West of England Combined Authority Committee and West of England Joint Committee were published on 29 September 2020 and can be accessed via this link:</i></p> <p><a href="https://westofengland-ca.moderngov.co.uk/ieListDocuments.aspx?CId=192&amp;MId=447">https://westofengland-ca.moderngov.co.uk/ieListDocuments.aspx?CId=192&amp;MId=447</a></p>		

**West of England  
West of England LEP Board**

Friday, 12 June 2020, 9am  
Meeting not open to the public. Meeting Held Virtually

**Present:**

Joanne Rumley, Foot Anstey  
Margot Day, Buro Happold  
Richard Bonner, Arcadis  
Heather Cooper, Hargreaves Lansdown  
Prof Steve West, West of England LEP  
David Brown, The Bristol Port Company  
Martino Burgess, Gregg Latchams  
Neil Douglas, Viper Innovations  
Katharine Finn, PwC

Christopher Grier, Airbus  
Dick Penny, Watershed  
Jon Reynolds, GDS Digital  
Cllr Dine Romero, Bath and North East Somerset  
Cllr Donald Davies, North Somerset Council  
Cllr Toby Savage, South Gloucestershire  
Mayor Tim Bowles, West of England Combined  
Authority

**Officers In Attendance:**

Patricia Greer, Chief Executive  
David Carter, Director of Infrastructure  
George Margesson, Principal Economist  
Tim Milgate, Democratic Services  
Stephen Bashford, Director of Business & Skills  
Jess Lee, Head of Policy & Strategy  
Menna Davies, Head of Communications  
Pete Davis, Head of Grant Management &  
Assurance

Melissa Houston, Policy Officer  
Will Godfrey, Bath & North East Somerset  
Council  
Susan Hayter, Bath & North East Somerset  
Council  
Mike Jackson, Bristol City Council  
Jo Walker, North Somerset Council

**Also Present:** Anwen Jones, BEIS [observer]

**Apologies:**

Natasha Swinscoe, Academic Health Science  
Network  
Mohammed Saddiq, Wessex Water

Zoe Metcalfe  
Mayor Marvin Rees, Bristol City Council  
Dave Perry, South Gloucestershire Council

**Minutes**

		<b>Action</b>
1	<b>Welcome and Apologies</b>  The Chair welcomed members and apologies were noted.	
2	<b>Minutes of the meeting held on 21 April 2020</b>  The minutes of the meeting held 21 April 2020 were agreed as a correct record and signed by the Chair.  Cllr Romero noted that Mayor Marvin Rees had been recorded as present twice on the minutes and asked that this be corrected. She also asked that the situation with substitute members be clarified. The Chair confirmed that the Terms of Reference did not permit substitute members but would speak to Cllr Romero separately.	
3	<b>Declaration of Interests</b>	

	There were no declarations of interest declared.	
	<b>Items for discussion</b>	
4	<p><b>Future Scenarios</b></p> <p>The Chair stated that the substantive part of the meeting would be to discuss the challenges and opportunities that the current Covid-19 crisis had presented, and how the region could support any future recovery. The Chair reported the downturn figures in the economy for April 2020 and said that an opportunity now presented itself regionally in influencing both the region and the decision-makers in Government.</p> <p>George Margesson, Principal Economist, WECA, introduced a report with an accompanying presentation, providing the LEP Board with an overview of the national and regional trends that were emerging in the post-Covid-19 recovery and framing a discussion around opportunities and challenges this presented for the region.</p> <p>Four scenarios were presented:</p> <ol style="list-style-type: none"> <li>1. Local renewal – Business significantly reduces use of global supply chains and trade declines. Personal and business behaviour shifts and extensive home working remains in place permanently</li> <li>2. Global Britain – International trade rebounds quickly as disruption reduces. International travel does not return to mass levels, amid ongoing virus concerns.</li> <li>3. Local consolidation – British firms strengthen use of local suppliers but face high costs and low innovation. Behaviour quickly returns to the pre-virus position, with people willing to occupy public spaces.</li> <li>4. The old future – There is no significant “reshoring” of supply chains, as foreign clusters retain cost and technical advantages, and businesses seek diversification. International travel and tourism recover quickly and return to growth [when incomes recover], and few behavioural changes persist.</li> </ol> <p>Recognising that these are scenarios and the reality of the future is likely to be somewhere between these extremes, the LEP Board were asked to think about the key opportunities and challenges for the region and which dimensions they considered the most important. The main points raised in the discussion are set out below:</p> <p><b>Culture.</b> The tourism and hospitality sectors were planning for the new ‘normal’ and he emphasised the importance of clean and inclusive growth and ensuring that it was at the forefront of thinking and planning.</p> <p><b>Low Carbon Economy.</b> The main focus was around “green recovery” and that lockdown had demonstrated rapid behavioural change was possible in areas such as reduced travel and increases in walking and cycling. The importance that the region leveraged this appetite for change was emphasised, and it was agreed that community engagement/action was a core part of rebuilding.</p> <p><b>Incubators, accelerators &amp; hubs</b> – noted some challenges with the availability of business grants and loans. He also noted that incubators had been set up for hotdesking resulting in many locations [particularly listed buildings in Bath] struggling to meet social distancing requirements.</p> <p><b>Digital Connectivity.</b> Stated that Government support had made a difference to the digital sector and that remote/home working was vital in protecting the</p>	

	<p>economy and preventing any future repeats of the Covid-19. With everyone adapting quickly to virtual communication the main challenge was to ensure a resilient infrastructure in all areas [including rural] and address potential broadband disadvantage/poverty.</p> <p>Professional Services – The speed to deliver remote working had been consistent across the larger firms who had seen minimal furloughing. The Group had also discussed the West of England offer as businesses wanted to move out of London, and the Thames Valley the region had to try to attract these businesses to the area.</p> <p>Skills Advisory Panel. Reported that discussions had centred around the potential of social inequalities as some sectors and groups may be behind in the digital connectivity. There may also be an issue with re-skilling and re-educating adults who fall into unemployment and concerns on the long-term impact of certain school years missing education and the foreign student cohort;</p> <p>Housing, Construction &amp; Development. Outlined the main issues he saw, such as apprenticeship levies being carried forward, automating industries, and how to provide deliveries in a carbon neutral future without impacting cyclists and walkers.</p> <p>Patricia Greer reported on a request from Government for potential infrastructure projects that could be delivered within the next 18months. A capital projects list was being developed to deliver on the Government’s ask.</p> <p><b>ACTION:</b> Infrastructure project list to be circulated for comments.</p> <p>Cllr Savage raised the importance of space and the built environment, such as potential job losses in the aerospace industry may have on Filton. Chris Grier reiterated that there were around 180 aerospace companies in the SW region all with a supply base, emphasising its importance to the region.</p> <p>In summing up the discussion the Chair stated that the focus should be on three ‘P’s – People, Place and Potential.</p> <p><b>Agreed: That the discussion points be used to inform future work.</b></p>	
5	<p><b>LGF update</b></p> <p>Pete Davis, reported on progress with the delivery of the Local Growth Fund programme including the current funding position, risks and the impact of Covid-19, seeking views on the LGF programme, the forecast spend position and risks.</p> <p>Pete reported that there has always been a requirement that all funds be spent by March 2021. Owing to the impact of Covid-19 Government were revising arrangements for LGF payments with 2/3 paid at this time followed by ‘a period of joint working and review over the summer on contractual commitments and likely spend over the remainder of the year’.</p> <p>To mitigate the impact of delay to schemes within the programme and to ensure full grant spend by March, the Authority had for some time been employing an overprogramming approach. Given this overprogramming, and with all but 3 projects in the LGF programme in delivery, it was expected that the Authority would be well placed to meet the criteria that all commitments were paid in full.</p>	

	<p>The following point was raised:</p> <ul style="list-style-type: none"> <li>▪ Cllr Dine Romero asked a question regarding the moving of some schemes from green to amber. Pete explained that the dashboard tried to show recent changes, such as delays and it was not a reflection on the credibility of the schemes.</li> </ul> <p><b>Agreed: That the update on the LGF programme be welcomed.</b></p>	
6	<p><b>Any Other Business</b></p> <p>Reports for the WECA Committee on 19 June 2020 have been published. Steve West will attend the meeting as Chair of the LEP to feedback any views.</p> <p>Following recent press speculation regarding Tesla, Stephen Bashford confirmed that IBB were working with DiT on this and offered to provide a briefing document giving a clear indication of the opportunities as well as the site size/location requirements.</p> <p>Dick Penny asked that his thanks be passed to Mayor Rees on his handling of recent events which had placed Bristol at the centre of an international debate.</p>	
	<b>Date of Next Meeting.</b>	
	Thursday, 1 October 2020, 10.00 am, Venue to be announced.	

**West of England Local Enterprise Partnership  
Board meeting – 1.10.20**

**Update on Covid-19 response**

**Purpose of the report**

1. To update the LEP Board on progress on the regional response to the Covid-19 pandemic and consider next steps.

**Recommendation**

The LEP Board consider the next phase of recovery planning and provide views on the key questions for consideration and the proposed approach to engagement through the Taskforce.

The LEP Board note the updated intelligence on impacts of the pandemic.

**Background**

1. The Regional Economic Recovery Taskforce was established in May to lead work across West of England to drive economic recovery from the Covid-19 pandemic and to feed in to Government's national recovery planning. The Taskforce is a partnership between the West of England Combined Authority, the Local Enterprise Partnership, business, universities and the region's councils. The LEP Chair co-chairs the recovery Taskforce and a number of LEP Board members have also been represented.
2. The work of the Taskforce has covered three time horizons:
  - Short term: crisis response & exit from lockdown
  - Medium term: adaptation & resilience
  - Long term: renewing & growing
3. The Taskforce has consulted widely with over 160 representatives of the business community, voluntary and community sector and academia to develop an action plan for the region's recovery.
4. The Recovery Plan will be published in the papers for the Joint Committee on 9th Oct and will then form the basis of a further round of engagement with stakeholders across the region on what further action is required to support the region's recovery.
5. The Plan sets out strategic actions to support rebuilding of the region's economy across 5 pillars:

- **Rebuild business** to help new and existing businesses to survive and thrive in order to safeguard existing and create new jobs
  - **Get residents back to work** in jobs which pay above the living wage and offer security of employment through targeted training and brokerage to available opportunities
  - **Strengthening inclusion** to prevent further widening of inequalities and build an inclusive economy where everyone has the opportunity to achieve their potential, reducing inequality gaps
  - **Green recovery** to use the changes in behaviour brought about by the pandemic to accelerate our transition to net zero carbon
  - **Renew places** to re-think our approach to 'place' creating greener, healthier, more vibrant places to live and work and so continuing to attract people from across the world
6. Significant work has already been undertaken to develop and deliver a regional package of support for businesses and residents affected by the economic fallout of Covid-19. For example, increased capacity and new products and services have been built into the West of England Growth Hub, utilising additional funds from government and by pivoting existing regional interventions e.g. the creation of Trading Better Online, a Financial Resilience Programme, a new Business Innovation Fund, Workforce for the Future 'SME:skills brokerage service', a Small Business Grant (with a focus on tourism/hospitality) and Thrive at Work West of England.
7. A summary document 'Supporting the Region Through Economic Recovery' has been produced to set out more detail on these initiatives. This is attached at annex 1 and LEP Board members are encouraged to share with their networks where they feel relevant to ensure that businesses and individuals are aware of the support available to them.
8. WECA committee agreed in June 2020 to "...allocate £5m to support West of England businesses during the 2020 early phase of economic recovery advised by the Covid-19 Economic Recovery Taskforce and, where there is urgency, to delegate the approval of the business case(s) to the WECA Chief Executive in consultation with the Chief Executives of the constituent Councils" and "...the Taskforce will provide the evidence base for the design and delivery of such interventions".
- Further, the Regional Recovery Taskforce agreed the following overarching criteria:
- Directly address a **regional economic issue or opportunity** identified and prioritised by the Taskforce
  - Be a genuinely **additional** business and/or skills activity, not covered by existing national, regional and local measures
  - Be able to mobilise quickly generating **immediate, tangible and sustainable impact**
- A number of proposals are in development to drawdown support from the £5m fund. Business cases will be developed for each of these and considered by West of

England CEOs on a case by case basis. These are set out in detail in the investment fund paper for consideration at the Joint Committee on 9<sup>th</sup> October.

9. In addition, as discussed with the LEP Board at a recent informal meeting, WECA is making an ambitious case to Government through the Spending Review process for further resources to drive recovery and renewal through, for example, enhanced Adult Education Budget, devolution of National Skills Fund / FE capital and major investment in our innovation infrastructure capacity and capability. The Spending Review bid is aligned to the strategic actions and priorities coming out of the Taskforce.
10. Successfully navigating the region through this period of unprecedented challenge will require the Combined Authority, Local Authorities, business community, voluntary sector, academia and local communities all working together.

### **Next Steps**

11. This plan should be considered as an initial approach to address the immediate impacts of the crisis. WECA has put in place a range of immediate measures in response to the crisis, and we will implement this Recovery Plan recognising the need for swift action during the current crisis.
12. The next phase of the work will focus on identifying and addressing the remaining challenging questions about the future of the region. We propose to bring a list of potential longer-term areas of focus to the next meeting of the Taskforce for consideration. The LEP Board's input into his list would be welcome. Early proposals include:
  - What is the future for town and city centres and how will workplaces be used in the future?
  - What is the future of the workplace?
  - What is the digital infrastructure required to support the future model of working and living?
  - How do we ensure that the requirements of young people are met not only in terms of training and pathways into employment but also in terms of supporting potential entrepreneurs with the infrastructure they will need to thrive?
  - How can we ensure that the rise in unemployment, particularly in the most deprived areas of the region, does not become entrenched and that people are able to move swiftly back into work?
  - If we continue to move between phases of higher and lower levels of restriction, what support might local businesses need to cope with the uncertainty?
13. In considering the next phase, we propose to move away from the sector focused approach that has supported the development of the recovery plan and instead draw on the pool of experience and expertise represented in those groups in more cross

cutting task and finish groups. We will bring a proposal about how this could work to the next Taskforce meeting.

**14. The LEP Board is asked to consider:**

- **reflections on the first phase of the work of the Taskforce, what worked well and should be build on for the next phase of the work?**
- **the initial list of further questions for phase 2 of the recovery work – what else should be included?**
- **views on the approach to the next phase of the work**

15. In addition we will continue to monitor intelligence and evidence of the impacts of the crisis as it develops, this will help to inform the next phase of recovery planning. Two of the key economic briefings are attached, regional economic insights at annex 2 and the Labour Market Intelligence pack at annex 3.

- Annex 1 – attached at end of document
- Annex 2 – Regional Economic Insights <https://www.westofengland-ca.gov.uk/regional-insights/>
- Annex 3 – Labour Market Intelligence Pack - <https://www.westofengland-ca.gov.uk/wp-content/uploads/2020/09/Labour-Market-Intelligence-pack-Sep.pdf>

**Author:** Jessica Lee

# SUPPORTING THE REGION THROUGH ECONOMIC RECOVERY

West of England Mayor Tim Bowles and the West of England Combined Authority are bringing the region together, alongside the Local Enterprise Partnership, business, universities and the region's councils to drive economic recovery and renewal, following the impact of Covid-19.

We're taking action to help people and businesses immediately affected and taking action to ensure our residents and businesses across the region are getting the support they need.

For individuals in need of support, they should be directed to Future Bright, who can help signpost them in the right direction.

- **Bristol:**  
Email [futurebright@bristol.gov.uk](mailto:futurebright@bristol.gov.uk) or call 0117 9222250
- **Bath & North East Somerset:**  
Email [futurebright@bathnes.gov.uk](mailto:futurebright@bathnes.gov.uk) or call 01225 395555
- **South Gloucestershire:**  
Email [futurebright@southglos.gov.uk](mailto:futurebright@southglos.gov.uk) or call 01454 866008

For businesses, including those who may be considering making redundancies, direct them to our West of England Growth Hub

**E:** [wearegrowth@westofengland-ca.gov.uk](mailto:wearegrowth@westofengland-ca.gov.uk)  
**T:** 0117 4566955

## Skills

- **Expanding Future Bright:** The eligibility criteria for the West of England **Future Bright** initiative has been changed and can now provide dedicated 1:1 coaching support for people who have:
  - Been made redundant or laid off
  - Are at risk of redundancy
  - Have had their hours significantly reduced, and therefore have a reduced income
  - Are self-employed and whose income or ability to earn has been severely impacted
  - Are furloughed employees, if their reduced income means they are eligible for Universal Credit

The Combined Authority provided **£3.6m** so that the scheme can continue for an additional 3 years from January 2021. Sign-ups under the Covid 19 criteria are over 25% of the current referrals into the Future Bright. The Future Bright offer forms part of the rapid redundancy response for business and can be contacted via the teams embedded in our councils.

- **Giving certainty for Adult Education providers:** WECA has devolved responsibility for the **Adult Education Budget (AEB)** amounting to £15m per annum to help adults over the age of 19 to develop the skills and qualifications needed for life, work, apprenticeships and further learning. AEB will continue to provide the underpinning foundational skills needed by residents to access regional opportunities, particularly considering increased need, as unemployment rates rise.

With our support, AEB providers have already undertaken extraordinary work to ensure that delivery was able to continue as fully as possible during the lockdown and are now working on plans to enable a full return to learning in September. We have begun to secure some additional resource from Government – funding for high value qualifications and Sector Based Work Academies – and will deploy this accordingly as part of the overall recovery effort.

- **Supporting apprentices and other learners:** by talking to our colleges and training organisations about how we can best support those currently in apprenticeships to learn and gain skills as well as minimising disruption. We have lobbied government hard, on behalf of our major employees, for flexibilities on the Apprenticeship Levy.
- **Revising and relaunching Workforce for the Future (WfF):** This is an £8m fund aimed at helping SMEs plan for future skills needs. This has been relaunched, with a clear, revised prospectus against which a core support service will be delivered to provide immediate engagement with SMEs on skills/training brokerage and skills planning. The refined shape of the service has been developed with partner input and the service will be finalised by **early September**. It will run until December 2023, with a further funding round to fund sector or geographically focused projects to support SMEs hit hardest by Covid-19 to follow.

- **Adapting and Expanding the West of England Careers Hub:** The Careers Hub has been expanded to work with schools to progress against government's career development objectives – the **Gatsby benchmarks**, and has adapted to allow a virtual approach to ensure young people do not miss out on vital advice during this critical period. The region has improved on rankings and a recent Careers and Enterprise Company (CEC) survey of schools reported our satisfaction levels are higher than the national average. CEC funding for next year has been agreed, and alongside the Combined Authority's match funding this allows the team to start planning for the year ahead.
- **Addressing mental health through Thriving at Work West -** Mental health in the workplace support has been highlighted as a challenge by many of our businesses. Through WECA, the region's local authorities, Public Health England and business ambassadors, Thriving at Work West aims to raise awareness, provide information, advice and guidance and to develop online tools to support businesses and individuals affected.
- **Delivering innovative digital skills through iSTART:** A new innovative digital skills programme, that will see the creation of a new facility on Bath College's City Centre Campus. It will be home to the SETsquared University of Bath Innovation Centre; a new, disruptive adult skills offer; and a collaborative University of Bath/ Bath Spa University research presence.
- **Adapting the Growth Hub:** In the short term, the **West of England Growth Hub** managed by WECA prepared resources to help businesses through the initial 'crisis management' phase of Covid-19, and has since developed a range of support packages to respond directly to what businesses are highlighting as critical issues in the context of recovery and renewal. Through the Hub, Enterprise Executives are on hand to provide advice and support, including through new measures including the following:
  - **Trading Better Online** – designed to provide specialist support to help businesses become digitally enabled and improve their resilience and productivity e.g. through enhanced e-commerce, accounting software, CRM...etc. The programme launched on 8th June 2020 and has already seen 32 SME referrals and we have invested more WECA funding to double the number of companies. The project is a partnership approach between WECA and TechSPARK.
  - **Financial Resilience** – support which targets the region's accountancy expertise to help SMEs (5-100 employees) plan for financial resilience. The programme has recently launched and is delivered by a partnership between WECA and the Institute of Chartered Accountants in England & Wales (ICAEW).
  - **Intellectual Property support:** WECA has an in-house specialist adviser from the Intellectual Property Office (IPO) to help businesses understand the basics of IP and how best to protect it. Resource, promoted through the Growth Hub, is free to use and accessible via desktops, tablets and smart phones.
  - **Mentoring for Growth:** The Mentoring for Growth programme has been refocused during the crisis to a Rapid Response Mentoring Programme. Eligibility criteria has since been relaxed after raising it with government, so more of our SMEs are able to access the support.
- Working with the West of England local authorities, additional resource is being put in place to increase local outreach and help local areas respond more flexibly to business needs.

## Business

- Developing and implementing the **Redundancy Response Initiative** including a new group to deliver targeted support initiatives to businesses at risk of, or making, redundancies. The group is coordinated by the Combined Authority and includes the local Councils, DWP, National Careers Service (Adviza), SERCO, WTPN, TUC, FSB and Business West. Higher Education providers will also be included in the group.

It is actively working on several live cases. We are also developing a Talent Retention Platform for the region alongside, to help redeploy people into alternative employment and training and enabling businesses to source talent.



- Our **Creative Scale Up** programme's first cohort is halfway through its programme, and fully engaged on-line with their mentors and peer-to-peer groups. A **further 20 businesses** have been recruited for the second cohort has now been recruited; the application window for a third cohort is open.
- **Low Carbon Challenge Fund:** The West of England Low Carbon Challenge Fund will run over three years with a total of £1.7m in grant funding to help firms:
  - avoid emissions that can harm the environment and contribute to climate change
  - reduce energy bills
  - lower maintenance costs and retain equipment for longer
  - make buildings more comfortable and healthier for staff or access cutting edge low carbon technologies
- West of England Green Business Grants support SMEs to improve their energy efficiency and reduce carbon emissions. We have already invested £200,000 in local businesses and will be investing a further £800,000.
- **A new Business Innovation Fund:** The West of England Combined Authority's Business Innovation Fund provides SMEs with tailored support and funding to bring new products, services and processes to market. This includes:
  - Grants between £20,000 - £50,000 to invest in innovation
  - Support and guidance to move from concept to production
  - Collaborate with our region's leading research institutions
  - Advice on intellectual property, testing and research and development roadmaps

## Further action to support Recovery

- **Bolster Growth Hub capacity.** This will include:
  - a partnership between WECA and Business West to deliver a **small grants programme** for business adaption (with specific support available for the tourism and hospitality sector).
  - a support package for **'peer to peer' networking** and collaboration across multiple sectors to facilitate action based learning and sharing of best practice and knowledge.
  - Skills development support for SMEs through the Workforce for the Future.
  - Decarbonisation advice and signposting.
  - Increasing account management and business engagement activity with indigenous businesses.
  - Focusing effort to attract new business to the region and respond to inward investment enquiries.
- WECA led a consortium of partners in the submission of a speculative fast-start **Made Smarter Expression of Interest into BEIS for £21m**, to deliver a package of interventions across the South West. Made Smarter assesses how UK manufacturing can benefit from the evolution of technology and increasing digitalisation. This has the potential to engage with between 3,000-4,000 manufacturing SMEs.

## Innovation and exports

- ✓ We have relaunched **Digital Engineering Technology and Innovation (DETI)** programme has been reframed and relaunched to maximise its role in the region's recovery from Covid-19. DETI is a research, innovation and skills initiative. It will develop and accelerate digital engineering across multiple industry sectors – to benefit future generations of engineers and engineering products, and to help tackle global challenges. WECA funding of £5m is match funded by the High Value Manufacturing Catapult and industry.
- ✓ Support funding bids e.g. **Future of Flight Bid:** An R+D project to support regional electric flights into Bristol Airport as well as un-piloted passenger drone flights from Bristol city centre and surrounds direct to the airport and **5G Create (Logistics) Bid:** The bid project aims to show how 5G capabilities and capacity can improve logistics management and impact on air quality by reducing traffic congestion.
- ✓ Through **WECA's Productivity Challenge programme**, pilot new approaches to increasing export activity across the West of England economy. With further financial support secured from government and through additional support from WECA's Productivity Challenge programme, there is an opportunity for partners to come together to pilot new approaches to increasing export activity across the West of England economy, particularly for SMEs currently disengaged and in areas of identified strategic opportunity
- ✓ Made the case for a **freepoint pilot** in the region to draw investment from around the world and help transform the area by bringing high-value jobs to the areas of the region that have been hit by the decline in manufacturing, building innovative business clusters and levelling up areas left behind areas





## Transport

As the region responds to the impacts of Coronavirus, the Combined Authority's new role as Transport Authority has been particularly important to ensure that those who need to travel to work across the region can travel safely. During the crisis WECA has worked with transport providers to ensure key workers could get to their place of work safely. It has:

- Secured **£1.76m** of Government funding to keep our supported bus network running, while demand is reduced.
- Committed **£10.73m** to continue bus service contract payments, concessionary travel payments and maintain Community Transport operations.
- Worked with businesses to communicate travel advice and encourage walking, cycling and staggered start times where possible
- Underwritten **£3m** for councils to implement temporary measures such as temporary cycle lanes and wider pavements across the region to help people to travel safely while social distancing is in place

The temporary measures will help more people to feel confident walking and cycling and we are building on this by investing a further **£10m** in longer term cycling and walking solutions to improve air quality, physical and mental health and reduce congestion in the region.

In the longer term, WECA is bringing partners together to improve transport across the region, and fix the chronic underinvestment the region has seen in the past. This **£350m** investment programme will provide sustainable, long-term solutions to help people move around the region more easily, reducing congestion and improving the environment we live in.

We've already allocated millions to improving our busiest routes – including rail, road public transport network improvements and walking and cycling routes. This includes:

- Extensions and improvements to the metrobus network, connecting residents to job opportunities, improving connections with the Park and Ride as well as making it easier for people to change from one form of transport to another
- Introducing the MetroWest rail network which will revolutionise our rail services by generating over 1 million new rail journeys and give 80,000 people access to train services.
- Spending millions on walking and cycling improvements over the next five years alongside a new 'Active Travel' promotion campaign to capture the changes in travel that Coronavirus has brought. Our Cycling and Walking Plan proposes investment in cycling and walking routes of **£411m** over the next 16 years, focussing on 30 local high streets as well as improvements along 55 continuous cycle routes
- Developing the evidence base for a new regional mass transit system that will revolutionise the way we move around the area, dramatically improving congestion and air quality while reducing our carbon emissions
- Developing a 'Future Transport Zone' proposal which uses smart transport and technology to better manage our network as well as improving the user experience. A trial of E scooters is one of the first projects that will offer a new way to travel around our region benefitting our residents, our environment and our economy. This is being fast tracked following the coronavirus outbreak.

# West of England Recovery Plan

September 2020

The West of England has developed an ambitious programme to build back better, greener and stronger. We are one of the UK's economic success stories, with a strong, vibrant economy, which has the potential to support wider national growth. By working together as well as securing additional investment, we will achieve our recovery ambition to:

“Build back better by capitalising on our ingenuity, creativity and diversity to create good jobs and a high quality of life for all our residents, whilst achieving sustained emission reductions.

“As we build back our places, we'll strive to create greener, healthier, more vibrant communities to support those who live and work here, ensuring our region continues to attract visitors, talent and investment from around the world.”

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## Forewords



My role as the chair of the West of England LEP is to bring together the best of business and education with the public sector, to provide a strong, powerful voice for our region. And never has that been more important than now, as we face the impact of Covid-19.

In developing this recovery plan we have worked with our LEP and the wider business community. We have worked with over 180 businesses across all sectors as well as voluntary and community groups. We have canvassed more widely the views from thousands of individuals and businesses across the region, to ensure that our recovery is inclusive and representative.

This is a strong plan which sets out those key areas we have to focus on right now to ensure the future success of our region, but of course, it will need to evolve as the world changes around us. It will require us to be innovative, creative and responsive as we learn to adapt, recover and reset our world.

This is the challenge we are all facing, but the strength and diversity of our economy, coupled with our real strengths as a region formed on new ideas and doing things differently, means that we are in a strong place to meet this challenge, and build back better, seizing the opportunity to accelerate our plans to deliver clean and inclusive growth.

**Steve West,**  
Chair of West of England Local Enterprise Partnership



The West of England is a place of innovation and creativity; from the days of Brunel, through to the latest developments in robotics, our region is home to world-leading technological change. It is a beautiful place with rich cultural activity, vibrant industry and home to a diverse population.

Covid-19 is having a huge impact on our region and all of us who live here – the way we live, work and enjoy our free time with families and loved ones. But it also provides an opportunity.

We came into this as a leading regional economy, and we can build on the progress we have made so that every community benefits from extra investment and new opportunities as we emerge from the pandemic.

This is an ambitious plan to:

- Rebuild business
- Get residents back into decent jobs
- Strengthen inclusion
- Support a green recovery
- Renew places

This plan has been created by the local experts in industry, education and our communities that I asked to be part our Regional Recovery Taskforce. This work is just beginning, and now we have a road to follow.

I'd like to thank everyone involved for all their hard work in creating this plan for recovery and renewal and encourage us to continue working in collaboration work to make it a reality.

**Tim Bowles,**  
West of England Mayor

# West of England Recovery Plan: At a glance

## Our economic trajectory – pre-crisis

			
Most productive city region in England outside London	Emitting 14% less carbon per person than the national average	Highly skilled workforce with higher than average employment and wages	Creative, innovative vibrant region, with USPs in aerospace, creative, digital and professional services

## But economic impact are significant

			
Economy likely to shrink by 7%, with recovery unlikely until end of 2021 at the earliest	30% of region's workforce was furloughed	Unemployment benefit claims risen from 2% to 5% since February and job vacancies fallen	44,100 residents claimed Self-Employment Income Support, with claims of £131m

## The plan: rebuilding across 5 pillars

				
<b>Rebuilding business</b> to help new and existing businesses survive and thrive in order to safeguard existing and create new jobs	<b>Getting residents back into jobs</b> which pay above the Real Living Wage and offer security of employment through targeted training and brokerage to available opportunities	<b>Strengthening inclusion</b> to prevent further widening of inequalities and build an inclusive economy where everyone has the opportunity to achieve their potential, reducing inequality gaps	<b>Supporting a green recovery</b> using changes in behaviour brought about by the pandemic to accelerate our transition to net zero carbon	<b>Renewing places</b> to re-think our approach to 'place', creating greener, healthier, more vibrant places to live and work and so continuing to attract people from across the world
<b>CLEAN AND INCLUSIVE</b>				

## At a glance continued

### With strategic programmes

	<p><b>Rebuilding business</b></p> <ul style="list-style-type: none"> <li>• Significantly expand the region's <b>business support offer</b> to help businesses of all types to adapt and survive, finding sustainable, low carbon pathways to recovery and growth</li> <li>• Implement a targeted approach to <b>inward investment, export and trade</b>, unlocking new growth and job opportunities</li> <li>• Drive job creation through significant investment in <b>new regional innovation projects</b>, to creatively address global challenges such as the climate emergency, health and equality of opportunity</li> </ul>
	<p><b>Getting residents back into jobs</b></p> <ul style="list-style-type: none"> <li>• Enhance our <b>Redundancy Response Initiative</b>, including a new <b>B2B Talent Retention Platform</b> to help redeploy workers</li> <li>• Develop <b>regional Employment and Skills Opportunities Portal</b> to help unemployed residents find new jobs, careers support and advice, and training opportunities</li> <li>• Ramp up <b>re-training</b> with new packages developed and deployed in partnership with recruiting employers and aligned with growth areas (including health and social care, construction, low carbon and digital)</li> <li>• Address <b>youth unemployment</b> with a regional apprenticeship support service, expanding of sector based approaches</li> </ul>
	<p><b>Strengthening inclusion</b></p> <ul style="list-style-type: none"> <li>• <b>Strengthen engagement</b> to help under-represented groups access skills and enterprise support through <b>community champions</b> and a <b>regional network of outreach facilities</b></li> <li>• Launch a new <b>Community Grant scheme</b> to build additional local capacity and resilience in hardest hit communities, with a focus on creating pathways to employment and skills</li> <li>• Creating a <b>Good Employer Standard</b> led by anchor institutions across the region to create, good, accessible jobs, which are paid the Real Living Wage</li> </ul>
	<p><b>Supporting a green recovery</b></p> <ul style="list-style-type: none"> <li>• Upscale the <b>Low Carbon Challenge Fund</b> through an enhanced Green Business Grant programme and <b>Local Energy Schemes</b>, helping existing businesses to transition to low carbon approaches, as well as creating new businesses and jobs</li> <li>• Make significant investments to <b>decarbonise our energy and transport systems and enhance our green infrastructure, building on the positive behaviour changes brought about by lockdown</b></li> <li>• Maximise the region's share of national green stimulus packages, including retrofit</li> </ul>
	<p><b>Renewing places</b></p> <ul style="list-style-type: none"> <li>• Secure investment in <b>infrastructure and affordable housing</b> to achieve strategic place-making and decarbonisation objectives</li> <li>• With our communities, re-imagine and re-invigorate our towns and city centres with an <b>innovative town centre re-structuring programme</b>, building on the increased need for 'local liveability'</li> <li>• Help the region's tourism and cultural sectors recover through the development of a <b>Regional Tourism Zone</b> and new <b>Cultural, Creative and Digital Development programme</b></li> </ul>

## What will we achieve?

Delivering the proposals in this plan will give the region a strong foundation for recovery. Our current plans will deliver the outcomes below by 2025, and we will continue to drive up the impact of our action as we develop the proposals. WECA is investing over £500m up to 2025 to support the region's recovery and economic development, in line with this plan and the local industrial strategy.

	<p><b>Rebuilding business</b></p> <p>Over 11,200 businesses supported to adapt their operations, boost staff skills, and innovate £90m planned investment in innovation facilities and research and development projects, and a pipeline of new projects of £300m+</p>
	<p><b>Getting residents back into jobs</b></p> <p>1,800+ jobs created, plus 750 construction jobs a year across our investments 22,000+ training and skills placements each year</p>
	<p><b>Strengthening inclusion</b></p> <p>Support residents to access good, secure jobs Deliver careers advice to 95 schools and colleges 10,000 people take online mental health at work course Widen community access to business and skills support</p>
	<p><b>Supporting a green recovery</b></p> <p>Support retrofit of homes 1m new rail journeys, and walking and cycling transformed in 30 high streets 60 new low carbon business grants</p>
	<p><b>Renewing places</b></p> <p>£320m+ invested in the region's transport and housing by 2023 Spatial Development Strategy established through consensual approach Publish Cultural Strategy &amp; establish Cultural Compact Strategies in place for the town and city centres most vulnerable to changing movement and shopping patterns</p>

## Delivered through

			
<p>Collective action and partnership working</p>	<p>A people-centred approach, with the needs of users at its heart</p>	<p>Using our existing investment portfolio as well as a £10m Recovery Fund</p>	<p>Securing additional resources from Government through devolution and partnership bids</p>

# Introduction

This plan has been developed by the West of England Recovery Taskforce, which was set up to drive the region's economic recovery following the impact of the Covid-19 pandemic.

The plan covers the four council areas of the West of England Local Enterprise Partnership area – Bath and North East Somerset, Bristol, North Somerset and South Gloucestershire.

This plan will need to evolve, because we recognise that our journey through recovery may not be linear. We will adapt our approach, increasing emphasis on those activities that respond best to local and national circumstances.

## An economic success story – essential to the national economic recovery

The West of England is one of the country's economic success stories. We are the most productive city region in England outside

London, with vibrant innovative businesses and a highly-skilled workforce. With economic links to Wales, the Midlands, London and the South West, ensuring a strong economy recovery in the West of England will help to drive a wider national recovery.

## A region renowned for its innovation, collaboration and ingenuity – helping us to build back greener, better and stronger

Our success stems from a long tradition of innovation, from Brunel and Concorde, to the latest developments in robotics and virtual reality. The West of England is a region renowned for its collaboration, ingenuity and creativity and benefits from a pool of talent and expertise across four universities. It is a place where ideas flourish, businesses grow and where creative, digital and high tech meet traditional industry. It is at this interface that the solutions to the global challenges of the future



lie, helping us to build back greener, better and stronger as well as contributing to national and global efforts to reduce carbon emissions.

## High-value, globally-leading sector strengths and assets are at risk

Our Local Industrial Strategy highlighted our three distinct and overlapping sector strengths that drive innovation and export, supported by supply chains and four world class universities: advanced engineering including aerospace; creative, cultural and digital industries, and financial businesses and legal tech services. Ensuring our region retains these unique assets will be vital to our recovery and future success.

## Where the impact of the pandemic has been unprecedented

However, despite our strengths, the impact of Covid-19 is unprecedented. At the time of writing:

- 30% (170,900 employees) of the region's workforce had been furloughed
- unemployment benefit claims have risen from 2% to 5% since February, a rise of 23,000 people
- 44,100 residents have claimed Self-Employment Income Support, with claims amounting to £133m by the end of July
- the effects have varied across different parts of the economy, with the retail, hospitality, cultural, and aerospace sectors particularly hard hit.

It is likely that the economic impact will get worse before it gets better. With further redundancies and job losses expected in the autumn (as the furlough scheme draws to a close) the impact could be unparalleled. Therefore, the taskforce has worked at pace to put in place urgent response measures, which are set out in the next section.



## With an uneven impact, the need for an inclusive recovery is stronger than ever

We also know that the impact will not be evenly distributed across our communities. Our intelligence confirms that within the West of England, like elsewhere, people in disadvantaged groups and communities have been hardest hit. Therefore, our recovery plan sets out a wide range of actions which we aim to co-design and deliver with local organisations to ensure the hardest hit people and communities get the support they need, preventing existing inequalities from widening, and, in the long-term closing the gap.

## Tackling climate change is an opportunity to reboot our economy

Both locally and nationally, it has been recognised that action to transition to a zero-carbon economy provides an opportunity to stimulate economic growth.

***'We have a great opportunity now to transition to a zero-carbon economy and implement measures to help boost the economy, create jobs and build climate resilience'***  
(Committee on Climate Change, 2020)

We intend to seize this challenge and are committed to tackling climate change in a way that benefits every resident and helps to reboot our economy.

## Introduction continued



The West of England has an ambitious goal of becoming net carbon neutral by 2030. This is shared by our council partners and goes further than the UK target, which commits the country to becoming net carbon zero by 2050. Our Climate Emergency Action Plan is therefore a key part of this Recovery Plan and the detailed Climate Emergency Action Plan sits alongside it.

### Building on the Local Industrial Strategy for clean and inclusive growth

Our recovery plan continues to build on vision set out in our **Local Industrial Strategy**:

**‘Drawing on the unique strengths of the region to drive clean and inclusive growth’**

Therefore the principles of clean and inclusive growth are addressed through both specific targeted actions, as well as cutting across everything else we do.

# Impact of Covid-19 on the region

This part of our plan summarises the economic impact of the Covid-19 pandemic on our region to date. It draws on national and local statistics, and intelligence from regional businesses and partners.

The West of England went into the crisis in a strong position. It had a diverse employment base, across multiple sectors, providing economic resilience as well as low unemployment levels. However, despite these strengths, the scale and global nature of the economic shock means that the impact has ricocheted across our whole economy.

## Economic output has fallen dramatically

Lockdown and ongoing restrictions have significantly reduced business output, and in many cases forced them to close temporarily. This has hit incomes, employment prospects, and investment plans. Between February and May, output nationally fell by a quarter and almost a quarter of businesses paused trading. Although output has recovered in recent months, it is still considerably below February's levels. A recent Oxford Economics forecast made a baseline estimate that the region's economy would shrink by 7% in 2020 as a whole (in line with the UK) but would recover its prior level by the end of 2021. However, a more pessimistic scenario could see output remaining below its peak until 2025.

## Government support schemes have helped

Intelligence from our taskforce and sector groups suggest that the **national stimulus packages** have helped many businesses absorb the shock and adapt in the short term. The West of England Combined Authority successfully lobbied government highlighting early instances of gaps in support. To date, this support includes:

- 16,703 grants distributed to businesses by the region's councils, totalling £209.4m
- 44,100 have claimed Self-Employment Income Support, with claims amounting to £132.7m
- £35.5bn lent across the UK in Bounce-Back loans
- £13.7bn lent to UK SMEs in Business Interruption Loans

## But unemployment has risen

The challenges facing businesses are already having an impact on jobs. The proportion of people in the West of England claiming unemployment benefits has risen from 2% in February to 5% in July 2020, an increase of 23,000 people. The furlough scheme has helped to reduce the impact; 170,900 employees in the West of England have been furloughed. At 30% of the eligible workforce, this is similar to the national level (32%). However, intelligence from our sector groups has highlighted a concern that as the furlough scheme draws to a close this autumn, many furloughed staff may be made redundant.

While job losses are expected across all sectors and all skills levels, some groups are expected to be harder hit than others, through higher exposure to affected sectors, or through reduced opportunities. This includes young people, over 50s, and those who are already disadvantaged in the labour market (including women, disabled people and people from BAME backgrounds).

## Impact of Covid-19 on the region continued

Parents, particularly lone parents, may struggle to balance work and childcare, as well as people juggling work with caring for elderly or disabled relatives. As a result, the crisis risks widening existing inequalities, and experience from the last recession showed that it took longer for those with lower skills to restart employment.

For individuals who have lost their job or are at risk of losing their job, or business owners facing the prospect of losing their business, the consequences are enormous. People are worried about how they will pay their bills, feed their families and keep debt collectors at bay. Linked to this, the number of people suffering from stress and anxiety, as well as more complicated mental health issues, has risen during the pandemic. Our support programmes must therefore be easy to find and provide the right advice to businesses and individuals when they need it.

### The impact on sectors varies significantly

While almost all sectors have experienced a drop in economic output, some are clearly more negatively impacted than others, with the largest falls seen in accommodation and food services.

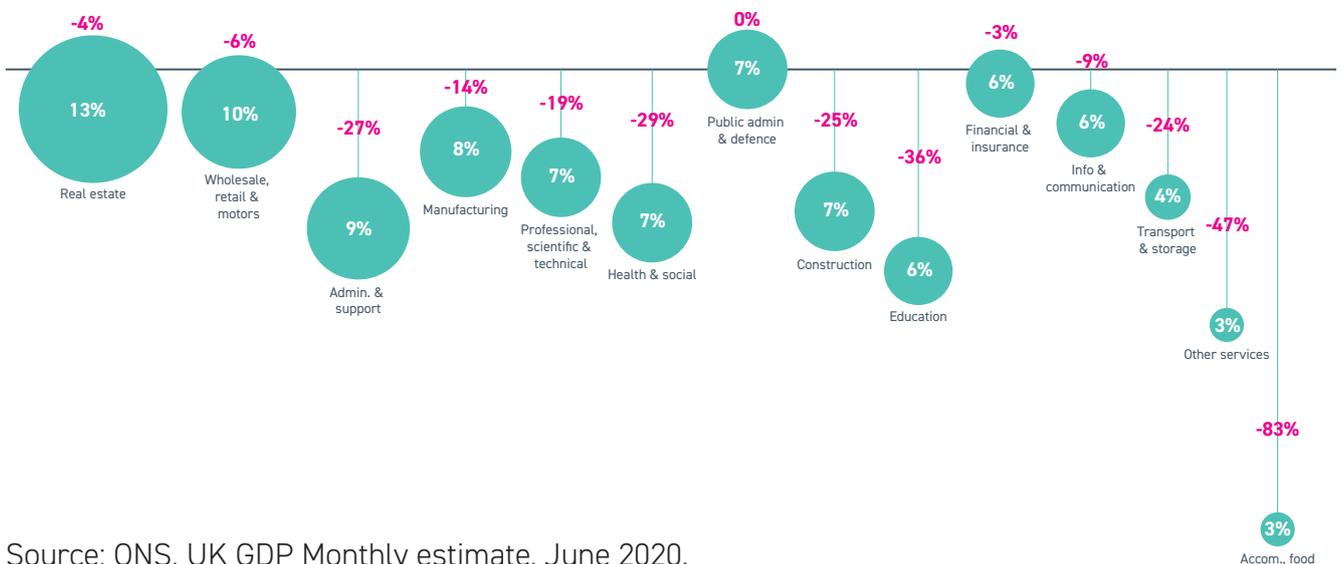
Wider intelligence from our sector groups highlighted particular vulnerabilities and risk of redundancies in: retail; civil aviation and its supply chain; tourism, accommodation and food; and creative sectors, as well as the voluntary, community and social enterprise sector.

### Accelerated digitisation

Across all sectors, businesses are adapting accelerating digitisation across society. At the height of lockdown, almost half of employees did some of their work from home, and changes to working practices are likely to persist. Similarly, online retail jumped from 19% of sales in February to 33% in May, although it has since fallen back slightly. These accelerated trends highlight the importance of action which improves:

- digital infrastructure
- digital skills and inclusion
- digital transformation for businesses

**Figure 2:** Proportion of regional GVA (bubble size, 2018) and national change in activity from February to June 2020 (red figures)



Source: ONS, UK GDP Monthly estimate, June 2020.

## Mobility has decreased

Mobility in the region fell sharply at the start of the pandemic, and remains below pre-Covid levels as travel and working patterns have changed – potentially forever. These behaviour changes pose significant challenges for our towns and city centres, which may require a more fundamental re-imagining to create vibrant, liveable spaces for the future, to avoid a spiral of decline.

Whilst walking and cycling increased during lockdown, public transport use has been lower, around 30% of pre-Covid levels for rail, and 40% for bus, nationally. Maintaining these increases in walking and cycling could be crucial to enable people to return to work safely and tackle transport emissions.

## Positive environmental effects may be lost

The pandemic has had a radical and rapid impact on carbon emissions and the environment. UK emissions fell by 31% during the peak of lockdown, particularly due to reductions in transport. There was a significant reduction in air pollution. However, as the Committee on Climate Change points out, lockdown is not a blueprint for reducing emissions, and “...it is unlikely that the pandemic will fundamentally alter the trajectory for emissions”. As lockdown has eased, environmental impacts have returned, highlighting the need for a more sustained transition. Finally, recovery from previous recessions has embedded carbon-intensive investment, which must be avoided this time.

# Strategic ambition

Our recovery plan continues to build on vision set out in our **Local Industrial Strategy**:

“Drawing on the unique strengths of the region to drive clean and inclusive growth.”

Our overarching ambition for this recovery plan is to:

“Build back better by capitalising on our ingenuity, creativity and diversity to create good jobs and a high quality of life for all our residents whilst achieving sustained emission reductions. As we build back our places, we will strive to create greener, healthier, more vibrant communities to live and work, to ensure the region continues to attract visitors, talent and investment from around the world.”

## What will success look like?

The recovery plan is expected to deliver actions over distinct phases, aligned with the progression of the disease, therefore our objectives will differ for each phase as illustrated below:

<b>1. Crisis response – Initial crisis and lock down</b>	<ul style="list-style-type: none"> <li>• Maintain public safety</li> <li>• Ensure key public services function safely (eg transport)</li> <li>• Ensure long term viability of non-essential services through mothballing</li> <li>• Minimise economic damage to businesses and individuals through effective signposting and support services</li> </ul>
<b>2. Short term – Emerging from lock down</b>	<ul style="list-style-type: none"> <li>• Minimise rising unemployment resulting from the end of the furlough scheme</li> <li>• Support individuals and sectors not yet able to return</li> <li>• Keep people moving through safe sustainable transport</li> <li>• Plan for the delivery of socially distant services</li> <li>• Develop plans to renew hardest hit places</li> </ul>
<b>3. Medium term – adapting to a socially distant economy</b>	<ul style="list-style-type: none"> <li>• Increase business resilience and help organisations adapt to social distancing and new market conditions</li> <li>• Support individuals (including the most disadvantaged) to prepare for new and existing job opportunities as well as stimulating job creation</li> <li>• Retain high value skills and sectors, building on our creative innovation assets and ensuring region is well placed to respond to emerging opportunities</li> <li>• Embed positive behaviour changes to reduce carbon emissions and identify actions to support sustained reductions</li> <li>• Safeguard cultural and creative assets, ensuring the region maintains its character and identity</li> </ul>
<b>4. Long term – a vaccine or effective treatment becomes available/risk significantly reduced</b>	<ul style="list-style-type: none"> <li>• Return economic performance to growth</li> <li>• Create good jobs that are accessible to all (including the most disadvantaged) to reduce poverty and inequality</li> <li>• Create high skilled jobs which ensures that the region remains at the cutting edge of technology</li> <li>• Achieve sustained emission reductions to ensure the region achieves carbon neutrality by 2030</li> </ul>

However, we recognise that our journey through recovery may not be linear, if the number of cases begin to rise or local lockdowns are required, we will adapt our approach, increasing emphasis on those activities that respond best to local and national circumstances.

## Key principles for recovery

The task force agreed the following principles for recovery, which form the five pillars of our plan.

				
<p><b>Rebuilding business</b> to help new and existing businesses survive and thrive in order to safeguard existing and create new jobs</p>	<p><b>Getting residents back into jobs</b> which pay above the Real Living Wage and offer security of employment through targeted training and brokerage to available opportunities</p>	<p><b>Strengthening inclusion</b> to prevent further widening of inequalities and build an inclusive economy where everyone has the opportunity to achieve their potential, reducing inequality gaps</p>	<p><b>Supporting a Green recovery</b> using changes in behaviour brought about by the pandemic to accelerate our transition to net zero carbon</p>	<p><b>Renewing places</b> to re-think our approach to 'place', creating greener, healthier, more vibrant places to live and work and so continuing to attract people from across the world</p>
<p><b>CLEAN AND INCLUSIVE</b></p>				

The following pages set out details of our initial strategic actions under each pillar. However, there is still much to be done in considering our long-term response. Whilst the pandemic has caused massive changes in behaviour and accelerated trends such as home working and digitisation, the extent to which these changes

will be permanent is not yet clear. Therefore the taskforce will continue to work through some of the more complex and challenging long term issues and further strategic action may be brought forward in due course.



# Actions: rebuilding businesses

## What is our ambition?

To help new and existing businesses to survive and thrive in order to safeguard existing, and create new jobs.

## What are the key issues, challenges and opportunities?

Issues and Challenges	Opportunities
<ul style="list-style-type: none"> <li>• Businesses contracting/ceasing trading</li> <li>• Stimulus packages have helped, but drawing to a close</li> <li>• Need to help businesses pivot to the new normal in order to survive and protect jobs</li> <li>• Concerns about a second spike/local lockdowns</li> <li>• R&amp;D spending threatened in some cases</li> <li>• Variable impact on sectors including regional USPs such as aerospace</li> <li>• Accelerated digital transformation</li> <li>• Availability of cash reserves and capital for growth</li> </ul>	<ul style="list-style-type: none"> <li>• Innovation stimulated by necessity and/or opportunity</li> <li>• Disruption caused by pandemic is providing opportunities for some, stimulating enterprise and innovation</li> <li>• Digital transformation key to survival of many businesses</li> <li>• Inward investment has remained buoyant</li> <li>• Establishment of a Freeport</li> </ul>

## What is already being done to 'Rebuild Businesses'

The West of England Combined Authority (WECA) is leading a targeted business support programme to help kick-start the regional economy. Our focus is on rebuilding a strong economy, to enable long-term recovery for the West of England. The aim is to help businesses build their financial resilience, innovate and adopt best practice, and boost their productivity – helping them to safeguard and ultimately create jobs.

Since the start of the crisis, we have substantially enhanced the offer available through the region's **Growth Hub**, (which is open to all types of business). We have boosted our team of Enterprise Executives who provide direct advice and support to businesses as well as referring them to a range of new measures including:

- **Trading Better Online**
- **Financial Resilience**
- **Intellectual Property Support**
- **Mentoring for Growth**

From March to mid-August there were over 46,000 visits to the Growth Hub website and the over the same period the WECA Enterprise Team had 2623 interactions supporting 649 businesses. Equally, partners in the region, such as Business West have also enhanced their offer, providing services such as **'Trading through Coronavirus'** providing support to businesses to access critical information, including guidance on People and Employment Law, Business Continuity and Coping with Financial Impacts.

As well as providing generic business support that responds to the needs of businesses, we have also taken action to support innovation, including:

- Launching a new **Business Innovation Fund**
- Re-framing and Relaunching the **Digital Engineering, Technology and Innovation (DETI)** programme
- **Bristol+Bath Creative**
- The **Creative Scale-Up** programme

These initiatives, as well as others in the pipeline, bring together leading companies, technology disruptors and universities to push the boundaries, collaborate and tackle global challenges. As highlighted in the **Government's R&D roadmap**, Research and Development will be critical to economic and social recovery from the impacts of COVID-19, enabling us to build a greener, healthier and more resilient UK. Against this backdrop, we will continue to **lead a regional innovation response**, making the case for significant new investment which allows a step change in our Research and Innovation infrastructure.

And, given that inward investment enquiries have remained buoyant throughout the crisis, we have commissioned an **International Market Prioritisation Study** to better understand the inward investment market post pandemic and provide an evidence-based position on new market and sector growth potential. This will be used to inform our approach to inward investment through the recovery period.

## What are we going to do next to rebuild businesses

In the short term and using existing capacity we will:

- Continue to build and deliver targeted support and account management for the region's key strategic sectors eg creative Industries, aerospace and advanced engineering, where impact will have significant knock-on effects across the region's economy
- Commission a review of need, opportunities and possible approaches to increasing **access to relevant capital for growing firms**
- **Reboot the Smart Alliance** to accelerate digital as set out in the Local Industrial Strategy, with a sharpened focus on resilience and recovery. This includes a forum for public/private collaboration to progress new cross-regional technology capacity, digital infrastructure and capabilities. A key tool for the alliance could be the development of **Digital roadmaps**, focusing on addressing key digital challenges, such as connectivity (urban and rural), inclusion and digitisation within businesses
- Pilot new approaches to **improving business leadership**, focusing on resilience and adaption, including diversity, capacity and competence of boards, using our productivity challenge programme
- Extend the region's **Productivity through People Programme** to drive SME innovation and sustainable growth
- Through the Growth Hub, develop a Universal Business Support offer to ensure the range of business recovery resources are targeted at those sectors and communities with greatest need
- Lead a regional innovation response to develop a package of innovation interventions

Alongside this, we will co-design and work with partners to put in place three strategic programmes to rebuild businesses:

## Actions: rebuilding businesses continued

### Strategic programmes

<p><b>FURTHER ENHANCE OUR BUSINESS SUPPORT OFFER TO HELP BUSINESSES ADAPT, SURVIVE AND FIND SUSTAINABLE PATHWAYS TO RECOVERY AND GROWTH</b></p>	
<p><b>Further expand the support available through the Growth Hub to include:</b></p> <ul style="list-style-type: none"> <li>• Small grants and tailored business support for adaption and resilience (with specific support for the tourism, hospitality and cultural/creative sector including freelancers)</li> <li>• 'Peer to peer' networking across multiple sectors to facilitate sharing of best practice and knowledge</li> <li>• Further support around digital transformation and digital innovation</li> <li>• Skills development support through the SME Skills Brokerage Service (insert cross reference)</li> <li>• Decarbonisation advice and sign-posting</li> </ul>	
<p><b>IMPLEMENT A TARGETED APPROACH TO INWARD INVESTMENT, EXPORT AND TRADE TO UNLOCK NEW GROWTH AND JOB OPPORTUNITIES</b></p>	
<ul style="list-style-type: none"> <li>• Use additional funding from the Department for International Trade for inward investment, export and trade activity. Using evidence from the International Market Prioritisation Study, build a programme of activity to <b>target and land new inward investment opportunities</b>, bringing new jobs to the region</li> <li>• Through WECA's Productivity Challenge programme, <b>pilot new approaches to increasing export activity</b>, particularly for SMEs currently disengaged and in areas of identified opportunity</li> </ul>	
<p><b>DRIVE JOB CREATION THROUGH SIGNIFICANT INVESTMENT IN NEW REGIONAL INNOVATION PROJECTS, TO CREATIVELY ADDRESS GLOBAL CHALLENGES SUCH AS THE CLIMATE EMERGENCY, HEALTH AND EQUALITY OF OPPORTUNITY</b></p>	
<p><b>Secure additional support to accelerate and build upon funding-ready R&amp;D infrastructure projects, to help deliver solutions to real-world challenges, driving resilience, recovery and renewal. Funding-ready projects include:</b></p> <ul style="list-style-type: none"> <li>• The ground-breaking Digital Engineering and Technology (DETI) programme, which includes major new digital skills investments</li> <li>• The Umbrella scheme, creating an Open Industrial Internet of Things (IIoT) research and development testbed by joining key research and economic growth locations – a key enabler of DETI</li> <li>• Our emerging major skills and innovation centre – iSTART</li> <li>• Temple Quarter Enterprise Campus, delivery of which is a key component of the regeneration of this area of Bristol</li> <li>• Expansion of the Junction 21 Enterprise Area including The Foodworks SW and new Food Enterprise Zone</li> <li>• Exploring development of a regional Modern Methods of Construction Centre</li> <li>• Developing additional laboratory space to support growth and development of science based start-ups and high growth businesses, including through Unit DY and Future Space</li> </ul> <p><b>Drive forward existing and new collaborative interventions for funding to help the region's key sectors adapt and thrive.</b> The sectors identified in the Local Industrial Strategy as the region's strength factors continue to provide competitive advantage where the West of England can lead the world in key industries, technologies and ideas. Examples of advanced current and pipeline collaborations include:</p> <ul style="list-style-type: none"> <li>• Future of Flight – a R&amp;D projects to support innovation in the future of flight (including low carbon)</li> <li>• 5G Create (Logistics) – showing how 5G capabilities and capacity can help deliver and enhance the potential Freeport concept as well as improve logistics management to improve air quality</li> <li>• Made Smarter – focusing on the digitisation of the manufacturing supply chain</li> <li>• <b>My World</b> – creating a globally unique proposition for screen-based media</li> </ul>	

# **Actions:** **Get residents back into jobs**

## What is our ambition?

Getting residents back into jobs which pay above the Real Living Wage and offer security of employment, through targeted training and brokerage to available opportunities.

## What are the key issues, challenge and opportunities?

Issues and Challenges	Opportunities
<ul style="list-style-type: none"> <li>• Rising unemployment and redundancies</li> <li>• Younger and older workers, as well as those already at a disadvantage, hardest hit</li> <li>• Risk of widening inequalities</li> <li>• Loss/reduction in informal and formal childcare and challenges for carers more widely</li> <li>• Loss of apprenticeship opportunities</li> <li>• Rapid increase in need for digital skills at all levels</li> <li>• Complex employment and skills support landscape, creating confusion</li> </ul>	<ul style="list-style-type: none"> <li>• Demand for skills and vacancies in some parts of the economy (digital, green, construction, health and social care)</li> <li>• Rapid innovation in skills provision (online/blended models)</li> <li>• Upskills the workforce to respond to future of work challenges such as digitisation, automation and AI and wider STEAM (Science, Technology, Engineering, Arts and Maths) skills</li> </ul>

## What is already being done to get residents back into jobs?

The West of England has one of the most highly skilled workforces in the country. Skills and training are at the core of our economic recovery. Whether that's helping residents keep their jobs, find new opportunities or join the workforce for the first time. WECA developed the region's employment and skills plan and is bringing partners together to ensure that residents can get the skills and training they need for our region's businesses. Devolution means that WECA can use the region's Adult Education Budget to ensure that adult skills provision meets the needs of our learners and our businesses. We have already taken a number of actions to help residents get back to work as part of our crisis response. This has included:

- Ensuring the continued delivery of the Adult Education Budget to help adults over the age of 19 to develop the skills and qualifications they need for life, work, apprenticeships and further

learning, with a particular focus on the most disadvantaged

- Expanding **Future Bright** to reach people affected by the pandemic, which offers FREE career coaching, training and support to help people develop the skills and confidence they need to take their next step
- Re-framed and launched the £8m **Workforce for the Future** project to engage SMEs with skills/training brokerage and skills planning – focusing on sectors, groups or places where the Covid-19 impact has been higher
- Adapting and expanding the **West of England Careers Hub** to help young people plan their careers
- Supporting the development of **iSTART**, an innovative digital skills programme aiming to support people from diverse social and educational backgrounds to gain new skills leading to high quality jobs in the creative and digital sectors

## Actions: Get residents back into jobs continued

We are also working closely with Government and partners in the region to maximise the regional impact of national initiatives such as the **'Plan for Jobs'** and lead a co-ordinated regional response to **'Kickstart'** and **'Sector Based Work Academies'** to ensure complementary with our regional initiatives.

Most significantly, we have set up Redundancy Response Initiative to deliver targeted support to businesses at risk of, or making, redundancies.

### Redundancy response and talent retention platform

The Redundancy Response Initiative has been formed to deliver targeted support initiatives to businesses at risk of, or making, redundancies. The group is coordinated by the West of England Combined Authority and includes the local councils, Department of Work and Pensions (DWP), National Careers Service (Adviza), Serco, Western Training Provider Network (WTPN), South West Trade Union Councils (SWTUC), Federation for Small Businesses (FSB) and Business West.

Through the **West of England Growth Hub** businesses of all types can access free information and guidance on managing workforce pressures to avoid or minimise redundancies. Advice is also provided to support employees through the redundancy process and help people to secure alternative employment or training. Businesses of any size in the West of England can access the support that includes workforce planning, HR advice and guidance, employability support, training and skills development and coaching.

We are also developing a Talent Retention Platform for the region, to help redeploy people into alternative employment and training and enabling businesses to source talent.

### Adult Education Budget

WECA has devolved responsibility for the **Adult Education Budget (AEB)**, amounting to £15m per annum to help adults over the age of 19 to develop the skills and qualifications needed for life, work, apprenticeships and further learning. AEB will continue to provide the underpinning foundational skills needed by residents to access regional opportunities, particularly considering increased need, as unemployment rates rise. With our support, AEB providers have already undertaken extraordinary work to ensure that delivery was able to continue as fully as possible during the lockdown and are now working on plans to enable a full return to learning in September. We have also begun to secure some additional resource from Government – funding for high value qualifications and **Sector Based Work Academies** – and will deploy this accordingly as part of the overall recovery effort.



## What are we going to do next to get residents back into jobs?

We will co-design and work with partners to put in place three strategic programmes detailed below:

### Strategic programmes

<p><b>REDUNDANCY RESPONSE</b></p> <ul style="list-style-type: none"> <li>• We will further enhance the <b>Redundancy Response initiative</b> which provides support to businesses experiencing large-scale redundancies, by developing a <b>B2B Talent Retention Platform</b> to help re-deploy workers to employers which have vacancies</li> <li>• In the medium term this will develop into a regional <b>Employment and Skills Opportunities Portal</b> providing:             <ul style="list-style-type: none"> <li>– A 'one front door' approach to skills development with diagnostic and signposting support.</li> <li>– An SME skills brokerage service to help SMEs retain and upskill their workforce (funded through WECA's Workforce for the Future Project)</li> </ul> </li> </ul>	 
<p><b>RAMP UP RE-TRAINING LINKED WITH NEW PACKAGES DEVELOPED AND DEPLOYED IN PARTNERSHIP WITH RECRUITING EMPLOYERS AND ALIGNED WITH GROWTH AREAS (INCLUDING LOW CARBON AND DIGITAL)</b></p> <ul style="list-style-type: none"> <li>• With our partners in the region (including further and higher education and the voluntary, community and social enterprise sector), we will develop a comprehensive and accessible <b>package of training and re-training opportunities</b> aligned with real job opportunities from employers as well as future growth areas including:             <ul style="list-style-type: none"> <li>– Digital skills (basic through to higher level)</li> <li>– Green skills</li> <li>– Construction skills</li> <li>– Logistics</li> <li>– Health and social care (including voluntary, community and social enterprise)</li> </ul> </li> </ul> <p>These programmes will be co-developed with employers where there is a clearly identified sectoral need, in order to develop training programmes that align with industry need and opportunities available. This will be closely aligned with the government's '<b>sector based work academies</b>' as well as our all age access hub and inward investment activity to ensure training is linked to real job opportunities.</p>	   
<p><b>ADDRESS YOUTH UNEMPLOYMENT THROUGH DEVELOPMENT OF A REGIONAL APPRENTICESHIP SUPPORT SERVICE AND EXPANSION OF SECTOR-BASED APPROACHES TO NURTURE YOUNG TALENT FROM UNDER-REPRESENTED GROUPS</b></p> <ul style="list-style-type: none"> <li>• Use Workforce for the Future to             <ul style="list-style-type: none"> <li>– Develop a bespoke Regional Apprenticeship Support service to maximise take-up and completion of apprentices including an apprenticeship communication strategy</li> <li>– Expand Sector Based Approaches (eg Creative Workforce for the Future) to nurture young talent from under-represented groups</li> </ul> </li> <li>• In the medium term, we will pilot Regional pooling of unspent levy funds to widen participation in apprenticeships amongst disadvantaged groups and specific cohorts</li> <li>• Delivery of Reboot West, a programme to support young people leaving care into work and training</li> </ul>	

# Actions: Strengthening inclusion

## What is our ambition?

Whilst our short term ambition must be to prevent further widening of inequalities, in the longer term our ambition is to build an inclusive economy where everyone has the opportunity to achieve their potential and pre-existing inequality gaps are reduced.

## What are the key issues, challenge and opportunities?

Issues and Challenges	Opportunities
<ul style="list-style-type: none"> <li>Disadvantaged communities hardest hit –exacerbating pre-existing inequalities</li> <li>Pre-existing unemployed no further away from the labour market</li> <li>Loss/reduction in all types of childcare and challenges for all carers</li> <li>Increased digital exclusion (including rural communities)</li> <li>Voluntary, community and social enterprise sector threatened by loss of income streams as well as increased demand</li> <li>Information about support packages not reaching all communities</li> <li>Increasing mental health problems in and out of work</li> <li>Increase in number of young people that are not in education, employment or training (NEET)</li> </ul>	<ul style="list-style-type: none"> <li>Growth in volunteering stimulated by the pandemic</li> <li>To use voluntary, community and social enterprise sector to deliver support to targeted communities, building on their expertise</li> <li>Higher levels of entrepreneurship amongst Black, Asian and minority ethnic groups (BAME) and migrant communities<sup>1</sup>, provides opportunity for inclusive recovery. Women, younger people and BAME groups are motivated by ‘creating meaning’ as well as making money when starting a business<sup>2</sup>, providing an opportunity for a growth in social enterprise.</li> <li>Participatory cultural activities</li> </ul>

## What is already being done to strengthen inclusion?

Inclusive growth is at the heart of the West of England’s strategic ambition, forming a key pillar of the Local Industrial Strategy and associated Employment and Skills Plan. As such, pre-pandemic, there were a number of projects underway aiming to address the challenges faced by excluded groups. These included:

- **Future Bright** (all)
- Mentoring for Growth (all)
- Women into Digital Jobs, Education and Training (WIDJET) (women)

- Thrive West (disabled people/mental health)
- Get well, get on (disabled people/mental health)
- Apprentice Hub West (young people)
- Realising Talent (young people)
- Stepping Up (BAME/Disabled people/Women/LGBT)
- West of England works (BAME/young people/disabled people/ex-offenders/carers)
- Achieving Aspirations (Young people/care leavers)

1 <https://www2.aston.ac.uk/news/releases/2018/july/immigrants-twice-as-entrepreneurial-as-white-britons>

2 <https://www2.aston.ac.uk/news/releases/2018/july/immigrants-twice-as-entrepreneurial-as-white-britons>

Where appropriate, these projects have been re-orientated to respond to the changing circumstances due to Covid-19.

### Expanded Future Bright

**Future Bright** offers free career coaching, training and support to help people develop the skills and confidence they need to take their next step. Future Bright provides dedicated careers coaches who provide support by creating a personalised action plan.

The eligibility criteria for the Bright initiative has been expanded allowing dedicated 1:1 coaching support for people who have been impacted by Covid-19:

- Been made redundant or laid-off
- Are at risk of redundancy
- Have had their hours significantly reduced, and therefore have a reduced income
- Are self-employed and whose income or ability to earn has been severely impacted
- Are furloughed employees, if their reduced income means they are eligible for Universal Credit

The West of England Combined Authority provided **£3.6m** so that the scheme can continue for an additional 3 years from January 2021. Sign-ups under the Covid-19 criteria are over 30% of the current referrals into the Future Bright. The Future Bright offer forms part of the rapid redundancy response for business and can be contacted via the teams embedded in our councils.



## What are we going to do next to strengthen inclusion?

As a cross-cutting theme and a priority for the region, many of the proposals highlighted in this recovery plan contribute to the objective of strengthening inclusion, particularly those highlighted under 'Getting residents back to work', which are open to all, but will target groups and communities hardest hit by the pandemic. Equally, we have considered how initiatives to support a green recovery also contribute to inclusive growth – for example, our plans to decarbonise our transport infrastructure include action to help us become a leader in accessible public transport by putting in place the mechanisms to better understand the needs of the least able.

The actions highlighted in this chapter represent specific initiatives which have a particular focus on strengthening inclusion. In the short-term and using existing capacity we will:

- **Maximise delivery of the Realising Talent pre-NEETs project**, to ensure provision is closely co-ordinated with Government investment to ensure young people at risk are identified early and supported into further learning, training or work
- Flex our Adult Education Budget to **increase access to and take-up of basic digital skills** by the most vulnerable and disadvantaged groups
- Use our convening powers to set up a **Regional Childcare Response Group** to monitor the childcare situation across the area, identifying gaps as they emerge and work to develop solutions
- Use our convening powers to **co-design and implement an inclusive communication model** to raise awareness of national, regional and local support initiatives and public information to improve the flow of accurate and timely information to all members of our community.

## Actions: Strengthening inclusion continued

This could help to:

- Manage the health risks associated with the pandemic by ensuring everybody is aware of the latest advice and guidance
- Improve take-up of national and regional support initiatives, ensuring everybody is able to benefit from schemes which they are eligible for
- Improve confidence in local services and amenities by communicating how services have been made Covid-19 secure.

Alongside this, we will co-design and work with partners to put in place three strategic programmes which are specifically targeted to 'Strengthen Inclusion':

### Strategic programmes

<p><b>Strengthen engagement to help under-represented groups access skills, enterprise and business support through a network of community champions.</b> New programmes will be introduced to ensure skills and enterprise support is targeted at priority neighbourhoods/groups across the region's diverse urban and rural communities which face a plethora of socio-economic barriers to accessing support. This will identify a network of champions to work with the Growth Hub in an action-based learning method, which continually informs the delivery of existing and new interventions.</p>	
<p><b>Fast-track the development of the community grant scheme</b> set out in the region's Employment and Skills Plan, to find new innovative methods to help disadvantaged communities and groups access employment and skills support, building capacity for recovery and resilience. This could include participatory cultural activities, which could be delivered by creative freelancers.</p>	
<p><b>Creating opportunities for 'Better Employment':</b> Creating good, accessible jobs which are paid at least the Real Living Wage, through a mixture of linked supply and demand side measures. These will build on existing initiatives such as Workforce for the Future and include the development of a 'Good Employer Standard' supported by a network of anchor institutions across the region leading the way.</p>	



# Actions: Supporting a green recovery

## What is our ambition?

To use the changes in behaviour brought about by the pandemic to accelerate our transition to net zero carbon.

## What are the key issues, challenge and opportunities?

Issues and Challenges	Opportunities
<ul style="list-style-type: none"> <li>• Energy use reduced during lockdown due to reductions in travel and activity, but shifted to the home, highlighting importance of home energy efficiency</li> <li>• The region has high numbers of low efficiency housing</li> <li>• Risk that benefits will re-bounce as the economy re-starts</li> <li>• Risk of long-term damage to public transport due to low public confidence and Government advice</li> </ul>	<ul style="list-style-type: none"> <li>• Levels of cycling and walking have increased, car trips have reduced as more people have worked at home and air quality has improved. But the number of car trips are bouncing back as lock down restrictions are eased</li> <li>• Lockdown measures reduced electricity demand by at least 15%</li> <li>• A return of nature to our streets, garden and woodlands which has increased public support for a more bio-diverse future</li> <li>• Government is investing up to £40m in a Green Recovery Challenge Fund</li> <li>• Growing 'green economy' and low carbon market growing faster than wider economy</li> <li>• National £3bn market stimulation initiatives including the National Home Retrofit Package</li> <li>• Existing R&amp;D/innovation platforms which stimulate the design and manufacture of low carbon goods and services present in region</li> <li>• Demonstration projects including Future of Flight, Future Transport Zone and Made Smarter</li> </ul>

## Actions: Supporting a green recovery continued

### What is already being done to support a green recovery?

There is a huge amount of work going on to reduce carbon emissions in our region already. WECA has committed significant investment to innovation, low carbon public transport, walking and cycling, renewable energy generation and supporting businesses to transition to low carbon ways of doing things. This includes:

- Investing £5m in the new **Digital Engineering Technology and Innovation (DETI)** project – this will reduce carbon emissions by developing better products that are lighter, more fuel efficient and have less waste
- £10 million investment in the **Institute for Advanced Automotive Propulsion Systems (IAAPS)** global centre of excellence developing ultra-low and zero emission vehicles
- Our £1.7m **West of England Low Carbon Challenge Fund** – supporting small and medium-sized businesses to improve their energy efficiency through the **Green Business Grant**, and increasing innovative renewable energy generation in the region to deliver community benefits through the **Local Energy** scheme.
- Development of the **West of England Energy Strategy**, which is already taking steps towards the decarbonisation of the energy system. In addition, WECA hosts the **South West Energy Hub** which is helping to identify, develop and implement local renewable energy projects.
- The **Joint Green Infrastructure Strategy** is already taking a significant step towards developing, protecting and enhancing green infrastructure
- The recently adopted West of England Bus Strategy sets out our pre-covid objective of doubling passenger numbers to meet our goal of carbon neutrality

In terms of transport, WECA as the Transport Authority have worked with transport providers to ensure key workers could get to their place of work safely through measures which kept the buses running, communicated travel advice and implemented temporary measures such as temporary cycle lanes and wider pavements.

Alongside our recovery plans we are also developing our climate emergency action plan. These two pieces of work align and are mutually reinforcing. It is about supporting our climate emergency goal alongside securing our economic future following the Covid-19 outbreak. Through the recovery plan and the Climate Emergency Action Plan we can better integrate low-carbon solutions in a way that boosts growth and puts the region on a firm long-term net-zero carbon footing.

### What are we going to do next to support a green recovery?

In the short term and using existing capacity we will:

- Use the South West Energy Hub (hosted by WECA) and the Local Energy Scheme, to identify and develop business plans for local renewable energy projects in order to secure investment through a range of Government funding initiatives including the £1bn **public sector and social housing decarbonisation scheme** and future investment as part of plans to 'Get Britain Building' post Covid.
- Maximise the region's share of the **Green Recovery Challenge Fund** by supporting regional charities and agencies to access the funding, as well as exploring the potential to create a mechanism for local businesses to invest in charities that are developing, protecting and enhancing nature in the region.

Alongside this, we will put in place three strategic programmes to support a green recovery:

## Strategic programmes

<p><b>MAXIMISE THE REGION'S SHARE OF NATIONAL GREEN STIMULUS PACKAGES</b></p> <p>By undertaking preparatory work to better understand the local building retrofit market including an assessment of:</p> <ul style="list-style-type: none"> <li>• the local buildings retrofit market and barriers to growth</li> <li>• the local skills market and development needs to ensure local people have skills to deliver high quality retrofit and the next generation of zero carbon homes]. Delivered through 'Getting Residents back to work'</li> <li>• Best practice interventions to support start-up and growth and supply chain development</li> </ul>	   
<p><b>EXPAND THE LOW CARBON CHALLENGE FUND AND GREEN BUSINESS GRANTS</b></p> <p>The European Regional Development Fund (ERDF) funded Low Carbon Challenge Fund and Green Business Grant Scheme already supports SMEs to improve their energy efficiency through the <b>Green Business Grant</b>, and increasing innovative renewable energy generation in the region to deliver community benefits through the <b>Local Energy</b> scheme. In order to support more businesses to grow in a sustainable way, we will seek resources to expand the scheme by £1.895m. By expanding an existing scheme, we can rapidly scale-up support, allowing resources to be deployed quickly.</p>	 
<p><b>MAKE INVESTMENTS TO DECARBONISE OUR TRANSPORT SYSTEM</b></p> <ul style="list-style-type: none"> <li>• Build on the temporary measures put in place during lock down by investing a <b>further £10m in longer term cycling and walking solutions</b> to improve air quality, physical and mental health and reduce congestion</li> <li>• <b>Implement our long term £350m investment strategy</b> which includes:             <ul style="list-style-type: none"> <li>– Extensions and improvements to the <b>metrobus network</b>, connecting residents to job opportunities, improving connections with the Park and Ride as well as making it easier for people to change from one form of transport to another</li> <li>– <b>Increase rail travel</b> to generate over 1 million new rail journeys and give 80,000 people access to train services</li> <li>– Capturing the changes in travel that coronavirus has brought by investing £411m in walking and cycling routes over the next 16 years, focussing on 30 local high streets as well as improvements along 55 continuous cycle routes</li> <li>– Investigating the costs and benefits of developing a <b>new mass transit system</b> that will revolutionise the way we move around the area, dramatically improving congestion and air quality while reducing our carbon emissions</li> <li>– Developing a <b>Future Transport Zone</b> proposal which uses smart transport and technology to better manage our network as well as improving the user experience. A trial of e-scooters is one of the first projects that will offer a new way to travel around our region benefitting our residents, our environment and our economy. This is being fast tracked following the coronavirus outbreak.</li> </ul> </li> </ul> <p>Alongside these significant investments in transport, we will take steps to ensure that we become a <b>leader in low carbon accessible transport</b>, by designing a system that works for the least able. To do this we will set up a <b>public transport user panel</b> to guide both operational and strategic planning considerations as well as create a set of <b>accessibility standards</b> which will be assessed by 'quality checkers'<sup>3</sup></p>	  

<sup>3</sup> <http://qualitycheckers.org.uk/home>

# Actions: Renewing places

## What is our ambition?

Use the disruption and changes of behaviour brought about by the pandemic to re-think our approach to ‘place’ – creating greener, healthier, more vibrant places to live and work and so continuing to attract people from across the world.

## What are the key issues, challenge and opportunities?

Issues and Challenges	Opportunities
<ul style="list-style-type: none"> <li>• Massive fall in footfall in towns, shopping centres, high streets and city centres – which could trigger a spiral of decline</li> <li>• Tourism and cultural businesses have been hardest hit and some still not able to re-open or reopen sustainably</li> <li>• Threat to cultural ecology and attractiveness of region as place to live and work, if creative and cultural businesses close</li> <li>• Potential reduction in demand for workspace</li> </ul>	<ul style="list-style-type: none"> <li>• A strong history of culture-led place making</li> <li>• Increasing use of outdoor space by hospitality sector</li> <li>• The mix of urban, rural and coastal areas and range of cultural activities which providing an exceptionally diverse cultural ecology</li> <li>• A heightened public interest in green infrastructure</li> <li>• To create jobs through investment in infrastructure and affordable housing</li> <li>• To re-think our approach to place, using urban centres differently</li> <li>• To build a consensual approach to place-making through the Spatial Development Strategy, with our communities</li> </ul>

## What is already being done to renew places?

The West of England is a vibrant, diverse and creative region, which includes the thriving cities of Bristol and Bath as well as diverse towns, rural and coastal communities. It is our diversity which makes us special and attracts millions of visitors a year. We have a strong commitment to the creation of sustainable thriving places across the region and prior to the pandemic have been working with partners to:

- Support our high streets with a £10m **Love our High Streets Fund** to pilot innovative ways to transform our high streets and town centres
- Work with Arts Council England to develop a **Regional Cultural Strategy** and establish a **Regional Cultural Compact** to oversee its delivery.
- Started work on a new **Spatial Development Strategy** for the region

In response to the **Tourism Sector Deal**, Destination Bristol and Visit Bath, which currently represent around 900 business members and three local authorities, have proposed a new Destination Management Organisation that will represent the region, providing effective B2B services including a regional convention bureau, single membership scheme and pro-active travel trade engagement, while maintaining the individual Visit Bath and Visit Bristol brands providing strong consumer facing brands and digital platforms from which to launch tactical campaigns and host content.

## What are we going to do next to renew places?

In the short term and using existing capacity we will:

- **Revisit the draft Cultural Strategy and Cultural Compact** in the autumn to ensure we take every opportunity for culture to thrive and to support the implementation of our recovery plans. The Cultural Strategy and Cultural Compact work is part funded by Arts Council England who are fully supportive of our proposals to move this work forwards.
- **Undertake a review of workspaces/hubs to understand the impact of Covid-19 and propose remedial action** – the review will also identify where there are opportunities to expand so-called 'grow-on' facilities to capture new sectoral growth across the region's diverse urban and rural areas, making the case to government for additional capital funding where the need for public intervention is well evidenced.
- **Providing a single source of Information, Advice and Guidance, that builds on and shares best practice and innovative approaches to support a green reopening.** This will include building on existing best practice to make outdoor spaces safe, attractive and sustainable through Autumn and Winter and promotion of local supply chains, reducing supply chain miles and reversing the current trend for disposables.
- **As part of the Community Grant Scheme, explore opportunities to establish a community recovery programme.** A programme working closely with communities to deliver a series of creative activities to reinvigorate public places, encouraging inclusive participation and engagement as well as building confidence to return. This programme would engage with the freelance community, which has been particularly hit, to deliver.
- **Build a consensual approach to spatial planning, high quality design and place-making** through the Spatial Development Strategy development process. This will involve:
  - establishing an open dialogue with the Homebuilders Federation, housebuilders, housing associations, community groups and other stakeholders around a commitment to strategic plan-making and high-quality design and placemaking standards.
  - master-planning areas of emerging growth and regeneration with high quality design part of the development principles.

Alongside this, we will co-design and work with partners to put in place three strategic programmes to renew places:

# Actions: Renewing places continued

## Strategic programmes

<p><b>SECURING INVESTMENT IN INFRASTRUCTURE AND AFFORDABLE HOUSING</b></p> <ul style="list-style-type: none"> <li>Secure <b>investment in infrastructure and affordable housing</b> to maintain momentum in the construction sector and achieve our strategic place-making and decarbonisation objectives, as well as providing jobs for our local workforce. This could include:             <ul style="list-style-type: none"> <li>– establishing the delivery pipeline, and working with Homes England and delivery partners to get a funding plan in place, possibly via devolved funding settlement</li> <li>– establishing an increased and accelerated affordable housing programme to address the expected increase in need</li> <li>– potential use Mayoral Development Corporations (MDCs) to deliver sites with complex land ownership and/or infrastructure issues</li> <li>– establishing a skills development pipeline that aligned with the needs of the delivery pipeline. Delivered through 'Getting Residents back to work'</li> <li>– establishing a pipeline that will provide the level of certainty to make off-site manufacturing feasible, coordinated and/or driven by the public sector/Homes England, possibly over wider geography</li> </ul> </li> </ul>	   
<p><b>RE-IMAGINING AND RE-INVIGORATING OUR TOWNS AND CITY CENTRES</b></p> <ul style="list-style-type: none"> <li>Establish a new and <b>innovative town centre re-structuring programme</b> to revitalise the hardest hit areas, building on the renewed importance of local neighbourhoods and a greater awareness of 'local liveability' or the '15 minute city concept'. i.e. where you have everything you need to live your life within a 15 minute walking or cycling radius of your home, including employment opportunities, local shops and restaurants, leisure and cultural activities, green and even blue infrastructure.</li> <li><b>Develop a Regional Tourism Zone to rebuild domestic and inbound tourism and further strengthen our position as a destination of choice for inward investment:</b> We will revisit our previous work on regional tourism initiatives to develop a case for further investment into our region, supporting the new destination management organisation to develop a regional tourism zone proposal that would focus on addressing some of the barriers we have identified and building on our previous success with the 5G smart tourism pilot project.</li> </ul>	    
<p><b>ESTABLISH A CULTURAL, CREATIVE AND DIGITAL DEVELOPMENT FUND</b></p> <ul style="list-style-type: none"> <li>A new West of England Cultural, Creative &amp; Digital Development Fund would help these thriving sectors of our economy, significantly impacted by Covid-19, to adapt and innovate in response to changed consumer and visitor demand, helping reinvigorate and renew places (including struggling city and town centres). Funding could support a number of capital projects across the area.</li> </ul>	  

# Delivery and next steps

## Collective action

There will be collective responsibility for delivering and resourcing actions identified in this plan. The scale of challenge means that we will need to work collaboratively in partnership with both regional partners as well as across Government departments to maximise our impact. This means working with partners from across the public, private education and voluntary sectors to co-design and co-deliver the interventions highlighted here as well as complementary actions being taken forward by others.

## Using the resources we have

Since the start of the crisis, partners across the region have adapted and refocused existing initiatives to:

- ensure projects continue to deliver support to individuals and businesses in a COVID secure way
- ensure activity delivers against our recovery objectives and meets the new needs of end users

Full details of our existing activity can be found here: **Business Support, Employment and Skills, Transport**

As part of our existing £350m investment programme to drive economic growth across a range of business, skills and infrastructure projects, in June the WECA committee agreed £5m to help kick-start the early work of the taskforce and short term priorities identified in this plan.

## Securing additional investment

Alongside other Combined Authorities, we are making the case to Government for long-term, devolved funding to allow us to achieve our ambitions and deliver sustained growth for UK Plc.

Our priorities submitted to Government for the 2020 Comprehensive Spending Review Submission reiterate this position, highlighting the need for long-term, flexible, devolved funding to deliver on both our long-term regional ambitions and our immediate recovery plans.

As well as securing direct investment from Government into the Combined Authority, we recognise the value to the region of partnership bids. We already work closely with partners in the public, private, education and voluntary sectors to secure external investment for projects that align with our regional ambitions and this will continue.

## What next?

However, there is much still to be done in considering our long term response. Whilst the pandemic has caused massive changes in behaviour and accelerated trends such as home working and digitisation, the extent to which these changes will be permanent is not yet clear. Therefore the taskforce will continue to work through some of the more complex and challenging long term issues and further strategic action may be brought forward in due course or taken forward through other strategic plans.

# What will be the impact?

## What will we achieve?

Delivering the proposals in this plan will give the region a strong foundation for recovery. Our current plans will deliver the outcomes below by 2025, and we will continue to drive up the impact of our action as we develop the proposals. WECA is investing over £500m up to 2025 to support the region's recovery and economic development, in line with this plan and the local industrial strategy.

	<p><b>Rebuilding business</b></p> <p>Over 11,200 businesses supported to adapt their operations, boost staff skills, and innovate                  £90m planned investment in innovation facilities and research and development projects, and a pipeline of new projects of £300m+</p>
	<p><b>Getting residents back into jobs</b></p> <p>1,800+ jobs created, plus 750 construction jobs a year across our investments                  22,000+ training and skills placements each year</p>
	<p><b>Strengthening inclusion</b></p> <p>Support residents to access good, secure jobs                  Deliver careers advice to 95 schools and colleges                  10,000 people take online mental health at work course                  Widen community access to business and skills support</p>
	<p><b>Supporting a green recovery</b></p> <p>Support retrofit of homes                  1m new rail journeys, and walking and cycling transformed in 30 high streets                  60 new low carbon business grants</p>
	<p><b>Renewing places</b></p> <p>£320m+ invested in the region's transport and housing by 2023                  Spatial Development Strategy established through consensual approach                  Publish Cultural Strategy &amp; establish Cultural Compact                  Strategies in place for the town and city centres most vulnerable to changing movement and shopping patterns</p>

# Appendix 1: How the plan has been developed

## The West of England Recovery Taskforce

Led by Regional Mayor, Tim Bowles, the Recovery Taskforce is a partnership between the West of England Combined Authority, the Local Enterprise Partnership, business, universities and the region's councils. Membership details can be found [here](#):

The role of the task force is to:

- Putting together a recovery plan, which will include measures to help businesses adapt to the new economic landscape and improve resilience, as well as support for residents to develop new skills, training and employment opportunities.
- Looking at the impact of the government's economic measures on businesses and communities, identifying where additional support is needed.
- Feeding back to government, lobbying to ensure the West of England has what it needs for economic recovery; advising and supporting a managed exit from lockdown arrangements, identifying the next stages of financial support needed.
- Making sure the West of England has the right public transport, physical and digital infrastructure. WECA is already working with bus and rail companies to ensure key workers can get to work. This work with public transport partners will continue, to ensure they continue to operate as we move into recovery.

The task force met monthly from May to October.

## Gathering evidence and intelligence

The Recovery Plan has been informed by a robust economic intelligence gathering which has included monitoring of key economic indicators as well as qualitative information from our Growth Hub business engagements, nine sector groups, as well as the Regional Business Insight Panel and Skills Advisory Board. A regular economic briefing is available on our [website](#).

## Consultation with wider stakeholders

In addition, representatives from a range of community groups and organisations working to support disadvantaged groups and communities were consulted through a series of telephone interviews and a workshop to discuss the draft strategy.

We will further engage with our stakeholders and members of the public on the next stages of our regional recovery.



**West of England Local Enterprise Partnership  
Board meeting – 1 October 2020**

**CLIMATE EMERGENCY ACTION PLAN**

**Purpose of the report**

In July 2019 the West of England Combined Authority Committee agreed to develop an action to plan to work up the options and actions for delivering carbon neutrality by 2030.

This report provides the draft Climate Emergency Action Plan.

The plan has been developed with input from representatives from our unitary authority partners, who have given their time, knowledge, expertise and skills to inform its content through a series of workshops. We will continue this co-production approach as we implement the actions in this plan.

We have also worked closely with business and community groups, through the low carbon sector group, to understand their needs and how WECA can help foster green innovation and invest in the skills needed to make sure our region takes advantage of the economic benefits of clean growth.

**LEP Board is asked to**

- Note the draft climate emergency action plan in advance of the 9 October meetings of the WECA Committee and West of England Joint Committee.
- Recognising that addressing the climate change emergency will require action from a wide range of partners across the region, consider the role the LEP Board can play in focusing and coordinating that activity. Considering:
  - actions Board members organisations can take;
  - the Board's role in stimulating, and providing a focus for activity both between Board members organisations and with the wider business community;
  - the Board's role in identifying and championing best practice examples and low carbon innovation;
  - the role the Board wants to take in the implementation of the Climate Emergency Action Plan including whether the Board wishes to a group / champion to take forward work in this area.

**Background**

**Context**

Climate change poses a clear and serious threat, affecting our future environment and prosperity of our region. The IPCC's recommendations are clear – limiting global warming to 1.5 degrees (rather than 2 degrees) between now and 2052 will significantly reduce the effects of global warming.

Government has recognised this, and the UK is the first country to commit to becoming net carbon zero by 2050. WECA has gone further than this, committing to carbon neutrality by 2030. This is in line with our partner Unitary Authorities.

WECA is committed to playing our role in influencing and supporting local action through the funding and strategic policy decisions we make, but we do not have the powers or funding to deliver this goal on our own. We will need to work in partnership nationally, regionally and locally to accelerate our journey towards net zero carbon future. This draft action plan sets out the actions WECA will take, within our powers, to support the rapid delivery of this climate emergency goal for the West of England.

The plan is not intended to be fixed, nor can it predict an absolute pathway to carbon neutrality. Over the next few years there will be decisions nationally on the future of our energy production and supply, as well as investment in new green fuels; these decisions by Government will influence our ability to reach our climate emergency goal regionally. By focusing our efforts on the steps, we can take now and over the next five years, to support and enhance local delivery we are putting the West of England on the pathway towards net zero carbon and are not constrained by the big and structural decisions Government needs to take to make our net zero carbon future possible.

The diagram below sets out how responsibility lies between the stakeholders.



### Impact of Covid-19 pandemic

The climate emergency action plan will be a key part of our Covid-19 recovery plan. It is about supporting our climate emergency goal alongside securing our economic future following the covid-19 outbreak. It will be a part of a set of plans for the region, that stem from our Local Industrial Strategy, and take the ambitious action needed to deliver clean and inclusive economic growth.

The Combined Authority has actively reviewed its key activities and work programme to reflect changing priorities as a result of the Covid-19 pandemic. Specific issues relating to the Covid-19 situation that impact on or are addressed through this report are as follows:

- Work towards the decarbonisation of the transport system and increase cycling and walking and the use of public transport; building on positive behaviour change following the covid-19 lockdown period
- Help business and local people benefit from growth in the green economy; maximising government green recovery investment in the region and supporting our businesses to build back better

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# West of England Climate Emergency Action Plan

September 2020

## Foreword

### Tim Bowles, Mayor of the West of England

*The West of England has set an ambitious goal to achieve our part in tackling climate change and take meaningful steps towards a low carbon economy which enhances regional action.*

*As we recover from the Covid-19 pandemic, protecting and securing jobs, helping businesses rebuild and making sure our workforce has the skills and qualifications for the jobs of the future is going to be of profound importance to our region. That is why I was determined that both our economic recovery and renewal plans and our Climate Emergency Action plan should be properly integrated, rather than standing apart.*

*We have a track record of delivering on our pledges to reduce emissions. In the West of England, carbon emissions have reduced 35% since 2005, through local renewable energy generation, insulating homes and reductions in coal generation. The region emits 14% less carbon per person than the national average. Now we can work together to take this further.*

*We are investing in our railways and buses, creating safe routes to cycle and walk and using new technologies like our e-scooter trial, all so that we all have practical low-carbon alternatives to get around our region. In all, £123m of the £133m allocated to transport by the Combined Authority so far has been on sustainable modes of transport, demonstrating our clear intention to act. We are supporting renewable energy generation and helping our businesses to transition to low carbon ways of doing things, so that we can all play our part, through small and large steps alike. And at the Combined Authority, the impact on our commitments to tackle climate change is now explicitly considered as part of every decision we make.*

*But it is not just where we live that we are playing our part in reducing emissions. Thanks to work that is being pioneered in the West of England, and in many cases being supported by the Combined Authority, our region is having a global impact on cutting carbon emissions. From supporting low carbon innovation in the aerospace, automotive and energy sectors, to our world class creative industries telling stories of the natural world that inspire others to act.*

*Our target of reaching net-zero by 2030 is ambitious. This is an ambitious plan. It sets out the scale of the challenge and the action that we need to take, working with the Government, our councils, businesses and residents, in order to meet it.*

## Climate emergency goal for the future of our region

The West of England has set an ambitious goal  
for tackling climate change

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***'In 2030, the West of England is net zero carbon'***

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This goal is shared by our unitary authority partners and is a key part of our covid-19 recovery plans. This integrated approach provides us with an opportunity to reboot our economy in a way that also benefits the environment.

WECA is committed to playing our role in influencing and supporting local action through the funding and strategic policy decisions we make, but we do not have the powers or funding to deliver this goal on our own. We will need to work in partnership nationally, regionally and locally to accelerate our journey towards a net zero carbon future.

This action plan sets out the actions WECA will take, within our powers, to support the rapid delivery of this climate emergency goal for the West of England.

## The action plan at a glance



### Low carbon transport system

Work to decarbonise the transport system and increase cycling and walking and the use of public transport; building on positive behaviour change following the covid-19 pandemic lockdown period



### Low carbon business

Help business and local people benefit from growth in the green economy; maximising government investment in the region and supporting our businesses to build back better



### Renewable energy

Work to decarbonise the energy system and increase local renewable energy



### Low carbon buildings and places

Increase the energy performance of buildings and develop low carbon standards in new developments



### The green environment

Protect and enhance the environment through a proactive approach to green infrastructure

## Impact of climate emergency on the region

Climate change poses a clear and urgent challenge, affecting our future environment and prosperity of our region. The Intergovernmental Panel on Climate Change's [IPCC] recommendations are clear – limiting global warming to 1.5 degrees [rather than 2 degrees] between now and 2052 will significantly reduce the effects of global warming.

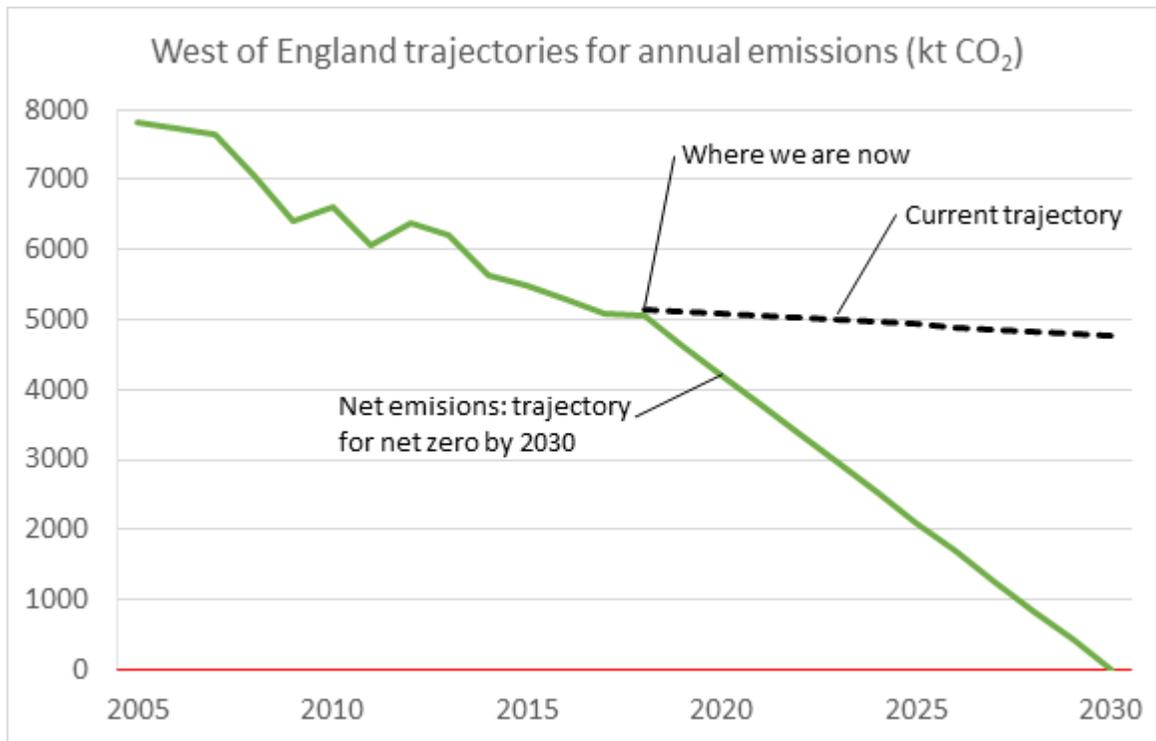
Government has recognised this, and the UK is the first country to commit to becoming net carbon zero by 2050. The West of England has gone further than this, committing to carbon neutrality by 2030. This is in line with our partner Unitary Authorities.

To achieve this goal, we will need to rapidly reduce carbon emissions in the region as well as adapt to the impacts of climate change such as increased heat, drought and flooding. This will require changes in the way that we act and make decisions. However, the way to achieve this goal is complex and will require a collaborative approach between national government, combined authorities, unitary authorities, individuals, business and international government.

## Regional emissions

The region has achieved significant cuts to emissions in recent years. The West of England produced 5,154kt of CO<sub>2</sub> in 2018, a 35% reduction from 2005<sup>1</sup>. This represents 4.5 tonnes of CO<sub>2</sub> per person in the West of England, compared with 5.2 tonnes per person across the UK.

As the national electricity grid has decarbonised, household and business emissions have fallen considerably, but there remains a significant challenge. 27% of the region's emissions come from business, 29% from households, and 44% from transport. Transport emissions have been more difficult, falling 5% across the region since 2005. And overall, across all uses, around 90% of all the energy used in the region comes from fossil fuels.



To meet our carbon reduction goal by 2030, emissions must fall by 18% every year.

<sup>1</sup> This figure is for CO<sub>2</sub> only, as data for other greenhouse gasses are not available. Source: BEIS UK local authority carbon dioxide emissions statistics

It is also possible to estimate the emissions impact of all goods and services consumed by residents of the West of England ['consumption emissions']. This equates to emissions produced in the region, plus the emissions of imported products, and less the emissions of exported products. Consumption emissions are harder to calculate because the emissions associated with foreign products are difficult to measure. Based on the UK average, consumption for the West of England could reach 10,500kt CO<sub>2</sub>, 1.9 times production emissions<sup>2</sup>.

UK production emissions have been falling since 1973, whereas consumption emissions have only fallen since 2007. This reflects the deindustrialisation of the economy, as consumers have become more reliant on imported manufactured products. Action set out within this plan focuses primarily on emissions produced in this region, as consumption emissions require action from national and international Governments.

### Economic benefits of low-carbon transition

National and global investment in the transition to a zero-carbon economy presents significant opportunities for innovation and growth. The low carbon economy is predicted to grow by 11% per year up to 2030, creating around one million jobs nationally. This could represent 35,000 new jobs in the West of England by 2030, and 65,000 by 2050<sup>2</sup>. Areas of green sector growth include:

- Low carbon electricity products and services, which could grow by 5-7% per year to 2030
- Products and services for low emission vehicles could grow by 20-30% per year to 2030
- Low carbon financial services could grow at over 10% per year to 2030.

Across all these sectors, the West of England has pre-existing strengths in businesses, skills, and innovation capacity, and could look to build on these.

A further economic opportunity arises in recovery from the covid-19 pandemic. Green stimulus measures taken after the 2009 financial crisis created more jobs than traditional stimulus and can achieve cost-savings in the long-term. This makes the case for investment in green jobs and industry to deliver a long-term boost to our economy.

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<sup>2</sup> Ricardo, *UK business opportunities of moving to a low carbon economy*, 2017

## Covid-19 pandemic is reshaping emissions

The covid-19 pandemic has had a radical and rapid impact on economic activity and carbon emissions. As the Committee on Climate Change points out, lockdown is not a blueprint for reducing emissions, and “it is unlikely that the pandemic will fundamentally alter the trajectory for emissions”<sup>3</sup>. However, the pandemic presents opportunities to build on changes in behaviour that have occurred and highlights the importance of early and long-term planning for transition.

There has been a short-term fall in emissions as a result of the lockdown period. Overall, global emissions fell by around 5% in the first three months of 2020. The fall in 2020 is likely to be more than any previous year and much larger than the drop following the 2009 financial crisis, however this percentage decline will need to be increased and repeated year after year to meet net zero goals. In the medium term, the impact of the pandemic on emissions will depend on how carbon intensive the world’s stimulus is during recovery.

### During lockdown

- Daily emissions in the UK fell by 31% during the peak in April and May
- Energy use fell by 15% in the UK in March-May, particularly due to reductions in transport<sup>4</sup>
- Household water use rose by up to 40%, increasing pressure on natural resources
- Rush hour air pollution vanished in cities
- There has been a walking and cycling boom and cities have been reconfigured to support this [£2 billion invested in the UK]
- There has been a return of nature to our streets, gardens, woodlands and greenspaces
- There has been an increase in people shopping locally, helping to revitalise our local high streets

But:

- Short-term reductions in emissions will have minor long-term effects
- Emissions will rebound as lockdown ends, economies rebuild, and people return to work
- If recovery stimulus is invested in carbon intensive ways, emissions could rise faster. The extent of this will depend on the speed of recovery and the action taken

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<sup>3</sup> Committee on Climate Change, *Reducing UK emissions Progress Report to Parliament*, June 2020

<sup>4</sup> BEIS, *Energy Trends and Prices statistical release*, 30 July 2020

This climate emergency action plan is fully integrated with our recovery plan making sure we make the most of the opportunity to re-build through proposals that deliver a net zero carbon approach.

### **Approach: working together to deliver the ambition**

This plan is a key part of our covid-19 recovery plan. It is about supporting our climate emergency goal alongside securing our economic future following the covid-19 pandemic. It is part of a set of plans for the region, that stem from our Local Industrial Strategy and covid-19 recovery plan, and take the ambitious action needed to deliver clean and inclusive economic growth.

It sets out the next steps WECA will take to support a net zero region, building on the carbon reduction programmes and initiatives already underway. Such as the £1.7m Low Carbon Challenge Fund and the Green Business Grant scheme, as well as activities undertaken by our unitary authority partners.

The plan brings together key actions WECA can take across 5 high-level challenge areas to support rapid delivery towards our regional goal. It is essential, however, that we take an integrated approach across these 5 high-level challenge areas as this will enable us to achieve so much more. Working together across the challenge areas we can deliver low carbon improvements to our economy and the ways we travel around the region.

The plan also provides a framework for discussion with Government on the additional powers, funding and regulatory change needed to accelerate delivery towards a zero-carbon future. Without government action on key areas such as planning WECA's ability to deliver on areas such as zero carbon new buildings will be constrained.

Simply reducing our emissions will not be enough. We need to adapt to the impacts of climate change that are happening today such as flood and extreme weather events. The scope of this action plan will also consider how we adapt to the impact of climate change, recognising the importance our environment, green spaces and natural habitat has on protecting us from the impact of climate change.

**Using this plan as a guide we will:**

- Continue to call on Government to introduce policies, funding and incentives to enable rapid transformation to net zero carbon pathway and climate resilience by 2030.
- Support our unitary authority partners and other stakeholders to progress low carbon actions, recognising that WECA does not have all the powers, funding or levers needed to deliver it on our own.
- Work with our businesses to drive action, for example through the Low Carbon Challenge Fund; supporting businesses to adopt more energy efficient measures and practises.
- Embed our net zero carbon goal within our business plan, policy, programmes and projects

Delivering our regional goal will be complex and will require action by national government, combined authorities, unitary authorities, individuals, business and international government. WECA does not have the funding or levers to do it all alone. The below diagram sets out how responsibility lies between stakeholders.



The plan is not intended to be fixed, nor can it predict an absolute pathway to carbon neutrality. Over the next few years there will be decisions nationally on the future of our energy production and supply, as well as investment in new green fuels; these decisions by Government will influence our ability to reach our climate emergency goal regionally. By focusing our efforts on the steps, we can take now and over the next five years, we are putting the West of England on the pathway towards net zero carbon and are not constrained in the short term by the big and structural decisions Government needs to take to make our net zero carbon future possible.

### Development of our plan

The plan has been developed with input from representatives from our unitary authority partners, business, community organisations and government who have given their time, knowledge, expertise and skills to inform its content through a series of workshops. We will continue this co-production approach as we implement the actions in this plan.

We have also worked closely with our businesses to understand their needs and how WECA can help foster green innovation and invest in the skills needed to make sure our region takes advantage of the economic benefits of clean growth.

### Monitoring progress

Each year, we will update and report on progress against actions set out in our 5 challenge areas, in line with WECA's monitoring and evaluation framework. As actions are developed to the business case stage, we will estimate the carbon reductions they will deliver with more precision and will evaluate these estimates during delivery. This approach will make sure that our actions evolve as we gain new learning and when things change nationally.

We will also carry out an assessment of the West of England's progress against the pathway to net zero carbon outlined earlier in this document. We will work with the unitary authorities in the region to continue to improve our understanding of the sources of carbon emissions, and progress made by government, businesses, and households.

The plan supports the delivery of a number of the United Nations Sustainable Development Goals [UN SDGs], including 'climate action', 'affordable and clean energy', 'good health and wellbeing', 'decent work and economic growth', 'industry, innovation and infrastructure', 'sustainable cities and communities', 'responsible consumption and production', 'life on land', 'partnership for the goals'. We will carry out an assessment of our progress, through this plan, of our contribution to these goals.

## Work is already underway

At the same time as developing this action plan work has continued to deliver existing carbon reduction programmes and initiatives. Since the spring of 2020 WECA has:

### Business and skills

**£5m invested in the Digital Engineering Technology and Innovation (DETI) project** to identify and develop the tools, technologies and processes needed to accelerate low carbon products.

**£10 million invested in The Institute for Advanced Automotive Propulsion Systems (IAAPS)** global centre of excellence developing ultra-low and zero emission vehicles

**Low Carbon Challenge Fund; a £4.2m project** that includes £1.7m ERDF, has supported SMEs to improve their energy efficiency through the Green Business Grants scheme. So far **54 SMEs** have received a free energy survey and 26 businesses have been awarded over £200,000 grant.

Through the **Local Energy Scheme**, £500k has been awarded to support a local renewable energy project, demonstrating our commitment to increase the number and quality of local renewable energy projects.

### Infrastructure

**£123m of the £133m allocated to transport** so far has been focused on sustainable modes reflecting the region's priority to invest in low carbon public transport and cycling and walking.

**£28m** of national and local funding committed to Future Mobility Zone proposals. This includes E scooter trial will take place in 2020 - one of the first projects that will offer a new way to travel around our region.

**£10m** to be allocated to walking and cycling measures and **£3m** for active travel and public transport measures to supporting recovery following the covid-19 pandemic.

We host the **South West Energy Hub** – a £4m project funded by Government to increase the number and quality of local energy projects across the South West. It supports a range of different projects, from home energy retrofit to low carbon electricity and heat generation.

This continued investment in innovation, low carbon transport, renewable energy and SME's in the region, will help us to go further and faster to support the transition to net-zero carbon.

## Going further and closing the gap

The following section sets out the actions WECA will take over the next five years to support rapid action towards the regions goal and put us on the right path to achieving net carbon neutrality in the West of England.

The plan focuses on 5 challenge areas where action will need to be taken to achieve the region's goal. These challenge areas are underpinned by evidence and focus on the actions WECA can take to enhance regional action, building on work already underway by us and our partners.

Our five challenge areas are:

- **Low carbon transport system:** Work to decarbonise the transport system and increase cycling and walking and the use of public transport; building on positive behaviour change following the covid-19 lockdown period
- **Low carbon business:** Help business and local people benefit from growth in the green economy; maximising government investment in the region and supporting our businesses to build back better
- **Renewable energy:** Work to decarbonise the energy system and increase local renewable energy
- **Low carbon buildings and places:** Increase the energy performance of buildings and develop low carbon standards in new developments
- **The green environment:** Protect and enhance the environment through a proactive approach to green infrastructure

The actions set out within each challenge area have been co-designed and developed in partnership with WECA officers, our partner unitary authorities and business. They are designed to show how WECA can use its influence and levers of actions to support the delivery of the net zero carbon ambition across the region. Wherever possible, they support and enhance the work already being undertaken by the unitary authorities, rather than duplicate their efforts.

Each challenge area provides further detail on the scale of the challenge, what success might look like over the next five years. Importantly, it also shows the co-benefits, or additional benefits that reducing carbon emissions can bring to the region.

## Challenge area 1: Low carbon transport system

### The challenge

Emissions from transport is one the largest contributors to greenhouse gas and CO<sub>2</sub> emissions [around 32% excluding railways] in the region and overall it is not reducing in line with other emissions. Furthermore, population growth means that car trips are expected to increase.

### Opportunities to build back better

Levels of cycling and walking have increased during the lock down period, car trips have reduced as more people have worked at home and air quality has improved. But the number of car trips are bouncing back as lock down restrictions are eased and there is a risk of long-term damage to public transport due to low public confidence.

### Our action so far

- £123m of the £133m allocated to transport so far has been focused on sustainable modes of transport reflecting the region's priority to invest in low carbon public transport and cycling and walking
- Secured £28m of national and local funding for Future Transport Zone proposals. This includes an E scooter trial which will take place in 2020 - one of the first projects that will offer a new way to travel around our region
- £10m to be allocated to fund walking and cycling measures and £3m for active travel and public transport measures that can be rapidly implemented to support covid-19 pandemic recovery
- Joint Local Transport Plan [JLTP] 4 aims to reduce the amount of car trips even considering the anticipated increase in population
- Bus strategy aims to double the number of bus trips by 2036

## Our strategy



### Low carbon transport system

Work to decarbonise the transport system and increase cycling and walking and the use of public transport; building on positive behaviour change following the covid-19 pandemic lock down period

#### Reduce the number of car trips

Actions to improve the uptake of active travel and public transport and disincentivise car trips including better journey planning and approaches to congestion

#### Increase active travel

Actions to increase the uptake of cycling and walking through the implementation of the Local Cycling and Walking Infrastructure Plan [LCWIP] including continuity of cycling and walking lanes, improved maintenance, provision of secure cycle storage, e-bikes and scooters and an active travel campaign.

#### Increase uptake of low carbon vehicles

Actions to increase the uptake of low carbon fuelled vehicles including encouraging public transport operators to convert to low carbon fuels and identify and address the barriers to the uptake of Ultra Low Emission Vehicles.

#### Increase the uptake of public transport

Actions to increase the uptake of public transport and to restore public confidence following the covid-19 pandemic. This includes continuing to plan for a mass transit system in the region and smart ticketing.

## Delivering further action

Appendix A sets out the next steps WECA will take to support a net zero region, building on the carbon reduction programmes and initiatives already underway in this challenge area. It includes actions to increase the uptake of cycling and walking through the implementation of the Local Cycling and Walking Infrastructure Plan, reduce car trips and increase the uptake of public transport.

### There are also co-benefits of acting in this area including:

- Improved air quality
- Active travel promotes good health: an increase in physical activity in the UK has been estimated to generate a potential saving to the NHS of £17 billion within 20 years<sup>5</sup>
- The UK cycle industry is worth three times more than the UK steel industry and employs twice as many people. Cycling related businesses currently generate at least £5.4 billion for the UK economy each year, and they sustain 64,000 jobs<sup>6</sup>

### How we will measure success:

Reduction in emissions from transport as a result of:

- Reduction in the number of car trips
- Increase in the uptake of active travel [cycling and walking]
- Increase in uptake of public transport [especially post covid – restoring public confidence]
- Increase in uptake of low carbon fuelled vehicles

#### ***The future of mobility***

*The West of England Combined Authority [WECA] will deliver a £28m Future Transport Zone [FTZ] programme trialling innovative public transport solutions.*

*The FTZ programme will evaluate how new technologies can be used to make it radically easier for people to move around the region through better journey planning, flexible ticketing, new ways of paying for transport, and better-connected transport networks.*

*By improving access to public transport, the FTZ programme will help to cut congestion, reduce emissions and improve our air quality.*

*The programme will also trial the use of e-scooters in the region; a new low carbon way to get around whilst also maintaining social distancing. The 12-month e-scooter trial will launch in Autumn 2020.*

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<sup>5</sup> Ashden p.14

<sup>6</sup> Ashden p.29

## Challenge area 2: Low carbon business

### The challenge

- In its clean growth strategy, Government estimates that the green economy could grow 11% each year, significantly faster than the projected growth of the economy.
- Green finance is a growing industry, with more financial institutions offering bonds and loans to finance environmental and climate projects.
- Better carbon efficiency can help businesses to increase productivity by bringing down costs.
- The Local Government Association is forecasting growth in as many as 694,000 low carbon jobs by 2030 and 1.18m by 2050.
- The physical risk of climate change e.g. flooding, heatwaves, wildfires, could have a detrimental impact on businesses, their supply chains and workforce.

### Opportunities to build back better

Government is investing £3billion in a green recovery package, this includes the Green Homes Grant (£2bn) estimated to support over 100,000 new jobs and the Green Jobs Challenge Fund (£40m) to create and protect 5,000 jobs in environmental sector. More flexible approaches to working from home could help reduce car trips, congestion and emissions.

### Our action so far

- Green Business Grants, part of WECA's Low Carbon Challenge Fund, are already helping businesses to improve their energy efficiency and invest in alternative low carbon solutions.
- £5m invested in the Digital Engineering Technology and Innovation [DETI] project, this will reduce carbon emissions by developing better products that are lighter, more fuel efficient and have less waste.
- £10 million invested in The Institute for Advanced Automotive Propulsion Systems [IAAPS] global centre of excellence developing ultra-low and zero emission vehicles
- 54 SMEs have received a free energy survey as part of Green Business Grant scheme [Autumn 2020]

## Our strategy



### Low carbon business

Help business and local people benefit from growth in the green economy; maximising government investment in the region and supporting our businesses to build back better

#### Support business to transition to energy efficient practises at pace

Actions to improve the energy efficiency of businesses including upscaling Low Carbon Challenge Fund and Green Business Grants to support even more SMEs

#### Support local people to access new green jobs

Actions that support the increase of low carbon skills including using the new Government funding programme to encourage the provision of green skills programmes

#### Stimulate zero carbon innovation

Actions that build on existing platforms such as DETI and the Business Innovation Fund to promote the design and manufacture of low carbon goods and services

#### Develop and strengthen local green business

Actions that help to develop and strengthen local green businesses through business networks that share best practice

## Delivering further action

Appendix A sets out the next steps WECA will take to support a net zero region, building on the carbon reduction programmes and initiatives already underway in this challenge area. It includes actions to support businesses to transition to low carbon ways of doing things through the Low carbon Challenge Fund and stimulating green innovation building on existing platforms such as the Digital Engineering and Technology Institute [DETI].

### How we will measure success:

Reduction in emissions from business as a result of:

- More businesses have transitioned to energy efficient practices and the use of renewable energy
- Benefit from growth in the green economy
- Business has led and developed new zero carbon products and services
- Local people have developed green skills and accessed new green jobs
- Our local green business market has developed, strengthened and grown

### There are also co-benefits of acting in this area including:

- Improved air quality through businesses improving their energy efficiency – particulate matter and nitrous oxides contribute to around 40,000 air pollution-related deaths per year in the UK<sup>7</sup>
- Investing in energy efficiency and low carbon options could save industry up to £20m a year on fuel costs.<sup>8</sup>

#### **Low carbon challenge fund: Bascom Ltd**

*With a Green Business Grant, this printer and mailing house replaced an inefficient air compressor with a new unit and automatic controls. The project cost £7,745 and was awarded £3,098 grant.*

*The new equipment will reduce energy use by 10%, meaning an annual reduction of 3 tonnes of greenhouse gases and annual saving the business £830 on energy bills.*

<sup>7</sup> Ashden, p.14

<sup>8</sup> <https://pcancities.org.uk/energy-and-carbon/west-of-england>

## Challenge area 3: Renewable energy

### The challenge

- 91% of the region's energy comes from fossil fuels, including gas and petroleum [BEIS 2017]
- Renewable energy generation in the region has increased rapidly [mainly solar] but represents a relatively low proportion of energy use
- Average domestic fuel bills have more than doubled in the last ten years in real terms, pushing some households into fuel poverty<sup>9</sup>, but fuel poverty is caused by several factors including low income, poor energy efficiency and higher energy prices
- National Grid regulates energy production and distribution across the UK. It is aiming to deliver carbon neutrality by 2050

### Opportunities to build back better

- A reduction in energy consumption during lock down saw Britain have the longest period since 1880s without using coal-powered electricity, relying instead on renewable energy sources
- Lock down measures reduced electricity demand by at least 15% but this is likely to be the result of industry temporarily stopping or reducing and is likely to bounce back as industry resumes
- Research from Uswitch estimates that those working from home could use 25% more electricity and 17% more gas per day than they normally would, highlighting a potential shift in the transfer of energy use and those who bear the cost

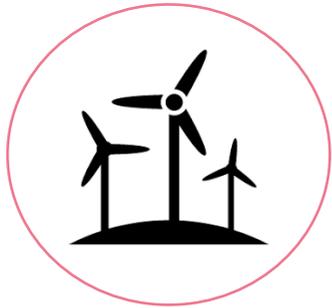
### Our action so far

- West of England Energy Strategy is already taking steps towards the decarbonisation of the energy system and increasing local renewable energy
- We host the South West Energy Hub – a £4m project funded by Government to increase the number and quality of local energy projects across the South West. It supports a range of different projects, from home energy retrofit to low carbon electricity and heat generation
- £1.7m Low Carbon Challenge Fund includes £500,000 for a local wind turbine as part of a community energy project

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<sup>9</sup> Ashden, p.48

## Our strategy



### Renewable energy

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Work to decarbonise the energy system and increase local renewable energy

#### **Increase local energy generation**

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Actions that increase local renewable energy generation including steps to expand and enhance the West of England Local Energy Scheme and accessing support for local projects through the South West Energy Hub

#### **Work in partnership to develop new smart approaches to the storage, management and distribution of energy**

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Actions that support the development of new smart approaches to the distribution of energy including collaboration with utility companies to plan new whole system approaches

## Delivering further action

Appendix A sets out the next steps WECA will take to support a net zero region, building on the carbon reduction programmes and initiatives already underway in this challenge area. It includes actions to increase local energy generation through the Low Carbon Challenge Fund and through working in partnership with the South West Energy Hub to increase the number, quality and scale of low carbon energy projects.

### How we will measure success:

- Renewable energy generation has increased
- New smart approaches to the distribution of energy have been implemented

### There are also co-benefits of acting in this area including:

- Community energy projects can deliver economic and social benefits for disadvantaged groups with the potential for significant reductions in energy bills

#### ***The South West Energy Hub***

*The South West Energy Hub works with public sector and not-for-profit organisations to increase the number, scale and quality of low carbon energy projects across the West of England and wider South West, reducing the region's carbon footprint.*

*The Energy Hub provides expert advice and support to get energy projects started, including solar panel installations, battery storage, public building retrofit and biomass boilers and supply. Current projects will save an estimated 16,800 tonnes of CO<sub>2</sub> emissions each year.*

*The Hub also runs the Rural Community Energy Fund which has granted £462,470 across 27 renewable energy projects.*

*The £4m South West Energy Hub is funded by the Department for Business, Energy and Industrial Strategy and hosted by the West of England Combined Authority.*

## Challenge area 4: Low carbon buildings and places

### The challenge

- Emissions from heat is one the largest contributors to greenhouse gas and CO<sub>2</sub> emissions [around 35%] in the region. Most of our heat is supplied by gas
- Population growth, and government requirements, mean an increase in housing. This in turn could lead to an increase in emissions unless they are fitted with low carbon or carbon neutral heating systems and are built to high energy efficiency standards
- Retrofitting and improving the energy efficiency in buildings and homes is complex as a result of different levels of ownership and responsibility for property maintenance

### Opportunities to build back better

- Government is investing £3billion in a green recovery package, this includes the Green Homes Grant [£2bn] which will focus on green home improvements and upgrade over 600,000 homes
- Government will invest £1bn over the next year in a Public Sector Decarbonisation Scheme to fund energy efficiency and low carbon heat upgrades

### Our action so far

- Work on evidence for the Spatial Development Strategy on the delivery of carbon neutral newbuild homes
- WECA hosts the South West Energy Hub helping to identify, develop and implement local energy efficiency projects.

## Our strategy



### Low carbon buildings and places

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Increase the energy performance of buildings and develop low carbon standards in new developments

#### Increase the energy performance of homes and buildings

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Actions that increase the energy performance of homes and buildings including maximising the regions share of the £3bn government grant to increase the energy performance of homes and buildings

#### Increase the number of carbon neutral homes and buildings

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Actions that increase the number of carbon neutral homes and developments within the region

## Delivering further action

Appendix A sets out the next steps WECA will take to support a net zero region, building on the carbon reduction programmes and initiatives already underway in this challenge area. It includes actions to increase the energy performance of homes and buildings and steps to support the delivery of carbon neutral homes.

### How we will measure success:

- An increase in energy efficient homes and buildings
- An increase in the number of carbon neutral homes and buildings

### There are also co-benefits of acting in this area including:

- The cost of cold homes to the NHS is estimated at £2.5 billion/year<sup>10</sup>
- Poor quality housing negatively affects the ability of young people to learn at school and study at home, leading to lower educational attainment, subsequently increasing their chance of unemployment and poverty<sup>11</sup>
- Phasing out of gas boilers and the need for new heating systems could create in skills and training opportunities for local people.
- Energy efficient buildings can help businesses and industry to reduce their operating costs and improve their productivity.

#### **Low Carbon Challenge Fund: 150-meter Wind Turbine**

*As part of the Local Energy Scheme, a £500k grant has been awarded to a wind turbine project which will be based in Avonmouth, Bristol. The turbine will not only help decarbonise electricity, it will also support delivery of the Lawrence Weston Community Plan to achieve local community goals.*

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<sup>10</sup> Ashden p14

<sup>11</sup> Ashden p.67

## Challenge area 5: The green environment

### The challenge

- Developing, protecting and enhancing the natural environment through the delivery of green infrastructure can help protect us against the impacts of climate change and can help towards reducing our emissions.
- The UK Climate Change Risk Assessment identifies the need to plan strategically for delivering Green Infrastructure, a key opportunity to lessen many of the risks from climate change including biodiversity decline and extreme weather events.
- 6% of the region is semi-natural broadleaved woodland, including ecologically important ancient woodland such as Lower Woods, King's Wood and Urchin Wood and Leigh Woods.

### Opportunities to build back better

- Government is investing up to £40 million in a Green Recovery Challenge Fund for environmental charities and public authorities to create and protect 5,000 jobs
- Nature on our streets, gardens and woodlands, as a result of lock down, has increased public support for a greener more bio-diverse future

### Our action so far

- The Joint Green Infrastructure Strategy [JGIS] is already taking a significant step towards developing, protecting and enhancing green infrastructure. The overall aim of the West of England JGIS programme is to secure investment in GI planning and provision
- £300,000 WECA Investment Fund allocation to support the development of Green Infrastructure Projects

## Our strategy



### The green environment

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Protect and enhance the environment through a proactive approach to green infrastructure

#### Work with partners through the Green Infrastructure Strategy to develop climate resilience

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Work in partnership to support the delivery of the Joint Green Infrastructure Strategy Action Plan including actions that lead to the increased provision of green spaces

#### Work with partners to protect and enhance the environment

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Actions that protect and enhance the environment including encouraging consultants to specify lower carbon materials and landscaping proposals that maximise carbon capture

## Delivering further action

Appendix A sets out the next steps WECA will take to support a net zero region and adapt to the impacts of climate change, building on the carbon reduction programmes and initiatives already underway in this challenge area. It includes actions to support the delivery of the Joint Green Infrastructure Strategy and encouraging the consultants that we work with to specify and adopt low carbon ways of doing things.

### How we will measure success:

- Adaption measures are protecting us against the impact of climate change [e.g. flooding]
- An increase in green infrastructure and biodiversity

### There are also co-benefits of acting in this area including:

Protecting against the impact of climate change and extreme weather events could help to safeguard businesses and their income. Prudential Regulation Authority stated in 2018 *'global insured losses from natural disaster events in 2017 were the highest ever recorded'* and that *'the number of registered weather related natural hazard loss events has tripled since the 1980s and inflation-adjusted insurance losses from these events has increased from an annual average of around US\$10bn in the 1980s to around US\$55bn over the last decade'*.

## Appendix A: Action Plan

### Key to understanding timelines:

S	0-2 years
M	3-5 years
L	5+ years



### Low carbon transport

#### Reduce the number of car trips

	Action/Opportunity	Description	Timeframe
	Take steps towards implementing the demand management measures within JLTP4 [as appropriate] and ensure that they are a central feature of JLTP5	Suggestions for demand management within JLTP4 include management of parking provision, reallocation of road space to sustainable transport, road user charging, workplace parking levy.  Revenue raised from demand management measures could be reinvested in active travel & public transport.	M
	Use appropriate levers WECA/unitary authorities [UAs] hold to make it less attractive for cars to enter city centres	This could include measures such as speed limits, traffic calming, pedestrianisation, fewer routes and parking charges, whilst also making it more attractive to use alternative travel options.	M
	Support unitary authorities to consider appropriate mechanisms to reduce congestion and improve air quality e.g. Congestion and Air Quality Zone Charging	Clean Air Zones and Congestion charging is already being considered by some unitary authorities to promote improvements in air quality.	M

	<p>Develop a better understanding of why people travel and then base transport plans on this.</p> <p>Undertake first principles approach to people movement - commuting, school run, shopping, other requirements to help inform JLTP5</p>	Use existing research e.g. ClairCity Research at University West of England to understand why people travel and how they can most effectively / efficiently make their journeys	M
	Support unitary authorities to consider the expansion of car-share / car club service [potentially using Electric Vehicles]	A local car club model could significantly reduce the number of cars in the region. Appropriate infrastructure and business models need to be developed and supported within the region to expand current provision and facilitate Ultra Low Emission Vehicle [ULEV] car clubs	M
	Use strategic planning powers to facilitate the development of Park and Ride/share developments	A cycle option from P+R sites combined with safe storage could increase P+R use during the pandemic	S
	Review all proposed major transport schemes in the JLTP4 against the emerging evidence base for meeting our jointly stated ambition of carbon neutral emissions by 2030.	JLTP4 contains several road schemes which may have an impact on carbon emissions. All schemes will be looked at in the context of the proposed physical infrastructure, the mode of transport, its effects on the wider transport network and the environment.	S

**Increase active travel across the region, capitalising on recent behaviour change [created by the covid-19 lock down period]**

	Action/Opportunity	Description	Timeframe
	Work with the unitary authorities to take steps towards implementing cycling and walking lanes and improve maintenance [raising additional funds where necessary]	The Local Cycling and Walking Infrastructure Plan covers some of this but there is a funding shortfall to deliver all improvements to cycle routes detailed in the plan.	S
	Work with unitary authorities to support the pedestrianisation of streets [potentially including mixed mode street use] building on the social distance measures put in place as a result of the covid-19 pandemic	Pedestrianisation of the streets for local shopping areas could encourage more people to leave their car at home and walk or cycle instead	S
	Continue the public information campaign to promote active travel/reduced car travel	As a response to the covid-19 pandemic, WECA has co-ordinated a regional publicity campaign to promote the use of active travel. This campaign includes information on the emissions impact of cars.	S

**Increase the uptake of public transport**

	Action/Opportunity	Description	Timeframe
	Use strategic planning and transport powers to facilitate active travel and public transport	This should encourage new developments to prioritise the use of active travel and public transport so that the car is only used when essential.	S
	Consider how to support the development of better transport interchanges and bus prioritisation including the reallocation of road space, enhanced local rail services and development of smart ticketing/journey planning tools.	To make people's journeys easier, transport interchanges should facilitate the easy transfer of one mode to another. Reallocating road space to buses will improve the reliability and speed of services and increase their attractiveness over car use.  WECA's MetroWest schemes and the joint WECA/Network Rail 10 Year Rail Delivery Plan will deliver more frequent services and new opportunities to travel by rail. Contactless tickets and interchanges	S

		may help to improve public confidence in using public transport post covid-19.	
	Work with government and unitary authorities to build a case for further devolution to enable more strategic decisions to be made on public transport in the region.	This could include powers over routes and fares	S
	Work with unitary authorities and partners to secure safe and easy first and last mile access to public transport to encourage more people to use public transport.	Public transport requires people to walk/cycle to access it - this needs to be made as safe and as pleasant as possible if more people are to use public transport	S
	Work with unitary authorities to consider how to develop 'on demand' provision of bus services in rural areas	A hybrid between a local bus service and a taxi could increase rural public transport uptake and reduce emissions per traveller	S
	Continue to develop mass transit proposals	Continue to plan a mass transit system, other public transport improvements and consider the expansion of metro bus	S
	Continue to work with providers to improve and promote reliability to increase uptake	Work with bus and rail operators to promote reliability, accessibility and convenience to increase uptake	S
	Support and promote the development of real time reporting	Real time reporting is limited with only some bus companies making it available. WECA could play a role working with bus companies to expand and promote this across the region	S

**Increase the uptake of low carbon vehicles**

	Action/Opportunity	Description	Timeframe
	Lobby government to update national transport policy to enable authorities to accelerate progress towards net zero carbon	Government policy needs to change to enable net zero carbon for example Green Book and government methodologies	S
	Work with partners to develop an approach to identify and address the infrastructure needs and barriers to the uptake of ULEVs	Uptake of EVs remains slow, partially because of cost but also because of other issues such as range anxiety and charging availability	S
	Work with partners, including government, to develop a regional freight strategy that reduces emissions from movement of goods as stated in JLTP4	<p>Work with partners, including local businesses, to develop a regional approach to reducing emissions generated from freight services.</p> <p>In line with the JLTP4 the aim is to encourage a shift from partially filled, heavily polluting freight road vehicles to fewer, fuller, cleaner vehicles and seek to transfer road freight to alternative methods such as rail and water.</p>	M



## Low carbon business

### Stimulate zero carbon innovation

	Action/Opportunity	Description	Timeframe
	Work with partners to encourage innovation in low carbon services, goods and technologies [e.g. hydrogen, carbon capture and renewable energy technologies].	Work with partners to use existing platforms such as the Digital Engineering and Technology Institute and Business Innovation Fund to promote low carbon innovation and apply to future funding opportunities. For example, innovation in clean hydrogen technology to power HGV.	S

### Support businesses to transition to energy resource efficient practices

	Action/Opportunity	Description	Timeframe
	Secure funding to extend and enhance the Green Business Grants [part of the Low Carbon Challenge Fund [LCCF]] so that more businesses can access it	LCCF Green Business Grants help businesses to lower their emissions through investing in new equipment or improving the efficiency of their existing buildings. It is funded by ERDF until 2022, and a business case will need to be developed to extend and expand the programme.	S
	Through the Growth Hub and LCCF encourage and support businesses to measure their carbon footprint and make low carbon changes	Support small and medium sized enterprises [SMEs] to measure their carbon footprint and make low carbon changes  Upscale and expand LCCF Green Business Grants surveys to support more SMEs to understand their carbon impact and the changes that they can make	S

	Promote low carbon business practices through the Growth Hub	Ensure low carbon is included in projects being delivered through the Productivity Challenge, which will include; <ul style="list-style-type: none"> <li>- resource efficiency</li> <li>- environmental management</li> <li>- sustainable travel</li> <li>- supply chain management.</li> </ul>	S
	Support businesses to implement digital ways of working including remote access to enable more people to work from home	Support businesses to introduce digital transformation / new ways of doing things that support working from home, flexible working, local hubs and other digital innovations that help to reduce commuting travel and facilitates more trade online.	S
	Support businesses to use more sustainable products and supply chains - locally, nationally and internationally.	Support businesses to choose more sustainable products and supply chains through the Growth Hub and Invest in Bristol and Bath.	M
	Work with partners to help business plan for climate resilience	Work with partners to help business plan for climate resilience reducing the risk and impact of extreme weather events such as flooding and drought	M

### Support local people to develop their skills and access new green jobs

	Action/Opportunity	Description	Timeframe
	Support local people and business to take advantage of new opportunities in green growth including buildings retrofit.	Develop a programme of work, building on existing programmes such as the Growth Hub, Adult Education, Future Bright, Careers Hub and Workforce of the Future, to help local people and businesses take advantage of new jobs and market opportunities in green growth and buildings retrofit.	S
	Identify funding sources that could be used to commission green skills courses.	Work with education providers to identify funding sources and a commissioning process that prioritises green skills gaps and encourages	S

		education providers to offer green skill training. This could include the Adult Education Budget or funding from external sources.	
	Use the careers hub to inspire young people into 'green' skills and careers	This could include a range of activities, including: <ul style="list-style-type: none"> <li>• Recruit Enterprise Advisers from "Green" sectors or roles.</li> <li>• Recruit cornerstone employers from the "Green" sector.</li> <li>• Ensure the Climate emergency agenda is built into development and implementation of WECA's careers focused work.</li> </ul>	S
	Promote green skills opportunities through Future Bright	Support Future Bright participants to access green skills opportunities through support, information and advice.	S
	Embed low carbon approaches through Workforce for the Future	Ensure all funded projects through Workforce for the Future [WftF] complete a Sustainable Development Plan [outlining environmental measures that will be taken during the project's delivery].  Explore the possibility of future funding rounds focussing exclusively low carbon.	M
	Use Further Education capital investment to encourage low carbon skills development e.g. through the City of Bristol College Construction Skills Academy.	Work with WECA funded construction centres to support them in the delivery of low carbon skills training including Weston College; Bath College Construction Skills Centre; City of Bristol College Advanced Construction Centre and South Gloucestershire and Stroud College.	M
	Lobby government for further funding to develop a low carbon fund for new apprenticeships.	Develop proposals to lobby government for further low carbon apprenticeship funding.	M

**Develop and strengthen local green business**

	Action/Opportunity	Description	Timeframe
	Work to support networking and collaboration to promote good practice in low carbon and resource efficiency.	Sharing best practice provides business with greater confidence to invest in low carbon initiatives.	S



## Renewable energy

### Work in partnership to develop new, smart approaches to the distribution of energy

	Action/Opportunity	Description	Timeframe
	Work with partners to lobby government for regulation change to support innovation in energy distribution and renewable energy generation	Energy generation and distribution is highly regulated through Ofgem and planning regulations which can prevent renewable energy schemes from being built. WECA can work with partners to identify legislative or regulatory barriers and lobby government for change	S
	Work with partners to develop a business case to enable grid reinforcement where appropriate	Where there are grid constraints consider working with partners to build a business case to enable new approaches to cover the cost of grid reinforcement, which then can be recovered as other new connections come online	M
	Work with partners to support research and development into new, smart approaches to the distribution and generation of energy	Work with partners [including the South West Energy Hub] to support innovative approaches to increase the generation and distribution of renewable energy. This could include securing new sources of funding	S

### Increase local renewable energy generation

	Action/Opportunity	Description	Timeframe
	Provide direct scheme funding & technical support to increase community energy generation	Continue to provide funding and technical support for local energy projects. These are currently delivered through Low Carbon Challenge Fund [LCCF] and South West Energy Hub	S

	Work with partners to explore the potential for a local renewable energy tariff	Explore potential for a local renewables tariff, building on existing work within unitary authorities: Role to understand the market potential/interest; coordinating a trial/demonstration project; and liaising with a licensed supplier to set it up	L
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## Low carbon buildings and places

### Increase the number of new carbon neutral homes and developments in the region:

Action/Opportunity	Description	Timeframe
Lobby government for regulatory and legislative changes required to promote carbon neutral developments through the New Homes Standard and Building Regulations.	Support unitary authority areas of common ambition on heat, built environment and standards and adopt a joint position to lobby government on changes to legislation creating a more powerful voice on how to improve the built environment and reduce emissions.	S
Use strategic role in the master planning process to take a holistic view on low carbon development	Bring unitary authority, utilities, distribution network operator together to view masterplans holistically and develop a 'joined up' approach. WECA can also be the evidence agent avoiding duplication.	M
Use strategic planning powers and forthcoming documents such as Spatial Development Strategy and Joint Local Transport Plan 5 to promote low carbon and carbon neutral developments/locations	Strategic documents that are being worked on now could have a strong focus on carbon accountability and encourage net zero carbon development. WECA could work towards building a core approach to carbon accountancy and assessing impact, including investigating building evidence bases, carbon implications of site locations, other spatial decisions relating to the amount and nature of development and understanding potential co-benefits of low carbon housing	M

### Increase the energy efficiency performance of existing homes:

Action/Opportunity	Description	Timeframe
Explore opportunities to support homeowners to take up government sponsored retrofit programmes designed to support carbon neutrality ambitions and economic recovery	Government have announced a £2bn Green Homes Grant scheme designed to improve the energy efficiency of homes. This includes additional support to low income households. WECA can play a role in raising awareness; promoting the scheme and how to apply. WECA can	S

		also support local construction firms and people to benefit from the potential new source of work [see also low carbon business]	
	Work with partners, including the South West Energy Hub to help social landlords access the Social Housing Technical Assistance Pilot [and similar future initiatives]	There are over 73,000 social housing homes in the West of England region, nearly 15% of all homes. The Social Housing Technical Support Pilot aims to support social housing providers access funding for energy improvements and set the path to net zero carbon. Government are looking to pilot support in key areas across the country.	S
	Support Innovation in home retrofit through the Innovative Home Retrofit programme [part of the Low Carbon Challenge Fund]	A capital grant funding scheme of £200,000 available to private and social landlords. It will reduce the carbon emissions and pilot innovative retrofit technologies, techniques or financing in 25 homes across the region.	S
	Work with existing support services to promote the co-benefits of retrofit energy efficiency measures, using existing case-studies and evidence base as appropriate.	WECA could play a role in sharing best practice, signposting to support services and compiling an evidence base to identify and promote the benefits of home retrofit.	M
	Lobby government or private finance to develop long term sustainable schemes for whole house retrofits	Homes are one of the biggest sources of emissions, but funding retrofit work is often a barrier for home owners and private/social landlords. Previous and current funding streams are time limited and do not reach all households or all retrofit needs as a result. Long term sustainable funds could pump prime large-scale retrofits and could unlock dramatic falls in costs through economies of scale benefitting all types of home tenure and creating a new market for quality, holistic retrofit	L

**Increase the energy efficiency performance of existing buildings and businesses:**

	Action/Opportunity	Description	Timeframe
	Extend and enhance the Green Business Grants [part of the Low Carbon Challenge Fund] to increase the energy efficiency of business units and operations	<p>Green Business Grants help businesses to lower their emissions through investing in new equipment or improving the efficiency of their buildings.</p> <p>It is funded by ERDF until 2022, so a business case will need to be developed to extend and expand this programme.</p>	M



## The green environment

### Work with partners through the Green Infrastructure Strategy to develop climate resilience

Action/Opportunity	Description	Timeframe
Mainstream green infrastructure within planning policy to enhance and protect the natural environment and meet legislative requirements set out in UK planning Law	A coordinated and strategic approach to climate change adaptation and mitigation in planning policy is required to facilitate building resilience for people, place, infrastructure and the environment.	S
Understand the implications of and develop an approach to achieving 10% biodiversity net gain across all development under the Town and Country Planning Act [2004] - requirements being introduced through the Environment Bill	The Environment Bill [currently being considered by government] may require 10% biodiversity net gain across all development under the Town and Country Planning Act [2004]. WECA are working with the unitary authorities, Natural England and key partners to understand the implications of achieving 10% biodiversity net gain and how an approach can support climate adaptation and resilience, as well as biodiversity enhancement.	S
Work with Natural England to pilot the National Framework of Green Infrastructure standards that will support the development of a consistent and nationally agreed approach to assessing and delivering green infrastructure policy and projects that supports climate adaptation and resilience	Natural England is working with partners and stakeholders to deliver the 25 Year Environment Plan commitment to develop a National Framework of Green Infrastructure Standards for soft launch in Spring 2021. This approach will help to embed multifunctional green infrastructure within future development, supporting climate change mitigation, adaptation and resilience.	M/L
Work with Environment Agency to develop a regional natural capital account that will help us to	Understanding the value of the natural environment through Natural Capital Accounting will help to quantify the services our natural	S

	understand our natural environment and the benefits it provides both directly and indirectly and could help lessen the impacts of climate change	environment provides including for carbon sequestration and wider climate adaptation such as flood mitigation and air quality	
	Work with the West of England Nature Partnership to develop and deliver a regional Nature Recovery Network to address wildlife decline and provide wider environmental benefits	The Environment Bill [currently being considered by government] may require the development of Local Nature Recovery Strategies and Nature Recovery Networks. The West of England Nature Partnership is working to develop a regional Nature Recovery Network evidence base for the West of England, aligning with shared principles developed across the South West [by the South West Local Nature Partnerships] to ensure coherence and strengthened networks across the wider region.	S
	Secure funding and undertake a regional assessment of economic impact of climate change vulnerability [to assets, infrastructure, communities] to help provide an evidence base for regional hot spots and to plan for key adaptation measures	Working with organisations such as the Met Office, UKCIP18 and reviewing the UKs Climate Change Risk Assessment 2017, to understand the key areas where we need to plan for climate adaptation	M

### Work with partners to protect and enhance the environment

	Action/Opportunity	Description	Timeframe
	Work to develop planning policies that understand the range of benefits the natural environment provides, including carbon sequestration and ecological issues when planning and implementing new infrastructure.	Consider wider benefits including carbon sequestration opportunities when delivering new infrastructure. For example, increased use of tree and woodland planting or landscaping that leads to net gains and sequestered carbon during development and long-term maintenance.	S
	Consider the whole life carbon implications, of Investment Fund Projects delivered by WECA,	WECA can work with contractors to review and amend specifications to encourage use of low carbon and potentially recycled materials where possible.	S

	including embedded carbon, with the objective of ensuring designs and specifications are as carbon efficient as practically possible.		
	Use procurement processes to encourage contractors to use local labour and suppliers	Use of non-local sub-contractors has the potential to increase carbon emissions if they travel daily but this is not recognised when evaluating tenders	S
	Utilise an appropriate methodology to measure and reduce the carbon impact of construction and operation, starting with Investment Fund projects delivered by WECA	WECA will work towards applying appropriate carbon assessments on its own projects [particularly larger ones] to demonstrate best practice in managing carbon impacts on its projects	S

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### West of England Local Enterprise Partnership Board meeting – 1 October 2020

#### Local Growth Fund and Getting Building Fund

##### Purpose of the report

1. To inform the LEP Board of the integrated programme for these funds and to update on delivery

##### Recommendation

To seek views on the LGF programme, the forecast spend position and risks.

##### Local Growth Fund

2. The West of England was awarded £202.1m of capital funding through the Local Growth Fund for the period 2015/16 to 2020/21. Whilst requirements around spend in year that were in place for the first two years of the Fund have been relaxed, there has always been a requirement that all funds are to be spent by March 2021.
3. It was hoped that this hard end date for the LGF would be relaxed as the funding period came to a close but, despite lobbying through a number of channels, that has not proved the case. Indeed, as reported to the LEP Board in June, owing to the impact of Covid-19 Government retained 1/3 of the LGF for 2020/21 whilst LEPs provided information on planned delivery and spend. After providing such reassurance, we have now secured the final 1/3 of the LGF for this year.
4. To help manage the hard LGF end date, structured overprogramming has been employed for some time and this stands at some £12m. It was always recognised that this this overprogramming would translate into an actual funding requirement in 2020/21 if all schemes delivered as planned, or in 2021/22 otherwise.

##### Getting Building Fund

5. In June Government announced the Getting Building Fund (GBF) aimed at funding capital projects which could help to accelerate national recovery. In July we were informed that our award through this fund was £13.7m over 2020/21-21/22 spanning the LEP geography for spend by December 2021.
6. Given there are some £12m of commitments (including £7m of contractual commitments) in place for LGF schemes which are beyond the funding received or expected, and that it was assumed that the overhang would be picked up by any successor programme to the LGF, it is intended that the GBF is used to enable the full funding and completion of the schemes within the LGF programme. It is not expected that any further LGF successor funds will be received for 2021/22.
7. Government requested that specific projects were identified as beneficiaries of the new funding as shown in Figure 1. However, it is planned to use these funds flexibly to dovetail the LGF and GBF programmes and make best use of the extended deadline for the GBF to support schemes which require this.

<b>Scheme</b>	<b>Getting Building Fund Allocation £m</b>
Keynsham Town Centre Improvements	1.3
Bath Quays South Phase 1a Enabling Infrastructure	2.0
Umbrella	2.0
Composites Bridge Construction	3.0
A4018 Corridor Improvements	2.7
Portway Station	1.0
Weston General Stores	1.7
<b>Total</b>	<b>13.7</b>

**Figure 1 - Getting Building Fund Initial Allocations**

8. In addition to the six LGF schemes identified as beneficiaries, it is proposed one new project is added to the programme. This is the Weston Stores Project that could utilise the balance of £1.7m. This project would repurpose redundant retail space in Weston town centre to deliver workspace and space for collective trading platforms, micro-manufacturing, events and rehearsal and a cycle hub. A business case for this project is expected.

### **LGF Delivery**

9. The schemes within the LGF programme which have grant funding still to be claimed are shown in Figure 2. This illustrates that, based upon the latest reports, four projects are now forecasting spend in 2021/22 that would need to draw on the GBF with its later end date.
10. Other projects report programme and cost pressures that may yet materialise. However, as shown in Figure 2, overall forecast spend within the LGF period is some £6.9m over our LGF award, so we remain well placed to deliver full spend. This allows for a proposed funding swop between LGF and the Economic Development Fund (retained business rates growth in the Enterprise Zone and Areas) for MetroWest Phase 1, with the Cribbs Patchway MetroBus Extension receiving LGF instead of EDF.
11. Clearly, we will need to keep delivery and spend under close review over the course of the year, making best use of the later GBF deadline, and consider any mitigation required to ensure we deliver full spend, such as further funding swops.

<b>Spend £000s</b>	<b>20/21</b>	<b>21/22</b>	<b>Total</b>
<b>Transport Schemes</b>			
MetroWest Phase 1 Development Costs	5,487	-	<b>5,487</b>
Sustainable Transport Package 17/18	81	-	<b>81</b>
West Wick Rbt and North South Link	130	-	<b>130</b>
Portway Station	1,553	-	<b>1,553</b>
A4018 Corridor Improvements	285	2,818	<b>3,103</b>
Weston-super-Mare Town Centre Enhancement	1,997	-	<b>1,997</b>
Keynsham Town Centre Improvements	482	848	<b>1,500</b>
South Glos Sustainable Transport Package	1,920	-	<b>1,920</b>
Cribbs Patchway MetroBus Extension	1,672	-	<b>1,672</b>
<b>FE Skills Capital Schemes</b>			
South Bristol Construction Centre	4,733	-	4,733
Bath College Catering & Hospitality Training Hub	1,479	-	1,479
SGS Brunel Building (STEAM Centre )	5,291	-	5,291
<b>Infrastructure Schemes</b>			
Superfast Broadband SGC	41	-	41
Superfast Broadband CDS	200	-	200
Town Square, Weston-super-Mare	123	-	123
Bath Quays Bridge	1,514	-	1,514
Colston Hall (Bristol Beacon) Phase 2 Transformation	6,405	-	6,405
Bath Quays South Phase 1a Enabling Infrastructure	2,359	-	2,359
Bath Quays North Phase 1b Relocation of Coach Park	79	-	79
Bath Quays North Initial Development Works	6,954	-	6,954
Purchase of Land at Bristol and Bath Science Park	856	-	856
<b>Innovation Schemes</b>			
FoodWorks <sup>SW</sup> Innovation Centre	<b>757</b>	-	757
Composites Bridge Construction	<b>2,830</b>	1,318	5,050
OPCR - Sensor Factory, CAV & KWMC	<b>964</b>	-	964
Umbrella	<b>2,914</b>	-	2,914
IAAPS	<b>2,000</b>	-	2,000
Bristol VR Lab	<b>59</b>	-	59
Grow-On2 Temporary Building	<b>581</b>	-	581
<b>Expenditure claimed prior to 20/21 - 155,205</b>	<b>53,746</b>	<b>4,984</b>	<b>213,935</b>

Total LGF Award

202,096

Overprogramming

6,855

Total LGF plus £12m GBF

214,096

Overprogramming

-161

Note: includes changes recommended for approval to the October Joint Committee

**Figure 2 - Projects in LGF Programme with Funding Left to be Claimed**

## **LGF Dashboard**

12. A spreadsheet based update on progress with the delivery of the LGF programme is provided quarterly to CLoG. This includes a dashboard which summarises progress with each project and the LGF programme overall.
13. Guidance requires that 'before submitting to CLoG, you must have appropriate sign off [of the dashboard] by the LEP Board (or Chief Exec if this is not possible in a particular quarter) and the Section 151 Officer.'
14. At the LEP Board meeting in January 2019 it was agreed that where reporting cycles align, then the dashboard will be provided to the LEP Board for approval, but where this is not possible sign off will be via the LEP Chair and Chief Executive.
15. The Quarter 1 20/21 dashboard, which is shown in Appendix 1, was signed off by the LEP Chair and Chief Executive and submitted to CLoG in August.

**Author:** Pete Davis

Appendix 1: LGF Q1 20/21 Dashboard

# Growth Deal Dashboard

LEP Name **West of England LEP**

This Quarter: **Q1\_2021**

## Deliverables Progress

Housing	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21	21-25	
Houses Completed	90	0	0	0	0	90	-	90
Forecast for year	546	-	0	0	0	546	1,137	1,683
Progress towards forecast	16%	-	-	-	-	16%	-	5%

Jobs	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21	21-25	
Jobs Created	334	85	821	1,033	1,251	334	-	3,524
Apprenticeships Created*	81	227	767	80	51	81	-	1,206
Jobs including Apprenticeships	415	312	1,588	1,113	1,302	415	-	4,730
Forecast for year	2,220	286	1,588	1,113	1,302	2,220	4,815	11,324
Progress towards forecast	19%	100%	100%	100%	100%	19%	0%	42%

\* Apprenticeships included within jobs totals prior to 2017

Skills	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21	21-25	
Area of new or improved floorspace (m2)	430	7,630	12,031	0	12,111	430	-	32,202
Forecast for year	5,581	7,630	12,031	0	12,111	5,581	0	37,353
Progress towards forecast	8%	100%	-	-	100%	8%	-	86%

Transport	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21	21-25	
Number of New Learners Assisted	0	597	1,189	1,299	2,752	0	-	5,837
Forecast for year	2,216	597	1,189	1,299	2,752	2,216	1,880	9,933
Progress towards forecast	0%	100%	100%	100%	100%	0%	-	59%

Growth Deal Performance
AG

Area lead comments
--------------------

## Financial Progress

LGF Award	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21		
2015-16	£16,600,000	£42,406,588	£49,831,528	£45,370,085	£13,575,065	£34,312,381	£202,095,647	

LGF Outturn	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21		
Actual	£ 7,626,498	£ 56,083,241	£ 18,915,102	£ 40,762,523	£ 43,006,989	£ 7,626,498	£ 166,394,353	
Forecast for year	£ 43,327,792	£ 56,083,241	£ 18,915,102	£ 40,762,523	£ 43,006,989	£ 43,327,792	£ 202,095,647	
Progress towards forecast	18%	100%	100%	100%	100%	18%	82%	

LGF Expenditure	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21		
Actual	£ 7,626,498	£ 56,083,241	£ 18,915,102	£ 40,762,523	£ 43,006,989	£ 7,626,498	£ 166,394,353	
Forecast for year	£ 43,327,792	£ 56,083,241	£ 18,915,102	£ 40,762,523	£ 43,006,989	£ 43,327,792	£ 202,095,647	
Progress towards forecast	18%	100%	100%	100%	100%	18%	82%	

Non-LGF Expenditure	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21		
Actual	£ 27,670,240	£ 77,529,857	£ 19,915,795	£ 53,135,366	£ 59,942,148	£ 27,670,240	£ 238,193,406	
Forecast for year	£ 225,758,810	£ 77,529,857	£ 19,915,795	£ 53,135,366	£ 59,942,148	£ 225,758,810	£ 436,281,976	
Progress towards forecast	12%	100%	100%	100%	100%	12%	55%	

Total LGF + non-LGF Expenditure	This Quarter	Financial Year						Total
		15-17	17-18	18-19	19-20	20-21		
Actual	£ 35,296,738	£ 133,613,098	£ 38,830,897	£ 93,897,889	£ 102,949,137	£ 35,296,738	£ 404,587,759	
Forecast for year	£ 269,086,602	£ 133,613,098	£ 38,830,897	£ 93,897,889	£ 102,949,137	£ 269,086,602	£ 638,377,623	
Progress towards forecast	13%	+100%	+100%	+100%	+100%	+13%	63%	

## Contractual Commitments (manual entry)

Forecast	Actual	Variance	15-17	17-18	18-19	19-20	20-21	Total
			£ 56,083,241	£ 18,915,102	£ 40,762,523	£ 43,006,989	£ 43,327,792	£ 202,095,647

## Commentary

With the completion of the Foodworks Innovation Centre and the Sustainable Transport Package 17/18 this quarter, the number of completed projects stands at 24.

Following the award of the Getting Building Fund, six schemes will now be funded through a blend of LGF and GBF which will address the c£12m LGF overprogramming. This will be reflected in the next quarterly report when these changes have been through the governance process and any additional GBF requirements have been confirmed. Portway Station remains conditionally approved and the A4018 Corridor Improvements is also to be added to this dashboard once the offer of funding is accepted.

The LEP Board receive a regular dashboard report for schemes across the programme, and where schemes present 'Red' or 'Amber Red' ratings this has triggered a deep dive. This approach will also be utilised for the GBF funding.

We remain confident we will deliver full LGF spend by March (and at need aim to use the GBF funding flexibly to help deliver this) and are on track to exceed the Growth Deal job and match funding targets.

Name: Malcolm Coe

Signature: 

Date: 27 August 2020

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**West of England Local Enterprise Partnership  
Board meeting – 1.10.20**

**West of England International Market Prioritisation Study**

**Purpose of the report**

To share with the LEP Board a first draft of the West of England International Market Prioritisation study commissioned by the West of England Combined Authority (WECA) and delivered by OCO Ltd.

**Recommendations**

The LEP Board to consider the draft report and advise on the draft conclusions and recommendations.

**Background**

1. The West of England Local Industrial Strategy recognises the region's strengths and assets, setting out clear priorities to drive sustainable economic growth. It was determined that in order to fully capitalise on global market resources and capabilities, a coherent long-term approach to international market engagement was needed to ensure that the region continues to attract high quality foreign direct investment, raises its international profile, and further supports businesses in overseas trade and international collaboration. The importance of inward investment and trade in driving economic recovery, has also been recognised as a key 'strategic priority' by the Regional Recovery Taskforce.
2. The study results would also be used to help develop a more evidence based and targeted business plan to guide the work of Invest Bristol and Bath (IBB) – the combined authority's inward investment service.
3. To help deliver this ambition, WECA commissioned OCO Ltd to undertake a detailed market prioritisation strategy that identifies and categorises a series of source markets based on level of fit with current capabilities, demands and pre-existing regional plans and activities. This included 5 main areas of focus:
  - *Review of Regional Priorities* - analysis of the markets which are most commonly cited by each regional agency and the drivers behind the selection of this market;
  - *Supply & Demand Side Analysis* - analysis outlining those markets which show the greatest FDI potential for WECA's priority sectors;
  - *Review of WECA and partnership organisations* - a series of recommended potential engagement activities by sector and market that would be both feasible and beneficial to the region's efforts in growing FDI, trade and collaboration;

- *Benchmarking Competitor Agencies* - SWOT analysis of select competitor agencies and implications for the region; and
  - *Stakeholders Consultations* - final report that presents the market prioritisation strategy with accompanying evidence, including any views shared by select teams on proposed prioritisation.
4. The attached report presents the outputs of the study including the supporting evidence, findings and recommendations.

### **Next Steps**

5. Section five of the report sets out a series of insights and recommendations, which will now be worked through in detail. These include, for example:
- Explore new methods of FDI attraction using technology to access global resources – changing work patterns, such as the move to remote working and virtual conferencing present an opportunity to access a globalised market for resources, FDI and trade.
  - Conduct scenario planning to prepare for a variety of circumstances – political, economic, social and natural. Using market insights and external databases can support this preparatory planning.
  - Creative, Aerospace and Advanced Manufacturing are some of the West of England's key sectors, and certain subsectors within these are likely to be some of the hardest hit by Covid-19. The region should consider focusing short term efforts towards job retention and account management of businesses in the region, rather than seeking new businesses and projects. FDI attraction and Trade activities should be focused towards subsectors which are more resilient or are bucking the trend and growing.
  - The West of England should help to develop and shape a trade and investment strategy for the Western Gateway area. To help this, a new steering group could be created, bringing together a variety of economic development organisations in the region - this could be aligned/integrated with the governance structure of the Western Gateway to enable a broader strategic view of opportunities.
6. In relation to the final two points above, WECA is leading with partners an extension of the study to cover the Western Gateway geography. This will follow a similar methodology and create a robust evidence base to inform any future trade and investment activity across the partnership. A draft report is expected in late October/early November 2020.

**Authors:** Stephen Bashford, Antony Merritt and Valentina de Micheli

Annex 1: Draft Study

# West of England Combined Authority International Market Prioritisation

August 2020



The West of England is a place where ideas flourish and businesses grow, where creative, digital and high tech meet traditional industry and its strength in the global economy is dependent on being a dynamic, globally competitive, outward looking and creative place.

In an effort to define international priorities, the **West of England Combined Authority** has been supported by specialist FDI and trade consultancy **OCO Global** to work on a 'Market Prioritisation Strategy'.

This presentation highlights the main points and key findings identified in the final report for the region.



OCO Global worked alongside WECA and its partnership organisations, using a multi-faceted approach to identify the key opportunities and markets that the West of England could be pursuing internationally. This presentation will highlight the following:

1

**Review of Regional Priorities** – A review of the strategies of the organisations that work in the West of England to identify common themes, priorities and opportunities in the region.

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**Supply & Demand Side Analysis** – Data analysis to underpin with evidence the key opportunities and markets that the region should be focusing its efforts towards.

4

**Stakeholders Consultations** – Interviews with partner organisations in the region to establish ‘on-the-ground’ insights for the region on an international level.

5

**Insights and Recommendations** – Key messages for WECA and its partner organisations

# 1 Review of Regional Priorities



# The West of England – An Overview

The West of England contributes £33 billion/year to the national economy and counts on a variety of domestic and foreign investment, trade, tourism and students.

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## GDP

Between 2014 and 2018, the **regional GDP grew 8.25%**. Per capita GDP for Bristol was £34,418 and £33,273 for B&NES, North Somerset and South Gloucester.



## FDI

Since **2009**, there have been **147** recorded FDI projects in the Bristol and Bath cities, with more projects also landing in the South Gloucestershire and North East Somerset regions.

## Tourism

Over £540 million was spent by nearly 1.5 million visitors in 2018, with the number of visitors from the US market increasing by 15% from the previous year.



## Jobs

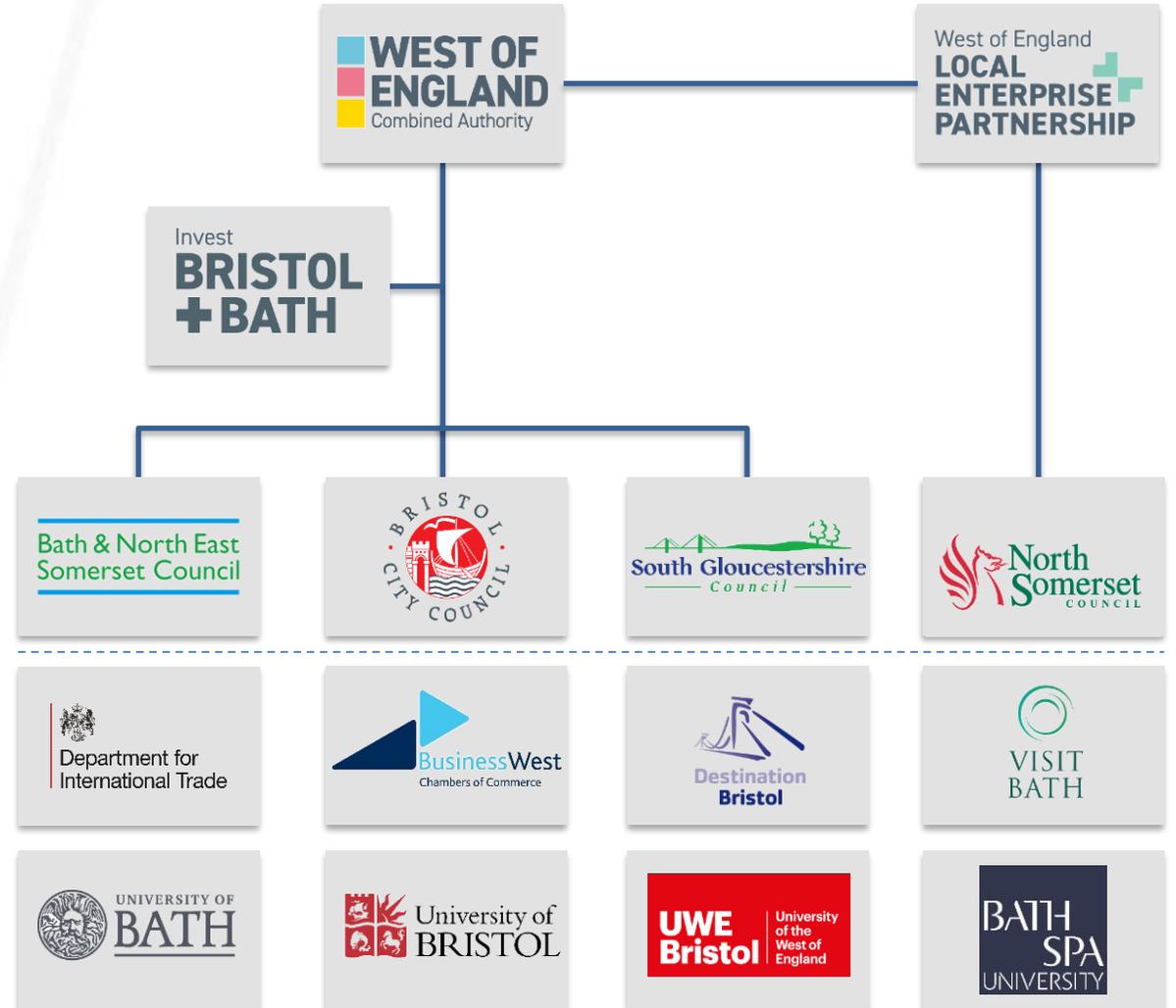
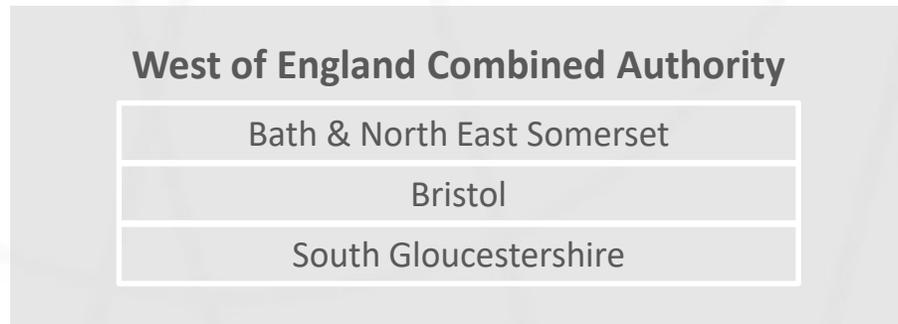
Between 2009 and 2019, over 7,500 jobs have been created in Bristol and Bath from FDI, with further such jobs created in the surrounding areas of South Gloucestershire and North East Somerset.



## Higher Education

**Four** internationally renowned universities attracting students from all over the world, with over **16,000** Non-UK students in 2018/19.

# Who are WECA's primary internationally-focused stakeholders?



# WECA's Organisation & Resources

The West of England Combined Authority (WECA) is made up of three of the councils in the region – Bath & North East Somerset, Bristol and South Gloucestershire, and these areas are where its remit lies. However, it also supports the West of England LEP Board and the West of England Joint Committee, which includes North Somerset Council. As stated on the WECA website, WECA and the Joint Committee make separate decisions on matters falling within their respective remits but will also be able to consider some jointly where this is appropriate.

## Key Capabilities

The WECA is responsible for in excess of **£500M** of agreed funding in its initial five years and this continues to increase as new and additional funding streams are directed to combined authorities.

This funding goes towards various services in the region such as **infrastructure, transport services and business & skills**, among others.

## Sector Capabilities

WECA also has a range of capabilities across sectors to provide support to the region, including:

- **Growth Hub** – The region's free business support service **Future Bright** – offers free career, coaching, training and support **West of England Green Business Grants** – offers the chance for small and medium sized companies in the region to improve their energy efficiency
- **Creative Scale-Up** – a £1.3 million government programme which aims to support businesses in the creative industries to pitch for small grants for specific purposes.

## Funds

The region also has various funding programmes to drive economic success, including:

- **The Economic Development Fund** – due to run for 25 years from 2014, supporting capital infrastructure to unlock job creation in the enterprise zone & other areas
- **The Local Growth Fund** – together with local partners and the private sector will create over 9,000 jobs for the region from capital investment projects.
- **Revolving Infrastructure Fund** – to drive economic growth and is used to front end the infrastructure required to enable development.
- **Mayor's Investment Fund** – £1.25bn package for innovation, including the Future Fund loan scheme

# West of England – Common themes, sectors and markets from Strategic Documentation across major stakeholders

## Priority Sectors



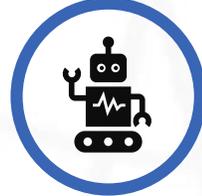
Aerospace & Advanced Engineering



Creative & Digital Industries



Energy / Low Carbon



High Tech



Financial and Professional Services

## Priority Markets



United States of America



Germany



France



Spain



Netherlands

## Priority Themes



Clean Growth



Infrastructure



Connectivity



Visitor Economy & Tourism

# These link closely to the UK's Grand Challenges

The West of England region will use its strengths in innovation to help address some of the UK's Grand Challenges, alongside its own regional priorities:

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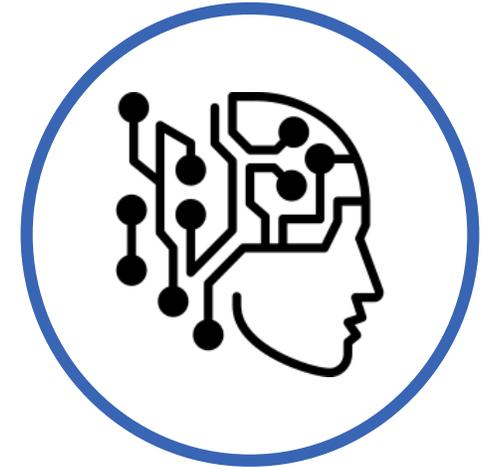
**Ageing Society**



**The Future of  
Mobility**



**Clean Growth**



**Artificial Intelligence  
& Data**

# The West of England's priority sectors are world-leading and should be at the forefront of the region's international approach

With over 130 production companies in the region, the creative sector has a truly global reach – over 800 million people watch digital content produced in Bristol & Bath each month. Channel 4 opened its Creative Hub in early 2020



**Aerospace & Advanced Engineering**



**BAE SYSTEMS**

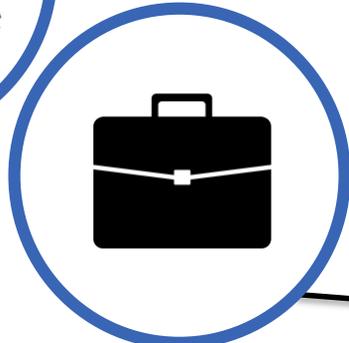
The Filton Enterprise Area is world-renowned in aerospace technology manufacturing and engineering and is home to the UK's largest aerospace cluster.



**Creative & Digital Industries**



**Professional Services**



**AIRBUS**

A primary alternative to London, many major national and international companies have based their headquarters in the West of England to harness the deep technological and digital skills of the region.



**SKANSKA**

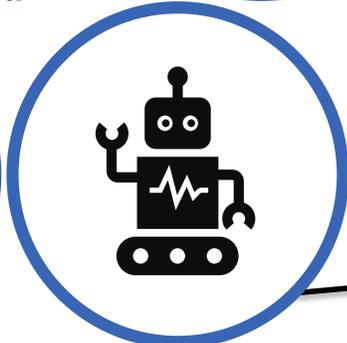


**Energy / Low Carbon**



The focal point of the rebirth of nuclear capability in the UK, the region contains waste-to-energy and biomass projects from GENeco and Viridor, as well as Suez Environnement's Severnside plant.

**High Tech**



**dyson**

**Deloitte**

The birthplace of the transistor chip, the region is home to a number of R&D centres including Oracle's Cloud Development and the University of Bristol Smart Lab Team, which in 2018 stages the world's first public trial of 5G.

**HARGREAVES LANSDOWN**

**GLENCORE**

## 2 Supply & Demand Side Analysis

# Supply & Demand Side Analysis - Methodology Overview

In this section, we conducted a deep data review across the West of England's priority themes and sectors in order to identify which markets the region should target as part of its internationalisation strategy.

We developed a model that collated data on 7 key pillars for international markets (including a forecast for the resilience of the market to the impact of the Covid-19 pandemic). Data was gathered for the indicators under each pillar for 157 countries, and then each country was scored on a scale of 1 to 5 on the attractiveness of the market for each pillar, and overall.

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Pillars

## Foreign Direct Investment



- Market size (pop'n, GDP)
- No of FDI Projects
- Growth in FDI Projects
- Capex, and growth
- Jobs created, and growth

## Trade



- Value of exports from West of England
- Growth in export value
- Value of Imports to destination market
- Growth in import demand for destination markets

## Higher Education



- Number of students from market
- Growth in students from market

## Tourism



- Number of visits
- Tourist Spend
- Growth in visits and spend

## Foreign Capital Investment



- Financial Development Index
- Value of M&A into UK
- M&A projects into UK

## Civic and Cultural Links



- Twin towns with West of England
- British Council presence
- Diaspora population size

## COVID-19 Resilience



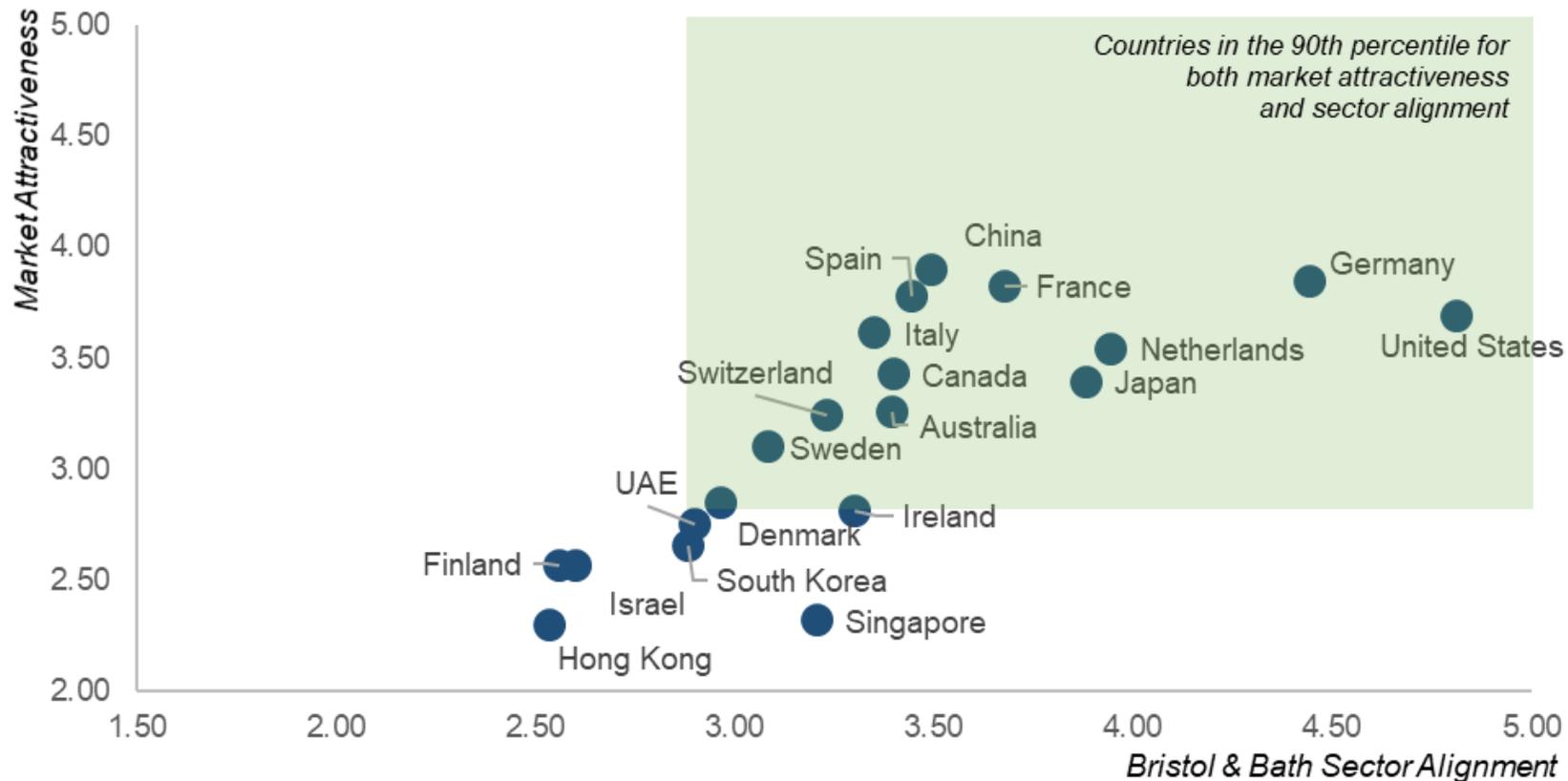
- Country demographics
- GDP forecasts
- Covid cases per 1m
- Size and share of market
- Trade Reliance on Exports

Indicators

# Supply & Demand Side Analysis – Overall Results

The 20 countries which scored highest for overall market attractiveness and sector alignment with the West of England are primarily **European** countries; with the **USA, China, Canada and Australia** also making strong appearances.

## Overall Market Attractiveness versus Alignment with Bristol & Bath Key Sectors (Top 20 countries)

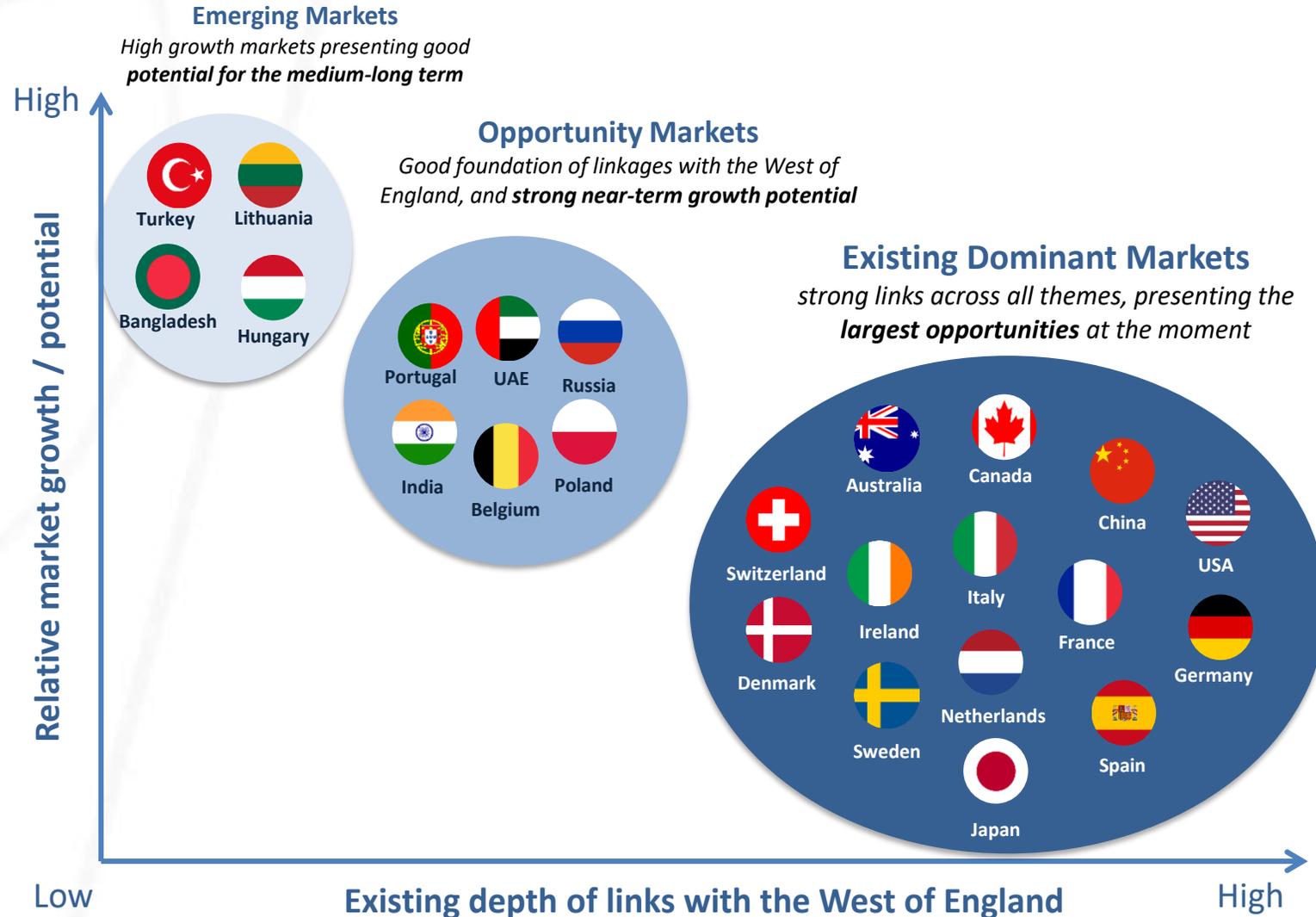


# Top Markets are mainly in Europe and North America, but there is lots of growth potential in Asia Pacific

The West of England should continue to target the existing dominant markets such as Germany and the United States

However, we noted that good opportunities exist in markets such as India, the UAE and Poland that are worth exploring.

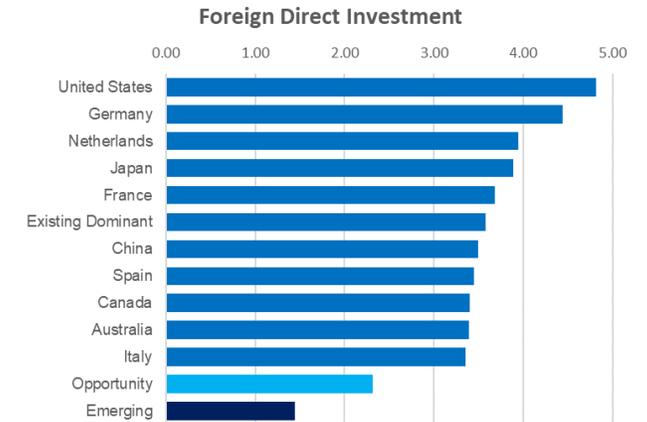
An eye should also be kept on emerging markets such as Turkey, Bangladesh and Hungary.



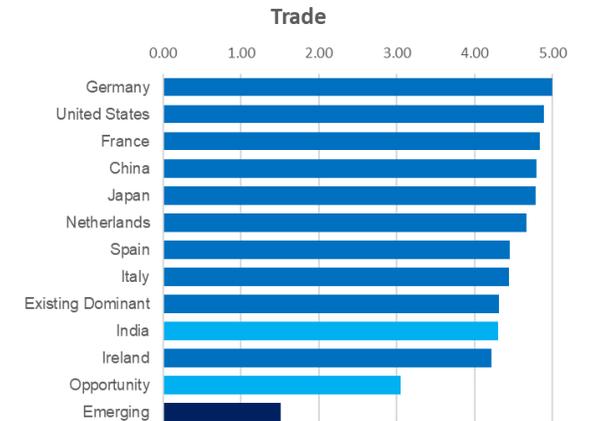
# Markets were scored according to the 7 themes, with Germany, China and the US coming out top overall

## Market Attractiveness Analysis by Theme – Top 20 Markets

		Market Attractiveness						
		Foreign Direct Investment	Trade	Higher Education	Tourism	Foreign Capital Investment	Civic and Cultural Links	COVID-19 Resilience
Rank	Top Markets							
1	Germany	4.4	5.0	3.3	3.6	4.8	4.8	1.0
2	China	3.5	4.8	3.7	4.0	3.8	3.5	4.0
3	United States	4.8	4.9	2.8	4.1	5.0	2.3	2.0
4	France	3.7	4.8	4.1	3.3	4.8	5.0	1.0
5	Spain	3.4	4.4	4.9	4.1	4.6	3.0	2.0
6	India	2.5	4.3	5.0	3.9	3.8	3.0	4.0
7	Netherlands	3.9	4.7	2.2	3.6	4.8	3.5	2.0
8	Italy	3.4	4.4	4.2	4.1	4.2	3.0	2.0
9	Japan	3.9	4.8	2.4	2.7	5.0	3.0	2.0
10	Canada	3.4	4.2	2.2	4.7	5.0	2.5	2.0
11	Australia	3.4	3.4	1.8	3.5	5.0	2.8	3.0
12	Switzerland	3.2	4.0	3.5	2.9	5.0	2.0	2.0
13	Sweden	3.1	3.7	2.4	3.5	4.4	2.5	2.0
14	Belgium	2.4	4.0	3.3	3.6	4.2	2.0	1.0
15	Ireland	3.3	4.2	2.3	3.2	1.6	3.0	2.0
16	Denmark	3.0	3.2	2.0	3.0	3.8	2.0	3.0
17	UAE	2.9	2.4	1.4	4.1	3.6	2.0	3.0
18	Poland	1.8	3.8	2.7	4.2	1.6	3.0	3.0
19	Portugal	2.4	2.3	3.0	3.5	2.6	3.8	2.0
20	Russia	2.5	3.0	3.5	2.6	3.2	2.3	2.0



The US came top for FDI, but Germany scored highest for Trade



Key: Low Opportunity High

# Opportunities were also scored by sector, with strong opportunities in Energy and High Tech across the markets

## Market Attractiveness Analysis by Sector – Top 20 Markets

Top sector opportunities in the US were for Creative, Business Services and Aerospace, and Energy in Germany and Japan

Rank	Top Markets	Sectors				
		Aerospace & Defence	Energy	High Tech	Creative Industries and Digital	Financial, Business and Legal 'Tech' Services
1	Germany	4.4	5.0	4.7	3.9	4.3
2	China	2.8	4.3	4.9	3.0	2.4
3	United States	5.0	4.4	4.7	5.0	5.0
4	France	2.7	4.8	4.4	2.7	3.7
5	Spain	2.5	4.8	4.2	3.1	2.7
6	India	1.7	3.2	3.5	2.1	2.2
7	Netherlands	4.2	4.4	4.2	2.6	4.3
8	Italy	2.7	4.6	3.9	2.1	3.5
9	Japan	2.7	5.0	5.0	4.2	2.5
10	Canada	3.1	4.7	3.8	2.9	2.5
11	Australia	2.3	3.2	4.3	2.8	4.3
12	Switzerland	2.9	3.9	4.5	2.1	2.8
13	Sweden	2.5	3.5	4.5	2.8	2.1
14	Belgium	2.3	2.8	3.0	2.4	1.6
15	Ireland	2.7	4.4	4.3	2.8	2.3
16	Denmark	2.2	4.6	3.6	2.3	2.2
17	UAE	2.0	3.9	3.9	2.4	2.2
18	Poland	1.1	1.7	2.3	1.9	2.0
19	Portugal	1.3	4.2	2.8	1.8	1.7
20	Russia	2.8	3.1	2.2	1.8	2.3

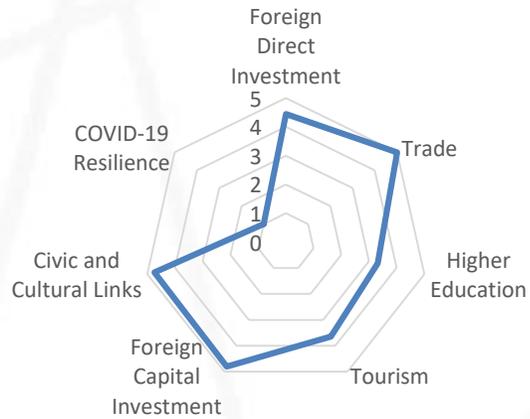


# The Top 3 Markets varied in their scores by theme / sector

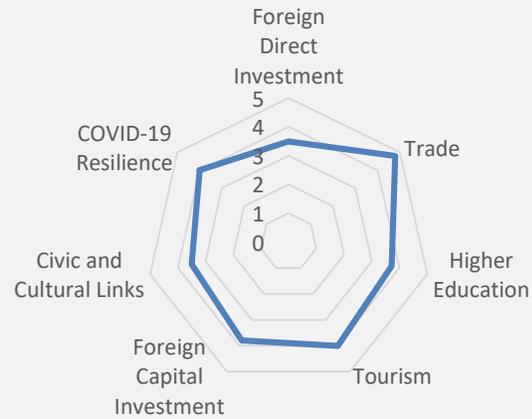
## US and Germany stronger for FDI; China strong for Trade

By Theme  
Page 123

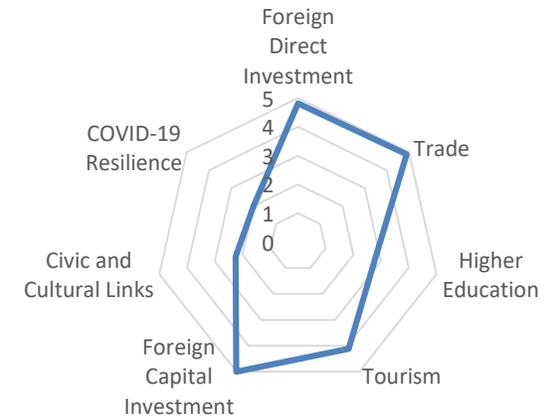
### Germany



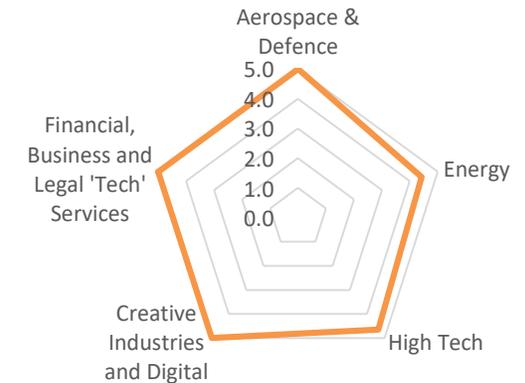
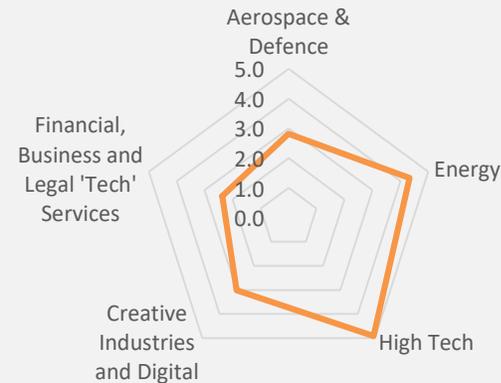
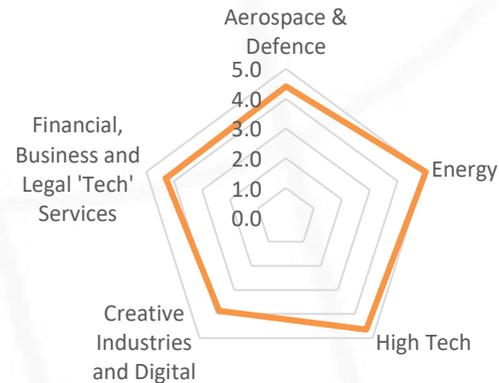
### China



### USA



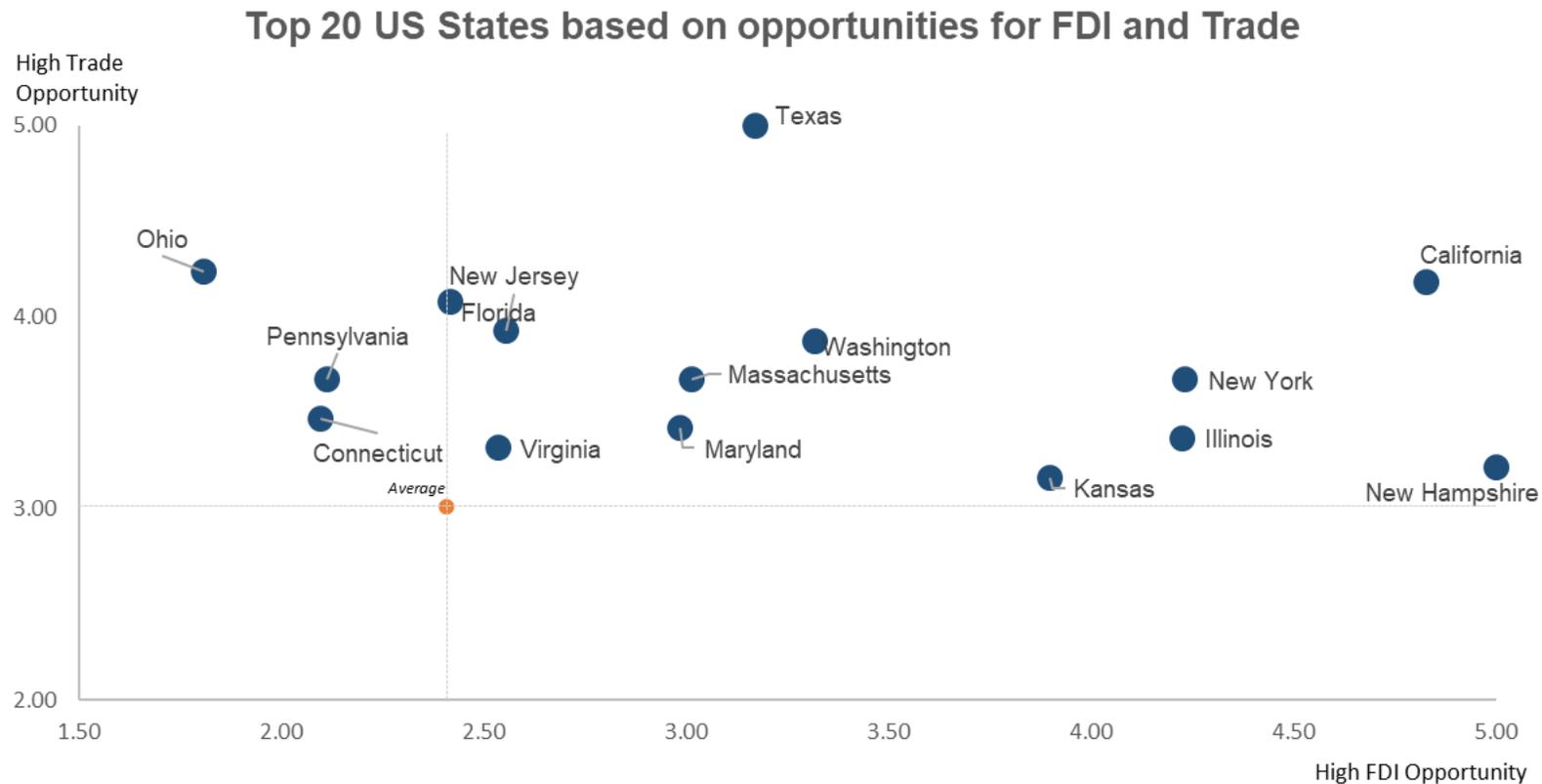
By Sector



# In large markets like the US, trade and FDI opportunities vary by state: California better for FDI; Texas for Trade

## USA – Deep Dive by State

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# 3 Benchmarking Competitor Agencies



# FDI in the West of England – Overview of Trends

## Overview (2009-2019)\*



**£2,837.0m**  
Foreign Direct Investment

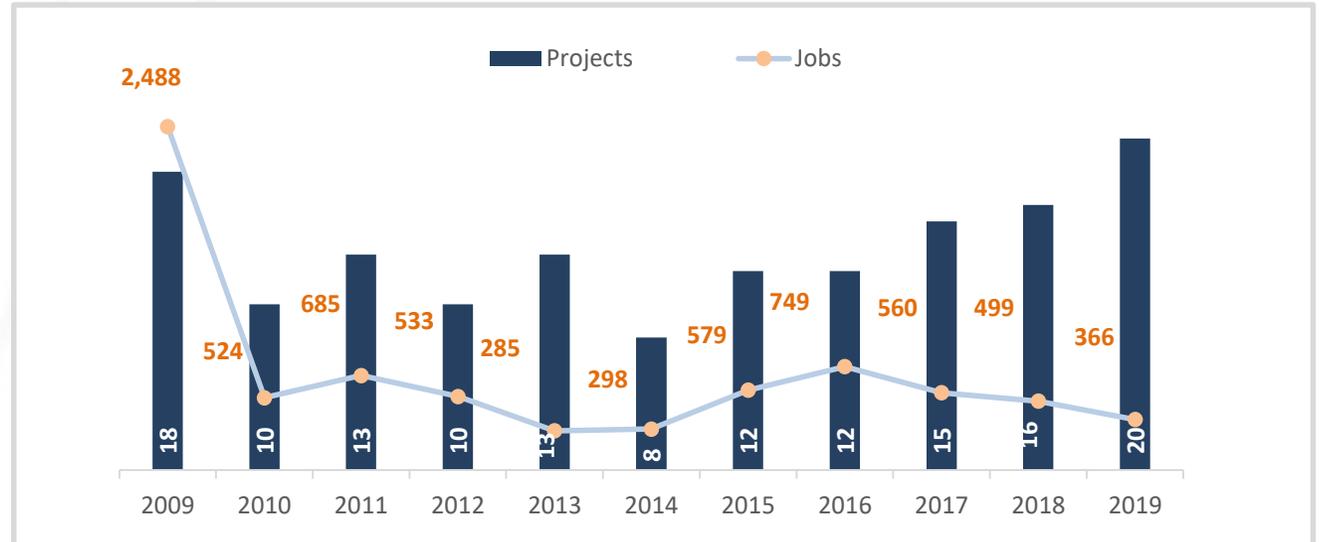


**147**  
Inward FDI projects



**7,566**  
Jobs created by FDI projects

## Number of FDI projects and jobs created in Bristol & Bath between 2009 and 2019\*

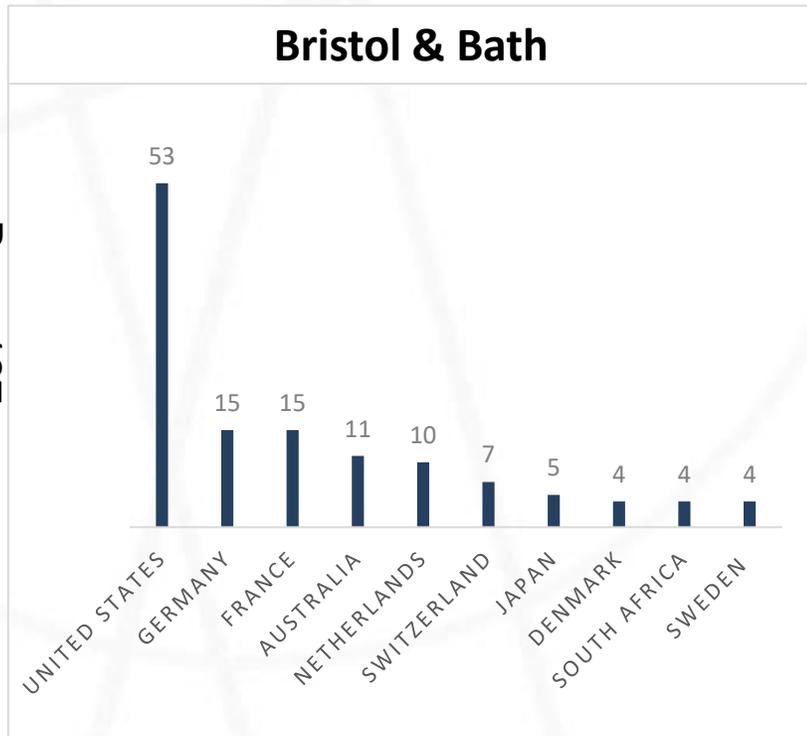


- Between 2009 and 2019 a total of **147 FDI projects** were recorded in Bristol and Bath. During the period, a total of **7,566 jobs** were reported as created by these FDI projects.
- Some 20 projects, or **13.6% of projects**, were recorded in 2019. This was the year in which the highest numbers of projects were recorded. During this period a total of **366 jobs** were also created by these FDI projects, equating to a **4.8% total jobs**.
- The largest number of projects was announced in 2019, with **20 projects** that year. Average project size peaked in 2009 for jobs created with **138 jobs per project** on average.

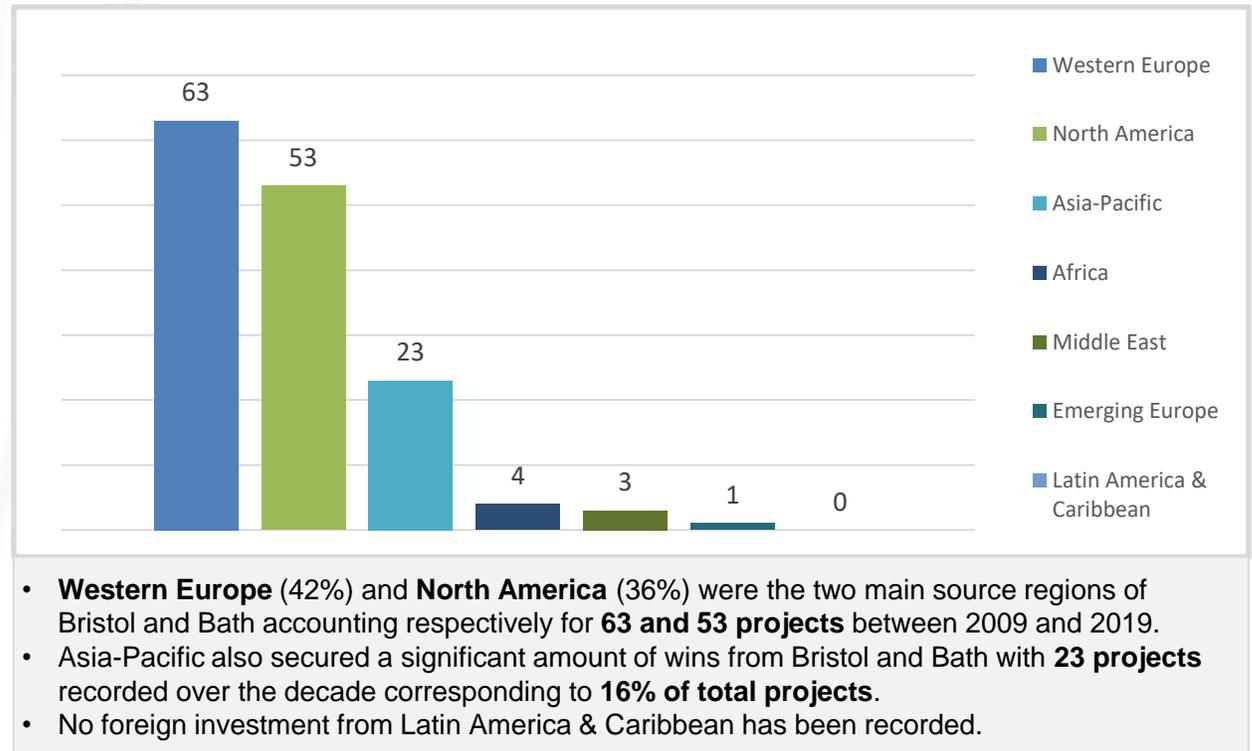
\*data sourced from FDI Markets. Please note, these figures are not comprehensive, but are valid for the purposes of comparison between regions and benchmarking

# Current Dominant Source Markets for FDI are from Western Europe and North America

Top 10 source countries across the four Combined Authorities between 2009 and 2019\*



Source markets of FDI projects in Bristol & Bath between 2009 and 2019\*



# West of England was benchmarked against 3 UK regions, chosen based on similarity of size, setup and focus areas



**Three regions in the UK were chosen for benchmarking:**  
 Liverpool – similar size and focus to WECA  
 Greater Manchester and the West Midlands – similar focus to WECA, though larger (seen as ‘ambition’)



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## Liverpool



## Greater Manchester



## West Midlands



West Midlands Combined Authority



Business Birmingham  
West Midlands Growth Company



## Strategic Partnerships with China



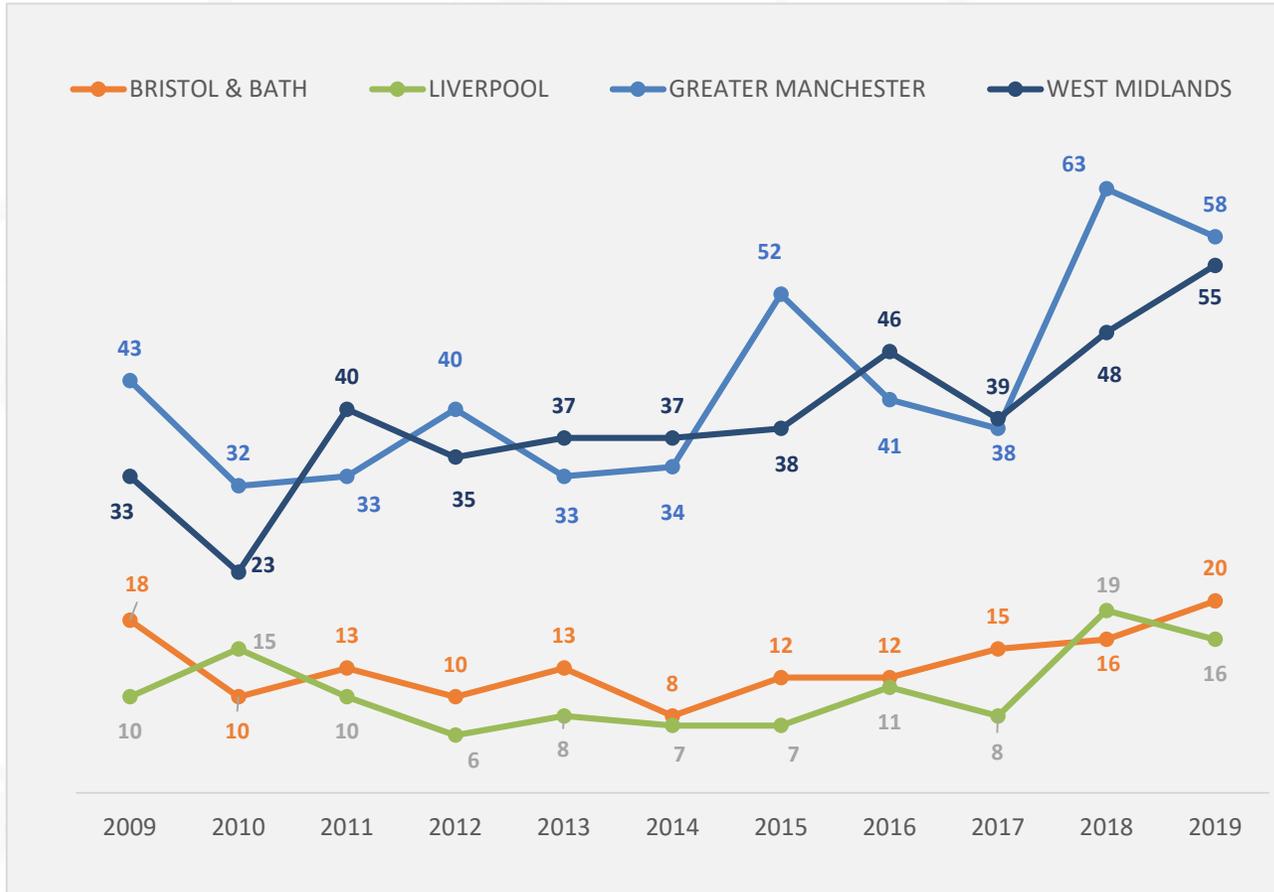
## Strategic Partnerships with China and India



## Strategic Partnerships with China and India



# WoE has shown consistent growth in FDI Projects, though still smaller than Manchester and West Midlands

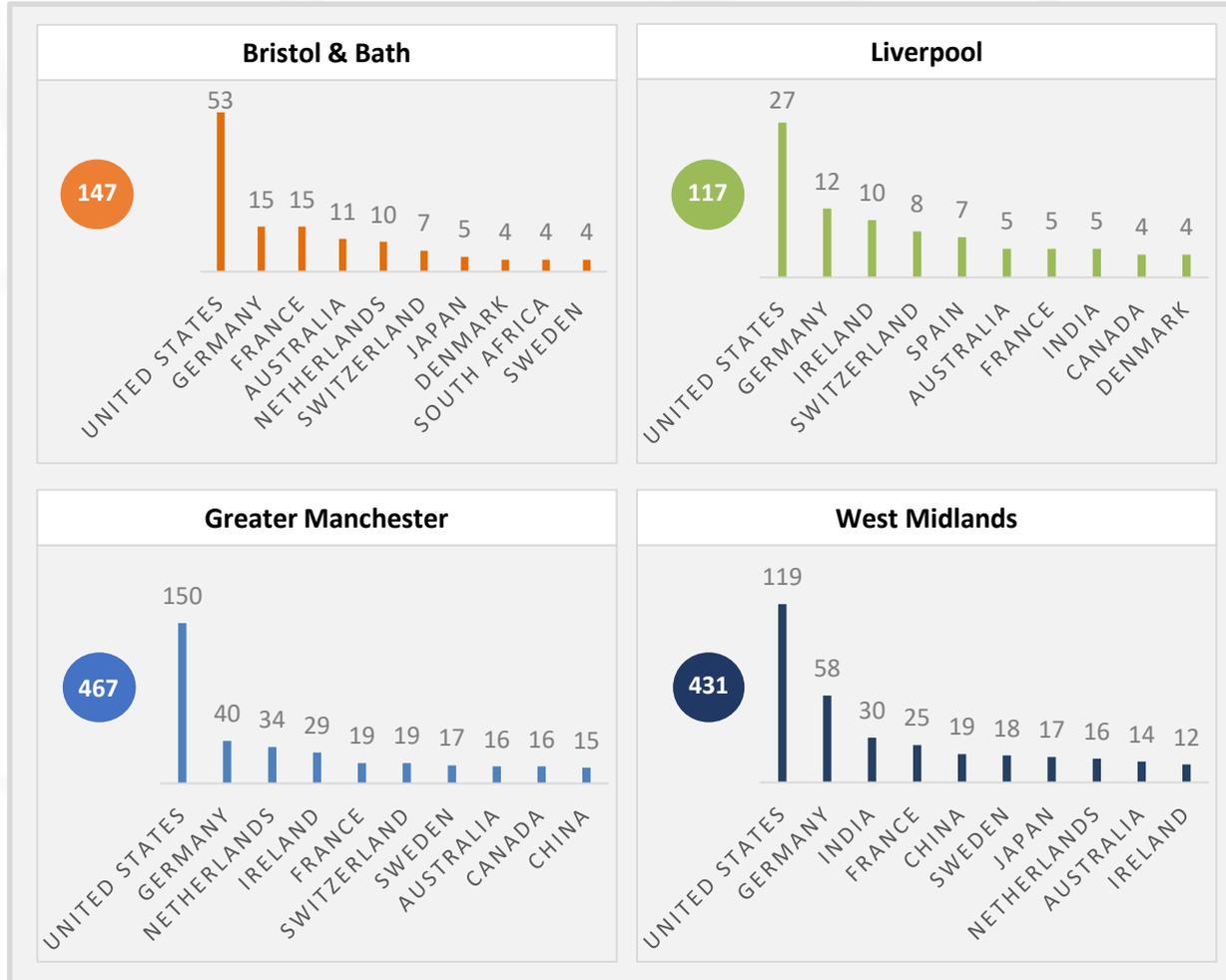


Number of FDI projects across the four Combined Authorities between 2009 and 2019\*

- 467** in Greater Manchester
- 431** in West Midlands
- 147** in Bristol & Bath
- 117** In Liverpool

\*data sourced from FDI Markets. Please note, these figures are not comprehensive, but are valid for the purposes of comparison between regions and benchmarking

# Source Markets for FDI in four regions are dominated by the US and Europe



West Midlands  
Combined Authority

**Top 10 source countries  
across the four Combined  
Authorities between 2009  
and 2019**



\*data sourced from FDI Markets. Please note, these figures are not comprehensive, but are valid for the purposes of comparison between regions and benchmarking

4

# Stakeholder Consultations



# Stakeholder Interviews – Who we spoke to

A range of interviews were conducted with the various stakeholders in the region, in order to get a deeper view of the region and its international efforts. Stakeholders were asked about how their organisation works across the 6 aforementioned themes, and what the region could/should be doing to capitalise on overseas opportunities.

The following organisations were interviewed as part of the process:



Department for  
International Trade



Note: As part of the planned extension work on the Western Gateway, we will also be conducting engagement with universities and businesses in the region

# Stakeholder Consultations – Key Takeaways

## China and India

In addition to the markets that the region already has strong links with such as the U.S. or Germany, the majority of stakeholders suggested **China and India** as markets that the region should be turning its international efforts towards, especially considering the links that exist between Bristol and China.

Other markets suggested by stakeholders include **Japan, Brazil, Malaysia, Australia, New Zealand, North Africa and the Middle East.**

## FDI focus; Trade and FPI growing

**Foreign Direct Investment** is highlighted as the priority among the themes/pillars focused on in this report, primarily due to employment it can create for the area and the quantifiable nature of FDI projects.

However, across the economic development organisations of the area, **an appetite for other methods of international success such as trade and capital investment (FPI) is growing.** With the new market recommendations given by this report, the West of England should pursue more than just FDI, but trade, capital investment, tourists and students into the region,

## Digital and High Tech

The priority sectors of the region are consistent across the various areas of the West of England, and various stakeholders suggested **capitalising on the region's digital and high-tech capabilities** in order to combat the effects of the COVID-19 pandemic, while also focusing on job retention and account management for companies in the less resilient sectors such as aerospace.

Furthermore, other sectors outside of the region's priorities have shown signs of growth in recent times, with sectors emerging in the region such as **Food & Drink, Life Sciences** and **other digital subsectors** such as **data analytics, cybersecurity and fintech contributing to the region's pandemic recovery**

## Challenge of Regional Cohesion & Skills

Various challenges were mentioned by stakeholders when it comes to the region's international strategy, with common difficulties including the **lack of a specific sales message for the region** and the **lack of talent/skills to match the opportunities** the region has going for it. Making sure that there is a clear, differentiated offer for the West of England is of utmost importance to ensure that more international trade, investment, tourism and talent enters the region.

With this report providing data-backed recommendations for target markets to pursue in terms of the six aforementioned pillars, the objective of capitalising on the numerous overseas opportunities should become more focused and thus, more successful.



# 5 Insights and Recommendations



# Market Prioritisation for FDI – USA, Germany, Netherlands & Japan are top markets for FDI

The **USA** tops the list for Priority Countries for FDI across the four analyses done, and is strong in all sectors.

**Germany**, the **Netherlands** and **France** are the top European markets to look at for FDI

**Japan** is the strongest market for FDI in Asia, followed by **China**



Country	Current Strategic Priority based on Strategic Review	FDI Attractiveness Rank (Supply/Demand Analysis)	Key Source Market for Benchmarked Competitor Institutions	Highlighted by stakeholders as priority market	Sector Alignment							
					Priority					Emerging*		
					Aerospace	Energy	High Tech	Creative & Digital	Professional Services	Life Sciences	Food and Drink	
United States	✓	1	✓	✓	●	◐	●	●	●	●	●	●
Germany	✓	2	✓	✓	●	●	●	●	●	●	●	●
Netherlands	✓	3	✓	✓	●	◐	◐	◐	●	◐	◐	●
Japan	✓	4	✓	✓	◐	●	●	●	◐	●	●	●
France	✓	5	✓	✓	●	●	●	◐	●	●	●	●
China	✓	6	✓	✓	●	◐	●	●	◐	●	●	◐
Spain		7	✓	✓	◐	●	◐	●	◐	◐	◐	◐
Canada		8	✓		●	●	◐	●	◐	●	●	◐
Australia		9	✓	✓	◐	○	◐	●	●	●	●	○
Italy		10			◐	●	◐	○	●	◐	◐	◐
Ireland	✓	11	✓	✓	◐	◐	◐	●	◐	●	●	●
Switzerland		12	✓		●	◐	●	○	◐	●	●	●
Singapore	✓	13			○	○	◐	◐	●	○	○	○
Sweden		14	✓		◐	○	●	◐	○	◐	◐	◐
Denmark		15	✓		○	●	○	◐	○	◐	●	●

Key to Sectors	
●	Country Ranked Top 10 for FDI in Sector
◐	Country Ranked Top 11-20 for FDI in Sector
○	Country Ranked Top 21-30 for FDI in Sector
	Country Ranked Lower than 30 for FDI in Sector

# Market Prioritisation for Trade – Germany, USA, France and China are key markets for exports

**Germany** tops the list for Priority markets for exports across the four analyses done – with opportunities in all sectors. **France** and the **Netherlands** are the next highest European markets to look at for FDI

The **USA** is the second highest priority market

**China** is higher up the priority list as a potential destination for exports than FDI



Country	Current Strategic Priority based on Strategic Review	Exports Attractiveness Rank (Supply/ Demand Analysis)	Key Source Market for Benchmarked Competitor Institutions	Highlighted by stakeholders as priority market	Sector Alignment						
					Aerospace	Energy	High Tech	Creative & Digital	Professional Services	Life Sciences	Food and Drink
Germany	✓	1	✓	✓	●	●	●	●	●	●	●
United States	✓	2	✓	✓	●	◐	●	●	●	●	●
France	✓	3	✓	✓	●	●	●	◐	●	●	●
China	✓	4	✓	✓	●	◐	●	●	◐	●	◐
Japan	✓	5	✓	✓	◐	●	●	●	◐	●	◐
Netherlands	✓	6	✓	✓	●	◐	◐	◐	●	●	●
Spain		7	✓	✓	◐	●	◐	●	◐	◐	●
Italy		8			◐	●	◐	○	●	◐	◐
India		9	✓	✓			○	○	○	◐	○
Ireland	✓	10	✓	✓	◐	◐	◐	●	◐	●	●
Canada		11	✓		●	●	◐	●	◐	◐	◐
Switzerland		12	✓		●	◐	●	○	◐	◐	
Singapore	✓	13			○	○	◐	◐	●	◐	●
Belgium		14		✓	◐		○	◐		●	●
South Korea	✓	15			○	◐	●	○	○		

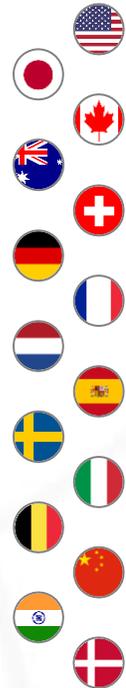
Key to Sectors	
●	Country Ranked Top 10 for Trade in Sector
◐	Country Ranked Top 11-20 for Trade in Sector
○	Country Ranked Top 21-30 for Trade in Sector
	Country Ranked Lower than 30 for Trade in Sector

# Market Prioritisation for Capital Investment – USA, Japan and Canada are key markets

Country	Current Strategic Priority based on Strategic Review	Capital Investment Attractiveness Rank (Supply/Demand Analysis)	Key Source Market for Benchmarked Competitor Institutions	Highlighted by stakeholders as market of interest
 United States	✓	1	✓	✓
 Japan	✓	2	✓	✓
 Canada		3	✓	
 Australia		4	✓	✓
 Switzerland		5	✓	
 Germany	✓	6	✓	✓
 France	✓	7	✓	✓
 Netherlands	✓	8	✓	✓
 Spain		9	✓	✓
 Sweden		10	✓	
 Italy		11		
 Belgium		12		✓
 China	✓	13	✓	✓
 India		14	✓	✓
 Denmark		15	✓	

The **USA** tops the list for Priority markets for Capital Investment opportunity, closely followed by **Japan**. **Canada** and **Australia** complete the top 4, suggesting non-European markets present a fertile hunting ground for capital.

The remainder of the top 10 are all European markets, led by **Switzerland**, **Germany** and **France**.



# Political Considerations for Market Prioritisation

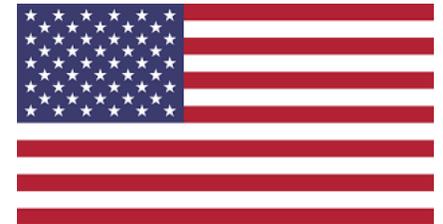
Markets such as **China, the US and the European Union** feature high up on the prioritisation list - presenting the largest **economic opportunities** for FDI and Trade for the West of England.

However, our analysis does not take into account **Political and Social factors** which are harder to quantify and less tangible.

The UK's **political relationships** with most of the markets which feature on the shortlist is constantly in flux, and is likely to change in the short, medium and long term. In particular, the presence and nature of any future **free trade agreements** will have a strong effect on the attractiveness of markets, as well as the sectors/subsectors to prioritise.

For example:

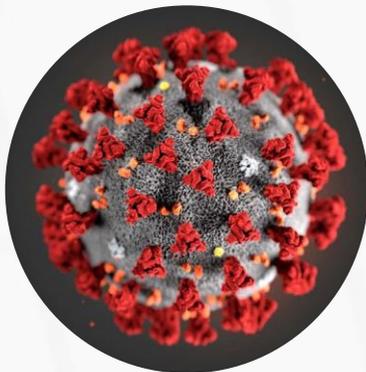
- China is a massive trading partner with the UK, but recent events relating to Hong Kong and with the Uighur ethnic group have raised long standing concerns relating to human rights, which have strained the bilateral political relationship.
- Similarly, the United States is about to undergo elections, which could potentially mean a change in their "America First" policy to an alternative world view characterised by policy changes focused towards FDI, trade and capital markets.
- The UK and the EU are currently undergoing extensive negotiations regarding the nature of the UK's trading relationship with the EU after the end of the transition period on 31<sup>st</sup> December 2020. A number of outcomes are still on the table, from no-deal to a full UK-EU trade deal





## The Brexit Challenge

- Over the period 2014-2020, the West of England has received **€70.09m** in funding from the EU Structural Funds, which includes the **European Regional Development Fund**, the **European Social Fund** and the **European Agricultural Fund for Rural Development**.
- Moreover, WECA's **Green Business Grants**, **Workforce for the Future** and **Local Energy** programmes are just some of those that have benefitted from EU funding in recent history.
- The institution is clearly essential for a wide range of stakeholders in the West of England region and with the UK now officially leaving the EU within the next 12 months, alternatives are going to be needed to replace funding or support that the EU is currently providing the region.



## The Covid-19 Challenge

- In terms of FDI, the industries that are likely to be **hit the hardest** include 'the **energy** and **basic materials industries** (-208% for energy, with the additional shock caused by the drop in oil prices), airlines (-116%), and the automotive industry (-47%) – key sectors for the West of England region.
- Trade is also suffering significant declines due to the ongoing pandemic. **China** has a **key** role as a manufacturer and exporter of intermediate products, particularly in the **machinery** and **automotive** industries, and interruptions in supply are likely to impact these sectors which are crucial to the West of England economy.

# Recommendations related to Current Events and Politics

In order to mitigate the circumstances surrounding current events impacting UK and West of England businesses such as Brexit and the COVID-19 pandemic, it is important for the region to be adequately prepared to face the challenges and aware of the efforts needed to retain foreign investment projects in the region. The region should:

- Keep abreast of the latest developments with each of these factors and gain clarity on the implications of each on FDI, Trade and other international engagement – incorporating these into a **clear strategy for resilience and growth** and a set of actions to maintain / facilitate a return to normality, and support key stakeholders at critical junctures. This should include management of short-term risks and challenges, as well as planning for growth in the medium and long term.
- Explore new methods of FDI attraction **using technology to access global resources** – Changing work patterns, such as the move to remote working and virtual conferencing present an opportunity to access a globalised market for resources and FDI and trade opportunities
- Concerns about restarting and continuing global supply chains impact demand planning. As a result, WECA and its partner institutions should be conducting **scenario planning** to prepare for a variety of circumstances – political, economic, social and natural. Using market insights and external databases can support this preparatory planning.
- Creative, Aerospace and Advanced Manufacturing are some of the West of England’s key sectors, and certain subsectors within these are likely to be some of the hardest hit by Covid-19, meaning that investment and trade in the region may become a lot harder to attract for these sectors. It is therefore recommended that in these sectors, WECA should consider focusing their **short term efforts towards job retention and account management** of businesses currently in the region, rather than seeking to attract new businesses and projects. **FDI attraction and Trade activities should be focused towards subsectors which are more resilient** or are bucking the trend and growing, such as by using innovation or technological solutions.

# COVID-19 Resilient Subsectors

The following subsectors were identified by OCO (for the Department for International Trade) as ones that are bucking the trend and represent growth opportunities amidst the COVID-19 crisis:

The West of England region is strong in a number of these subsectors, as many of them are in the priority sectors of **Creative Industries, Digital and High Tech**, so WECA should look to build on opportunities in these areas as we emerge from the crisis.

 Connected Health	 Med Tech	 Ed Tech	 E-Commerce	 Logistics	 Gaming
 Packaging	 OTT (Over the Top Services)	 Video Conferencing	 Immersive Tech (AR and VR)	 Insurance	 Surveillance
 Diagnostics and Imaging	 E-Sport	 Robotics	 Cyber Security	 Drug Discovery & Clinical Trials	 Animation

# Cooperation via the Western Gateway

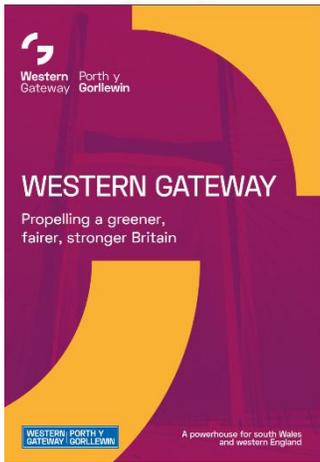
In light of the opportunities and challenges above, for the West of England to continue to be prosperous, it is critical that the region is able to present a **coherent sales message** to prospective investors and customers in international markets, which clearly differentiates the region from its competition elsewhere in the UK and in Western Europe. This is something that a number of stakeholders we interviewed mentioned was not wholly clear, and something that is very important in presenting a strong offering to international investors. Another key takeaway from the interviews was the **skills shortages** in the region, which hold back expansion and investment.

The new **Western Gateway**, which released its official prospectus in February 2020, is an opportunity for the West of England to address both of these challenges by combining its resources with the surrounding cities and counties, including in Wiltshire, Gloucestershire and South Wales.

Having a **unified vision and offering** for the wider region would potentially present a **stronger, more coherent message** to prospective investors, and would allow businesses to more easily draw upon skilled labour in nearby areas (such as across the Severn bridge) to address local gaps or shortages.

While there are significant opportunities presented by cooperation with the wider region, such as the **amplification of resources and additionality** to existing projects and local strategies, there are also potentially **challenges with internal competition**, as a number of the other LEPs have similar strategic priorities to the West of England (such as Energy and Digital in Wiltshire, and Advanced Manufacturing in Gloucestershire, and Creative in Cardiff).

It is therefore important that WECA ensure that, as they help to develop and shape the strategy for the Western Gateway over the coming months and years, it is **aligned with their local strategic priorities**, and that any potential **conflicts of interest are minimised**.



# Regional FDI and Trade Coordination

We noted in our engagement that there currently is no **Regional Steering Group for the West of England** to set the strategy and priorities for FDI and Trade.

While sub-regional groups do exist, such as the Bristol City Council International Group, these are typically only focused on their local area, and their remit does not usually seem to cover FDI and Trade.

A new steering group could be focused primarily on the West of England, bringing together the variety of Economic Development Organisations in the region, or it could be aligned/integrated with the governance structure of the Western Gateway to enable a broader strategic view over the wider Western region.



