

**REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY
COMMITTEE AND WEST OF ENGLAND JOINT
COMMITTEE**

DATE: 21 September 2021

REPORT TITLE: GREEN RECOVERY FUND

DIRECTOR: JESS LEE, HEAD OF STRATEGY & POLICY

AUTHOR: HELEN ILES, SENIOR POLICY MANAGER

Purpose of Report

1 This report provides an overview of the Green Recovery Fund.

Impact of Covid-19 pandemic

2 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:

- Supporting clean economic growth through the creation of a Green Recovery Fund

Recommendation

Recommendation for West of England Combined Authority Committee:

- Earmark from the existing Combined Authority Investment Fund headroom £20m for a Green Recovery Fund.

Recommendation for West of England Joint Committee:

Committee are asked to

- Note the fund's objectives and framework.

Background / Issues for Consideration

Refreshing the Climate Emergency Action Plan to include a refreshed ambition will help to ensure that the reducing emissions and adapting to the effects of climate change is at the heart of our activity and the region. As a combined authority, all of our activity needs to be contributing towards these ambitions. However, we recognise that in order to fully realise our ambition, will also require additional targeted resources.

The Green Recovery Fund

The Metro Mayor was elected on a clear manifesto commitment to set up a green recovery fund with two clear objectives:

- Protect the environment and reduce carbon
- Create jobs

Therefore, we propose to use £20m of Investment Funds to create a Green Recovery Fund that will achieve these aims by reducing the region's carbon emissions while supporting a sustainable recovery from the covid-19 pandemic. This will ensure rapid progress in reducing the largest sources of emissions, while supporting the regional economy to develop the skills, businesses and innovations needed for the long-term transition.

The objectives of the fund will be to:

1. reduce the region's carbon emissions from buildings and transport, and enhance our natural habitats;
2. to raise employment in businesses providing solutions to climate transition; and
3. to develop viable and sustainable markets for housing and transport transition, by overcoming obstacles or developing innovative solutions.

Measures of success

Projects within the Fund will be measured for their delivery against these objectives, in the following ways:

1. net reduction in carbon emissions (scope 1 and 2, with no offsetting increase in scope 3), with emphasis on earlier and sustained reductions; increase in area of high quality green infrastructure; increase in biodiversity in target places
2. number of new jobs created in West of England businesses with products and services acting to reduce carbon emissions
3. sustained increase in uptake of relevant low-carbon products and services beyond the end of funding.

Fund framework

1. Projects must address issues at scale, at a regional level where common issues exist, but recognising that some problems are local in nature
2. Projects must contribute to the objectives above and the strategic measures identified. It is recognised that a wide range of potential interventions could achieve these objectives, with differing theories of change, but there must be focus on the end results.
3. Each project must contribute to all three objectives, although differing emphasis may be placed on each.
4. Proposals are to be developed in Full Business Case format by [March 2022].
5. Projects should be completed within three years [by October 2024] to reflect a medium-term response to recovery.
6. Proposals must be consistent with the region's Climate Emergency Action Plan and complement existing activity by the Combined Authority and the constituent councils.
7. The measures of success adopted by projects should reflect the measures above to ensure consistency across the fund.

Developing Projects through the Green Recovery Fund

To achieve maximum impact from Green Recovery Fund, projects will be developed in line with the five key themes included within the Climate Emergency Action Plan:

1. Accelerating the shift to low carbon transport
2. Improving our buildings & placemaking
3. Enabling clean smart affordable energy
4. Fostering Clean Growth & Innovation
5. Protecting, preserving & enhancing the environment

A suggested focus on these areas will help the region to tackle the largest sources of emissions and adapt to the effects of climate change. In developing projects through the Green Recovery Fund, the Combined Authority will focus activity and action using the levers in which we have the most impact and control over.

The Green Recovery Fund will be drawn down in stages between now and October 2024 (in line with the Recovery Fund), with delegated approval granted to CEOs. Business cases will be developed in conjunction with the new Climate Board, partner Unitary Authorities and existing officer groups. Projects will be developed in conjunction with the aims and ambitions of existing strategies and regional ambitions, including:

- Local Industrial Strategy
- Spatial Development Strategy
- Joint Local Transport Plans – including Cycling & Walking Infrastructure Plans, approaches to Electric Vehicles and their charging infrastructure
- Green Infrastructure Strategy & Action Plan
- Tree & Woodland Strategy

Consultation

- 3 There is no statutory consultation required in the development of these papers.

Other Options Considered

- 4 Not earmarking £20m for the Green Recovery Fund – achieving our ambitions for the climate emergency will require quick action and additional activity over and above our existing work programmes. If the funds are not earmarked, this additional activity will be hard to achieve.

Risk Management/Assessment

- 5 Full risk assessments will be developed as part of the business cases developed for the Green Recovery Fund.

Public Sector Equality Duties

- 6 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

- 6.1 The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

- 6.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.

- 6.3 No equality implications are anticipated as a result of this report but a full equality impact assessment will be undertaken as part of the development of business cases.

Finance Implications, including economic impact assessment where appropriate:

- 7 The £20m indicated for the Green Recovery Fund will require Committee approval to earmark from the existing Combined Authority Investment Fund headroom. Business Cases will be developed, against the themes as detailed in above, to enable specific drawdown against this fund.

Advice given by: Malcolm Coe: Director for Investment and Corporate Services

Legal Implications:

- 8 No additional legal implications arising from the report.

Advice given by: Shahzia Daya, Director of Legal Services

Climate Change Implications

- 9 On 19 July 2019, the West of England Combined Authority declared a climate emergency, recognising the huge significance of climate change and its impact on the health, safety and wellbeing of the region's residents. The Combined Authority is committed to taking climate change considerations fully into account as an integral part of its governance and decision making process.

Each report/proposal submitted for Combined Authority / Joint Committee approval is assessed in terms of the following:

Will the proposal impact positively or negatively on:

- * The emission of climate changing gases?
- * The region's resilience to the effects of climate change?
- * Consumption of non-renewable resources?
- * Pollution to land, water or air?

Particular projects will also be subject to more detailed environmental assessment/consideration as necessary as part of their detailed project-specific management arrangements

- 9.1 This report outlines actions we will take to reduce emissions and protect the environment. Full impact assessments will be undertaken as part of the business cases for the projects aligned to the Green Recovery Fund.

Human Resources Implications:

10 There are no HR implications arising directly from this report.

Advice given by: Alex Holly, Head of People and Assets

Appendices: None

Background papers: None

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird on 07436 600313; or by writing to West of England Combined Authority, 3 Rivergate, Temple Quay, Bristol BS1 6EW; email: democratic.services@westofengland-ca.gov.uk