

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

**DATE: 8<sup>TH</sup> APRIL 2022**

**REPORT TITLE: REGIONAL RECOVERY AND ADAPTIONS FUND**

**DIRECTOR: STEPHEN BASHFORD, DIRECTOR OF BUSINESS  
AND SKILLS**

### **Purpose of Report**

- 1 To seek approval for additional funding of £5m towards the newly established Regional Recovery and Adaptions Fund.

### **Impact of Covid-19 pandemic**

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:

- The report sets out the proposed use of the Investment Fund to deliver additional regional economic recovery and adaption measures.

### **Recommendation**

**The Committee is asked to:**

**Allocate a further £5m to the Regional Recovery and Adaptions Fund and delegate the approval of business cases to the Combined Authority Chief Executive in consultation with the Chief Executives of the constituent Councils.**

### **Background / Issues for Consideration**

#### ***Regional Recovery and Adaptions Fund***

- 2 The Combined Authority Committee of 28<sup>th</sup> January 2022 agreed to establish the Regional Recovery and Adaptions Fund with an initial £5m allocation committed<sup>1</sup>.
- 3 The Fund has been established to help people and businesses tackle the

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<sup>1</sup> [13b - Recovery and Adaptions Fund report - FINAL.pdf \(modern.gov.co.uk\)](#)

ongoing economic impact of the pandemic. While the economy has shown some signs of recovery, there is a risk this will not be sustained, and economic activity will need to adapt in the short, medium, and long term. Business sectors and their supply chains, and communities, will have to change the way in which they operate and, importantly, people across the region will need to retrain and find new jobs.

- 4 The Fund will focus on new measures to help rebuild a resilient, fairer, and more inclusive regional economy, recognising the uneven impact of the pandemic. It will aim to minimise the scars of Covid-19 on people's livelihoods and prospects through skills development, by tackling inequality, and by supporting businesses to grow, adapt, and create new sustainable jobs which also aligns with efforts to tackle the climate and ecological emergency.

This will be achieved by three core objectives:

- a) To help people to adapt and overcome barriers to jobs and training – particularly where these barriers have been exacerbated by Covid-19 – and ensure regional and local provision is inclusive and responsive to existing and future skills gaps.
- b) To help businesses and their supply chains adapt to the new economic and regulatory landscape, increasing their financial stability and growth prospects.
- c) To support recovery and adaption of business and employment in central and local high streets, in ways that can be sustained in the long term.

- 5 The four investment priorities and activities are summarised below:

- 5.1 **Skills Recovery and Adaptions Package:** aimed at helping people adapt to and benefit from the jobs and training opportunities generated across the West of England, by significantly increasing and simplifying access e.g.

- Through scaling up and better co-ordinating regional and local training and careers support services – adopting a 'hub and spoke' model with the Combined Authority and Unitary Authorities, recognising local arrangements in place, and building added value which maximises our collective reach across the region.
- Alongside this core offer, target specific groups, communities, and sectors, to address barriers to access for those that need the support most, and where Covid-19 has deepened issues. This will include focussed activity on young/people and school leavers, with evidence showing rates of NEETs for 16- to 17-year-olds rising in the region.
- Development of a flexible fund for priority skills needs, to respond to gaps and opportunities based on regional and local intelligence.
- Deliver sector-based jobs matching and training programmes including for hospitality, logistics (HGV) and health and social care sectors, where vacancy rates are highest.

5.2 **Business Recovery and Adaptions Package:** investment to help businesses adapt and rebuild a more resilient, fairer economy in the medium-term, minimising the scars of Covid-19 and providing job opportunities:

- Business Growth and Adaptation Fund – grants to incentivise investment in production, expansion and adaptation of operations and supply chains. This will be based on learning from the Business Growth Grants programme (funded in the first phase) and align with other existing grant schemes to create added value.
- Enterprise Support Programme – targeted support for existing businesses in underserved sectors, geographically (including areas of deprivation and rural areas) and business owners/entrepreneurs with protected characteristics. This will draw on evidence of current delivery, for example, BSWN’s Covid-19 Emergency Response Business Support project, which shows that relevant and targeted support is needed to rebuild trust of black and minoritised entrepreneurial communities into mainstream supporting systems.
- Business Start Up School – a new regional service, engaging people from different communities, ages, and background to create more inclusive new tech focussed businesses. This will be designed to work alongside existing schemes like the Universal Business Support programme.

5.3 **High-Streets Recovery and Adaptions Package:** additional investment to help high-street businesses adapt over the medium-to-longer term:

- Enhanced regional leadership and coordination, drawing on local, regional, and national best practice to inform our approach.
- Drive innovation in utilising buildings and spaces including, for example, the concept of ‘co-location hubs, cultural and creative activity, and inclusive entrepreneurship/start-ups.
- Extend successful support activities across the region where impact is greatest.

5.4 **Cultural Compact start-up investment:** to take the first steps in implementing the West of England Cultural Plan and it’s four priorities:

- Cultural and Creative Skills - developing our creative and cultural people through pathways into the sector, including by engaging with schools, young people, and underrepresented groups within the sector.
- Creative Freelance, Start Up & SME Economy – more support to grow the sector and enable it to thrive, drawing in more investment to create jobs, including through high-end TV production, building off the success of the Combined Authority’s investment in The Bottle Yard Studios, for example.
- Placemaking – to position culture at the centre of placemaking, community-making and regeneration strategies, creating a unique regional narrative.
- Wellbeing – to ensure all residents and visitors can access culture and cultural activities for their own wellbeing, development, and enrichment.

## ***Progress so far***

- 6 As reported in January, the first phase of regional recovery projects (totaling £11.4m) are now either completed or in advanced delivery. Building on these foundations, the initial £5m investment for the Regional Recovery and Adaptions Fund is enabling good progress on business cases where evidence shows the need for quick and decisive action is greatest, for example:
- 6.1 *HGV/logistics project (Investment Package 1)* – targeted support for the logistics sector, particularly for HGV drivers, where there are significant jobs and skills challenges. The project will increase awareness of the job opportunities offered by the sector, alongside training and support.
- 6.2 *All Age Advice Centre (Investment Package 1)* – capacity building regionally and locally to create a hub and spoke model for specialist careers and training advice and support, targeting specific groups and communities facing barriers to access.
- 6.3 *Business Recovery and Adaptions Fund; Enterprise Support Programme (Investment Package 2)* – development of a business case for a new grant programme as set out above; alongside a series of pilots to increase the reach of our core business support into underserved sectors and communities.
- 6.4 *High Streets (Investment Package 3)* – an evaluation of work undertaken to date through the High Street Catalyst Fund and Love Our High Streets programmes, to inform a regional framework to prioritise activity for future funding including, for example, the UK Shared Prosperity Fund.
- 6.5 *Cultural Plan capacity building (Investment Package 4)* – to oversee implementation of the Cultural Plan and create a business case for funding, including by targeting the Art Council’s Place Partnership Fund.
- 6.6 **The delivery period for completion of this first wave of business cases is February – May 2022.**

## ***Case for further investment now***

- 7 It is clear given the scale of ambition set by the Recovery and Adaptions Fund, additional funding is now needed to build on the momentum created by the first tranche of support and develop more substantial cases for investment across the four priority areas.
- 7.1 A further £5m investment (taking the fund to £10m) will enable:
- Greater progress towards our goal of simplifying and increasing access to skills regionally and locally – this is critical as the Combined Authority takes on responsibility for national programmes like Skills Bootcamps and Multiply, and alongside devolved AEB, now has direct influence over a significant volume of training provision. Funding will help unlock ambitions for a single

branded regional 'hub and spoke' careers support service, alongside additional targeted and flexible support to tackle critical skills needs as they arise.

- Following initial work to evaluate existing programmes, more funding will be directed towards high streets, as they continue to undergo significant change and regeneration to recover from the impacts of the pandemic and secure a sustainable future.
- It will help us build on pilot projects within our enterprise support programme to further extend the reach of services where they are needed most. It will also help us build and extend our support to creative and cultural industries, in line with the ambitions set by the Cultural Plan.

## **7.2 The delivery period for completion of the second wave of business cases is April – October 2022.**

- 8 As reported in January 2022, development of business cases for the Regional Recovery and Adaptions Fund is being overseen by the Business and Skills Directors Group, supported by officer groups including the Economic Development Managers, Skills Officers Group and Cultural leads.
- 9 This project will follow the delivery assurance 'use it or lose it' principles as set out in the Delivery Assurance Report on this agenda, subject to that reports approval. A case for a further tranche of funding may be considered at a later date, subject to all funding being fully committed and the development of a robust business case for extension.
- 10 The broad assessment criteria for the fund is set out in Appendix 1

### **Consultation**

- 11 No statutory consultation is required in relation to this report.

### **Other Options Considered**

- 12 No additional allocation – rejected – an allocation of £5m is not enough to make tangible progress on the four investment packages.

### **Risk Management/Assessment**

- 13 The Fund will tackle the economic risks resulting from the impact of Covid-19 by providing further investment and support where this impact has fallen hardest. Business cases will be developed to ensure a clear economic rationale and value for money assessment informs the delegated decision making.

### **Public Sector Equality Duties**

- 14 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.

14.1 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.

14.2 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.

14.3 Full equality assessments will be included as part of individual business cases.

### **Finance Implications, including economic impact assessment where appropriate:**

15 Funding for the Regional Recovery and Adaptations Fund will come from the CA Investment Fund. Drawdown of approved funding will be dependent on the submission of compliant business cases.

Advice given by Richard Ennis, Interim Director of Investment and Corporate Services

### **Legal Implications:**

16 None

Advice given by Stephen Gerrard, Interim Director of Law and Democratic Services.

### **Climate Change Implications**

17 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.

17.1 The Regional Recovery and Adaptation Fund will align strongly with the recently agreed £50m Green Recovery Fund, to maximise progress towards Net Zero.

## Land/property Implications

18 None

Advice given by Richard Ennis, Interim Director of Investment and Corporate Services

## Human Resources Implications:

19 None

Advice given by Alex Holly, Head of People and Assets

## West of England Combined Authority Contact:

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## Appendix 1: Regional Recovery and Adaptions Fund Investment Criteria

First Stage entry Criteria Assessment	Must be Y in all categories	Notes
Contribute to one of the three core 'objectives' of the Regional Recovery and Adaptions Fund	Y/N	a) To help people to adapt and overcome barriers to jobs and training b) To help businesses and their supply chains adapt to the new economic and regulatory landscape c) To support recovery and adaption of business and employment in central and local high streets, in ways that can be sustained in the long term.
Fit within one of the four agreed Fund's 'Investment Packages'	Y/N	1. Skills Recovery and Adaptions 2. Business Recovery and Adaptions 3. High-Streets Recovery and Adaptions 4. Cultural Compact start-up investment
Deliver at a regional level where common issues exist, and economies of scale can be achieved.	Y/N	Recognising that some problems are local in nature and need more targeted intervention.
Show how they work together as part of a coherent recovery and adaption programme	Y/N	For example, proposals should leverage other existing regional or local activity funded e.g. Adult Education Budget, Green Recovery Fund.
Preferably be completed within three years [by March 2025] to reflect a medium-term response to recovery.	Y/N	

