

# LIVERPOOL CITY REGION COMBINED AUTHORITY

To: The Metro Mayor and Members of the Combined Authority

Meeting: 26<sup>th</sup> November 2021

Authority/Authorities Affected: All

EXEMPT/CONFIDENTIAL ITEM: No

KEY DECISION Yes

## REPORT OF THE PORTFOLIO HOLDER FOR INCLUSIVE ECONOMY AND THIRD SECTOR AND THE INTERIM EXECUTIVE DIRECTOR OF STRATEGIC COMMISSIONING AND DELIVERY

### STRATEGIC INVESTMENT FUND – COMMUNITY ENVIRONMENT FUND PHASE II AND COP26

#### 1. PURPOSE OF REPORT

- 1.1. This report seeks Combined Authority (the CA) approval to provide Strategic Investment Funding (“SIF”) for grants and programme delivery in respect of the Community Environment Fund Phase II (CEF) across Liverpool City Region (LCR). This supports community efforts to address the climate and ecological emergency. The report also provides an update on COP 26 and an overview of the activity led by Liverpool City Region Combined Authority at the Conference.
- 1.2 Please note that this report is progressing under an enhanced investment process provided in the CA’s assurance framework, in consideration of the level of funding sought. The basis of CA approval shall be “Application, Internal Panel’s commentary and Climate Partnership approval”. This report follows that requirement.

#### 2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
  - (a) approve the provision of funding of up to £600K (£500K grant, maximum £100K for delivery, monitoring and future fund planning), from the Strategic Investment Fund (“SIF”) in support of the second phase of the LCR Community Environment Fund;
  - (b) grant delegated authority to the Interim Executive Director of Strategic Commissioning and Delivery to award funding to projects and delegate programme delivery where required, in consultation with the Combined Authority Monitoring Officer and Combined Authority Treasurer, up to a maximum sum of

£50K per project and in accordance with guidelines agreed by the Climate Partnership; and

(c) Note the update on COP 26 and Liverpool City Region Combined Authority activity at the Conference.

### **3. BACKGROUND**

- 3.1. A Climate Emergency was declared by the Combined Authority (CA) in June 2019, pledging the Liverpool City Region to become zero-carbon by 2040. A Climate Partnership was established by the Metro Mayor in late 2019 to provide expert advice and support towards the LCR Climate Action Plan, helping to mitigate the Climate and Ecological Emergency and reach zero-carbon by 2040.
- 3.2. The LCR Climate Partnership has membership comprising the academic community, environmental organisations, statutory bodies, third sector and faith community representatives and representatives of the student community. The Chair of the LCR Climate Partnership is Gideon Ben-Tovim OBE and the Deputy Chair is Cllr Gill Wood.
- 3.3. The Community Environment Fund (CEF) was launched in Autumn 2020 to support communities to engage in a range of local environmental activities. Funding was allocated through three streams: LCR-wide projects; focussed (themed) projects and community projects. The CEF's objectives were to:
  - Improve the environment in the Liverpool City Region
  - Encourage long-term behavioural change
  - Promote community engagement and participation in environmental projects
  - Promote a "Green" recovery from COVID.
- 3.4. The total value of the CEF pilot was £500K, with the value of funding granted to any individual project limited to £50K. Over 150 bids were submitted, demonstrating the strong demand for funding of this nature, and 58 were selected for support by a dedicated internal team within the CA. Projects were scored within a governance framework, ensuring they met the CEF's criteria and aligned strategically with the CA's net zero ambitions. Projects commenced in March 2021 and delivered by September 2021. Project reports and case studies are currently being collated for analysis and impact assessment.
- 3.5. Examples of funded projects include: Community Green Hub by Wirral Environmental Network – Rejuvenation of neglected green space used for fly-tipping, creating a tree nursery, an orchard, a community allotment, a pollinator area and outdoor craft-upcycling space, supported by workshops; Re-store St Helens by Changing Communities CIC – Furniture upcycling project, reducing items going to landfill and supporting individuals in gaining skills.
- 3.6. The success of the pilot fund has allowed a Phase II fund to be considered and a request to the CA for a further, up to £600K in revenue support for community grants and programme delivery; £500K will be grant support and £100K to enable delivery and monitoring of this phase of the fund, plus technical support for planning a long-term self-sustaining fund. This will be delivered during 2022, deploying funding to high impact community environment projects throughout the city region, using

lessons learnt from the pilot round and working with Local Authority partners to avoid duplication of activities in order to maximise value and impact.

- 3.7 Alongside this, officers will develop a strong CEF business case and delivery model to create a long-term, self-sustaining fund model, leveraging in private sector funding with the ability to scale up the level of projects supported. This will be developed alongside but separate to the Phase II fund.
- 3.8 The proposed project and funding support has been reviewed by the Investment team in accordance with the Combined Authority Investment Strategy and Liverpool City Region National Local Growth Assurance Framework.

#### **4. OVERVIEW OF COP26**

- 4.1 In September 2021, the Combined Authority approved the North West COP26 Campaign. For nearly three decades the United Nations has been bringing together almost every country for global climate summits – called COPs – which stands for ‘Conference of the Parties’. This year was the 26th annual summit – giving it the name COP26. The LCR Combined Authority sought to use COP26 to promote its strategic interest in the climate agenda at this globally significant event.
- 4.2 After two weeks and one day of intense negotiations, COP26 leaders produced the Glasgow climate pact, with parties committing to keeping the goal of 1.5°C total warming alive. Critics have pointed out that the agreements will mean the world will likely fall short of that target.
- 4.3 The main sticking point of the negotiations was finance for developing countries. The developed world will hit its \$100 billion target for finance three years late, which makes it harder for western nations to gain concessions – the failing has largely been seen as indicative of a lack of credibility on the part of western leaders. Elsewhere, the absence of China’s President Xi was seen as a lack of commitment on the part of his Government to take serious action.
- 4.4 Much of the final text was edited as negotiators struggled to build consensus. The main agreements have largely come from bilateral and multilateral negotiations between world leaders, with declarations on coal use, electric vehicles, finance and deforestation all coming from negotiations away from the conference floor.
- 4.5 The final text of the agreement recognises the need to reduce emissions by 45% relative to 2010 levels, by 2030. Despite long-term commitments, short-term agreements have not been forthcoming. It is therefore anticipated that the COP President, Rt Hon Alok Sharma MP, will use the remainder of his presidency (which runs for the rest of the year) to lobby Governments for new pledges, with deadlines of 2030 or sooner.

#### **5. LIVERPOOL CITY REGION COMBINED AUTHORITY ACTIVITY AT COP26**

- 5.1 A delegation of senior politicians and officers have been involved in a varied programme of events, as part of a co-ordinated North West approach, both in the North West and in Glasgow.

- 5.2 COP26 events in the North West included two Regional Roadshows, one in Runcorn and one in Manchester, and Planet Mark's Net Zero Carbon Bus Tour, which held an event in New Brighton centred around engaging SMEs in the Net Zero agenda.
- 5.3 In the first week of the conference, the Portfolio Holder for Climate Emergency and Renewable Energy, Cllr David Baines, represented the city region at events in Glasgow including a showcase for the Glass Futures project in St Helens and a dinner focussed on our plans to harness the power of the River Mersey, along with Martin Land, Director of the Mersey Tidal Power Project.
- 5.4 In the second week of the conference, the Metro Mayor attended a range of events including a panel discussion featuring young people from across the North West, a panel event with mayors from cities around the world showcasing investable propositions in the city region, and a dinner and breakfast with public and private sector stakeholders from across the UK. The LCRCA Chief Executive, Katherine Fairclough, also attended a range of events including a roundtable event looking at how cities and city regions can access green finance to help them achieve their net zero plans.
- 5.5 During a panel discussion on the final day the Metro Mayor announced a North West Youth Commission to give young people a voice to lobby government to deliver a lasting COP26 legacy.

## **6. PATHWAY TO NET ZERO**

- 6.1 Since declaring a Climate Emergency in 2019, the Combined Authority and its partners have made great strides towards achieving the Liverpool City Region's Net Zero carbon ambitions. The actions taken range from investing £500,000 through the Community Environment Fund, supporting 58 organisations to deliver environmental projects, through to transformational clean energy infrastructure projects.
- 6.2 Partners across the City Region have already demonstrated what can be achieved with a clear vision and purpose. Our evidence shows clearly that to achieve our net zero ambitions, we need to go further and accelerate the pace of action. To that end, we will publish a Pathway to Net Zero document which will set a clear direction of travel that will set a firm foundation for rapid, collective action.

## **7. RESOURCE IMPLICATIONS**

### **7.1. Financial**

The level of SIF funding represents the CA's sole financial resource commitment to the Project at this stage. The funding will provide £500K of grant support to individual projects, plus an allowance of up to £100K to enable programme delivery, monitoring and future fund planning.

### **7.2. Human Resources**

The Investment Team and Legal Team will manage the preparation of the Funding Agreement for the CEF, and the Strategic Commissioning and Delivery Directorate will have responsibility for managing the delivery of the fund, either using internal or contracted resources.

### **7.3. Physical Assets**

There are no physical asset implications associated with this report.

### **7.4. Information Technology**

There are no information technology implications associated with this report.

## **8. LEGAL IMPLICATIONS**

- 8.1 Legal implications of the CEF proposals have been assessed by CA's legal team and implemented through the pilot phase of the Fund. All recipients of funding will be required to enter into a short form Grant Funding Agreement prepared by Legal Services.

## **9. RISKS AND MITIGATION**

- 9.1 Risks to delivery of projects under the CEF will be managed throughout the process of fund allocation and monitoring. Fund applicants will submit risk assessments as part of their application and the risks will be monitored through the project monitoring process.
- 9.2 Risk to delivery of the fund programme will be managed by the CA's Strategic Commissioning and Delivery Directorate, as a key part of its delivery strategy.

## **10. EQUALITY AND DIVERSITY IMPLICATIONS**

- 10.1 The Climate Partnership, its terms of reference, the themes for development of the Climate Action Plan and the formation of the CEF have been specifically designed to address inequality across the City Region. Poverty, racial and gender inequality and climate justice are central themes to the achievement of action on climate and the environment. The CEF will support projects that aim to address inequalities in line with a commitment to Climate Justice.

## **11. PRIVACY IMPLICATIONS**

- 11.1 Both Data Protection and confidentiality implications will be explicitly addressed within application guidance for the CEF on the advice of Legal Services, with applicants being informed of the purposes for which information provided will be used and by whom.

## **12. COMMUNICATION ISSUES**

12.1. The Climate Partnership and the CA are determined to embrace a participative approach to climate action, encouraging stakeholders, organisations and members of the public to take an active role in determining future direction and actions. The Climate Partnership is itself a stakeholder group whose role is fundamental to this process. The creation of a Climate Panel will further enable active participation.

## **13. CONCLUSION**

13.1. The report seeks approval to award funding in support of a second phase of the CEF, as well as noting the CA's intention to develop a long-term sustainable Fund.

Dr Aileen Jones,  
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Background Documents:  
None