

Climate Emergency Advisory Committee



Report of Acting Deputy Chief Executive – Transformation and Operations

Author: Michelle Wells

Telephone: 01235 422648

E-mail: michelle.wells@southandvale.gov.uk

Cabinet member responsible: Debby Hallett

E-mail: debby.hallett@whitehorsedc.gov.uk

To: Climate Emergency Advisory Committee

DATE: 01 July 2020



A Green Recovery from Covid-19

Recommendation(s)

- (a) Committee to note the key themes and policy thinking of using the Covid-19 recovery to accelerate and prioritise green initiatives and contribute to climate change action and how this could impact the progression and steer of the projects within the Climate Emergency Year One Work Programme 2020/21 and feed into the council's emerging recovery plans.

Purpose of Report

1. This report provides a summary of the national government and Oxfordshire Councils' anticipated approach to the Covid-19 recovery, predominantly focusing on green recovery although elements of economic, health and social recovery are also included.

Strategic Objectives

2. Work is currently being undertaken to develop the Corporate Plan 2020-2024, and climate emergency related goals are emerging as strong proposed priorities in the initial draft for the Plan. Following Covid-19, there is global recognition that climate change and the environment have increased in their importance.
3. Additionally, at the meeting of the Climate Emergency Advisory Committee (CEAC), 1 July 2020 committee members will review a draft of the Corporate Plan 2020-24 proposed themes and illustrative projects. Consideration of this alongside this Green Recovery report will better enable the CEAC to consider whether they would like to recommend the re-focus and re-prioritisation of projects within the Climate Emergency Year One Work Programme 2020-21.

Background

4. The Covid-19 pandemic has changed our society and economy. Both central government and local government have a crucial part to play in a recovery framework that can support, and even prioritise, a green recovery.
5. The Prime Minister and central government have faced mounting pressures on all fronts, with charities, corporations, community groups, academics and members of parliament demanding a green recovery. This report will explore the various 'Calls to Action' made by specific organisations, that are likely to influence the upcoming commitments made by central government.
6. Carbon dioxide emissions, which plunged when lockdown took effect, have since begun to rebound sharply according to National Geographic¹. Experts fear "we will leap from the COVID frying pan into the climate fire"² and without strong government interventions, the UK will return to business as usual with high carbon emissions, or even higher emission levels above pre-lockdown levels should people desert public transport in fear of their health in favour of driving their own cars.
7. The United Kingdom's role as president of COP26 means the UK government has a critical role to play, if trends towards a bailout of a high-carbon economy are to be reversed and the world is to reach net zero emissions. COP26 is the annual UN climate conference to co-ordinate global action to deal with the climate emergency. The UN summit postponed by a year to November 2021, due to Covid-19, is seen by some as the last chance to put the world back on track to meet the Paris Climate Agreement. For COP26 to be a success, the UK government must lead by example in setting out a green recovery.
8. During a national briefing session on 28 May 2020, The Prime Minister stated that the UK government will push for a green and climate resilient recovery, he stated "we owe it to future generations to build back better and base our recovery on solid foundations, including a fairer, greener and more resilient global economy"³ following Covid-19.
9. The Prime Minister is expected to deliver a speech detailing specific plans for the UK's economic recovery strategy inclusive of a green recovery at the end of June 2020.

Themes that could be included in a green recovery

10. By "bouncing back better" there is a chance to facilitate a green recovery as we emerge from lockdown and think about the lessons Covid-19 has taught us about

¹ National Geographic, *Carbon emissions are falling sharply due to coronavirus. But not for long*. April 3, 2020. <<https://www.nationalgeographic.com/science/2020/04/coronavirus-causing-carbon-emissions-to-fall-but-not-for-long/>> [Accessed on 14 June 2020].

² Oxford Smith School of Enterprise and the Environment, *Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change?* Working Paper 20-02 4 May 2020, p.4.

³ Prime Minister Boris Johnson, *Downing Street Coronavirus News Conference*, [television broadcast] BBC, 28 May 2020.

community response, behavioural change, resilience, the role of the government and the need for action based on science.

11. Following Covid-19, a green recovery provides a rare opportunity to align economic, social and environmental agendas. This section of the report summarises and splits out the key themes associated with a green recovery under the subheadings of economic, social and environmental. There is recognition that many of these themes overlap. Further detail on each theme is provided in the next section of the report.

12. Economic

- Increasing job creation
- Building a resilient financial system
- Reskilling and retraining for a well-adapted zero carbon economy

13. Social

- Addressing inequalities
- Further enable walking & cycling given the increase in these activities during the crisis
- Harnessing community spirit: the power of the community response to Covid-19 has highlighted the absolute requirement to work alongside people as agents of change and to understand how we can give the right support to that
- Long lasting behavioural change. This links to the role of government regulation, which has enabled a shift in behaviour at scale following Covid-19 regulations

14. Environmental

- Low carbon developments
- Infrastructure investments in renewable energy
- Restoration projects, including tree planting
- Green neighbourhoods: during the pandemic we have seen how important access to green space and natural capital has been important for people's physical and mental health
- Energy efficiency: including retrofitting existing homes and Clean Heat Grants
- Enabling the uptake of Electric Vehicles (EVs)

National approach to a green recovery plan

15. The Prime Minister and Central Government are facing mounting pressures on all fronts to deliver a green Covid-19 recovery plan, with calls to action being made being made by corporations, charities, community groups, members of parliament and cabinet members. This section details some of these individual groups calls to action and recommendations.
16. The Aldersgate Group is an alliance of leaders from business, politics and civil society that drives action for a sustainable economy. They launched a policy briefing on 12 June 2020 highlighting how an economic recovery focused on stimulating low carbon and nature restoration projects could help address regional inequality, unemployment and build a more resilient financial system.
17. Executive Director of the Aldersgate Group, Nick Molho said: “There has rarely been a time when the economic, social and environmental agendas have been so closely aligned”⁴.
18. A recovery with these projects at its heart would strengthen the UK government’s influence ahead of the G7 and delayed COP26 summits and enable UK businesses to be competitive providers of low carbon goods and services. The Group of Seven (G7) is an international intergovernmental economic organisation consisting of the seven major countries: Canada, France, Germany, Italy, Japan, the United Kingdom and the United States which are the largest advanced economies in the world.
19. The Aldersgate Group have recommended that the government work closely with the Green Finance Institute and the newly launched Clean Growth Fund to identify “key market barriers and gaps to investment in emerging green infrastructure and technologies”⁵. This refers to a partnership between Triodos Bank, Tesco and Pod Point which saw Triodos providing a debt facility to support the rollout of EV chargers.
20. The Aldersgate Group have also made several recommendations relating to EVs, including bringing forward the phaseout of internal combustion vehicles - including hybrids – to 2030 or sooner, which is something the government is consulting on.
 - This would have the potential to create 200,000 permanent jobs, 57 per cent of which would be involved in the installation, operation and maintenance of charging points.
 - Commitments to accelerate the switch to EVs could be car focused, but there is recognition that there also needs to be understanding of what role will be played by e-bikes and micro-mobility modes e.g. e-scooters.
 - Enabling the uptake of EVs coupled with increasing active travel and improving bus and rail services will be essential to decarbonise the transport sector. The transport sector has been heavily impacted by Covid-19 and there may be long term impacts, such as public reluctance to take public transport.

⁴ Current ±, *Green COVID-19 recovery as ‘historic opportunity’ as organisations turn up the heat*, 12 June 2020 < <https://www.current-news.co.uk/news/green-covid-19-recovery-a-historic-opportunity-as-organisations-turn-up-the-heat> > [Accessed 14 June 2020]

⁵ Ibid.

21. The Energy Efficiency Infrastructure Group (EEIG) is also calling for a green recovery. They have focused on energy efficiency measures to support this, describing buildings as the “litmus test for a net zero recovery”⁶.

22. EEIG June 2020 report details a proposed two-year stimulus package:

- Bringing forward the £0.1 billion ear-marked for Clean Heat Grants from 2022 to 2020.
- Fully committing to the £9.2 billion worth of commitments to energy efficiency investments made in the government’s 2019 manifesto. These include the Social Housing Decarbonisation Fund, Home Upgrade Grants and Public Sector Decarbonisation Scheme.
- Direct investments in homes from both public and private sources. The proposed stimulus package comes in at £4 billion over two years, which would support 500,000 renovations and 34,000 full-time jobs across the supply chain.

23. In a letter of 6 May 2020, the Committee on Climate Change wrote to the Prime Minister advising how climate policy can play a key part in rebuilding the UK with a stronger economy and increased resilience following COVID-19; “Reducing greenhouse gas emissions and adapting to climate change should be an integral part of any recovery package”⁷.

24. The Committee on Climate Change highlight areas of focus that have clear economic, social and environmental benefits. These are largely in line with projects within the Vale of White Horse’s Climate Emergency Programme of Work 2020/21:

- Investments in low carbon and climate-resilient infrastructure
- Support reskilling, retraining and research for net-zero, well adapted economy
- Upgrades to our homes ensuring they are fit for the future
- Making it easy for people to walk, cycle and work remotely
- Tree planting, peatland restoration, green spaces and other green infrastructure

25. The Committee recommend that the government prioritise actions according to their six principles for a resilient recovery:

- Use climate investments to support economic recovery and jobs
- Leads a shift towards positive long-term behaviours. This refers to embedding new social norms, such as travel that benefits well-being whilst also reducing emissions. This will involve infrastructure provisions to

⁶ Energy Efficiency Infrastructure Group, *Energy efficiency’s offer for a net zero compatible stimulus and recovery*, June 2020, p.1

⁷ Letter from Committee on Climate Change to the Prime Minister Boris Johnson, *Building a resilient recovery from the COVID-19 crisis*, 6 May 2020.

improve safety for cyclists and investing in measures to facilitate social distancing on both public transport and pavements.

- Tackle the wider 'resilience deficit' on climate change. Strong policies are needed from across government to reduce vulnerability to the destructive risks of climate change and avoid a disorderly transition to net-zero. Covid-19 has highlighted the importance of evidence-led preparations for the key risks facing the country.
- Embed fairness as a core principle. The crisis has exacerbated existing inequalities, whereby the response to the crisis has disproportionately affected the same lower income groups and younger people who face the largest long-term impacts of climate change.
- Ensure the recovery does not 'lock-in' greenhouse gas emissions or increase the climate risk. There is a risk of a high carbon rebound from Covid-19 given the very low oil prices we are currently seeing. In addition, perception of the safety of crowded public spaces (including trains and buses) could see people rejecting public transport in favour of personal transport options. This should be seen in the context that transport is already the biggest sector source of CO₂ (by end user and source) and sector emissions have stayed relatively level for 20 years.
- Strengthen incentives to reduce emissions when considering fiscal changes.

26. More than two hundred top UK firms and investors (including Lloyds Bank, Asda, Mitsubishi, Siemens and Sky) are calling on the government to deliver a Covid-19 recovery plan that prioritises the environment. In a letter to the Prime Minister the proposals include:

- Driving investment in low carbon innovation, infrastructure and industries
- Focusing sectors that can best support the environment, increase job creation and foster the recovery, whilst also decarbonising the economy
- Putting strings on financial support to ensure firms getting cash bailout are well managed and in line with climate goals

27. Oxford Smith School of Enterprise and the Environment (SSEE) have written a working paper on 'Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change?' where they have surveyed 231 central bank officials, finance ministry officials, and other economic experts from G20 countries on the relative performance of 25 major fiscal recovery archetypes across four dimensions: speed of implementation, economic multiplier, climate impact potential, and overall desirability.

28. SSEE identified five recovery policies that can deliver both economic and climate goals:

1. Clean physical infrastructure investment in the form of renewable energy
2. Building efficiency spending for renovations and retrofits including improved insulation, heating, and domestic energy storage systems
3. Investment in education and training to address unemployment resulting from Covid-19 and structural unemployment from decarbonisation

4. Natural capital investment for ecosystem resilience and regeneration including restoration for carbon-rich habitats and climate-friendly agriculture
5. Clean Research & Development spending

29. The paper by SSEE also identified other co-benefits; these are non-economic, non-climate attributes of climate-positive policies which aid in their overall desirability:

- EV incentives reduce local air pollution, especially valuable in dense urban areas
- Support for energy efficiency retrofits could be directed to lower-income households to decrease social & health inequalities by reducing real electricity costs and keeping houses warm in winter

30. Other key insights that emerged from the SSEE survey:

- Many climate-positive policies were perceived by respondents to have high overall desirability
- Most climate-negative policies had relatively low desirability
- Long-run multipliers of climate positive-policies were found to be high, reflective of strong return on investment for government spending

31. As economies re-open some behaviours may return to pre-crisis normal however other behaviours may change permanently. One estimate is that up to one-third of the global workforce will sustain remote working practises part-time on a permanent basis⁸. Post-crisis recovery spending offers an opportunity to embed climate-positive behaviours by supporting teleworking and high-speed broadband connectivity and residential energy efficiency.

32. The Climate Coalition (a coalition of 57 charities) are the latest to call on the UK government to adopt a green recovery from Covid-19. In a letter to the Prime Minister on 15 June 2020, they argue that a resilient economic recovery will only be possible with a just, sustainable and clean energy transition at its core and they highlight seven priority areas for action:

- Prioritise and increase public capital investment, training and re-skilling in renewable energy, energy efficiency, zero carbon transport and infrastructure
- Accelerate private sector investment in the net-zero transition
- Set economic policy foundations for a sustainable recovery
- Prioritise investment in the transition to a UK land use and farming system that delivers for nature, climate and human health
- Aligning all UK public finance abroad with a just energy transition

⁸ Global Workplace Analytics, *Work-At-Home After Covid-19 – Our Forecast*, 2020 <<https://globalworkplaceanalytics.com/work-at-home-after-covid-19-our-forecast>> [Accessed 14 June 2020].

- Build a resilient, sustainable and inclusive global recovery by strengthening international support for the most vulnerable countries and communities worldwide
 - Engage with the international community to halt and rapidly reverse the decline of biodiversity and nature globally
33. Race to Zero, launched on Friday 5 June 2020 to coincide with World Environment Day, is a government initiative designed to mobilise a renewed level of leadership from businesses, cities and regions and nations to spur a zero-carbon recovery. After the launch of Race to Zero, Business, Energy and Industrial Strategy (BEIS) secretary Alok Sharma confirmed that more than 1,000 businesses, more than 500 universities and nearly 500 cities and regions are now Climate Ambition Alliance members, along with 120 countries and 36 major investors. This cohort covers around one-quarter of global greenhouse gas (GHG) emissions. He concluded that “we must go further” and “unite behind a green global recovery” from the socio-economic impacts of the coronavirus pandemic⁹.
34. The government conducted a green recovery roundtable on 10 June 2020, as part of a series of five, looking into the economic recovery of the UK following Covid-19. The roundtables were chaired by energy and business secretary Alok Sharma, bringing together businesses, trade bodies and leading academics.
35. The green recovery roundtable explored how to seize economic growth opportunities from a shift to net zero. There were twenty-four participating organisations. The questions participants were asked to address included:
- Which areas of infrastructure investment should we prioritise for early action to drive economic recovery and support delivery of net zero and our broader environmental objectives?
 - What action should we take to align investment in the UK and globally with net zero and to protect natural capital?
 - What are the key regulatory barriers weakening incentives to invest in net zero, and how do we address them?
 - How can we more effectively support businesses across the economy in acting to access growing low carbon markets and support delivery of net zero? (e.g. innovation support, advice, regulatory barriers)
 - How can we help the UK’s carbon intensive sectors to transition to low/zero emissions while maintaining competitiveness?
 - What actions should we take to ensure local and regional economies can effectively contribute to the net zero target?
36. The other four roundtables focused on economic recovery and discussed how to ensure the UK has the right skills and opportunities in place for its workforce over the next eighteen months;

⁹ edie newsroom, *Race to Zero: What’s set to be included in the UK’s green Covid-19 recovery package?*, 8 June 2020 <<https://www.edie.net/news/11/Race-to-Zero--What-s-set-to-be-included-in-the-UK-s-green-Covid-19-recovery-package/>> [Accessed 14 June 2020].

- Increasing opportunity: how to level up economic performance across the UK, including through skills and apprenticeships, 11 June 2020
- Backing new businesses: to make the UK the best place in the world to start and scale a business, 12 June 2020
- The future of industry: how to accelerate business innovation and leverage private sector investment in research and development, 12 June 2020
- The UK open for business: how to win and retain more high value investment for the UK, 13 June 2020

Oxfordshire plans for a green recovery

37. Oxfordshire County Council are hoping to maintain the environmental benefits which have emerged from the coronavirus lockdown. Following a noticeable increase in levels of walking and cycling across the county during the pandemic, the plans will encourage more residents to choose sustainable and active alternatives to motor vehicle travel.

38. Cyclists and pedestrians in Oxfordshire will soon start to notice the benefit of urgent plans to spend £600,000 over the next eight weeks (June-August), to help them to travel safely whilst maintaining social distancing measures. These plans are the first part of a wider £2.9m of funding to be awarded to Oxfordshire County Council by Government to improve cycling infrastructure, footpaths and roadwork networks as the nation responds to the Covid-19 pandemic. The focus will be on:

- Enhanced maintenance for paths and cycle routes
- New cycle parking facilities across all districts and Oxford
- Changing signal timings to prioritise pedestrians and cyclists
- Restricting hours of loading/servicing in key city centre streets
- Park & Ride upgrades with more room to park bikes
- Freeing up routes for pedestrians only
- Improved signage

39. This funding comes as part of a £250m Department for Transport nationwide Active Travel Fund from the UK government, for local authorities to use immediately in reallocating road space with pop-up cycle lanes, widening pavements and bus and cycle corridors. The secretary of state recognised that it is a “once in a generation opportunity to deliver a lasting transformative change in how we make short journeys in our towns and cities”¹⁰.

¹⁰ Sustrans, *Re-allocating road space to make walking and cycling safer*, <<https://www.sustrans.org.uk/for-professionals/urban-design-and-planning/re-allocating-road-space-to-make-walking-and-cycling-safer-during-covid-19-and-beyond>> [Accessed 14 June 2020].

40. With social distancing measures set to continue for the foreseeable future, Transport for London set out a plan 'Streetspace for London' which is designed to allow more people to walk and/or cycle whilst maintaining social distancing.
- The Mayor of London, Sadiq Khan stated "many Londoners have rediscovered the joys of walking and cycling during lockdown and, by quickly and cheaply widening pavements, creating temporary cycle lanes and closing roads to through traffic we will enable millions more people to change the way they get around our city"¹¹.
 - As lockdown measures continue to ease, the government recognise that it is important to make it easier for those who have taken to cycling/walking for essential travel and exercise during lockdown for this to continue post-lockdown in order to transition into a greener and healthier nation.
41. Much like London and other cities in the UK, some of these measures might be sustained beyond the pandemic to transform the Vale of White Horse into a cleaner and more pedestrian friendly environment, whilst also supporting businesses and the local economy to return to operation.
42. Oxford City Council have noted that since the start of lockdown at the end of March 2020, the air pollution monitoring station on St Aldates has seen nitrogen dioxide (NO₂) levels fall by 59 per cent compared with pre-lockdown measurements¹². This is the cleanest Oxford city centre air in several generations, and, according to the City council, perhaps not previously seen since the days of the horse and cart.
43. On World Environment Day, 5 June 2020, South Oxfordshire and the Vale of White Horse district councils announced that following lockdown there has been a marked reduction in air pollution in our districts, down by nearly 60% in Watlington¹³. The lack of traffic and the increase in walking and cycling has helped improve the local air quality.
44. Cherwell District Council and Oxfordshire County Council have released their 'Covid 19 RECOVERY STRATEGY: Restart, Recover, Renew' setting out their recovery objectives and priorities. They highlighted data from a YouGov poll conducted for the Royal Society of Arts (published on 17 April 2020) to highlight how Covid-19 could be a driver of societal change:
- Only nine per cent of Britons want life to return to "normal" after the crisis is over
 - Over 50 per cent hoped that they will make changes to their own lives and for the country to learn from the crisis
 - 2/5 said there is a strong sense of community

¹¹ Mayor of London Press Release, *Mayor's bold new Streetspace plan will overhaul London's streets*, 6 May 2020 < <https://www.london.gov.uk/press-releases/mayoral/mayors-bold-plan-will-overhaul-capitals-streets> > [Accessed 14 June 2020].

¹² Environmental Journal, *Oxford plots green economic recovery plan*, 13 May 2020, <<https://environmentjournal.online/articles/oxford-plots-green-economic-recovery-plan/>> [Accessed 14 June 2020].

¹³ South Oxfordshire District Council, *Air pollution reduced by more than half in our districts as walking and cycling increases*, 3 June 2020 < www.southoxon.gov.uk/news/2020/2020-06/air-pollution-reduced-more-half-our-districts-walking-and-cycling-increases > [Accessed 14 June 2020].

- 51 per cent noticed cleaner air outdoors
- 27 per cent noticed more wildlife

45. Oxfordshire County Council and Cherwell District Council's approach to 'restart, renew, recover' will aim to take a holistic view and consider the interdependencies between socio-economic factors, health outcomes, the economy, environmental matters and communities. They are looking to support their economic objectives by engaging with partners and sector representatives to secure a 'V' shaped bounce to the crisis-induced recession. In tandem, ensuring the Councils' climate action commitments and zero emissions targets underpin a drive to achieve a greener, more sustainable economic growth in the long term.

46. Both councils want to:

- Support a new kind of economic growth that focuses on a 'green economy which digital connectivity enhancement could support
- Find ways to hold on to the gains during Covid-19, such as reduced congestion and carbon emissions which are consistent with the district's ambitions for climate change and transport connectivity
- Use the opportunity to address critical issues including net-zero emissions, tackling inequalities and future proofing our transport system

47. The Oxfordshire Growth Board is a joint committee of the six councils of Oxfordshire together with strategic partners. It facilitates joint working on economic development strategic planning and growth. The Growth Board is due to update its terms of reference in July and it is anticipated that the revised terms of reference will be much clearer about the importance of the environment, climate change and sustainable, healthy and happy living.

48. The Oxfordshire Infrastructure Strategy is also being refreshed (OxIS) this year. The early scope of the refresh, as considered by the Growth Board on 2 June 2020, was clear that the Strategy would seek to maximise opportunities to build long lasting resilience to climate change. Creating sustainable communities by providing good access to employment, housing, open space, transport, education, services and facilities to meet community needs and that address the climate emergency and support our zero-carbon ambition.

49. The impact of Covid-19 on our communities will now be a material factor to consider in all future strategy documents, and specifically the Oxfordshire Plan 2050 and OxIS, which will be overseen by the Growth Board.

50. There is certainly an impetus that the Pandemic may help to accelerate innovation in technology and policy to support a greener future. These discussions are being had at the Growth Board level informally, but they are not yet the subject of any formal plans or papers.

51. A new governance structure and executive group have been created for the Oxford-Cambridge Arc. Aspects under consideration include a Nature Recovery Network and zero carbon development however there are, as of yet, no published commitments or work programmes to review.

Vale of White Horse Recovery Plan

52. Vale of White Horse District Council are currently developing the council's wider recovery plan working closely with partners across the Oxfordshire system on areas that span across the county. The council's recovery plan will link to internal themes such as business continuity, the corporate plan, the transformation agenda and workforce and culture. Further it will take into consideration the financial impact of Covid-19 and any new obligations from HM Government. This represents a good opportunity to reflect whether the CEAC wish to reprioritise, refocus or introduce some areas of work that could be considered for inclusion in the council's recovery plan or update the one-year work programme.

53. The council's Economic Development Team is working with partners to develop messaging to encourage businesses to adopt new low carbon ways and not revert to previous unsustainable practices as they reopen.

- For example, festival and event businesses will be encouraged to avoid relying on drive-in events and cinemas and look at alternative ways to generate income
- The district will use the Reopening the High Street Safely Fund to promote the new bike racks and cycle path improvements being developed by the County Council's Active Travel Fund and will encourage residents to cycle into our market towns

Risks

54. There are no risks arising from this report.

Financial Implications

55. There are no financial implications arising from this report.

Legal Implications

56. Currently there are no legal implications from this report.

Conclusion

57. This report gives an overview of the likely focus of central government's green recovery, in response to Covid-19. Following official commitments to be made by Prime Minister Boris Johnson at the end of June, a further report 'Part 2: Green Recovery from Covid-19' could be of interest and use to the CEAC.

58. Looking forward, in light of the conclusions of the national and local green recovery plans and with consideration to the Vale of White Horse Corporate Plan 2020-24, a future CEAC meeting could look at re-prioritising or re-focusing projects within the Vale of White Horse Climate Emergency Year One Work Programme 2020-21 to strengthen and align with the renewed national approach, local priorities and the council's wider recovery plans.