

County Council – 6 November 2020

Item 9(f) - Notice of Motion by Mr Boram

The Economy – Briefing Note

The West Sussex economy pre COVID-19 was generally a diverse economy, worth around £22.8bn and performing strongly against the national average performance. There were higher than national and regional levels of economic activity, employment and self-employment rates, and lower levels of unemployment, with some variations across the county.

The County Council recognises COVID-19 is having a significant impact on the county's economy. Businesses are being hit hard and significant numbers are dormant, residents are losing their jobs and livelihoods, and the implications of the aviation industry crisis on Gatwick airport are far-reaching for the local, regional and national economy. The most recent data available to the Council shows 47,200 West Sussex residents were furloughed (at 31 August), 32,100 were claiming self-employment income support (at 30 September), and 27,890 residents claimed Job Seekers Allowance or universal credit for the principal reason of being out of work (at September, with the number of claimants going up by 174% between March and September).

The Council has been responding to the immediate economic crisis. The Council has lobbied MPs and the Government on significant impacts on the county including from the aviation crisis, pressures on the adult social care market, and the challenges for the tourism, events and hospitality sector; has provided information for residents and businesses through corporate communication channels; and has supported the re-opening of high streets including by working with the district and borough councils on pavement licences for traders to increase outdoor seating capacity.

The Council has developed a draft Economy Reset Plan (July 2020) setting out where the Council will focus its efforts and resources in response to the impact of COVID-19, seek to build or support strategic alliances and partnerships to act, and lobby for attention nationally, regionally and locally. The draft Plan reflects the spatial economic challenges for Crawley and the wider Gatwick Diamond and for the coastal and rural economies; the importance of business start-ups, existing businesses, and employment and skills to economic recovery; the need to support sectors hit hard including the visitor economy and the health and social care market; and the opportunities we are keen to embrace around digital infrastructure and the application of digital technology, and the importance of embedding climate change and the environment in the reset approach.

The County Council has adopted a Climate Change Strategy, setting out an ambitious target to be a carbon neutral organisation by 2030. The strategy includes a commitment to support and grow our local green economy, and the Council is progressing a range of green energy and sustainability initiatives which support the environment and the low carbon sector.

The Council is aware that the Government has established a Global Travel Taskforce in response to the impact of COVID-19 on international travel. The

taskforce is working across the Department for Transport and the Department of Health and Social Care to consider further how government can support the sector to meet the challenges posed by COVID-19. The Government is due to publish a strategy for the recovery of the aviation sector in the autumn. The Government has signaled the 'aviation recovery plan' will run to 2025.

The County Council, working in partnership, has previously secured government funding to help deliver the county's digital infrastructure priorities. This has included £10m in the £30m roll out of 'superfast' broadband resulting in nearly 70,000 extra premises benefitting from higher speeds, of which 55,000 can now access 'superfast'; £4.6m towards upgrading more than 500 public sector sites to gigabit capable infrastructure and a further £250,000 to achieve the same for 17 primary schools in rural areas; £1.5m in the county's gigabit voucher schemes for communities with a focus on areas hardest to reach with digital infrastructure; £19m with the borough and district councils through the retained business rates bid; and £2m through the Coast to Capital Local Enterprise Partnership for the Converged Fibre Connectivity Project creating a new duct and fibre route linking Crawley, Horsham, Haywards Heath and Burgess Hill to the regional fibre network at Brighton Digital Exchange.

The Council recognises the priorities of the adopted Economic Growth Plan 2018-23 remain relevant and important including the Growth Deals with the district and borough councils, and that new areas of focus will be required through the Economy Reset Plan.

Lee Harris

Executive Director Place Services