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## **Cabinet**

**21 July 2020**

### **Draft Economy Reset Plan**

#### **Report by the Executive Director for Place Services**

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### **Summary**

The County Council is developing its overall reset plan. Given the impact of COVID-19 on the West Sussex economy, an economy reset plan is needed which will set out the Council's priorities and act as a sub-plan to the overall reset plan. A draft economy reset plan has been produced (Appendix A) which draws on the existing Economic Growth Plan 2018-2023, and additionally reflects those areas where additional focus is proposed due to the impact of COVID-19 on the West Sussex economy. Cabinet is requested to endorse the economy reset plan proposals in principle, and as the basis for engagement with partners in advance of formal adoption as part of the overall reset plan. The economy reset plan will be progressed within current corporate budget allocations for the economy and will support the case for additional external funding should it become available. The economy reset plan will supersede the current Economic Growth Plan 2018-2023.

### **Recommendations**

Cabinet is asked to:

1. Endorse the draft economy reset plan proposals in principle and as the basis for engagement with partners,
2. Endorse the proposed approach to partner engagement on the draft economy reset plan,
3. Agree to adopt the economy reset plan in October as a sub-plan of the corporate Reset and Reboot plan, with the new plan superseding the current Economic Growth Plan 2018-2023.

#### **1. Background**

- COVID-19 is having a significant impact on the County's economy. Businesses are being hit hard, there are significant levels of business failure, residents are losing their jobs and livelihoods, and the implications of the aviation industry crisis on Gatwick airport are far-reaching and impact the local, regional and national economy. The impact on the economy has severe social consequences too.
- The Council has been progressing immediate responses where appropriate, for example by providing information for residents and businesses through corporate communication channels, and through highways and transport support for the re-opening of high streets. The Council has also engaged in

lobbying with MPs and Government to make the case for West Sussex on significant impacts including the aviation crisis; the considerable pressures on the adult social care market; and the horticulture sector impact from the closure of nurseries and garden centres.

- The economic landscape is highly fluid, with much of the impact of COVID-19 unknown and unfolding. For example, at 16 June around a quarter of West Sussex working residents aged 16+ were furloughed (in Crawley this figure was 33.7%) and there are concerns about the future of jobs in the coming months as Government starts to withdraw the furlough scheme.
- A corporate approach across the Council is required due to the significant impact of COVID-19 on the economy, led by Cabinet. The Council's role is mainly one of leadership and championing the county; and creating and nurturing strong partnerships to progress priorities. We will ensure our ambition and approach are realistic, and that the economy reset plan is achievable within existing resources.
- The economy reset plan will be a `live` document as the impact of COVID-19 on West Sussex businesses, employers and the workforce become clearer over time.

## **2. Proposals**

- Cabinet is requested to consider and endorse the following economy reset plan proposals in principle, which will form the basis for engagement with partners.

### a) Proposed priority themes

- A draft economy reset plan has been developed (Appendix A) from evidence and intelligence to date on the impact of COVID-19; the opportunities Cabinet is keen to embrace; and an initial review of `business as usual` economy activities (from the current Economic Growth Plan 2018-2023)
- The Council's approach to economy reset will be guided by evidence and intelligence on the impact of Covid-19 on the West Sussex economy, businesses and workforce.
- The draft economy reset plan proposes nine priority themes:
  - Theme 1: Protecting and reviving Crawley and the Gatwick Diamond economy
  - Theme 2: Protecting and reviving the coastal towns
  - Theme 3: Protecting and reviving the rural economy
  - Theme 4: Enabling business start-ups, business survival and business adaptation
  - Theme 5: Enabling an employment and skills reset
  - Theme 6: Protecting and reviving tourism and the visitor economy
  - Theme 7: Enabling a health and social care market for the future

- Theme 8: Enabling a digital technology focussed reset
- Theme 9: Embedding climate change and the environment into the reset

b) Proposed areas for initial focus

- The Council has a role to play in signalling confidence in economic recovery, through continuing, re-starting or resetting `business as usual` (BAU) activities, and through supporting key challenges and responding to opportunities.
- BAU work from the current Economic Growth Plan 2018-2023 has been reflected in the reset plan as `EGP` in the action tables in each priority theme, and includes the Growth Deals with the District and Boroughs; the tourism partnership work of Experience West Sussex; and progressing key projects such as Horsham Enterprise Park and the Bognor Regis Creative Digital Hub.
- In addition, there are key challenges and opportunities where initial focus is proposed, and these are included as `IF` in the action tables in each priority theme and focus on:
  - Crawley, the wider Gatwick Diamond economy and the businesses and people severely impacted by the aviation crisis and current position with Gatwick Airport
  - Skills and employment reflecting the significant impact COVID-19 is having on jobs, the self-employed and those seeking to enter the labour market in the county
  - The potential for Sussex wide collaboration to add value to the reset themes on employment and skills, and the visitor economy (building on the Sussex brand) to address the significant challenges arising from COVID-19
  - Maximising any opportunities to support businesses and residents' through further Government initiatives
  - Progressing work with District and Borough partners to accelerate the adoption and application of digital technology and skills to help address challenges and progress opportunities.

c) Proposed partner engagement

- Many partners and organisations will be involved in economy reset and recovery, including the Districts and Boroughs, the C2C Local Enterprise Partnership, business and trade representative organisations, trade unions, MPs, business community networks, further and higher education, and the voluntary sector. Government will play a key part.
- A principle of the economy reset approach will be to create and nurture strong partnerships locally and regionally, whilst recognising each organisation will be responsible for its own approach and multiple organisations are likely to have `recovery plans`.

- We will seek to engage with partners around economy reset themes including the Coast to Capital LEP, in line with anticipated Government guidance on the future role of Local Industrial Strategies.
- It is proposed to engage with partners on the economy reset plan, adopting the approach used for the Economic Growth Plan 2018-2023. It is proposed to:
  - Share the plan with and seek feedback from key partners and stakeholders: Districts and Boroughs, the Coast to Capital Local Enterprise Partnership, the South Downs National Park Authority, the three West Sussex Area Economic Partnerships, and business representative organisations.
  - Engage with key partners and stakeholders relevant to priority themes where additional focus is proposed, in order to inform the actions (e.g. education and skills partners, neighbouring upper tier authorities, sector specialist bodies).
  - Conduct the partner engagement during August
  - Collate partner feedback and reflect it in Member scrutiny of the plan in September.
- Following partner feedback and Member scrutiny, an updated version of the economy reset plan will be proposed for adoption by Cabinet as a sub-plan of the corporate reset plan in October.

## **Appendix A:**

Draft Economy Reset Plan (July 2020)

### **Background papers:**

[Economic Growth Plan 2018-2023](#)