

**West Sussex County Council**

**Economy Reset Plan  
2020-2024**

**November 2020**



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## **1. Introduction**

The West Sussex economy pre COVID-19 was generally a diverse economy, worth around £22.8bn and performing strongly against the national average performance although with significant variation across the county. West Sussex is home to around 859,000 people, with a higher proportion of over 65-year olds than the national and regional average along with a lower proportion of people of working age.

In 2018 there were 387,000 employee jobs. Employee job growth between 2015-2018 was stronger in West Sussex (5.6%) than the national (3.7%) and regional average (1.9%). Crawley saw a 10% increase in employee jobs during this time and Arun and Worthing also saw stronger growth than the national average. Within West Sussex, Crawley, at 94,000, makes up around a quarter of all employee jobs, with Adur having the lowest proportion at 21,000 (5%).

In 2019 there were over 42,000 businesses, though growth over the last five years in the number of businesses has been lower in the county than in the South East region. West Sussex is very much a small firm economy with over 70% of businesses employing less than five people, the exception to this is found in Crawley which has one of the highest percentages of larger businesses (i.e. employing over 100) in the country.

Generally, at county level, there were higher than national and regional levels of economic activity, employment and self-employment rates, and lower levels of unemployment. However, West Sussex's economy underperforms against the strongest economies in the South East with earnings of West Sussex residents lower than the regional average. Earnings levels of those working in West Sussex are lower than the regional and national average except for Crawley where earnings of those working in Crawley are higher. In addition, GVA per head lags some areas in the South East. The North East (Crawley, Horsham and Mid Sussex) of the county has higher levels of GVA than the coastal districts with Gatwick Airport seen as a nationally significant economic asset and a strong driver of the West Sussex economy as well as the wider regional economy, and a significant employer itself. Key strengths in West Sussex were around a diverse range of sectors including health and life sciences, financial and business services, transport, distribution and wholesale further highlighting the importance of Gatwick, and the high-quality natural environment supporting a strong leisure and tourism offer.

There is no doubt that COVID-19 is having a significant impact on the county's economy and the pre COVID-19 economic landscape is changing rapidly. Businesses are being hit hard, there are significant levels of businesses who are dormant, 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 County Council's economy reset plan reflects what we know so far from evidence and intelligence on the impact of COVID-19; what we have learnt through the response to the COVID-19 crisis; the opportunities we are keen to

embrace; and what we have been doing and propose to do. We need to recognise that much of the impact of COVID-19 on the economy is unknown and unfolding. Autumn and winter are bringing additional challenges through a new wave of infections and new restrictions from Government, most notably new national restrictions from 5 November. We will also need to consider the changes arising from the end of the transition period with the EU for businesses, goods and services. For these reasons this needs to be a `live` document that is regularly updated.

The County Council is developing its overall reset and reboot plan which is informed by wider business and partner engagement. Given the impact, the economy is a priority for focus where we are seeking to engage widely and align strategically across the county and with Coast to Capital LEP. The economy reset plan focusses on where the County Council is well placed to respond to the challenges facing the broader economy, and on where we will seek to work collaboratively in response to the challenges.

We need to be mindful of resourcing the economy reset plan, and ensure our ambition and approach are realistic. The plan will support the case for additional resources where they become available from Government. A corporate approach across the Council is needed so Cabinet ownership and leadership are key.

## **2. Principles for the economy reset**

The economy, business and skills `reset journey` is complex, multi-faceted and phased over months and most likely years. Government strategy leads the way, and the County Council will adopt principles to underpin the approach. These include:

- a. led by **Cabinet** with appropriate engagement and governance, and forming part of a single integrated corporate plan
- b. guided by **Government strategy** and continuing to influence its development
- c. focussed on the future for West Sussex and the **WSSC priority outcomes** especially a sustainable, prosperous economy and helping people and communities fulfil their potential, recognising the economy will not be the same as it was before
- d. built on our assets and guided by **evidence and intelligence** on the impact of COVID-19 on the West Sussex economy, its businesses and workforce
- e. based on creating and nurturing **stronger partnerships** locally and regionally whilst recognising each organisation will be responsible for its own approach
- f. ensuring the **County Council plays a leading role** in recovery where appropriate, including through its own activities
- g. ensuring we are making the **best use of resources**, securing value for money in any County Council interventions.

### **3. Government Strategy and partner roles**

The LGA and WSCC are seeking to influence the development of the Government's policy and approach. We will want to consider mechanisms for boosting economic recovery; opportunities around Government programmes and funding streams; recognise national calls for a 'greener, fairer and more resilient' recovery; and how the economic position facing the country will relate to devolution, 'levelling-up', Local Industrial Strategies and the state of public sector finances. We will lobby Government where it is appropriate to do so in relation to the challenges the county is facing.

Many partners will be involved, including local authorities, the Local Enterprise Partnerships, business and trade representative organisations, trade unions, MPs, business community networks, further and higher education, and the voluntary sector.

### **4. Vision for reset**

The vision for the economy reset is focused on the future of West Sussex, and West Sussex County Council's priority outcomes. The priorities within the adopted Economic Growth Plan 2018-2023 and the associated activities are still relevant and will provide much of the focus. However, it is recognised the economy will not be the same as it was before and there has been a review and in some cases a reset of the pre COVID-19 activities to reflect the changed landscape.

There are new areas of focus, to address where the economy has been particularly adversely affected or where there are opportunities – these include the implications of the aviation crisis on Gatwick airport and the wider area including the large numbers of people who have lost their jobs; the challenges faced by young people transitioning through academic and vocational provision and seeking to enter the labour market; the needs of particular sectors including tourism; opportunities to embed a zero-carbon and 'nature-based' solutions approach within the planning and decision-making for economic recovery; the potential to build on the experience of lockdown to maximise a digital technology led approach; the potential to build more inclusive and sustainable economies; and the need for a renewed focus on the adult social care market.

### **5. Evidence and intelligence on the impact of COVID-19**

The approach to reset is underpinned by evidence and insight, based on a clear understanding of the immediate and projected medium to long term impact of COVID-19 on the West Sussex economy and workforce. Local economic data will be important to inform place-sensitive national policy formulation, and to consider how structural changes in the economy will impact on the county – both the positive innovations that have emerged and the negative ones such as business-types and job roles that will be shown to be reduced or non-viable.

It will also be important to ensure we fully understand and respond to the impacts on residents and workers with protected characteristics, including age (with the potential for young people to be disproportionately affected); sex (for example women are more likely to work in sectors most hit by the pandemic including retail, hospitality and tourism jobs); and race (with data from the UK

and overseas showing that the COVID-19 virus has a disproportionately significant impact on black and Asian ethnic minority people). It will be key to understand and respond to ongoing implications for people's lives and work.

To date there has been some 'official' data from ONS that can indicate the impact of COVID-19 on economic activity in West Sussex, although much of the detailed data is at national level. Three key sources that do provide insight are:

#### The number of furloughed people by local authority

- at the end of July there were 133,00 people furloughed in West Sussex, representing around a third of West Sussex working residents aged 16+, the most recent figures indicate that the numbers furloughed in the county had reduced to 47,200 by the end of August
- Crawley continues to have the highest number furloughed but has also seen a decrease over the last month from 25,800 at the end of July, making up 20% of West Sussex furloughed jobs, to 10,300 by the end of August.
- Crawley continues to have one of the highest take up rates in the country with the latest take up rate of 16% compared with the West Sussex rate at 12% and the South East average at 10%. <sup>1</sup>

#### Take up of the Self-Employment Income Support Scheme

- as at the end of August there were 28,900 claims for the second SEISS grant in West Sussex, a take up rate (i.e. the numbers of claims made against the total potentially eligible population) of 58%, the same as regionally. By the end of September this had increased to 32,100 claims, a take up rate of 65%, again the same as the South East region;
- Crawley has the highest take up rate of SEISS at 71% followed by Adur at 70%.

#### Number of residents out of work

- In September 27,890 West Sussex residents claimed Job Seekers Allowance or universal credit for the principal reason of being out of work
- The number of claimants went up by 174% between March and September which is higher than the regional increase of 152% the England increase of 117% increase.

In addition, from research and estimates of impact undertaken by various organisations and from our own collation of intelligence from across the county, we are aware of the potential impact and issues. The key messages emerging:

- The number of job vacancies initially plummeted virtually overnight and are now showing signs of recovery - with the biggest hits being in the leisure, recreation, food preparation and hospitality sectors;

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<sup>1</sup> NB a person with several jobs could have been furloughed more than once and each 'employment' that has been furloughed is counted. The numbers of furloughed from HMRC are based on the residential address HMRC holds for each employee and doesn't necessarily reflect the employee's place of work.

- The number of business start-ups in West Sussex increased in June compared with last year; there were also far fewer business closures anticipated for this time of year, however many businesses remain dormant currently. This increase may suggest that individuals who are out of work or remain furloughed are exploring other employment options;
- Considering those sectors that are more likely to furlough or lay off workers, Centre for Cities identified hospitality, aviation and leisure as the most vulnerable and seeing an immediate negative effect. All these sectors are key to the West Sussex economy;
- Indications are that Crawley is the most impacted area in West Sussex in terms of jobs affected, and indeed comes out as one of the most affected in the country primarily because of the presence of Gatwick Airport;
- There is also some evidence that coastal towns are likely to be more at risk, as they are often already areas that have higher levels of deprivation as well as high proportions of those sectors that are currently shut down including pubs, restaurants and tourist accommodation;
- The care sector is fragile and under considerable pressure, including through workforce challenges;
- The employment and skills landscape are being severely impacted, including opportunities for school leavers; funded pre-employment support and provision, particularly for the vulnerable; apprenticeship provision; the impact on further and higher education settings; graduate employment; and considerable increases in unemployment.

## **6. The approach and role of the County Council**

The approach to the economy reset plan mirrors the corporate approach led by Cabinet, with the plan forming part of a single corporate programme. This enables Cabinet to direct relative priorities and ensure best use is made of assets, resources and energy, and that risks are understood.

The priorities and roles for the County Council vary across the economy reset plan and include at times lobbying, leading, enabling, partnering, supporting, or delivering. The reset plan is cross-cutting, with a range of Cabinet portfolios and corporate functions having a role to play alongside economy, including highways and transport, planning, education and skills, environment and sustainability, digital infrastructure, adults, policy, and intelligence and performance.

## **7. Priority themes**

The priority themes for the economy reset plan reflect:

- what we know so far from evidence and intelligence on the impact of COVID-19
- what we have learnt through the response to the COVID-19 crisis
- the opportunities we are keen to embrace
- a review of the Economic Growth Plan 2018-2023 activities

The priority themes provide the framework for where we will:

- focus our own efforts and resources, including on immediate activities to signal confidence
- build or support strategic alliances and partnerships to act, as appropriate

- lobby for attention nationally, regionally and locally

The Economy Reset Plan has nine priority themes:

Themes 1 – 3 reflect the **spatial economic challenges** for Crawley and the wider Gatwick Diamond; and for the coastal and rural economies;

Themes 4 - 5 focus on the **fundamental platforms** of business start-ups, existing businesses, and employment and skills;

Themes 6 - 7 focus on two **key sectors** hit hard, the visitor economy, with links to hospitality; and the health and social care market, under considerable strain from COVID-19;

Themes 8 - 9 focus on the **opportunities we are keen to embrace** around digital infrastructure and the application of digital technology to boost business productivity and enhance digital skills; and the importance of embedding climate change and the environment in the reset approach.

Each theme is set out below covering:

- the current position and key challenges
- the response so far by the County Council working with partners
- the headline actions to March 2022 reflecting where we will focus our efforts and resources in the short to medium term to support and stimulate economic activity
- where appropriate, how government could help.

### ***Theme 1: Protect and Revive Crawley and the Gatwick Diamond Economy***

#### **Current position and key challenges**

- Aviation is undoubtedly one of the sectors that is worst affected by COVID-19 which has significant implications for how quickly Crawley and the wider Gatwick Diamond is likely to `reset`.
- In 2016 Gatwick accounted for an estimated 36,000 jobs - or one in every 12 - in the Gatwick Diamond region, with a focus in Crawley Borough. The economic footprint for the wider Coast to Capital area was estimated as £2.7 billion and 43,000 jobs equal to six percent of the region's economy and four percent of its employment (Oxford Economics, 2016).
- The Centre for Cities has published a [report](#) which predicts that Crawley is the most exposed locality to the economic impact of the pandemic with high levels of business failure and unemployment likely.
- Gatwick Airport has warned it expects it to take up to four years for demand for flights to fully recover from the coronavirus pandemic. The introduction of travel corridors was initially expected to stimulate recovery, however the quarantine rules and regular changes to travel corridors has significantly impacted consumer confidence and demand.
- In September Gatwick announced plans for a significant restructure which could result in the loss of hundreds of jobs, with passenger numbers falling



by 66% in the first six months to the end of June, and with a 61.3% fall in revenue and a £321m loss.

- Gatwick Airport Limited continues to engage with Government on a range of aviation support measures, in collaboration with other airports and industry bodies. Priorities include a more risk-based regionalised approach to quarantine; the introduction of testing for passengers to reduce and ultimately eliminate quarantine; and relief on business rates and regulatory commitments reflecting the vastly reduced passenger numbers.
- Government has established a Global Travel Taskforce to support the travel industry and the safe recovery of international travel, working across the Department for Transport and the Department of Health and Social Care.
- Government is expected to publish an Aviation Recovery Plan in the Autumn, which will signal the strategic direction for the sector.
- Gatwick airport's strong recovery will be key to the immediate economic recovery of Crawley and the wider area. It is also recognised that technological innovation in aviation will require a different mix of skills and may reduce the overall number of jobs the airport supports. Diversification of the economy in the medium to long term will be important, supported by an integrated approach to developing a skilled labour force in West Sussex that can respond to the changes.
- The Manor Royal BID's largest employment sector is wholesale and transport (approximately 10,000 jobs) of which 4,400 are in some way connected to aviation (15% of all Manor Royal jobs). Additionally, 1,000 businesses are classified in Accommodation, Food and Recreation. This highlights a degree of exposure that Manor Royal shares with the wider Crawley area.
- There are plans for an Innovation Centre in Crawley through a partnership between Coast to Capital, Crawley Borough Council and Thales, having been provisionally allocated £8.6 million investment through the Getting Building Fund. This has the potential to help stimulate new activity.

### **The County Council's response to date working with partners**

- Lobbied Government for tailored support for the area, with other Gatwick Diamond authorities and Coast to Capital.
- Supported the re-opening of high streets and workplaces, mainly through highways and transport using the DfT's emergency active travel fund and support for bus operators.
- Engaged proactively with Gatwick Airport Ltd and supported their 'asks' of Government where appropriate.
- Supported the Crawley Economic Recovery Task Force (CERT) and Town Deal Board.
- Used the Gatwick Diamond Initiative commissioned report on the economic impact of COVID-19 to inform the reset plan actions across the priority themes.

## **We will:**

- Seek a strong recovery for Gatwick, and maximise the airport's role in securing investment and growth as part of wider economic recovery
- Work collaboratively to promote knowledge industries, trade and investment in response to changing market conditions and opportunities
- Refresh and continue to deliver the Growth Deals with the Districts and Boroughs to support town centre recovery and unlock housing and strategic employment sites
- Work with partners to secure infrastructure investment for strategic transport, digital infrastructure and town centres to support economic reset and recovery
- Seek to ensure strategies and policies in Local Plans prepared by the local planning authorities support economic recovery.
- Support collaboration with other public bodies to maximise our collective resources.

<b>No.</b>	<b>Headline Actions to March 2022</b>	<b>Service Lead</b>
1	Jointly deliver the Growth Deal with Mid Sussex District Council, resetting schemes as needed to maximise opportunities. The County Council will lead delivery of the A2300 improvement to provide dual carriageway link road between major growth areas including Homes England led Northern Arc and A23 corridor, and work with Mid Sussex District Council to deliver the Burgess Hill Place and Connectivity Programme.	Growth & OPE
2	Jointly deliver the Growth Deal with Horsham District Council, resetting schemes as needed to maximise opportunities. The County Council will invest in a new Fire Station and fire and rescue service training centre at Hurst Road, deliver the redevelopment of the former Novartis site as Horsham Enterprise Park, and work with partners to assess redevelopment options for the Hurst Centre linked with the Fire Station development.	Growth & OPE
3	Jointly deliver the Growth Deal with Crawley Borough Council, resetting schemes as needed to maximise opportunities. The County Council will lead delivery of the Eastern Gateway Public realm and Highway scheme and the Manor Royal highways scheme, and support delivery of Crawley Borough Council-led schemes: Station Gateway, Three Bridges Station project, Crawley growth programme Walking and Cycling schemes and Superhubs.	Growth & OPE
4	Support the Crawley Economic Recovery Task Force (CERT) and Town Deal Board led by Crawley Borough Council and ensure the priorities within the Town Deal action plan inform the new Crawley Growth Deal in 2021. Pursue options for the Council's own estate in Crawley, including the redevelopment of the County Building's site which will be demolished early in 2021.	Growth & OPE
5	Explore opportunities for the One Public Estate programme to benefit economic recovery through better use of public assets to meet our current requirements, and focus feasibility funding on needs identified in the reset plan.	Growth and OPE
6	Sustain and grow knowledge intensive industries through business support and skills activities (see later themes), inward investment activities, and through employment sites, with a focus on the Council's	Economic Growth/ Growth & OPE

No.	Headline Actions to March 2022	Service Lead
	Horsham Enterprise Park development, Manor Royal and Burgess Hill's planned Science and Technology Park.	
7	Respond to the Government's aviation recovery plan and continue to engage with and support Gatwick Airport through lobbying and partnership activities, where appropriate.	Economic Growth
8	Work in partnership with the Gatwick Diamond Initiative as it leads a new programme to attract inward investment and promote international trade.	Economic Growth
9	Deliver the identified priorities in the Council's Strategic Transport Investment Programme (STIP), and work with Government and partners to progress strategic transport improvements to support the economy and businesses in the north east of the county, delivering planned growth and positioning as a major transport hub. Longer term priorities include improving capacity of the Brighton Mainline (connecting Gatwick to Brighton, the south of the County and London), M23/A23 junction improvements, and improving services on the Arun Valley Line including the potential construction of a new station between Horsham and Crawley.	Highways, Transport & Planning
10	Maximise opportunities from the Department for Transport's (DfT) Emergency Active Travel Fund to enable sustainable travel choices on key commuting routes, including from the three schemes awarded DfT funding in summer 2020. Develop further permanent sustainable transport infrastructure improvements to improve connectivity and support planned growth through future investment in Horsham, Crawley and Mid Sussex.	Highways, Transport & Planning
11	Set out and progress the Council's commitments to supporting economic recovery for Crawley and the wider Gatwick Diamond across the reset plan priority themes.	Economic Growth

### **How Government could help**

- Recognise the Gatwick Diamond and Crawley as one of the places most affected economically and socially from COVID-19. Work in partnership with us on a plan that reflects the unique challenges faced by the place, and which aligns Government investment to `reset` the economy of the area.
- Ensure committed Local Growth Funding remains allocated to projects and that flexibilities are endorsed to mitigate the impact of COVID-19 or a planned project constraint. This will be important in to helping to stimulate economic recovery.

### ***Theme 2: Protect and Revive the Coastal Towns***

#### **Current position and key challenges**

- Nationally, coastal communities are likely to be among the hardest hit areas as a result of the coronavirus pandemic. Several reports have already cited the risk coastal locations face as they tend to have a high proportion of their business base in sectors than cannot or will be slower to trade as lockdown is eased, and due to higher levels of deprivation. At the height of the pandemic in the summer for example, Bognor Regis had 60% of jobs in sectors not able to trade.

- A Coastal West Sussex Partnership commissioned report (May 2020) provided an early indication of the challenges for our coastal towns and economy, including from a dependence on hospitality and tourism, the presence of cultural and creative industries (including freelancers who have less access to support), and the relatively high proportion of older people who are at risk of being socially isolated and less economically active. Horticulture (particularly ornamental plants) and advanced manufacturing are also important sectors that have been hit hard.
- Before COVID-19, although the county’s coastal areas were home to a diverse range of employment and high-profile employers, the employment and productivity gap between the coastal towns and the rest of the county was widening. Longer-term career opportunities were viewed as relatively limited, and this is likely to be exacerbated by the impact of the pandemic.

**The County Council’s response to date working with partners**

- Lobbied Government on behalf of the horticulture sector (ornamental).
- Supported the re-opening of high streets and workplaces, mainly through highways and transport using the DfT’s emergency active travel fund and support for bus operators.
- Used the Coastal West Sussex Partnership commissioned report on the economic impact of COVID-19 to inform the reset plan actions across the priority themes.

**We will:**

- Refresh and continue to deliver the Growth Deals with the Districts and Boroughs to support town centre recovery and unlock housing and employment sites
- Work collaboratively to create the conditions for start-ups, micro entrepreneurs and creative digital businesses
- Use the County Council’s levers to support investment and private sector confidence
- Work with partners to secure infrastructure investment for strategic transport, digital infrastructure and town centres to support economic reset and recovery
- Seek to ensure strategies and policies in Local Plans (prepared by the local planning authorities) support economic recovery
- Support collaboration with other public bodies to maximise our collective resources.

<b>No.</b>	<b>Headline Actions to March 2022</b>	<b>Lead</b>
1	Jointly deliver the Growth Deal with Adur & Worthing Councils, resetting schemes as needed to maximise opportunities. We will work in partnership to progress the `Worthing Public Realm Improvements Programme` allied to key regeneration projects in the town centre, with a focus on Railway Approach and Portland Road, and support Decoy and the expansion of Worthing employment sites. We will support the Adur Growth partnership’s plans, including exploring options for Pond Road (a One Public Estate government funded initiative working with Adur DC and NHS partners), supporting delivery of Shoreham Harbour Developments	Growth and OPE

No.	Headline Actions to March 2022	Lead
	including a new cycleway with highways, supporting airport improvements working with highways, and supporting economic growth, community benefits and facilities in town centres and around Shoreham airport.	
2	Jointly deliver the Growth Deal with Arun District Council, resetting schemes as needed to maximise opportunities. We will work with operators of The Track to maximise the benefits from the new creative and digital hub, support Bognor Regis Branding to raise the town's profile, progress options for cycleways to support sustainable commuting, leisure and wellbeing, linked to progress of major projects led by Highways supported by Growth & OPE serving and connecting new and growing communities.	Growth and OPE
3	Jointly deliver the Growth Deal with Chichester District Council, resetting schemes as needed to maximise opportunities. The County Council will seek to demolish the former Yr7 Block at Chichester High school as enabling development for the Southern Gateway Regeneration, complete a transport options study for West Street and consider options for long term regeneration of this area, complete a Transport Options study for Northern Gyratory and consider long term site options for a Northern Gateway and improved transport connectivity, and approve the Development Partner and complete land assembly for County Council land within the Chichester Southern Gateway Regeneration Scheme.	Growth and OPE
4	Explore opportunities for the One Public Estate programme to benefit economic recovery through better use of public assets to meet our current requirements, and focus feasibility funding on needs identified in the reset plan.	Growth and OPE
5	Progress activities to enable business start-ups, micro entrepreneurs and creative digital businesses to succeed, with an initial focus on launching <i>The Track</i> creative digital hub and co-working space in Bognor Regis with the operators Town Square Spaces.	Economic Growth
6	Deliver the identified priorities in the Council's Strategic Transport Investment Programme (STIP), and work with Government and partners to progress strategic transport improvements to support the economy and businesses in the south of the county, including improving capacity of the Brighton Main Line and enabling planned growth. We will also work with central Government, Highways England and local stakeholders to identify deliverable schemes to improve the A27 bottlenecks at Chichester, Arundel, Worthing & Lancing alongside public transport improvements.	Highways Transport & Planning
7	Maximise opportunities from the Department for Transport's (DfT) Emergency Active Travel Fund to enable sustainable travel choices on key commuting routes, including from the four schemes awarded DfT funding in summer 2020 whilst also developing further permanent sustainable transport infrastructure improvements to improve connectivity and support planned growth through future investment in Chichester, Arun, Worthing and Adur.	Highways, Transport & Planning
8	Set out and progress the County Council's commitments to supporting economic recovery in coastal West Sussex through the approach to the reset plan priority themes, including some short to medium term measures around the visitor economy and digital adoption for SMEs.	Economic Growth

### **How Government could help**

- Recognise that coastal communities are likely to be severely impacted by COVID-19.
- Support coastal communities and their key sectors such as tourism to revive, adapt and diversify.
- Ensure committed Local Growth Funding remains allocated to projects in the long term, recognising outputs may be delayed.

### ***Theme 3: Protect and Revive the Rural Economy***

#### **Current position and key challenges**

- The Rural West Sussex Partnership's economic profile (2019) highlighted that 28% of businesses in West Sussex are in rural areas. The impact of COVID-19 on rural areas will vary to reflect the diversity of the economy – which includes obvious sectors of horticulture, agriculture, forestry & fishing, and visitor economy including food and drink, to manufacturing (manufacturing makes up 5.32% of rural businesses compared to 3.54% of urban ones in the Coast to Capital area).
- Horticulture is one sector facing challenges, represented to the County Council by the West Sussex Growers Association and other rural partners. Those who grow and trade in the ornamental sector have been hard hit.
- Across many rural economy sectors there are issues with access to seasonal labour, largely as overseas workers are less able to travel to pick during the peak season. The national "Pick for Britain" campaign sought to help address these challenges in the horticulture sector.
- Diversification, where possible, has allowed some rural businesses to stay open. Across the county we have seen farm shops and local producers adapting their business operation to home deliveries and take-aways.

#### **The County Council's response to date working with partners**

- Lobbied Government on behalf of West Sussex growers and traders of perishable plants.
- Agreed to work collaboratively with the South Downs National Park Authority to respond to the impact of COVID-19.
- Supported rural bus services during the crisis.

#### **We will:**

- Work with partners to support sectors important to the rural economy, including tourism and horticulture
- Progress activities to secure and deliver investment to increase gigabit capable infrastructure coverage in rural areas
- Ensure business, employment and skills activities across the reset plan respond to recovery priorities in rural areas
- Seek to ensure strategies and policies in Local Plans (prepared by the local planning authorities) support economic recovery.

No.	Headline Actions to March 2022	Lead
1	Deliver the final phase of the LEADER Rural Grants Programme to support jobs and business growth in the rural economy.	Economic Growth
2	Co-fund the West Sussex Growers Association's new 'Understanding the horticulture sector in West Sussex' study, to inform and aid alignment with the Council's energy and economy plans.	Energy and Economy
3	Support economic recovery in rural parts of the county through the visitor economy (theme 6), where opportunities include viticulture tourism and local food and drink working in partnerships with the SDNP.	Economic Growth / EWS Team
4	Seek to increase gigabit capable infrastructure coverage in rural areas, including through the West Sussex Gigabit Voucher Scheme, and from expected benefits from suppliers using the infrastructure created through the Converged Fibre Connectivity project.	Digital Team
5	Set out and progress the County Council's commitments to supporting economic recovery in rural West Sussex across the reset plan priority themes.	Economic Growth

### How Government could help

- Recognise and respond to the shortfall in funding for businesses and rural economies arising from our departure from the EU.
- Ensure the challenges and needs of rural communities are reflected in recovery plans and activities.
- Put in place measures to safeguard rural public transport services.

### ***Theme 4: Enable Business Start-ups, Business Survival and Business Adaptation***

#### Current position and key challenges

- The business landscape is multi-faceted and evolving. We are seeing businesses close, dormant and struggling to survive; workers being made redundant; businesses operating under 'new normal' conditions; and some thriving as demand for their products or services increase - the position varies considerably between sectors.
- The Government support packages to businesses and the self-employed amount to multi-billions of pounds and include the Coronavirus Job Retention Scheme, business grants and business rates holidays administered by the Districts and Boroughs, temporary sector-specific VAT reductions, and business advice from the Coast to Capital Growth Hub and other business groups.
- Despite the spend by Government many businesses, company directors and freelancers have not been eligible for support, with many not wanting to take loans. Rent payments are a pressure for many.
- Individual or groups of businesses (sometimes through federations or membership groups) have been articulating challenges ranging from financial issues and cashflow, supply chain disruption and synchronisation, and exporting challenges and costs.

- Those who run co-working spaces have highlighted the challenges faced by entrepreneurs and micro-businesses and the value of local supply chains, a theme that resonates more broadly across the economy.
- Government led ministerial taskforces to oversee how sectors closed during lockdown could reopen safely and have considered key themes including `green recovery`, `backing new businesses` and `the future of industry`.
- Despite the challenges, some businesses and sectors have reported an increase in turnover during the pandemic, including food retail, distributors of goods purchased on-line, and those with goods and products that play a role in responding to the pandemic. It will be important to maximise any opportunities as they arise.
- Strong themes are emerging for approaches to business and organisations' adaptation, including those that are technology led, prioritise the environment, and support wider public health. As a major employer in the county the County Council has a role to play in leading by example.
- For the County Council some markets are particularly vital, including the adult social care market, and early years providers.

### **The County Council's response to date working with partners**

- Convened the West Sussex economy officers' group to collaborate on economy matters including the Government Support package for businesses.
- Established advice and sign-posting information for businesses on the County Council web site and Business West Sussex.
- Sought to support local businesses where possible through the County Council's response to the crisis, particularly on the Community Hub's approach to the provision of food and supplies to vulnerable residents, and the PPE cell's approach to sourcing from local companies.
- Worked with the Districts and Boroughs on the approach to pavement licences for traders
- Tracked business intelligence and economic impact through a monthly `snapshot` report.
- Worked with the representatives of micro and small businesses to support a new approach to boost the use of local suppliers and services.

### **We will:**

- Work with partners to ensure local businesses have the support to boost business survival, recovery, innovation and growth
- Work collaboratively to support start-ups and micro entrepreneurs
- Seek to increase local spend within the West Sussex economy and local supply chains
- Progress opportunities to provide and collaborate with co-working spaces as hubs for enterprise and business support activities
- Work with partners to maximise benefits for West Sussex from the Government support packages for business
- Support the business community to `Keep West Sussex Safe` through our role as the public health authority.



No.	Headline Actions to March 2022	Lead
1	Respond to the increases in start-ups and `micro entrepreneurs` due to COVID-19 impacts by ensuring the University of Chichester Business Hot House pre-start and start-up support is targeted effectively, and coordinate with other support activities e.g. through co-working hubs.	Economic Growth
2	Progress the Council's participation in the British Library and Arts Council funded `Business & Intellectual Property Centres` programme, working with Brighton & Hove Library Business & IP Centre. We will pursue the creation of centre/s to support pre-start and start-up business growth and viability, through the provision of free access to dedicated space (events and workshops), specialist IP advice and data.	Library Service / Economic Growth
3	Work with the University of Chichester to agree a revised delivery programme for Business Hot House in response to COVID-19, linking with all the local authority funding partners.	Economic Growth
4	Implement the West Sussex focussed £1.2m EU funded RISE programme, as a strategic funding partner with the University of Brighton. It will accelerate business innovation and investment in research and development through `networks of innovation` in coastal, rural and Gatwick area hubs, benefitting more than 500 West Sussex businesses (subject to final approval).	Economic Growth
5	Implement the £2m EU funded LoCASE work package for West Sussex, as a strategic funding partner with Kent County Council and the University of Brighton's Green Growth Platform. It will deliver support to the low carbon and environmental goods and services (LCEGS) sector, benefitting more than 150 West Sussex businesses.	Economic Growth
6	Work with the West Sussex economy group to consider how we can most effectively support businesses, including improving coordination and communication of business support programmes; maximising support from the Coast to Capital Growth Hub; and responding to gaps in provision through pooling resources (issues highlighted during partner consultation include future trading with the EU; agricultural and forestry diversification; and support for major businesses to survive and thrive).	Economic Growth
7	Progress `buy local` initiatives to support local suppliers, including through promoting and supporting the new <i>Area in Action Portal</i> developed by the co-working community in the county, and the `Shop Local` campaign for the festive season through Experience West Sussex.	Economic Growth
8	Ensure West Sussex businesses play their part in the public health response to COVID-19, providing guidance and support through our role as the public health authority, and through promoting well-being as advocated in the Annual Public Health Report.	Public Health
9	Progress the County Council's commitments to supporting start-ups and existing businesses through the approach to the other reset plan priority themes, with some focus on key sectors, digital adoption and skills, and embedding `the green recovery`.	Economic Growth

### How Government could help

- Continue to adapt the Government's business support package to prevent further business failure among viable businesses.

- Invest in businesses and sectors to help them adapt and innovate for the long-term (recognising that EU funding for business support and innovation activity is generally concluding although there are opportunities to participate as a standard third country in certain programmes where it is in the UK's and the EU's mutual interest)
- Recognise and respond to the challenges some business face around the movement of goods and people due to restrictions on international connectivity.
- Use climate investments to support business recovery and jobs.
- Work to level-up taxation between high street shops and businesses, and digital retailers to help ease the pressure on `brick-and-mortar` businesses
- Respond proactively to the issues faced by sectors still badly affected including aviation, leisure, tourism, culture and the arts, retail and hospitality which are viable in the medium term.

### ***Theme 5: Enable Employment and Skills Recovery and Resilience***

#### **Current position and key challenges**

- The impact of COVID-19 on residents' work is increasingly evident.
- Unemployment levels are going up. In September there were 27,890 West Sussex residents claiming Universal Credit or Job Seekers Allowance for the main reason that they were out of work, or, if in work, working very few hours. The number of claimants went up by 174% between March and September, a higher percentage increase than the national and regional average.
- Crawley and Arun have the highest number of claimants and Adur the lowest, largely reflecting the numbers of jobs in sectors most vulnerable to covid including aviation, tourism and hospitality. Mid Sussex saw the highest % increase in claimants since March at 250% and Worthing the lowest at 141% increase.
- The highest percentage increase in numbers of claimants is among 18-24 year olds compared with the older age groups.
- Many who are finding themselves out of work or facing significant job insecurity are experienced, senior level professionals across a wide age profile.
- There has also been a considerable impact on the self-employed and freelancers, especially on the coastal strip
- The education, skills and employment landscape are severely impacted, affecting school leavers, apprenticeship provision, further and higher education settings, and graduate employment.
- Many learners who returned to school or college in September will have had little or no face to face tuition since March.
- History shows that school leavers who do not continue in training or education are usually hardest hit following a recession in terms of financial health. Many suffer longer spells of unemployment, and slower pay rises, than people with degrees.
- The first rung in the employment ladder for many young people are in the sectors most hit by COVID-19.

- In West Sussex, the Chichester College Group, the University of Chichester, Greater Brighton Metropolitan College and independent training providers are directly impacted, along with many young people transitioning into post-16 education and training, or already in these settings.
- The finances of these providers are negatively impacted by the loss of international students and the constraints/ costs of implementing social distancing across their sites.
- Funded pre-employment support is a key requirement for many in the NEET cohort and was in short supply even before COVID-19. Given the anticipated increase in NEETs, identifying appropriate support of this type will be important in any reset plan.
- Creative approaches, and a willingness and ability for collaboration between schools, further and higher education, providers and employers are likely to be key to the 'class of 2020' seeking to enter the labour market, with sectoral and geographic considerations likely to be needed.
- The Chancellor announced a new 'Plan for Jobs' as part of his Economic Statement on 8 July, focussing on apprenticeships, traineeships, investment in the National Careers Service, and a 'Kickstart Scheme'. It will be vital to ensure we make the most of these opportunities for the county's residents and employers.
- Government has also outlined plans for the expansion of post-18 education and training, including through a 'Lifetime Skills Guarantee' to give adults the chance to take free college courses valued by employers, and a new entitlement to flexible loans to allow courses up to Level 4 to be taken in segments, aimed at boosting opportunities to retrain and enhance skills in specific, high need areas.

### **The County Council's response to date working with partners**

- Education and Skills responded to the immediate situation regarding schools, providing regular support and communication across a wide range of Covid related concerns and highlighting key issues relating to post 16.
- Careers Advisers supported Year 11 students who did not have an offer of a place for September and were at risk of being NEET.
- The School Effectiveness Team established cross-functional COVID-19 Recovery working groups to support schools, including curriculum, leadership and governance and transitions and admissions.
- Work has started to develop the Adult Learning Curriculum to focus on Skills and Employability.
- Established an internal 'Skills Board' to enable a cross-service coordinated response to COVID-19 including engagement with partners. The Board will galvanise around the impact of Covid-19 and consider and respond to what is needed in terms of People; Place; Business Sectors; and the county council as an employer.
- Commissioned experts to report on the immediate impact of COVID-19 on skills, training and employment for the working age population in West Sussex, and on the potential role of the Council in a strategic recovery

response; and to propose targeted projects that could have most impact with limited resource.

- Engaged in strategic discussions across Sussex and the Coast to Capital area on the response to the impact of the pandemic on employment and skills.

**We will:**

- Progress skills and employment activities in response to the impact COVID-19 is having on the labour market, businesses and residents
- Strive for a coordinated and collaborative response to the skills and employment challenges and opportunities, in recognition there are many stakeholders who have a role to play
- Work with partners to maximise benefits for West Sussex from the Government Plan for Jobs and changes to post-18 education and training to support unemployed residents back to work.
- Give some focus to higher value, knowledge economy sectors and skills, responding to business needs and growth opportunities
- Understand and respond to the impacts on residents and workers with protected characteristics
- Maximise entrepreneurial potential among residents.

No.	Headline Actions to March 2022	Lead
1	Devise a plan in response to the impact of COVID-19 on employment and skills for the working age population, which will set out where the County Council is best placed to act or intervene, and where we can work in partnership to address need and opportunities.	Economic Growth / Skills Board
2	Progress a pipeline of projects as part of the response plan, working in partnership and with some focus on the knowledge economy, including digital skills; `micro entrepreneurs` starting new ventures; and those with protected characteristics.	Economic Growth
3	Use our role as a major employer to support those whose employment prospects are impacted by COVID-19, initially through participating in the national Kickstart Scheme, and through use of our apprenticeship levy corporately and with business.	HR / Skills Board
4	Work with schools and Colleges to support those who become NEET or are at risk of becoming NEET with a focus on the transitions of disadvantaged and vulnerable young people.	Education and Skills
5	Re focus the adult learning curriculum to support employability and shape provision that provides opportunities for residents of all ages to upskill/retrain across the County	Education and Skills
5	Explore the potential for a strategic coalition of partners to develop joint initiatives and cooperation, to ensure alignment with the Coast to Capital Skills 360° Board, and to consider the potential for collaboration across Sussex.	Skills Board
6	Participate in the Full STEAM Ahead steering group to recommend the `reset` of the plan to Chief Executives, and support delivery as agreed.	Economic Growth

## **How Government could help**

- Work with Councils to enable them to play a key role in bringing employment and skills initiatives together, including those set out in the Government's `Plan for Jobs`.
- Consider further initiatives to support re-training and re-skilling of adults who find themselves out of work due to COVID-19 such as greater flexibility in the use of the Adult Learning Budget and the Apprenticeship Levy.
- Provide greater incentives for those outside the levy to offer apprenticeships and increase flexibility in the use of the levy for larger companies and organisations.
- Support and enable local areas to have devolved responsibilities for skills and ensure national skills initiatives such as Digital Bootcamps are provided in all areas.

## ***Theme 6: Protect and Revive Tourism and the Visitor Economy***

### **Current position and key challenges**

- Visit Britain's forecasts for the UK in 2020<sup>2</sup> estimate a decline of 73% in visits for inbound tourism, with a decline of 79% in spending. This would represent a loss vs the pre-COVID forecast of 30.7 million visits and £24.0 billion spending.
- The domestic outlook forecasts a drop of 49% in spending for overnight and leisure day trips. This represents a loss of £44.9bn, £12.1bn from overnight stays and £32.8bn from day trips.
- In 2018 the value of the tourism sector in the county was estimated at 2.05bn supporting 37,000 jobs. The sector is one of the hardest hit with consequences for coastal and rural areas and from the impact on Gatwick airport.
- The wider hospitality and leisure sectors have been equally impacted, effectively shut down during lockdown bar some home-delivery and take-away services.
- The sector started to `re-open` in July in accordance with operational guidelines, and with support from the Government's package for businesses including VAT rate cuts in restaurants, hotels and cinemas. The national `eat out to help out` scheme followed with the aim to help retain jobs.
- This situation has been exacerbated through the timing of the pandemic starting in Spring and enduring over Easter, the May bank holidays and the early part of the summer season, with many businesses facing a cash flow crisis over refunding of customer payments.
- Tourism and hospitality were facing a challenging winter even before the new national restrictions were introduced from 5 November. Time will tell on the extent to which Government's support package will help jobs and businesses survive. The sector remains vulnerable to restrictions which Government has signalled are likely to remain until at least March 2021.

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<sup>2</sup> [Updated Inbound tourism forecasts](#) on 25.08.20 and domestic on 29.07.20.

- Major events make a significant economic contribution, and the county's event companies include some of those most at risk.
- Culture, arts and heritage venues have also been extensively impacted, and many are likely to remain closed for some time due to restrictions. The Digital, Culture, Media and Sport Secretary has provided a £1.57 billion package of emergency support to help arts, heritage and cultural institutions but it will not fill all the gaps, with freelancers particularly vulnerable.
- The county's strategy in the short to medium term will need to focus on local and domestic markets and consumers, with international markets likely to be much slower to recover.
- The sector is an important asset and contributor to the county's `sense of place`, drawing on the distinctive high quality natural environment, the character and distinctiveness of the county, and the attractiveness to businesses and employees, and so has a wider contribution than the immediate economic contribution and associated jobs.
- Sustainable and responsible tourism should underpin the approach to help secure for the longer term the environmental gains from the COVID-19 crisis, such as supporting natural capital projects, improvements in air quality, increased access to nature and increased use of sustainable active travel.

### **The County Council's response to date working with partners**

- The Experience West Sussex Partnership (hosted by the County Council and made up of all the Districts and Boroughs) has taken a highly proactive approach to support the sector where possible and is working closely with Visit Britain.
- During the lockdown from March, EWS marketing activity switched to engaging consumers through virtual tours, on-line activities, and the #WestSussexWishlist. Post July marketing has been agile and flexible, mirroring Government advice.
- Business support and advice has been channelled across the sector, and high-profile webinars have been hosted with Sussex Chamber, the Coast to Capital Growth Hub and the South Downs National Park featuring major attractions and other industry organisations, and with high levels of engagement from local MPs with around 1,000 viewing across the three webinars.
- EWS and the County Council represented the West Sussex tourism sector to Government through roundtables with DCMS Secretary of State Oliver Dowden MP at Butlins, and with Nigel Huddleston, Parliamentary Under-Secretary of State for Sport, Heritage and Tourism at Arundel Castle.
- Work has progressed with Gatwick Airport to strategically consider the next phase of the Gateway Gatwick partnership convened by the airport to re-engage with international visitor promotion when the time is right.

### **We will:**

- Host and partner in Experience West Sussex with the Districts and Boroughs to prioritise destination and business resilience to safeguard jobs and the wider tourism sector

- Increase engagement with the tourism community, to ensure they have a strong voice in recovery plans and activities
- Progress a pan-Sussex approach to sector recovery where collaboration adds value, and to help ensure the area is positioned to benefit from national and regional tourism funds
- Seek to build capacity to respond to sector priorities and opportunities and develop a plan to sustain the Experience West Sussex partnership post Autumn 2022.

<b>No.</b>	<b>Headline Actions to March 2022</b>	<b>Lead</b>
1	Work in partnership through Experience West Sussex to prioritise destination and business resilience over the winter and into next year through marketing activities, business support, and digital technology use.	EWS Team/ Economic Growth
2	Support the Experience West Sussex marketing campaigns, initially the August to November #RediscoverWestSussex campaign, the seasonal campaign to encourage London, South East and local markets to spend their festive shopping budgets with the West Sussex tourism community, and a campaign early in 2021 to promote staycations in West Sussex.	EWS Team
3	Support a new programme of sector support across Sussex, building on the Experience West Sussex led webinar series during the immediate crisis, and focussing on resilience, greener destinations, innovation and digital solutions.	EWS Team
4	Support EWS to provide strategic leadership for the sector as it cements its position as the recognised destination partnership and tourism voice with sector leaders including DCMS, Visit Britain / Visit England and Tourism South East, and through partnering in regional projects such as England's Coast Discover England Fund project.	EWS Team/ Economic Growth
5	Track and respond to the impact of COVID-19 on the sector in the county, including the impact of the aviation sector crisis on international visitors through Gatwick, the cancellation of multiple major events, and the challenges for multiple attractions, accommodation and hospitality businesses.	EWS Team
6	Work with Gatwick Airport to strategically consider the next phase of the Gateway Gatwick partnership to re-engage with international visitor promotion when the time is right.	EWS Team / Economic Growth
7	Progress a pan-Sussex approach to recovery to maximise opportunities from the Sussex brand, ensure Sussex is ready to respond to Government opportunities to bid for tourism development funds, and to share approaches and economies of scale around sector recovery activities. Tourism Zone creations, Visit Britain Discover England funding, and specific sector recovery funds	Economic Growth / EWS Team
8	Work as part of the Experience West Sussex Partnership with the Districts and Boroughs to seek ways to build capacity to work on priorities identified by the Board, increase private sector influence, and lead work on the sustainability of the partnership post Autumn 2022.	Economic Growth

## **How Government could help**

- Recognise the challenges the tourism and hospitality sectors are facing, and respond to these through Government support packages for those most in need e.g. events, live performance, night-time economy
- Consider continued VAT reductions through 2021 to boost the new season and get people back into venues
- Work with local destination partnerships as strategic leaders to support sector recovery and provide funding for destination resilience and recovery programmes.

## ***Theme 7: Enable a health and social care market for the future***

### **Current position and key challenges:**

- The Social Care Market in West Sussex is made up of over 500 registered providers and over 25,000 people<sup>3</sup> are employed in social care in the county. Those headlines cover a mix that ranges from small, locally based providers to large national companies, several of which are publicly quoted. Within older people's care services, the market is highly dependent on self-financing customers who buy around 50% of the available residential beds, whereas in the disability sector the County Council is the dominant buyer.
- Even though it is a minority purchaser, the County Council has budgeted to spend over £270m in 2020/21 in supporting the care needs of people who have been assessed as meeting the eligibility criteria in the Care Act. Based on an overall market share of 30% and taking into account the Competition and Market Authority's estimate that self-funders pay on average 41% more than local authorities for an equivalent placement, this suggests that the value of the sector to the economy in West Sussex is over £1bn.
- The impact that COVID-19 is having on the sector, and the County Council's response, is outlined below. Despite this, it is inevitable that there will be provider failure. In that context the loss of some suppliers will be more significant than others and so it will be essential that the County Council responds pro-actively to the opportunities that this will create, rather than aiming to retain the status quo. The fact that the Care Act gives it an overarching responsibility to ensure sufficiency of supply in the market as a whole adds further to that need.
- In 2019 the Council published its [Adult Social Care Vision and Strategy](#) which describes a vision based on strengths and assets, community led solutions, prevention and reablement, supporting independence, and with a focus on integration, co-production and support for carers. Largely this vision remains unchanged and if anything is even more critical in the current landscape as we consider the economic impacts and recovery from COVID-19. It also implies a need to influence the shape of the market so that the provision which is available shifts to a mix that consists of fewer

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<sup>3</sup> <https://www.skillsforcare.org.uk/adult-social-care-workforce-data/Workforce-intelligence/publications/local-information/My-local-authority-area.aspx>



traditional-style residential beds and a greater element of community-based care.

- A Commissioning Strategy and Market Position Statement for Older People is also in development, and whilst the economic landscape and the market position may change over time and as a result of the pandemic, the focus remains likely to be on prevention, community led support, alternative models of supporting people within their home and communities wherever possible, and for people at the highest level of vulnerability; appropriate nursing and dementia provision.
- Health and Social Care has been substantially and critically impacted by COVID-19, with unprecedented change required in legislation, practice, provision, and service delivery in order to maintain support to the most vulnerable people in West Sussex. The key challenge is now understanding the impacts, the evolving challenges and working towards a plan for recovery.
- Prior to COVID-19, health and social care in West Sussex had a series of economic considerations which presented key challenges and were recognised and considered in our strategic vision and approach to commissioning from the market. These remain part of our core focus and include the following;
  - West Sussex has a considerably older age profile compared to England with a higher proportion of over 65s and comparatively fewer residents aged 15-39. This is a challenge both in terms of demand for services and in sufficient workforce to meet the needs of the older population.
  - In addition, one of the challenges faced in working with the market in West Sussex is that the council purchase a relatively small proportion of the total numbers of residential and nursing home beds and domiciliary care provision.
- As a result of COVID-19 the immediate economic challenges on the health and social care market, in addition to those already identified include:
  - Staffing and Infection Control – A positive impact has been some ability in parts of the market to attract much needed recruitment into care from other industries. However, this is balanced by new challenges for providers on how they manage their workforce and keep their staff safe now and into the future, with a reduction of staff movement to reduce the potential spread of infection. A continued economic challenge will be ensuring sufficient workforce to support people safely in a range of support settings.
  - Provider Sustainability and loss of provision - Providers costs have increased during COVID-19 with significant increases for example in PPE costs, additional staffing costs to cover isolation periods, cancelled services and increased travel. A number of services have also had to restrict admissions during the pandemic. This has and will result in vacancies and therefore reduced income which will no doubt present a financial pressure to many businesses and a resulting loss of provision within the market.

- West Sussex has already experienced an unprecedented number of home closures in the last 18 months. Whilst the county has been relatively well served with residential provision, further losses, and particularly in specific areas of the County and supporting more complex needs will no doubt have an impact. This impact is likely to be on support services for those people with most complex needs such as nursing and dementia who are unable to continue living in their own home.

### **The County Council's response to date working with partners**

- The health and social care system have a long history of partnership working including formal joint commissioning arrangements and associated governance structures. These have been built on and reinforced during this crisis and it is anticipated that the system-learning will be carried forward into sustainable and resilient longer-term integrated working.
- The system has worked robustly together to plan and implement a range of measures to respond to the challenges presented by COVID19. Those focused on supporting the economic challenges specifically have included:
  - Care Home Support – The full details of this support has been articulated in response to the request for Care Home Resilience plans, [submitted to the government on the 29 May 2020](#). Some of the [support identified includes](#) training programmes, strengthened clinical support, detailed communications through newsletters and forums, development of an integrated incident management system, and a multi-agency provider response team.
  - Recruitment - the Council's '[Proud to Care](#)' team are working alongside the Care and Business Support team to assist with workforce issues in the market including active support with recruitment, and social media messaging about working in care, adapting plans to focus on furloughed workers, distance recruiting and using agency staff safely. Going into the autumn and winter the focus is on promoting care as a career, a winter campaign and encouraging nurses to consider working in social care services.
  - Financial Support – for services supporting customers who the County Council funds, an initial [financial package of support to care providers](#) was agreed including, 20% uplift for domiciliary care, 10% uplift to other care providers over a 3-month period, upfront payments to day centres for people with learning disabilities and swifter payments to support cash flow. Since then, a [second provision of financial support](#) has been agreed and implemented, including a further 5% uplift awarded to commissioned care providers from July to September 2020.
  - The County Council's share of the £600m Infection Control Fund of £13.4m was distributed to services in accordance with the requirements of the fund, with 75% directed at care and nursing homes and 25% being directed to other services based on local decision. This was also available to providers with whom the County Council does not contract. On the 1<sup>st</sup> October the

government announced 'round 2' of the Infection Control Grant and the Council are preparing again to distribute payments to social care providers in line with the guidance and identified criteria.

- A significant early partnership development to meet our hospital discharge requirements and to consistently and efficiently source care from the market was seen in the development of multi-agency hospital discharge and placement finding teams, incorporating Council and NHS staff. There is significant learning on the benefits of working in this way that will no doubt inform and influence our working in the future.
- Development of a Strategic Provider Forum - The Council has worked with representatives of the market to set up a forum to focus on how we can work together strategically, build on the good work and learning from Covid, and provide an opportunity to listen to each other, hear current challenges and consider opportunities. The Council will now be exploring with the forum the potential to agree a concordat to support this partnership working going forward.
- Hospital Discharge Service Guidance - The Council and NHS partners have been working closely together to implement the Hospital Discharge Service Guidance published on the 21<sup>st</sup> August which set out how health and care systems should support people to discharge promptly and safely from hospital.
- Winter Plan - Working alongside our health partners the Council are developing a local winter plan (as required in the Adult Social Care: Our Covid-19 winter plan 2020 – 2021) which outlines the additional community provision the Council will look to commission and the associated funding for this.

**We will:**

- Progress the delivery of the Social Care Action Plan.
- Deliver on the requirements in the 'Adult Social Care: Our Covid19 winter plan 2020 – 2021.'
- Consider risk around potential provider failures, and manage their impacts including through commissioning approaches.
- Implement existing and future guidance from national government.
- Work with the Strategic Provider Forum.
- Focus on the strategic priorities to enable delivery of the vision and strategy.
- Continue to work with residents that are self-funders to understand the short and long-term financial implications of their care choices.

<b>No.</b>	<b>Headline Actions to March 2022</b>	<b>Lead</b>
1.	Progress the Delivery of the Social Care Action Plan which highlights the next steps in detail and presents a plan to reflect on and learn from our immediate responses, considers retaining the initiatives and developments already in place and further actions to develop with partners as the position evolves. This includes but is not limited to support for providers, contingency planning, workforce support, and financial considerations.	Adults and Health

No.	Headline Actions to March 2022	Lead
2.	Deliver on the requirements in the 'Adult Social Care: Our Covid19 winter plan 2020 – 2021', including; <ul style="list-style-type: none"> <li>○ distribution of the Infection Control Grant round 2,</li> <li>○ putting in place a local winter plan,</li> <li>○ Producing a self-assessment of the health of local market management and contingency planning.</li> </ul>	Adults and Health
3.	Work with partners on the risk around potential provider failures detailed in the plan to manage the impacts, and to respond accordingly to support sustainability of crucial provision and understand the changing landscape for demand and thus future development. Whilst the strategic priority remains to support people in their own home wherever possible, the potential collapse of residential provision, particularly for people with dementia and nursing needs may have a significant impact on our ability to support the most vulnerable people. Therefore the business will be exploring the potential for commissioning blocks within services to enable financial sustainability as well as provision of much needed capacity.	Adults and Health
4.	Implement existing and future guidance from national government, including the Infection Control Guidance, the Hospital Discharge Service Guidance, the 'Covid19: Our action plan for adult social care' and the 'Adult Social Care: Our Covid19 winter plan 2020 – 2021.'	Adults and Health
5.	Work with the newly established Strategic Provider forum including representatives from the care market to develop a concordat or agreement on how we can work together going forwards.	Adults and Health
6.	Ensure a renewed focus on the strategic priorities to enable delivery of the vision and strategy with partners, to manage the impacts on the market, and to enable alternative solutions to people who require care and support across the County. Including the production of the older persons commissioning strategy and market position statement.	Adults and Health
7.	Continue to work with residents that are self-funders to understand the true implications of their care choices in financial terms both to them and, should their funding run out, the implications for the Council in terms of cost and choice.	Adults and Health

### How Government could help

- Government can help by addressing the significant risk nationally on certain parts of the market collapsing under the financial strain of the impacts of COVID-19. Whilst financial support has been given to providers to cover initial costs, and for infection control, the impact of reduced income on an already fragile market could lead to the demise of a number of services. Left unmanaged, this will create financial risk for the County Council if a reduction in supply translates into an increase in price competition.
- With so much of the health and social care market reliant on a stable workforce, which has been under significant pressure as a result of the pandemic, the government could help by reflecting the value of the social care workforce both in relation to its profile and importance and in appropriate funding and practices to recognise value.

- Care home providers are telling us that they have real worries about risks of litigation and judicial review given that guidance is not always timely and consistent. We are keen that government is aware of these concerns and seek its support in reassuring providers in this regard.
- A sustainable financial settlement for local authorities for adult social care. The COVID-19 crisis has highlighted yet again that it is a false economy to increase funding for the NHS without providing a matching level of additional resources for social care. Unless this is addressed as a priority action, the knock-on implications for the economy in West Sussex are certain to be significant.

## ***Theme 8: Capitalise on Digital Infrastructure and Technology***

### **Current position and challenges**

- Prior to COVID-19 UK digital infrastructure lagged internationally. The industry was, and still is working to “catch up” and central government is pushing this agenda.
- West Sussex’s position is typical within the UK in terms of speed and coverage for broadband and mobile technology. The County Council’s strategic focus is on full fibre infrastructure. This will encourage the market to invest in connectivity now, and to future-ready ourselves for new technologies. This focus remains highly relevant in the current climate.
- The pent-up demand has increased exponentially with COVID-19. As an example, homeworking saw daily Zoom video conferences soar from 10 million to 200 million in 3 months during lockdown. Throttling of speeds has been implemented to cope with demand - not such an issue on consumer apps, but a real issue if applied to the future delivery of critical public services and a risk consideration for any business. This has shown how critical the quality of our fibre network is and will be.
- The digital divide has been exacerbated. The most digitally excluded have been further impacted, relying on digital services (from on-line shopping to virtual school lessons) they can’t access through limited digital skills or access to devices, or poor infrastructure including in some rural areas. The county Gigabit programme is key to assisting rural connectivity, potentially as a 5G enabler.
- Despite any partial offsetting of demand due to a COVID-19 financial crisis, it is generally assumed that given our reliance on connectivity for societal resilience and business continuity, demand will continue to increase and that shifts in consumer and worker behaviour including more home-working are likely to stay.
- There has been an increase in anti 5G sentiment citing concerns for public health and the environment. Currently we have consistent countywide messaging recognising that councils have very limited influence on commercial deployments and cannot rely on planning to manage sites.

- COVID-19 significantly impacted the delivery of inflight digital infrastructure projects prior to, and in the early part of lockdown. Some lost time has been recovered and slippage was pulled back to between 1 and 4 months across projects.
- Now is the time to accelerate work to maximise the application of digital infrastructure to benefit the economy, business and skills, and support the priorities across the other reset themes.

**The County Council’s response to date working with partners**

- Continued to work closely with District and Borough partners and suppliers to deliver in flight projects. Where funding is external including Local Growth Funding, COVID-19 impact assessments were provided to funders.
- Continued to work with the Districts and Boroughs on the strategic direction of the County’s digital agenda, including on assets, the application of technology and Open Market Review mapping activities.
- Welcomed the Highway Authorities and Utilities Committee guidance on the building of network during lockdown and are well placed to influence via highways colleagues.
- Prepared proposals to kick start a programme of work to further stimulate the adoption of digital technologies and skills among non-digital businesses and residents, with some focus on supporting economic recovery and those who are out of work due to COVID-19.

**We will:**

- Improve access to high quality digital infrastructure for businesses and residents, by encouraging investment in the county to build digital infrastructure and access networks.
- Work with the District and Boroughs to stimulate the adoption of digital technologies, services and skills to benefit the economy, businesses and residents.

<b>No.</b>	<b>Headline actions to March 2022</b>	<b>Lead</b>
1	Increase commercial investment in urban areas, progressing the county’s Gigabit Framework with build and investment announcements of around £100m by CityFibre to date. Leverage additional commercial coverage by suppliers by reducing barriers to investment and working with communities and businesses in partnership with the District and Borough Councils to facilitate demand aggregation and share information with suppliers. Examples of positive outcomes from this approach include Openreach and Virgin Media investment.	Digital
2	Increase commercial investment in rural areas for gigabit capable infrastructure, by supporting the DCMS’ national rural voucher scheme by ‘topping up’ the value of each voucher to £4,000 for SMEs and residents. More than £1million of additional investment is planned to date, which is attracting commercial investment by suppliers.	Digital
3	Continue to gather data and intelligence to better understand where our ‘final 20%’ of rural areas are most likely to be left without access to gigabit-capable infrastructure as a result of not being commercially viable and therefore eligible for future public sector	Digital

No.	Headline actions to March 2022	Lead
	intervention. Work with DCMS to develop the delivery of a national programme of intervention in rural areas. Enhance this work through an Open Market Review to engage with suppliers on their commercial intentions, and by mapping mobile connectivity up to 4G.	
4	Work in partnership to deliver the Converged Fibre Connectivity project, an innovative project building a new duct and fibre route. Once complete Crawley, Horsham, Haywards Heath and Burgess Hill will have greater fibre resilience and be linked to the regional fibre network at Brighton Digital Exchange. Rural areas along the route are also expected to benefit from additional commercial investment by suppliers using the new infrastructure.	Digital
4	Continue to demonstrate to regulatory agencies, business partners and investors that West Sussex Councils are working proactively to enhance the digital offer, including through use of our assets such as the highways network, and through seeking to use local planning policy to ensure that all new residential and commercial development has gigabit-capable (and preferably full fibre) connectivity at the point of occupation.	Digital
6	Kick start a programme of work with the District and Boroughs and Coast to Capital to stimulate the adoption of digital technologies and skills by businesses, initially for sectors and settings most impacted by COVID-19. Pilot a `persuasion to adoption` model, and the deployment of `Digital Champions`.	Economic Growth
7	Progress plans for digital skills activities, including upskilling the economic development workforce on the digital agenda, ensuring start-ups and micro-entrepreneurs are supported to maximise opportunities from digital technology and services, and collaborating with colleges and universities on digital skills training.	Economic Growth

### **How Government can help**

- Recent changes to the Electronic Communications Code have simplified the planning process for telecommunications companies to deliver 5G services. Local Authorities would welcome Government addressing communities' questions in relation to 5G technology and provide clarity on the role of Councils in this activity and highlight this to the public.
- Given the accelerated demand for resilient digital infrastructure, local authorities would welcome any early sight on anticipated changes and be clear about local authorities' role in working with telecoms stakeholders e.g. an anticipated extension of business relates relief on digital infrastructure.
- From the COVID-19 lessons learnt, local authorities would welcome early guidelines that apply to digital infrastructure build should a similar scenario develop in the future (e.g. from local lockdowns) e.g. deployment of smaller gangs, safe surveying, access to unmanned exchanges or end user premises.
- Ensure committed Local Growth Funding remains allocated to projects important to helping to stimulate economic recovery.

### ***Theme 9 – Embed Climate Change and the Environment into the Reset***

## **Current position and challenges**

- The Government's 25 Year Environment Plan and the UK's commitment to achieving Net Zero greenhouse gas emissions by 2050 underpin the national strategic position on the environment.
- Environmental benefits arising from the COVID-19 lockdown including improvements to air quality, greater appreciation of nature and an increased ability to cycle and walk locally have been highlighted by many. Much attention is being given to ensuring the UK's 'recovery pathways' protect the environment and reduce the impact on climate change.
- The Committee on Climate Change (CCC), who act as independent advisors to government, have advocated for the importance of delivering a stronger, cleaner and more resilient economy, including through using climate investments to support economic recovery and jobs.
- More than 200 top UK firms and investors have called on the government to deliver a COVID-19 recovery plan that prioritises the environment. They advocate for investment in low carbon innovation, infrastructure and industries, which should focus on sectors that can best support the environment, increase job creation and foster recovery, whilst also decarbonising the economy.
- The Chancellor announced on 8 July a £3 billion green investment package projected to support around 140,000 green jobs and to upgrade homes and public buildings to reduce emissions.
- The low carbon economy and demand for green jobs are forecast to grow faster than traditional industries as the nation transitions to a net zero economy. <sup>4</sup>
- The County Council has adopted a Climate Change Strategy, confirming an ambitious target to be carbon neutral by 2030 and with a commitment to support and grow our local green economy.
- The Council is already progressing a range of green energy and sustainability initiatives which support the environment and the low carbon sector, and opportunities will be explored to do more as they arise.
- The County Council is a key partner with the Sussex Local Nature Partnership (LNP). The LNP has called upon partners to embed 5 principles they would like to see as part of an integrated approach to recovery: Place making, health and well-being, restoration economy, build back better, and leadership.

## **The County Council's response to date working with partners**

- Accelerated the timeline for approval of the Climate Change Strategy 2020-2030 to ensure the commitments can be aligned with and integrated into COVID-19 recovery planning.
- Engaged with partners on the Climate Change Strategy to understand opportunities to align ambition and resource on climate change across West Sussex, regionally and nationally.

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<sup>4</sup> 700,000 direct jobs could be created in England's low-carbon and renewable energy economy by 2030, rising to 1.18 million by 2050; with nearly 450,000 in London and the South. Source: LGA report 'Local Green Jobs' (2020)



- Provided immediate support for the re-opening of high streets and workplaces through encouraging and enabling walking and cycling.

**We will:**

- Position West Sussex as a place for innovation in green energy and develop the commercial provision of energy-related services in the county to support the growth of the sector.
- Seek to increase the number of people walking, cycling and using public transport for school, work and leisure journeys.
- Progress activities across the reset plan themes in support of the Council’s Climate Change Strategy.

<b>No.</b>	<b>Headline Actions to March 2022</b>	<b>Lead</b>
1	Implement the £2m EU funded LoCASE work package for West Sussex, to support and grow the low carbon and environmental goods and services (LCEGS) sector.	Economic Growth
2	Work with the national SmartHubs consortium and local partners to deliver a £25m pioneering smart local energy system demonstrator in the county, <sup>5</sup> leading to trailblazing energy projects including smart solar panel and battery systems delivering low-carbon energy; and a marine source heat pump transferring heat from seawater in Shoreham Harbour to adjacent commercial buildings of the Shoreham Port Authority using a district heating system.	Energy
3	Support the development of low carbon technologies and markets by building on the BISEPS project through the Interreg 2 Seas funded LECSEA project, which will progress collaborative Local Energy Communities (LECs) for business parks, drive investment in technologies, and promote best practice in the creation of LECs.	Energy
4	Increase the public provision of solar PV and battery storage across Sussex through the ‘Solar Together’ project, working with Districts and Boroughs across the county, East Sussex & Brighton & Hove.	Energy
5	Increase the public provision of electric vehicle charging points to support the transition to low carbon transport through a joint procurement with Districts and Boroughs across the county.	Sustainability
6	Benefitting from a grant from Local Partnerships and working with all Districts and Boroughs across West Sussex, we will explore new ways of engaging with our residents to better enable businesses to adapt post-Covid.	Sustainability
7	Progress economy reset activities in support of the Climate Change Strategy, initially focussing on ‘green skills and jobs’ as part of the employment and skills theme, and growing the low carbon and environmental goods and services sector through LoCASE (No. 1)	Economic Growth
8	Continue engagement with Gatwick Airport Limited on climate change through the Council’s solar, renewable heat and hydrogen economy activities, as the airport extends its sustainability activities in support of a pledge to reach Net Zero carbon emissions for ground operations before 2050.	Sustainability and Energy

<sup>5</sup> SmartHubs aims to deliver a replicable, scalable, Distributed Energy Resource Management System (DERMS), to transform the way energy is generated, stored, shared and consumed.

No.	Headline Actions to March 2022	Lead
9	Maximise opportunities from the Department for Transport's (DfT) Emergency Active Travel Fund to better enable sustainable travel on key commuting routes, and progress key cycling, walking and connectivity projects.	Local Transport Improvements
10	Progress strategic partnerships and potential projects in support of the economy reset, including with the Sussex Local Nature Partnership based on its `Clean Growth Principles`, and with the Coast to Capital and the South2East Local Energy Strategy.	Economic Growth and Sustainability

### How Government can help

- Provide leadership to ensure the UK's `recovery pathways` protect the environment and reduce the impact on climate change, and to ensure the low carbon economy and green jobs are integral to economic recovery as we strive to achieve Net Zero greenhouse gas emissions by 2050.
- Ensure that any recovery package includes nature. The current crisis reminds us that our economy and the health of society are dependent on a flourishing natural world.
- Use climate investments to support economic recovery and jobs. The Committee on Climate Change previously identified a detailed set of investments to reduce emissions and manage the social, environmental and economic impacts of climate change.

### **8. Performance framework**

The Economy Reset Plan contributes to the achievement of the emerging corporate plan priority outcomes:

- a sustainable, prosperous economy (*especially local economic recovery and resilience and climate change*)
- helping people and communities fulfil their potential (*especially a skilled local workforce, and communities, high streets and civic pride*)
- keeping vulnerable people safe (*especially adults and health*)
- making the best use of resources (*especially strong partnerships*)

Corporate performance indicators will be agreed as part of the next iteration of the Council's Reset Plan, which will be in February 2021 alongside the budget. Performance indicators will include contextual economic indicators in support of the corporate priority outcomes and project specific indicators arising from the Economy Reset Plan actions.