

East Sussex County Council welcomes the Government's Industrial Strategy Green Paper which aims to support economic growth, one of our key priorities for the county. We also broadly agree with and welcome the alignment of the respective ten thematic pillars into one single strategy.

For East Sussex, the Industrial Strategy represents a mechanism through which we can realise our ambitious plans for growth in our economic priority areas of Bexhill and Hastings; Eastbourne and South Wealden and Newhaven. These ambitions have been developed with our key partners – the Local Enterprise Partnerships, our Borough and District Councils and our business community - over a number of years and are set out in both the LEP's Strategic Economic Plans and our own Growth Strategy for East Sussex, which set out what we need to do to grow the local economy of the county.

Whilst the Industrial Strategy has identified a number of sectors nationally, for the Strategy to be truly effective, it needs to cater for the needs of priority sectors of local areas. In East Sussex, our key priority sectors include Construction; Engineering and Advanced Manufacturing; Healthcare (including social care); Land Management; Digital and Media; Low Carbon and Environmental Goods and Services; Professional and Business Services, culture and Wholesale, Retail & Motor.

Infrastructure (Road and Rail)

- The key challenges for achieving economic growth in East Sussex include the deficient quality of our strategic road infrastructure which affects journey time reliability and inhibits business growth and confidence as well the ability of the county's road network to accommodate the impact of traffic growth generated by additional planned housing and employment. It can take two hours, at peak times, to travel between the County towns in East Sussex and West Sussex, Lewes and Chichester, a journey of less than 40 miles. Equally unproductive is the time taken to travel between Lewes and Hastings, a journey of less than 30 miles which can often take 90 minutes. If we wish to drive productivity then comprehensive investment in our key strategic routes including the A27, A21 and A26 is needed.
- In terms of rail, there are capacity constraints on the rail network infrastructure serving the county in particular the Brighton Mainline, East Coastway and Marshlink routes, which serve our main growth areas, and rail passenger numbers increasing year on year. It is perverse that it takes less time to travel between Birmingham New Street and London, a distance of more than 125 miles than the 70 miles between Hastings and London. Proposed investment on the Brighton Mainline and delivering high speed rail on the Marshlink will improve the county's rail connectivity and accommodate future passenger growth.
- For East Sussex, there is significant growth contained in local plans across East Sussex, with further growth planned in the south Wealden area. Unlocking these development opportunities are crucial for our growth plans but this needs to be sustainable and linked to the timely delivery of transport infrastructure, either help unlock sites and enable development to take place or to mitigate any of the impacts arising from that development.
- There is also a significant gap in the funding required to deliver our infrastructure needs and if this infrastructure cannot come forward, then the county cannot grow. In East Sussex, we have been successful in securing additional funding for transport infrastructure through the Local Growth Fund and will continue to lobby for further Government funding to enable more strategic interventions to be delivered. However, other funding sources such as development contributions (Community Infrastructure Levy/s106 agreements) cannot be expected and will not be able to bridge the funding gap to meet the county's infrastructure needs. Therefore, greater

certainty around longer term levels of funding and enabling innovative funding solutions in the appropriate circumstances would improve the delivery of infrastructure to support growth.

Broadband and 5G

- Connectivity is not just about the movement of people and goods, it is also about digital connectivity. East Sussex has made great strides to improve digital connectivity by working with BD:UK on the delivery of superfast broadband across the county and particularly in rural areas. However, through this Industrial Strategy we would hope to see mechanisms to enable the completion of the network across the country and our county. Other countries currently have a competitive edge over the UK and given Brexit, it is vital that the UK is on at least a level playing field with other economies.
- Effective broadband infrastructure also helps to enable other desirable outcomes, including reducing the need to travel and enabling start-ups to grow and flourish.

Skills and Learning

- We are pleased that one of the key pillars of the Industrial Strategy is that pertaining to skills. It is vital that skills funding and provision is designed to reflect local economic needs as this will ensure the providers at all levels are delivering the skills that local employers require to grow and prosper.
- It is so important for local sectors to be understood and they should be at the heart of everything we do. The strong sectors need to be reflected within all of the education providers in the local area whether Higher Education; Further Education; non-maintained; and maintained. This will enable a consistent approach to skills and employment, improved work readiness and work experience.
- As the largest employer in the County, we have first-hand knowledge of the impact a lack of appropriate skills has on a sector. The County Council is now leading the way in identifying these skills gaps and putting measures in place to improve this going forward.

International Trade and Investment

- In East Sussex, our East Sussex Invest scheme has delivered approaching 700 new jobs through a combination of County Council funding, and funding secured through previous rounds of Regional Growth Funding (RGF). This business finance has enabled local businesses to grow sustainably within the county and increase employment opportunities often in areas with higher than average unemployment. We are also increasingly able to target this business finance towards particular sectors, and we would encourage Government to issue further rounds of RGF in support of this Industrial Strategy.
- In addition, we have seen the importance of Local Growth Hubs in helping businesses to grow and trade. We believe these hubs need to receive ongoing investment and support to continue to grow the local businesses. Each have contributed significantly to the year on year growth of the East Sussex economy.

Procurement

- East Sussex County Council welcomes the retained focus on procurement spend with small businesses. As a local authority we already have a clear commitment to local spend, and work

with our partners and business groups to simplify our processes and enable smaller and local suppliers to bid for our contracts more easily. We are proud that our local spend already exceeds 45%, against the government target of achieving 1/3 of spend with small businesses by 2020.

- Although a new commitment for Government in the strategy, East Sussex County Council already regularly gathers supplier feedback, and engages with the market to develop our procurement strategies as a matter of course for all significant projects. This approach enables us to forge local links and develop strong relationships with our supply chains. This has helped contribute towards the success of our wider strategies for economic growth, although remains an area of focus as we respond to changes in the market and funding for local government.

With our 3 Southern Counties (3SC) partners in Surrey and West Sussex, we have developed an investment deal which seeks to tackle the issues identified above. Whilst we recognise that much growth emanates from metropolitan areas up and down the country, it is wholly dependent on its surrounding areas. For example, the combined growth value added (GVA) of East and West Sussex and Surrey is over £67 billion per year which is bigger than the whole of Wales (£52 billion) and the Greater Manchester Combined Authority (£56 billion). Unless investment is made in infrastructure and skills in the way we have described, it will compromise the ongoing significant contribution made from this area to the UK economy. It risks creating a legacy that will stifle growth and productivity.

Whilst this Green Paper is a useful start, there needs to be far greater clarity on what the mechanisms are to enable the realisation of its aims. There are a number of examples within the Strategy where the aspiration is right but it is not clear how they will be achieved.

In East Sussex, as it is all over the country, residents and business thrive if their natural environment thrives. We believe the environment should not be a block to growth but rather an opportunity for good growth. Natural capital can complement growth creating vibrant communities and the places business wants to invest. It supports wellbeing and productivity, creating great places to live, work and play. We believe Local Nature Partnerships should have a greater role, with our LEPs in supporting this approach.

The County Council also welcomes the recognition of the role of cultural institutions and destinations to support and stimulate creative business clusters. However, the role of a cultural hub can only be delivered effectively with additional resources. The visitor economy (linked to creative industries) can also lead to culture-led regeneration that has positive effects upon the economic and physical development of deprived areas. This in turn raises the quality of life for the local community.

The County Council also understands the importance of economic growth in improving health and wellbeing as it will reduce the demand on local health services in the future. However, especially given the ageing demographic of East Sussex, this is a growing sector and it is important that the strategy includes technological aids to meeting the needs of our ageing population.

If this Industrial Strategy is to truly lead to an economy for all it is vital local authorities are given the tools to unlock growth in their areas. We see an opportunity for a stronger infrastructure spatial planning role as one of these tools, enabling us to plan infrastructure in its widest sense to support sustainable growth and increased productivity.