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The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer

23 September 2020

Coast to Capital Local Enterprise Partnership – *Build back stronger, smarter and greener*

Dear Chancellor of the Exchequer,

I have great pleasure in writing to you as the new Chair of Coast to Capital Local Enterprise Partnership (LEP), having been appointed in August this year. My Board is totally focused on developing an effective regional response to the economic challenges that we face, and with it a greater focus on social inclusion, equality and clean growth.

How COVID-19 has affected our region

In our region, strong and inclusive economic leadership has never been more necessary. Our research shows that the effects of the COVID-19 pandemic on this part of England will be disproportionately high, with GVA in 2020 likely to decline by up to 17%; the potential need for further measures to halt the spread of the virus would make this figure higher, up to 26% of GVA if there is a full national lockdown. What COVID-19 has done, in effect, is to very rapidly expose some of the known structural challenges in our economy, identified through our Local Industrial Strategy preparations. As a result productivity growth is not matching the levels in other parts of the South East and is clearly as not as resilient.

Crawley, home to Gatwick airport, and the surrounding towns is one of the most exposed places in the UK, due the immediate knock on effects of air travel restrictions on a wider ecosystem of businesses and with it the local population, who are less skilled and lower paid than other parts of our region. We strongly support the development of a package of measures to rebuild confidence in air travel,

including sector-based support, so that this part of our economy can return to work. Brighton, with its high levels of entrepreneurship and two universities has fared better, but there too the wider education sector is one of the most affected. Our much loved visitor economy, which supports the whole of our region, is extremely vulnerable and will struggle to recover with continued restrictions.

Our proposed response...with your support

Despite the challenge, we are ambitious and we are optimistic about the future. I am delighted to attach our vision to deliver the economic growth that our region needs – ***Build Back Stronger, Smarter and Greener***. This builds a compelling case for a series of place based, transformational infrastructure projects in our area to speed recovery and accelerate productivity growth.

To ***build back stronger***, we will support Crawley and the towns in Surrey and Sussex which rely on Gatwick to grow and become more economically diverse, dynamic and resilient. We are accelerating the creation of our new Innovation Centre, funded through the Getting Building Fund, which will connect international advanced engineering companies with local supply chains and skills. **We need a Government backed strategic development vehicle** – similar to those in place at HS2 stations – to ensure that appropriate infrastructure was put in place to help the region meet its potential for development around this major transport hub.

To ***build back smarter***, we will build on Brighton's position as an established UK digital cluster, expanding its economic reach along the coast, through Worthing to Bognor Regis and the University of Chichester. This economy already has a strong set of 5G and digital specialisms and is capable of significant further growth, including as an international destination for development and commercialisation of Quantum Technologies, growing out of class leading Quantum research at the University of Sussex. **We need a Quantum equity fund – public and private investment – to support and fully realise our early competitive edge.**

To ***build back greener***, we will draw on our entrepreneurial workforce and business specialisms to create new skills and jobs that will lead a green recovery across our region. We are already investing in leading technological and market innovations to reduce and offset carbon emissions; a new testing facility for hydrogen-fuel engines and a natural capital investment vehicle to coordinate funds from new development in order to create and enhance bio-diversity rich habitats. **We need funding to realise a decarbonisation academy across FE and HE provision** in line with our innovation specialism and the need to retrofit extensive public and private rented housing stock.

To enable all of this, **we need investment in wider infrastructure** for transport, for connectivity, for affordability of housing, so that living and working in our region is a realistic proposition – especially if people are looking to relocate from the capital. **We need urgency and secure funding to unlock the bottleneck on the Brighton Main Line at Croydon**, increasing rail capacity across our region. **We need investment to**

level up digital infrastructure and roll out ultra-fast connectivity to key business hubs,
like Manor Royal.

We will be working hard with partners in the coming months to develop a further pipeline of projects to deliver this vision, and aim to be a strong and effective partner to the Government in building our recovery. I would welcome you to visit our area to explain in person the challenge in Crawley, in particular, but also the opportunity to contribute so much more to national recovery and future growth.

We consider that public money invested in the Coast to Capital region will unleash that potential and create a surer, faster return to Government. We encourage you to use the forthcoming budget as a chance to deliver the public support needed to help take these projects forward.

I am copying this letter to Robert Jenrick MP and Luke Hall MP at the MHCLG, and to MPs from the Coast to Capital area.

Yours sincerely



Julie Kapsalis
Chair