

# Heart of the South West Coastal Productivity Plan

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## 1. Summary

- 1.1. The Heart of the South West (HotSW) Coastal Productivity Plan (CPP) was co-developed by coastal authorities and stakeholders across the HotSW geography. Within the framework of the HotSW Local Industrial Strategy (LIS) and Productivity Strategy the CPP sets out the local context, issues, and solutions to address the productivity challenges faced by coastal areas. A previous draft was presented to Joint Committee (JC) in early 2020.
- 1.2. The economic impact of Covid-19 on coastal areas has been significant, and the underlying structural challenges remain. Evidence shows that coastal economies are amongst the hardest hit geographies and that Covid-19 has further amplified their structural weaknesses. This has been particularly evident through the extent of the impacts on the tourism and hospitality sector and the reliance on these sectors within coastal areas. In April 2020 around 84% of employees within the UK hospitality sector were furloughed under the Coronavirus Job Retention Scheme<sup>1</sup>, and it is projected that as much as 25-50% of the UK holiday accommodation stock could permanently close down in coastal communities as result of Covid-19<sup>2</sup>.
- 1.3. Changes in the government's policy agenda and announcements during the Comprehensive Spending Review (CSR) suggest that there is a greater focus on tackling geographic inequalities and levelling up 'left-behind' towns and cities, including coastal areas.
- 1.4. The draft CPP has been updated to reflect the extent of the economic impacts on coastal areas resulting from Covid-19 along with changes to national policy. Additional solutions have been included to address some of the shorter term challenges and greater alignment with our natural capital to deliver inclusive and sustainable growth.

## 2. Recommendation

2.1. It is recommended that:

- The Joint Committee supports and endorses the publication of the Heart of the South West Coastal Productivity Plan
- A Coastal Group is established to support delivery of the actions within the Coastal Productivity Plan
- The Coastal Productivity Plan is used to lobby Government and direct future policy on coastal issues particularly in the design of the UK Shared Prosperity Fund (SPF).

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<sup>1</sup> UKHospitality Survey, April 2020

<sup>2</sup> Hotel Solutions, From Survival to Recovery, An Assessment of the Prospects for the UK Hotel & Visitor Accommodation Industry 2020-2022, May 2020

### **3. Reasons for recommendations**

- 3.1. Changes in the Prime Minister and Cabinet Ministers, followed by the national election in December 2019 and then the Covid-19 pandemic in March 2020 have resulted in the levelling up agenda and tackling 'left behind' areas being pushed up the Government's policy priorities.
- 3.2. The scale of the economic impact from Covid-19 on coastal areas in particular, and the continuing restrictions demonstrate the need for targeted interventions to address both the short term economic challenges resulting from lockdown and the longer term structural issues which continue to hinder the economic growth potential of our coastal areas.
- 3.3. Adoption of the HotSW CPP is intended to enable HotSW to influence government policy and programme design of the UKSPF which is to target:
  - Places most in need across the UK, such as ex-industrial areas, deprived towns and rural and coastal communities
  - People most in need through bespoke employment and skills programmes that are tailored to local need
  - Local businesses
- 3.4. The CPP sets out the context, issues, and solutions for our coastal areas to address the levelling up agenda and drive inclusive growth. It should form part of the plans and strategies which sets the future direction of the HotSW's economy and should therefore be adopted as a locally-owned document.

### **4. Background**

- 4.1. In October 2018 a Coastal Economy Workshop took place with key partners from across the HotSW that had an interest in the coastal agenda. It was agreed that a coastal strategy be produced which aligned with the Productivity Strategy and LIS, and which emphasised the need for inclusive growth.
- 4.2. An initial draft of the CPP was presented to JC in July 2019. The CPP was supported by JC however feedback included the need for wider consultation and input into policy recommendations from the HotSW coastal authorities along with widening the geographical scope to include all of the HotSW coastal areas.
- 4.3. In November 2019 an updated version of the CPP was presented to Chief Executives' Executive Group where the recommendation for external support to further develop the CPP was approved. The group also recommended that a Coastal Communities Task Force be established as part of the work. They also noted that any projects or activities identified as a result of the development of the coastal work should be reflected in the HotSW Productivity Strategy Delivery Plan/ LIS Implementation Plan, and should form the basis of HotSW bids into future Coastal Communities Funding.
- 4.4. Following the Coastal Communities Task Force Workshop in January 2020 and engagement with partners from all the coastal authorities, a final version of the CPP was prepared to be presented to JC in March 2020 for sign-off, however the meeting was cancelled due to the impending Covid-19 crisis.

4.5. Since then the CPP has been updated to reflect the economic impacts of Covid-19 on coastal economies and encompass a wider geographical scope of coastal areas across the HotSW. The impact of the economic damage on coastal areas from the Covid-19 lockdowns and continuing restrictions has been overlaid on the CPP, along with alignment of current government policy. The latest CPP includes:

- Covid-19 impacts on coastal areas
- Additional recommendations to reflect some of the emerging coastal challenges resulting from Covid
- Alignment to the latest policy such as the levelling up agenda and announcements in the CSR
- Additional coastal town's data

## **5. Equalities Implications**

5.1. There are no specific equalities implications associated with the recommendation.

## **6. Other Implications**

6.1. Legal:

There are no specific legal implications associated with the recommendation.

6.2. Financial:

There are no immediate financial implications. Activities within the CPP will require a mix of funding that would be determined as and when it becomes available.

6.3. HR:

None

6.4. Risk:

The key risk is that delivery fails to materialise as quickly as hoped due to a lack of government support and funding opportunities. In addition, the severe impact of Covid-19 on the HotSW area needs to be taken into account.

6.5. Other Implications: Health and Well-being; Health and Safety; Sustainability; Community Safety; Privacy:

None

## **7. Background papers**

7.1. Heart of the South West Coastal Productivity Plan