

## **Annex B**

### **Sustainable economic growth for Essex communities and businesses**

#### **The story behind the strategy**

The population of Essex is forecast to grow by 71,000 in the period up to 2021. This means that to sustain the county's economic growth and increase economic prosperity, an additional 33,000 jobs will need to be created by 2021.

While there are a number of notable strengths in the Essex economy, the economic base is relatively narrow and is dominated by small businesses leaving it vulnerable to the impacts of an economic downturn. To improve economic resilience employment growth will be targeted in a number of opportunity growth sectors (advanced manufacturing, low carbon & renewables, logistics, life sciences & healthcare and digital, cultural & creative) as well as continuing to support existing core employment sectors (financial services, construction, manufacturing, tourism and logistics).

Historically, wage levels in Essex have been low and skills levels are below the national average. Therefore it is important that we work to ensure that local people have the right skills and competencies to be able to access and benefit from the employment opportunities that are created.

Two crucial factors to encourage and support sustainable economic growth are infrastructure and housing. The capacity of transport infrastructure in Essex is under increasing pressure and there is insufficient supply of housing to meet household growth and new demand.

This strategy recognises ECC's role in both enabling economic growth and in embedding the benefits of growth for local communities. The following pages describe how we will address the issues outlined above by working with partners to:

- generate a stronger skills base;
- ensure relevant physical infrastructure is in place;
- deliver quality new homes to meet local need;
- support businesses and encourage innovation;
- raise aspirations for growth locally;
- attract investment into the county; and
- influence national policy and funding decisions that will impact on the Essex economy.

<b>Jobs, employment and skills</b>		
<b>What are the issues we need to consider?</b>	<b>What is our ambition?</b>	<b>What are our plans for achieving this ambition?</b>
While total jobs in the county are increasing, we are not seeing the level of job growth needed to increase levels of employment significantly or meet the future needs of our growing population.	We want to see the number of jobs in the Essex economy increase in line with, or faster than, our current demographic projections.	We plan to support job growth through: <ul style="list-style-type: none"> <li>• delivery of infrastructure projects to unlock growth;</li> <li>• programmes to support business creation and business growth;</li> <li>• delivery of integrated business support services with universities and other partners;</li> <li>• attracting inward investment to key growth locations; and</li> <li>• carry out a review of Invest Essex activity.</li> </ul>
To increase employment we need to deliver more jobs to meet the growing population and also generate a stronger skills base so that Essex residents are able to meet the needs of employers.	We want to see an increase in the number of residents in employment.	We plan to: <ul style="list-style-type: none"> <li>• create more jobs through enabling infrastructure, business support and attracting inward investment;</li> <li>• deliver a programme of work with the support of the Essex Employment and Skills Board to improve the skills of Essex residents; and</li> <li>• work with Jobcentre Plus to develop programmes which improve the employability and skills of unemployed people.</li> </ul>
Increases in employment in Essex have often been focused on lower value sectors and jobs. Therefore to raise earnings we need to both diversify the employment opportunities (by focusing on our key	We want to see median earnings of those working in the Essex economy increase in line with, or faster than, our independent projections.	We plan to: <ul style="list-style-type: none"> <li>• deliver a programme of work with the support of the Essex Employment and Skills Board to improve the employability and earning potential of</li> </ul>

sectors) and raise the skills and aspirations of our workforce.		residents; <ul style="list-style-type: none"> <li>• improve the inward investment offer;</li> <li>• establish a clearer understanding of the growth potential of priority economic sectors; and</li> <li>• provide support to develop greater innovation and growth capacity across Essex's business base.</li> </ul>
There are identified skills gaps in the county that we need to address. The current skills system is also not sufficiently responsive to business needs, although we are seeking to address this. These issues present challenges for existing businesses and could deter new businesses from locating in Essex.	We want to see fewer businesses reporting skills gaps.	We plan to: <ul style="list-style-type: none"> <li>• deliver a programme of work with the support of the Essex Employment and Skills Board to improve and diversify the skills of Essex residents; and</li> <li>• establish a clearer understanding of the skills needs of priority economic sectors and developing appropriate information, advice and guidance (IAG) and skills programmes.</li> </ul>
Our large proportion of small businesses means the rate of start-ups in Essex tends to be higher than the national average. However, the rate of closures has increased too. Therefore we need to do more to support new businesses, particularly those in our key sectors.	<p>We want to see more business start-ups surviving after 1, 3 and 5 years.</p> <p>We want to support more businesses to innovate, to commercialise new ideas, to access development finance , to explore new markets (including export markets) and to attract investment.</p>	We plan to: <ul style="list-style-type: none"> <li>• maintain a relevant business support offer and structures that are configured specifically to encourage business starts, support business growth through innovation and diversification, and encourage inward investment; and</li> <li>• review the impact of ECC's work to support international trade in China, exploring options for expanding this work to focus on other emerging markets.</li> </ul>

To support economic growth it is important to ensure that on an ongoing basis a relevant range of land and business space is available in Essex. This should allow firms to locate or start up in the area, to develop and expand further and 'move on' to other types of space as required.	We want to see businesses in key growth sectors reporting that they can access fit for purpose sites and premises in Essex, and to see a year on year increase on the baseline position.	We plan to: <ul style="list-style-type: none"> <li>• identify appropriate sites in key growth locations;</li> <li>• deliver ongoing improvement of business space; and</li> <li>• identify gaps and take actions to address these.</li> </ul>
Increased business rate growth will directly support the Essex economy and public sectors finances. However, we need to ensure that new businesses are sustainable and that they reflect the future growth sectors that have been identified.	Over the next seven years we want to see sustained increases in business rate income (National Non-Domestic Rates).	We plan to support business growth by: <ul style="list-style-type: none"> <li>• producing a master plan for each of the four strategic corridors identifying growth potential and the interventions necessary to realise that growth;</li> <li>• improving the inward investment offer;</li> <li>• delivering enabling infrastructure projects; and</li> <li>• delivering programmes to support business creation and business growth through innovation.</li> </ul>
<b>Housing and Infrastructure</b>		
<b>What are the issues we need to consider?</b>	<b>What is our ambition?</b>	<b>What are our plans for achieving this ambition?</b>
Economic growth requires that key components of physical infrastructure are in place including quality access infrastructure, strategic employment sites and housing sites in key locations. To effectively plan and deliver the future infrastructure needs of the county will require a more coordinated approach.	We want to ensure relevant physical infrastructure is in place to support growth	We plan to: <ul style="list-style-type: none"> <li>• produce a master plan for each of the four strategic corridors;</li> <li>• deliver £760m of enabling infrastructure projects; and</li> <li>• scope the concept of a major infrastructure delivery model to bring together skills, capacity and development experience and create a single infrastructure plan for the</li> </ul>

		county.
Currently, there is an insufficient supply of housing to meet household growth and thus enable economic growth. For many people, housing is also too expensive, and in most communities in Essex, there are severe shortages of affordable housing.	We want to see levels of house building that keep pace with need in Essex, and are consistent with the full delivery of partners' local development plans.	<p>We plan to:</p> <ul style="list-style-type: none"> <li>• work with partners to develop a joined up housing strategy to determine overarching housing need;</li> <li>• develop a more proactive relationship with developers and housing associations to understand the barriers to investment and development better;</li> <li>• work with partners to scope and develop a planning compact that would help planning applications to be brought forward and dealt with faster to unlock job and housing growth; and</li> <li>• establish a property delivery unit to support the Housing and Public Sector Land Public Service Reform Project, which will develop a financially sustainable model to bringing forward public sector land to address housing need.</li> </ul>
<b>Connectivity</b>		
<b>What are the issues we need to consider?</b>	<b>What is our ambition?</b>	<b>What are our plans for achieving this ambition?</b>

Our road and rail networks are crucial to the growth of the economy. However, increasing pressure on our networks means that further deterioration in journey time reliability is likely without changes in travel behavior and significant capital investment.	<p>We want to:</p> <ul style="list-style-type: none"> <li>• minimise the impact that increased traffic volumes have on journey time reliability; and as part of this;</li> <li>• bring about an increase in walking, cycling and use of public transport, as well as reducing the number of journeys by supporting businesses and individuals to work remotely.</li> </ul>	<p>We plan to:</p> <ul style="list-style-type: none"> <li>• deliver £760m of infrastructure projects;</li> <li>• deliver a comprehensive Highways and Transportation Programme; and</li> <li>• extend the coverage of the Essex Superfast Broadband programme.</li> </ul>
There is significant potential to encourage the use of bus journeys, community transport and other forms of public transport as part of our efforts to change travel behaviours and reduce pressure on our road and rail networks.	We want to minimise the reduction in bus journeys in Essex over the next seven years.	We plan to deliver a comprehensive Highways and Transportation Programme, which will include improvements to passenger transport and bus operation support and information systems to encourage bus use.
Enhanced telecommunications infrastructure supports economic growth by helping to attract business and investment to Essex, and also as a means of preventing unnecessary journeys.	We want to maximise the coverage of superfast broadband for businesses and communities across Essex	We plan to deliver the Essex Superfast Broadband programme.