

HENRY SMITH MP



HOUSE OF COMMONS
LONDON SW1A 0AA



29th April 2020

Our Ref: **Crawley Economic Recovery**

Email: peter.lamb@crawley.gov.uk
henry.smith.mp@parliament.uk

The Rt. Hon Alok Sharma MP
Secretary of State for Business, Energy
and Industrial Strategy
1 Victoria Street
London
SW1H 0ET

Sent by Email

Dear Secretary of State,

We are writing to you to make you aware of the severe impact that the Government's lockdown is having on Crawley's economy, the worst hit in the UK according to a recent report by the Centre for Cities, and to urge that the Government takes rapid action to prevent an employment catastrophe in the town.

Since its post-war development as a New Town, Crawley's economy has grown rapidly, despite its relatively small population, to become one of the major business and economic success stories outside London, contributing nearly £6 billion per annum to the national economy.

The rapid growth of Gatwick Airport – providing 24,000 on airport jobs, the vibrancy of more than 600 businesses providing 30,000 jobs which make up Manor Royal Business District, and the success of Crawley's town centre as a regional shopping centre have all contributed significantly to Crawley becoming a major regional powerhouse.

Before the COVID-19 crisis began Crawley's economy was going from strength-to-strength, growing by 23% during the period we have either served as Council Leader or as Crawley's MP and contributing over 26% of the county's economic output despite being just 2% of its landmass. Over the same period, the number of jobs in Crawley grew by 13.5% to reach a record 101,000, the second highest job density in the UK outside of central London.



Switchboard: 01293 438000
Main fax: 01293 511803
Minicom: 01293 405202
DX: 57139 Crawley 1
www.crawley.gov.uk

Town Hall
The Boulevard
Crawley
West Sussex
RH10 1UZ

As a consequence of Crawley's economic weight and the presence of Gatwick Airport, which supports 85,000 jobs more widely, the town is also a huge contributor to the public purse, providing an annual yield of £124m in business rates alone, of which 85% is returned directly to Government. This annual contribution is at great risk.

It is quite clear that the impact of the COVID-19 crisis on the national economy and indeed the world economy is unprecedented. However, due to the business sectors located within the town, and the proportion of local jobs and economic output from these sectors, Crawley is undeniably being hit far harder than any other part of the United Kingdom. These sectors include aviation, transportation, retail/wholesale, leisure and hospitality, all of which are likely to continue to struggle long after the lockdown is lifted.

To prevent 57% of the town's workforce being made unemployed, it is critical that the Government takes urgent action, working with Crawley Borough Council and other local and regional stakeholders, to draw up, fund and implement a programme of targeted economic relief and investment in the town. We believe the key elements of any such programme are as follows:

TEN INTERVENTIONS NEEDED TO RESCUE CRAWLEY'S ECONOMY

- 1. A major programme of infrastructure funding investment to mitigate falls in economic output, boost economic resilience and ultimately facilitate faster economic recovery.**
- 2. The development of a programme of aviation industry business financial relief and support for Gatwick Airport and on site businesses – a new pillar to the Government-led programme of business support measures.**
- 3. Grant packages direct to companies to enable business to continue to retain jobs, prepare for the uplift and be manufacturing ready.**
- 4. Extend the 'furlough' employee salary scheme to help businesses meet rent and other fixed costs, akin to an emerging scheme in Denmark.**
- 5. Invest in suitable and appropriate training and retraining opportunities including higher education, to help the workforce adapt post-crisis.**
- 6. Improve the social security to better support those who are made unemployed in recognition that the high cost of living in the south east means many will not be able to survive if they are forced to rely upon the current benefits system, and that the town's long history of almost full employment means there is an absence of the community support structures which might otherwise help to mitigate the impact of unemployment.**
- 7. Invest in R & D Grants to the plethora of manufacturing businesses to retain the capacity for 'smart' growth and to facilitate recovery.**
- 8. An overhaul of Local Industrial Strategies in order to focus them on mitigating the local economic impacts of the crisis and a revamp and scaling up of the Towns Fund for Crawley, repackaging it to focus on a greater intensity of government funding investment to deliver greater business resilience.**

9. **Prioritise Crawley as a Green New Deal growth hub for green technological development and manufacturing, to enable long-term resilience to shocks in the aviation industry and building on the town's business strengths in advanced engineering, construction and transportation.**
10. **Further targeted support for our high street and retail businesses to help them adapt to the post-crisis economy.**

In view of the gravity of the unfolding economic crisis, we are requesting urgent dialogue with you and your officials so we can work together alongside our business community and stakeholders to design and implement such a programme. We are currently establishing an Economic Recovery Taskforce to coordinate our efforts

We must ensure that Crawley's amazing economic success, built up over many decades, is not lost in a matter of weeks. Above all, it is critical that as many of Crawley's residents as possible are able to retain their jobs and livelihoods - this will not happen without a major programme of government intervention to mitigate the worst effects of this crisis.

We look forward to hearing from you.

Yours sincerely



Cllr Peter Lamb
Leader, Crawley Borough Council



Henry Smith MP
Member of Parliament for Crawley

Cc:
Grant Shapps MP, Secretary of State for Transport

Rishi Sunak MP, Chancellor of the Exchequer

Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government