

**Tuesday 17 March 2020, 5.00-7.00pm**

**Larkfield & Thurnham Room, Hilton Hotel, Bearsted Road, Maidstone, ME14 5AA**

**AGENDA**

	<b>Approx. time</b>	<b>Page</b>
1. Welcome and apologies for absence	5.00	-
2. Declaration of Interests	5.03	-
3. Minutes of previous meeting & matters arising	5.05	2
4. Growing Places Fund: ITE Assessment	5.10	8 & ITE info to follow
5. Lower Thames Crossing 2020 Consultation	5.30	17
6. Kent and Medway Enterprise and Productivity Strategy	5.50	35
7. Sector Support Funding: <ul style="list-style-type: none"> <li>• SELEP Coastal Communities Prospectus</li> <li>• South East Export Development</li> </ul>	6.15	37
8. KMEP AGM and Project Showcase	6.40	136
9. Q&A on Local Growth Funding: Monitoring Report	6.50	138
10. AOB	7.00	
<u>For information item:</u>		175
A. KMEP and SELEP future meeting dates		
Car Parking Code - <b>Z Q I E Y</b>		

### ITEM 3

**Subject:** DRAFT MINUTES of the Kent & Medway Economic Partnership (KMEP)  
meeting held at the Village Hotel, Maidstone on Tuesday 28 January 2020.

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#### Attendees:

##### KMEP Board Members

Geoff Miles (Maidstone TV Studios   KMEP Chairman)	Jo James (Kent Invicta Chamber of Commerce)
Matthew Arnold (Stagecoach)	John Keefe (Getlink/Eurotunnel)
Alan Jarrett (Medway Council)	Jeremy Kite (Dartford Borough Council)
Simon Cook (Mid-Kent College)	Emma Liddiard (Global Media)
Martin Cox (Maidstone Borough Council)	Vince Lucas (VA Rail)
Shereen Daniels (HR Rewired)	Alan McDermott (Tunbridge Wells Borough Council)
Peter Fleming (Sevenoaks District Council)	Andrew Metcalf (Maxim PR)
Carol Ford (AC Goatham and Son)	David Milham (Federation of Small Business)
James Forknall (Kent County Agricultural Society)	David Monk (Folkestone & Hythe District Council)
Liz Gibney (Lee Evans Partnership)	Prof. Rama Thirunamachandran (Canterbury Christ Church University)
Roger Gough (Kent County Council)	Paul Winter (Wire Belt Company Limited)
Richard Hall (Trenport Property Holdings Ltd)	
Nicolas Heslop (Tonbridge and Malling Borough Council)	

##### Observers & Presenters in attendance

Allan Baillie (KCC), Jake Body (KCC), Kevin Burbidge (GBC), Lee Burchill (KCC), Prof. Mario Caccamo (NIAB EMR), David Candlin (TWBC), Kerry Clarke (KCC), William Cornall (MBC), Barbara Cooper (KCC), David Godfrey (KCC), Katharine Harvey (FHDC), Richard Hicks (MC), Dave Hughes (KCC), Rhiannon Mort (SELEP), Matthew Norwell (TGKP), Sarah Nurden (KMEP), Andrew Osborne (ABC), Michael Payne (KCC), Alex Riley (SELEP), David Smith (KCC), Edward Thomas (KCC), Emma Wiggins (SBC).

#### Apologies:

##### KMEP Board Members

Troy Barratt (Contracts Engineering & BAMUK Group Ltd), Trevor Bartlett (Dover DC), Miranda Chapman (Pillory Barn), John Burden (Gravesham BC), Gerry Clarkson (Ashford BC), Rick Everitt (Thanet DC), Bob Russell (Beams International Ltd & Copper Rivet Distillery), Robert Thomas (Canterbury CC) and Roger Truelove (Swale BC).

## Item 1 – Welcome, introduction and apologies.

- 1.1 Geoff Miles (the KMEP Chairman) welcomed attendees to the meeting and accepted the apologies for absence as listed above.

## Item 2 – Declaration of Interests

- 2.1 No declarations of interest were received.

## Item 3 – Minutes of the previous meeting & matters arising

- 3.1 The minutes of the previous meeting were accepted as an accurate record.
- 3.2 The KMEP board were advised that Medway Council has withdrawn its Growing Places Fund bid entitled 'Britton Farm Mall'.

## Item 4 – Introductions to the new KMEP business board members

- 4.1 The KMEP Chairman explained that an open and transparent recruitment process had been undertaken between November 2019 and January 2020 to recruit 17 business leaders to the KMEP board. The process occurred in accordance with the KMEP terms of reference approved by KMEP on 26 November 2019.
- 4.2 The Chairman thanked all the business board members for applying and welcomed them formally to the board. Introductions took place around the table, and the business board members present at the meeting were given the chance to state what attracted them to applying to KMEP and/or their key ambition for Kent and Medway in 2020, as shown in table below:

<i>Business Leader</i>	<i>Position</i>	<i>Company</i>	<i>Comment made at meeting</i>
Matthew Arnold	Business Development Director	Stagecoach South East	Ambition is to help improve Kent's highway resilience and transport infrastructure. Stagecoach's 470 buses provide transport to residents and take 17,000 students to school daily.
Shereen Daniels	Managing Director	HR Rewired	Passionate about technology and digital skills. One ambition is to help create opportunities for young people. Also, as a resident of Gravesham and commuter to London, she is keen to support the provision of infrastructure for local SMEs (such as office workspace in the Ebbsfleet/North Kent area).
Carol Ford	Commercial Director	AC Goatham & Son Ltd	The firm has doubled the size of its business in the last 10 years. As a soft fruit producer, it is a net carbon contributor, and a key ambition is to focus on reducing emissions. The most significant challenge that faces the agriculture sector will be the recruitment of (seasonal) labour

			following Brexit.
James Forknall	Chairman	Kent County Agricultural Society (A charity)	Passionate to see Kent's road infrastructure improved and to positively impact education in the rural/agricultural sector. There is a feeling that this career option is not very well perceived in schools.
Liz Gibney	Partner	Lee Evans Partnership LLP	Passionate about the strategic housing delivery and ensuring it is fit and appropriate for local communities.
Richard Hall	Chief Executive Officer	Trenport Property Holdings Ltd	Has a diverse business portfolio, with connections to Trenport, Yodel, Very, Telegraph Media Group, and Lower Medway Drainage Board. He is committed to the wellbeing, social and economic development of those area and communities in which the firms operate.
Jo James	Chief Executive Officer	Kent Invicta Chamber of Commerce	Ambition to advocate on behalf of the business community across Kent & Medway, ensuring the voice of business is taken into account in all key decision making, and to ensure an environment that is conducive to business growth and enterprise.
John Keefe	Director of Public Affairs	Getlink Group	The Getlink Group own Eurotunnel, the Elec-link interconnector, Connect UK and the French national grid. As a major employer and actor in traffic congestion in Kent, firm is aware it has a key role for participating in the county. The ambition is to see the Kent and Medway road and rail networks made fit-for-purpose. Another key ambition is to ensure the Brexit transition progresses as smoothly as possible.
Emma Liddiard	Area Business Director	Global Media	Previous Chairman of the IOD in Kent, and has significant media connections. Wishes to bring people and firms together to produce the best outcomes for the local area.
Vince Lucas	Director	VA Rail Ltd	Strong experience in the rail network, and ambition is to see local areas working more closely with MPs and the Government to ensure future rail franchises create the right outcomes for passengers and local communities. The key ambition for 2020 is to help support the local area achieve a carbon net zero target by 2025.
Andrew Metcalf	Director	Maxim PR	Ambition is to see the delivery of game-changing infrastructure and the raising



			skills level. Also eager to see appropriate rebalancing of the national economy: the voice of business in Kent and Medway needs to be heard.
Geoff Miles	Chairman	Maidstone Studios Limited	Strongly believe that business leaders should give back to the local community, by helping to improve economic conditions as far as pragmatically possible. By KMEP working together as 'Team Kent', I feel we can make a positive difference and "make Kent and Medway a great place to live, work, visit and enjoy".
David Milham	Area Leader for Kent and Medway	Federation of Small Businesses	Small businesses are the backbone of the Kent and Medway economy. Applied to join KMEP as wish to help make Kent and Medway a place where small businesses can grow and thrive. A key ambition is to improve education and skills levels.
Paul Winter	Non-Executive Chairman	Wire Belt Company Ltd	As a former apprentice, he is very passionate about the promotion of skills and suitable career pathways. His core ambition is to see the Kent and Medway Leadership Academy launched. There is a strong and proven link between strong leadership and high productivity, and SMEs in particular could benefit. Another area of interest is climate change, and his firm is going electricity neutral.

## Item 5 - South East LEP's Local Industrial Strategy (LIS) Presentation

5.1 Alex Riley (SELEP Programme Manager) gave a detailed presentation on the draft Local Industrial Strategy for the South East Local Enterprise Partnership (SELEP). The slides are accessible to view at:

[http://kmep.org.uk/documents/SELEP\\_Draft\\_Local\\_Industrial\\_Strategy\\_Presentation.pdf](http://kmep.org.uk/documents/SELEP_Draft_Local_Industrial_Strategy_Presentation.pdf)

5.2 In response to the presentation, board members made the following comments:

- Peter Fleming commented on the terminology within the draft strategy, and asked for it to be simplified and used more consistently. The Greater South East, the South, and the South East LEP were three terms used within the document, each referring to a distinctly different geography of which readers may not be aware.
- Peter Fleming called for the characteristics of the South East to be brought to the fore, as the current ambitions do not differentiate this area sufficiently from other Local Enterprise Partnerships. Other board members echoed this view. Jo James commented on Kent being the 'Garden of England' and having relatively unique features, such as its wine and soft fruit production.
- Peter Fleming also asked for the strategy to refer to the role of London, its impact on the South East's business and residential environment, and the opportunities it presents.

- Vince Lucas spoke of changing national trends, such as greater urbanisation, fewer young people owning cars, the move towards carbon-neutral energy. The draft strategy focuses too much on the existing scenarios.
- Alan McDermott felt the emphasis on the coastal catalyst overlooked opportunities within the wider SELEP area. For example, West Kent has thriving professional, legal and financial sectors, which employ significant personnel (e.g. Axa in Tunbridge Wells with 1,000 employees). There are many skilled people in West Kent, that could help grow the economy if the correct interventions are made by SELEP. He also commented that Tunbridge Wells is developing two garden communities.
- Shereen Daniels urged SELEP to consider whether the argument to invest in SELEP is compelling; there is detail on a myriad of local characteristics, which may diminish the overall impact.
- John Keefe clarified that Channel Tunnel is not a port, so could not be supported by Maritime UK.
- John Keefe explained that Getlink is working on the delivery of the Elec-Link project, which will be the first electricity interconnector between France and the UK with the capacity to transport electricity to power more than 1.5 million households. The project is a significant part of their carbon neutral ambition, and John Keefe felt clean growth should feature more prominently in the draft SELEP strategy.
- John Keefe urged SELEP to refer to modal shift with regard to freight moving from road to rail.
- Jo James encouraged SELEP to strength the strategy on 'how' economic growth will be realised and the 'impact' of this growth. The document should accentuate how the decision to invest in SELEP will help to further develop the Midland's and northern economies.
- Jo James called on the strategy to consider the following factors: a) how to stimulate interest of businesses in driving forward innovation b) how to re-purpose town centres to thrive and become community hubs.
- She then commended SELEP on the content regarding skills. She asked SELEP to consider how the UK can overcome its reliance on the EU workforce, particularly in the agricultural sector, and include that in the draft strategy.
- Jeremy Kite spoke of the significant economic benefits that will be realised by a new road tunnel under the lower Thames. This new crossing will not only help Kent and Medway to grow, but will enable businesses in north and mid-England to transport goods more efficiently to the Ports. The level of positivity in the draft strategy regarding the crossing ought to be increased substantially, given the economic benefit.
- Liz Gibney suggested visual mapping should be incorporated, and could be targeted at different audiences.
- Andrew Metcalf commented on the number one priority for SELEP, which is the Lower Thames Crossing. He felt the tone of the draft strategy should be more narrative, telling a story of SELEP's key assets and sectors (such as professional, legal, accountancy services and architecture). He also felt that there ought to be high-level costing information included on the key investment priorities and policies for SELEP (e.g. the network of lorry parks for freight and town centre re-purposing).
- Paul Winter spoke of some unintended consequences of Central Government legislation. He asked if SELEP could ask for a continuous improvement group to be

formed with central government, where SELEP could highlight these consequences.

- Roger Gough supported a change to the tone within the document, especially in relation to the Lower Thames Crossing. The draft strategy should also clearly pinpoint the other sections of the wider highway network that need to be improved for the new crossing to operate efficiently.
- He then urged the SELEP team to cull any generic references in the document. The strategy should concentrate both on unique selling points and on the areas that SELEP wants to become strong in. These may not be sector strengths currently, but SELEP may have the human capital already to make companies want to relocate in our geography. He also recommended the removal of local authority wording.
- Vince Lucas commented on the under-utilisation of High Speed 1 network, which has capacity for growth. However, there is an affordability and subsidy issue for the network. This economic issue needs addressing if passenger numbers are to increase.

5.3 The Chairman thanked Alex Riley for his presentation.

#### **Item 6 - Q&A on SELEP Strategic Board Papers**

6.1 Barbara Cooper (KCC Corporate Director) drew KMED's attention to the table on page 33 of the SELEP Strategic Board agenda pack. This table lists projects that are expected to slip and be delivered after the Government's target deadline of March 2021. There are other projects (such as the Kent and Medway Medical School and NIAB EMR's advanced horticultural zone) that can deliver prior to the Government's deadline if Local Growth Fund underspends become available. She asked the KMED representatives on the SELEP Strategic Board to consider this.

6.2 Peter Fleming queried the draft Local Industrial Strategy inclusion of a reference to NIAB EMR as an exemplar case study which is supported by SELEP. It is undisputed that NIAB EMR is a first-class research and development institution, rather the query relates to the SELEP support, given no funding has been forthcoming.

#### **Item 7 & 8 - Local Growth Funding: Monitoring Report & AOB**

7.1 There were no questions or comments regarding agenda items 7 and 8.

**ITEM 4**

**Date:** 17 March 2020

**Subject:** Growing Places Fund – ITE Assessment

**Report Authors:** Sarah Nurden, KMEP Strategic Programme Manager

**1. The Growing Places Fund loan**

1.1 The South East Local Enterprise Partnership (SELEP) manages a recycled capital loan scheme called the ‘*Growing Places Fund*’ (GPF) programme. The money is loaned for projects that encourage economic growth, create/safeguard jobs, support house building, and/or upskill learners.

1.2 Repayments are being made on previous GPF loans, which has created the opportunity for SELEP to reallocate circa £26million of GPF to new projects between 2020/21 and 2025/26.

1.3 The GPF funding operates as a low-interest loan. Interest is set at 2% below the Public Works Loan Board Fixed Loan Maturity Rate or 0% – whichever is higher on the day when the credit agreement is signed.

1.4 SELEP has set these criteria to assess which bids will be awarded loan funding:

**Table 1**

<b>Assessment Criteria</b>	<b>Explanation:</b>
Strategic Fit	<ul style="list-style-type: none"> <li>The project should have a strong fit with SELEP and local economic objectives.</li> <li>It should create/safeguard jobs, enable housing development, and/or create new learners.</li> </ul>
Need for intervention	The project should address a market failure & demonstrate the need for public-sector intervention.
Viability	The project should be viable with sensible cost assumptions, secured match-funding, identified timescales, and a sensible plan of how any operational revenue costs will be met.
Deliverability	The project should be deliverable within the timescale. The risk from potential constraints and project dependencies (including, but not limited to, land acquisition, planning approval, and environmental constraints) to the project cost and delivery timescales should be low.
Expected Benefits	<ul style="list-style-type: none"> <li>The new/safeguarded jobs, homes, and skills benefits are expected to outweigh total project costs by at least a 2:1 ratio.</li> <li>The projects should provide robust, justified and well-evidenced analysis of the estimated number of jobs, houses, learners.</li> </ul>

Pace of benefit realisation	<ul style="list-style-type: none"> <li>• The benefits should ideally immediately follow project completion.</li> <li>• The risk of project benefits not materialising should be low.</li> </ul>
Contribute to the establishment of a revolving fund	<ul style="list-style-type: none"> <li>• The project promoter should commit to a 5-year repayment schedule. (The GPF loan should be repaid by 31<sup>st</sup> March 2026).</li> <li>• There should be no concerns raised about the project through credit checks.</li> </ul>

## 2. The selection process and timeline

2.1 SELEP has set a three-stage process for determining which projects will receive a GPF loan. We are now nearing the end of stage 2. The stages and timeline are described in table 2 overleaf:

**Table 2**

ALREADY COMPLETED	Stage 1	Public call for expressions of interest – ran by the federated boards <sup>1</sup>	Oct-19	
		Federated boards reviewed the expressions of interest at their board meetings.	Nov-19	
		Each federated board prioritised their area's expressions of interest based on the strategic fit criterion (up to max value of £20.7m per board).		
		KMEP selected 10 of 18 applications to progress to stage 2. Two bids have subsequently been withdrawn.		
		KMEP agreed the priority order for Kent and Medway projects as: 1. Wine Innovation Centre 2. Herne Relief Road 3. Swanley Town Centre 4. No Use Empty Commercial Phase 2 5. Green Hydrogen 6. No Use Empty Residential 7. Coombe Valley 8. Hatchery @ Preston Farm		
	TES, OSE and SE have likewise produced a priority order for their own areas. Consequently, four prioritised lists existed at the end of stage 1.			
	CURRENT ACTIVITY	Stage 2	Project promoters wrote and then submitted a Strategic Outline Business Case (SOBC)	Dec-19 & Jan-20
			All SOBCs were assessed by SELEP's independent technical evaluator (the consultancy called Steers) using criteria in table 1.	Feb-20
			Steers met each project promoter to ask clarification questions before finalising their assessment.	20-Feb-20
			Each project promoter had the chance to send in further written clarification to Steers following the meeting.	27-Feb-20
<b>Steers will present their final assessment of each Kent &amp; Medway project to KMEP.</b> (The other federated boards will also receive a Steers presentation in mid-March).		<b>17-Mar-20</b>		
<b>Federated boards are asked by SELEP to provide written comments for each of their projects. These comments will be circulated within the SELEP Investment Panel papers.</b>		<b>27-Mar-20</b>		
SELEP Investment Panel meets to agree one GPF pipeline for the whole of SELEP.		17-Apr-20		
The Panel will have Steers' assessment and the federated board's comments to aid decision-making. The KMEP representatives on the Panel are: Roger Gough, Rodney Chambers, Geoff Miles & Jo James.				
FUTURE ACTIVITY	Stage 3	Loan funding is ring-fenced to the successful projects by the SELEP Investment Panel. However, before this money can be transferred to the project bank account, the final business case must be presented to the SELEP Accountability Board for the final funding decision.	Promoter to choose from future board dates: 15-May, 03-Jul, 18-Sep, or 20-Nov-20.	

<sup>1</sup> SELEP's federated boards are: Kent and Medway Economic Partnership (KMEP), Team East Sussex (TES), Opportunity South Essex (OSE), and Success Essex (SE).

### 3. Project Information

3.1 A short brief overview of each Kent and Medway project is given below (more information is expected in the ITE assessment that is to follow separately):

Project	Wine Innovation Centre
Project Promoter	NIAB EMR, based in East Malling
GPF Ask	£600,000
Project Description	<p>The East Malling Trust (EMT) in partnership with NIAB EMR propose to build a facility to host a Wine Innovation Centre at the East Malling Estate. The vision of this project complements NIAB EMR's investment in the only UK research vineyard to support Kent's wine sector to develop as global leaders in innovation.</p> <p>With 3,500 ha viticulture is the fastest growing agriculture sector in the UK. Despite the growing trend the industry is not profitable yet, due to adverse climate conditions and the lack of suitable bespoke agronomy approaches which have a direct impact on crop yields. The Wine Innovation Centre will build on the success of Kent's wine industry and the development of the East Malling Viticulture Consortium which includes members that collectively account for more than 60% of the wine production of the UK. The majority of the UK's vineyards are located in Kent and the SELEP area; making this sector one of the most promising for growth and economic development in the next 10 years.</p> <p>This project will create infrastructure, services and high-tech facilities which will generate upwards of £1m million (over 5 years) in additional annual R&amp;D spend in the region. It will create new knowledge-based and highly skilled jobs in addition to safeguarding jobs at NIAB EMR.</p> <p>Accelerating investment at East Malling is a priority to ensure that NIAB EMR and its partners remain at the cutting edge of research and innovation and are able to secure future public and private sector funding. Access to the most advanced facilities is also essential to attract and retain high-calibre staff, provide the 'know-how' that is needed by industry to deliver sustainable growth and productivity gains, and ensure that Kent, and the SELEP area are established as world-class leader in wine making innovation.</p>

Project	Herne Relief Road – Bullockstone Road
Project Promoter	Kent County Council
GPF Ask	£3,500,000
Project Description	<p>The Herne Relief Road – Bullockstone Road Improvement Scheme is located within Herne Bay.</p> <p>Bullockstone Road is currently a constrained weight restricted narrow single carriageway unclassified route which does not provide a safe and suitable route for all users. Despite this, Bullockstone</p>

	<p>Road is regularly used as a “rat run” between the Greenhill area of Herne Bay and the A291 to Canterbury. Furthermore, the constrained nature of the route as a result of abutting hedges / vegetation and properties do not allow for the provision of walking and cycling.</p> <p>The A291 which travels through the centre of the village of Herne is a key corridor in the area as it provides access between the A299 and the A28 and thus further afield. The strategic importance of the A291 results in this route and the village of Herne being subject to large volumes of traffic. Consequentially, the already highly constrained village of Herne suffers from severe congestion which is documented within the 2017 Canterbury Local Plan.</p> <p>The Herne Relief Road improvements include:</p> <ul style="list-style-type: none"> <li>• the widening of Bullockstone Road to 7m</li> <li>• the provision of pedestrian and cycling facilities between A291 Canterbury Road and Lower Herne Village</li> <li>• improvements to drainage</li> <li>• construction of new roundabout junctions at Lower Herne Village and A291 Canterbury Road</li> </ul> <p>The scheme aims to:</p> <ul style="list-style-type: none"> <li>• Reduce congestion and traffic volumes in Herne</li> <li>• Provide infrastructure that supports the construction of around 2,500 new homes</li> <li>• Provide walking and cycling routes and easier access to bus routes</li> </ul>
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Project	Swanley Town Centre
Project Promoter	Sevenoaks District Council
GPF Ask	£1,490,000
Project Description	<p>The overall scheme is a programme for the creation of a business hub, a replacement leisure centre and direct housing delivery across 5 Sevenoaks District Council (SDC) owned sites in Swanley, which in turn will provide a catalyst for further private sector development. Such further private sector development will include the U +I Plc consented Swanley town centre regeneration scheme and a possible redevelopment of land at Broke Hill for a mixed development of leisure &amp; residential, subject to any revised scheme and planning consent being granted or granted at appeal. This proposed programme of development by Sevenoaks District Council is engineered to generate confidence and interest in investing in Swanley with other private-sector led initiatives following.</p> <p>In summary, the projects that make up the programme are as follows:</p> <ol style="list-style-type: none"> <li>1. The construction of a ‘Business Hub’ on Swanley High Street, with 17 residential units built on the first and second floor levels. The office space of 2,700 sq ft created within the hub</li> </ol>



	<p>will be leased out on flexible lease terms to local and start up business and office users on a business centre model, thus allowing collaborative working and incubator accommodation for companies at the very earliest stage of their development, as well as for freelancers and the self-employed.</p> <ol style="list-style-type: none"> <li>2. The re-development of the White Oak Leisure Centre to include enhanced spectator facilities and a 6 lane swimming and learner pools, a fitness suite for over 100 stations together with other replacement and enhanced ancillary facilities such as multi-purpose rooms, studios and a café/seating area.</li> <li>3. Over 150 residential units are expected to be developed directly by Sevenoaks District Council across the 5 individual sites.</li> <li>4. The development of 18 residential units and a play area at Alder Way, Swanley, with affordable housing provision at 40%.</li> <li>5. Three dwellings to be built at Russett Way, Swanley.</li> <li>6. A proposal for a mixed use scheme at Bevan Place, incorporating potentially hotel, restaurant and residential uses, all of which would be planning policy compliant and deliver a landmark high-density development to compliment the proposals of U+I Plc within their town centre scheme which secured planning approval at appeal.</li> </ol>
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Project	No Use Empty Commercial Phase 2
Project Promoter	Kent County Council
GPF Ask	£2,000,000
Project Description	<p>KCC is seeking £2m GPF funds to deliver a second phase of NUE Commercial which will bring more long term empty commercial properties back into use.</p> <p>KCC received £1m from GPF2 to deliver its NUE Commercial project (2018-2020). Phase II will enable KCC to build on the success of NUE Commercial and continue to provide short term-secured loans (up to 3 years) to landlords so they can bring empty commercial properties back into use, for alternative commercial, residential, or mixed-use purposes.</p> <p>It will continue to focus on town centres (particularly in coastal areas of Kent), where secondary retail and other commercial areas have been significantly impacted by changing consumer demand and have often been neglected as a result of larger regeneration schemes.</p> <p>The NUE scheme is intended to provide pan-Kent benefits, with property owners from across the 12 districts able to apply for a loan. KCC have extended the invitation to work with Medway Council.</p> <p>Requested £2m GPF will:</p> <ul style="list-style-type: none"> <li>• return 18 empty commercial units back into use and</li> </ul>

	• create 36 new residential homes.
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Project	Green Hydrogen
Project Promoter	Ryse
GPF Ask	£3,470,000
Project Description	<p>In this project, new hydrogen production company Ryse Hydrogen Limited will install and operate the UK's largest zero carbon hydrogen production system in Kent. This will be powered by way of a direct connection to the on-land substation for the existing Vattenfall offshore wind farms - Kentish Flats and Kentish Flats Extension (in Herne Bay). In so doing, Ryse will demonstrate the economic and practical viability of generating hydrogen from wind energy to produce hydrogen on a bulk scale to be used in zero emission mobility solutions. In this way Ryse will become the first large scale producer of fully renewable and zero emission hydrogen fuel in the UK</p> <p>Ryse will distribute the hydrogen produced in Herne Bay to fuel fleets of hydrogen buses in the South East (first contracts to supply Transport for London buses have been secured). In addition to these first customers for hydrogen buses, the hydrogen supply will eventually expand to serve fleets of trucks, taxis and trains.</p> <p>Ryse requires this public support from the GPF loan in order to accelerate the pace of development. The company has been formed and is well capitalised to develop a first hydrogen production and dedicated hydrogen distribution system.</p> <p>However, without external support, the first system will be installed at a scale required to meet only the initial small customer demands for hydrogen. This leads to poor economics and a risk of a system stuck without capacity for expansion. Also, the ability to support future projects at scale will be constrained.</p>

Project	No Use Empty Residential
Project Promoter	Kent County Council
GPF Ask	£2,500,000
Project Description	<p>KCC is seeking £2.5m GPF funds to scale up the No Use Empty (NUE) initiative to return an extra 100 long term empty properties back into use to provide much needed homes.</p> <p>KCC's award winning NUE initiative is the longest running empty homes initiative in the UK. Operating since 2005, it was expanded across all 12 districts in Kent (2009) returning an average of 400 empty homes back into use per year through a variety of interventions.</p> <p>The £2.5m will be used to provide short term secured recyclable loans (units of £25k), either as a 1st or 2nd charge, using the established application, approval and monitoring processes used by the NUE team.</p>

	<p>The scheme is intended to provide pan-Kent benefits, with property owners from across the 12 Kent districts able to apply for a loan. NUE are also willing to work with Medway Council to extend the scheme to cover the Medway towns as well.</p> <p>Lack of traditional finance remains a barrier when it comes to bringing empty homes back into use. Latest Council Tax records show a total of 6,738 long term vacant dwellings in Kent and Medway (5,340 in Kent and 1,398 in Medway). The number of long-term vacant dwellings has increased: Kent (12 districts) by 312 and Medway by 284.</p>
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Project	Coombe Valley
Project Promoter	Alliance Building
GPF Ask	£1,000,000
Project Description	<p>Alliance Building Company Contracts Ltd is purchasing a site in an area of high deprivation and submitting a planning permission to construct for 26 flats and 4 houses. The planning permission will propose all 30 units are affordable, creating a development of 100% affordable housing. There is an early stage indication from Dover District Council they will purchase the units into their Housing Association housing stock. They can then determine the affordable tenure themselves, i.e. social rent, affordable rent, shared ownership, shared rent, rent to buy, discounted sale, starter homes etc.</p> <p>The site is within St. Radigunds, which is the most deprived ward in Dover, and within the top 5% most deprived wards within the nation according to the Indices of Multiple Deprivation Data from 2015. This results in lower high prices within the area, and without a public loan, the project is highly unlikely to be delivered due to market viability concerns.</p>

Project	Hatchery @ Preston Farm
Project Promoter	The Hatchery Team
GPF Ask	£1,000,000
Project Description	<p>This project will create 20,000 sq ft of exceptional, flexible workspaces aimed at helping small business grow faster:</p> <p>A former farm (called Preston Farm) will be redeveloped into an innovative new work and community hub hosting approximately 250 workers, alongside spaces that will be made available to the local community and visitors, for education, recreation and social uses. In addition, we will hire a 'Hatchery team' of 5 employees to operate the hub and provide support for customers.</p> <p>The farm's existing commercial use is low-intensity with a small horse livery business and a tree surgeon based at the site. In total, there are approx. 8 employees currently working on site.</p>

	<p>Consequently, there is potential to grow significantly the employment at the site by 247 employees.</p> <p>The intention is to create a new business hub that will serve a number of different customer groups, but with a particular focus on SME businesses and freelancers. The project will see coworking space, markerspace, private offices, meeting rooms, and events space developed across the site. The hub will provide easy-in/easy-out terms and grow-on space to small businesses, as we recognise long-term leases can inhibit business growth.</p> <p>The GPF will be used, alongside private equity and a private loan, to redevelop and fit-out the site.</p> <p>The farm is located to the north of Sevenoaks, which is a district that currently has a very constrained supply of workspace for SMEs and freelancers to use, and high demand for such facilities.</p>
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4. **Purpose of the KMEP discussion on 17 March**

- 4.1 The task given to KMEP at its meeting on 17 March is to consider the written comments that will be given to the SELEP Investment Panel to support the Kent and Medway bids. It is not possible to include draft comments for consideration in these papers, as we await the final assessment by the independent technical evaluator (ITE).
- 4.2 The draft assessment from the ITE will be circulated separately to board members once it is available.

5. **Recommendation**

- 5.1 The KMEP Board are asked to:
  - Note the ITE assessment of each Kent and Medway bid (to follow)
  - Consider the written comments it would like to provide to the SELEP investment Panel (in response to the assessment).

## ITEM 5

**Date:** 17 March 2020

**Subject:** Lower Thames Crossing (LTC) Consultation 2020

**Report Authors:** Sarah Nurden, KMEP Strategic Programme Manager  
Joe Ratcliffe, Kent County Council's Transport Strategy Manager

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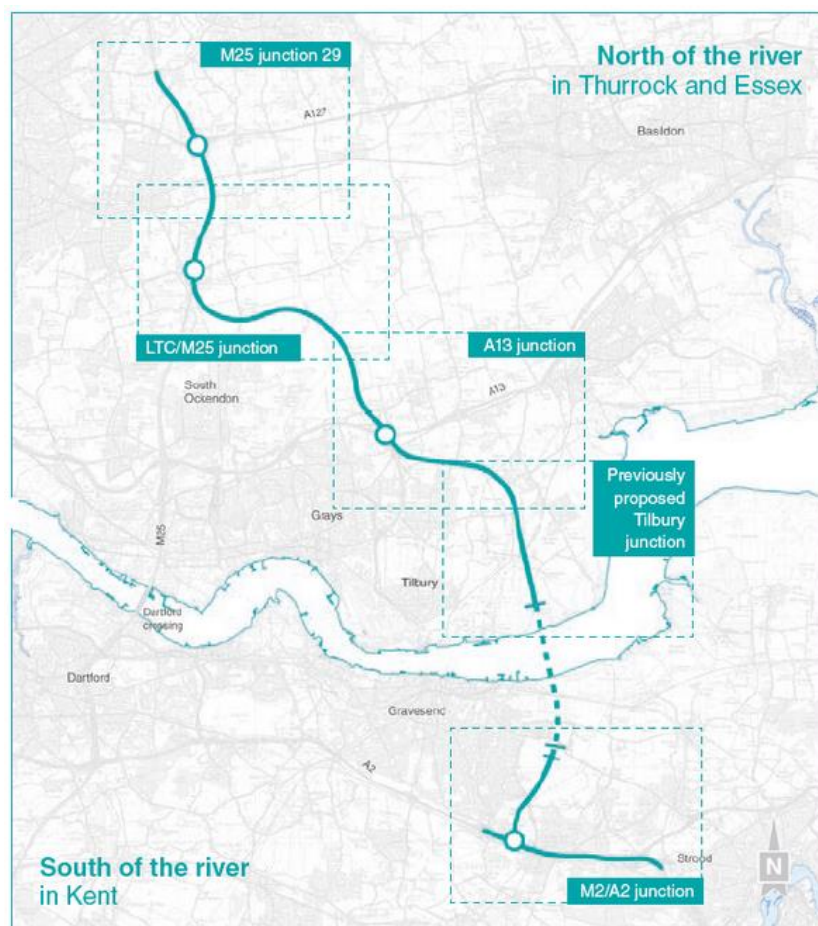
### 1. Introduction

- 1.1 In 2013, the Government first consulted on proposals for a new river crossing in the lower Thames area. It, alongside Highways England, has held many consultations since that date.
- 1.2 KMEP has responded to past consultations regarding the Lower Thames Crossing (LTC) stressing:
- The economic importance of a new crossing;
  - The need for a holistic approach to increase highway capacity from the M25 to the Ports of Dover and Eurotunnel, via the crossing and the M2 and M20. Specifically, a package of wider improvements is needed, rather than sifting the pinch point to the next weakest point on the network.
  - The need to future-proof the new crossing pragmatically (e.g. make the LTC 3-lanes in width, etc)
  - The constraints facing Dartford; the crossing is over capacity, it is not resilient when there are accidents, it is restricting local traffic access for Dartford residents, and the high usage causes significant air pollution.
- 1.3 Highways England is holding a further consultation on the latest design proposals for the LTC, ahead of submitting a Development Consent Order application later this year. This latest consultation is available to view at:  
<https://highwaysengland.citizenspace.com/ltc/consultation-2020/> The deadline for submissions is 25 March 2020.
- 1.4 An important point to emphasise is that a new crossing is proposed, but a formal commitment from the Government to fund and build the LTC is still awaited. The consultation includes the wording, such as *"If the project is approved and progresses to construction...."*.

#### **Summary of the key features within the 2020 LTC consultation:**

### 2. The proposed route, design, and usage of the LTC.

- 2.1 The proposed LTC would connect the M25 and A13 (on the north side of the Thames) to the A2 and M2 in Kent. The current route diagram is shown overleaf:



- 2.2 The LTC would comprise of two 2.6 mile tunnels crossing beneath the river (one southbound and one northbound). The LTC would be three-lanes wide in both directions, apart from the southbound connection between the M25 and A13, where it would be two lanes, and around the junctions. It would have a variable speed limit of up to 70mph. It would have a free-flow charging system, where drivers do not need to stop but pay remotely, similar to that at the Dartford Crossing.
- 2.3 Cars, buses, coaches, vans, HGVs, and high-powered motorcycles would be permitted to use the LTC. Pedestrians, low-powered motorcycles, cyclists, horse riders and agricultural vehicles would be prohibited.
- 2.4 Highways England states that they will upgrade the M25, A2 and A13 where the LTC connects to those roads. The consultation makes no mention of any further upgrades to the existing highway network.

### **3. Proposed alterations to the LTC design since the 2018 statutory consultation**

- 3.1 Highways England ran a statutory consultation in late 2018 on the route and design, to which almost 29,000 people/organisations responded. They have examined the feedback, and have made the following alterations to their original proposal, which are notable from a Kent and Medway perspective:

Change	Information about why a change has been suggested to 2018 proposal:
Redesign of the M2/A2 junction with the LTC	<ul style="list-style-type: none"> <li>• Highways England have reduced the width of lane four on both M2 carriageways (from 3.65m to 3.3m), and reduced the width of the central reservation, to minimise its impact on the AONB and Shorne Woods County Park.</li> <li>• Replaced the hard shoulder on the eastbound link road along the A2 with a hard strip.</li> <li>• Added a new connection to the junction to provide improved local access from Valley Drive in Gravesend on to the A2 eastbound where the LTC joins. This will make journeys for motorists travelling from Gravesend more direct.</li> <li>• The M2/A2 junction and its slip road design have been altered significantly to provide a more compact layout to reduce the impact on nearby residents.</li> <li>• Modified the Gravesend East junction, Henhurst Road roundabout and local link roads to reduce congestion.</li> </ul>
Southern tunnel entrance	<ul style="list-style-type: none"> <li>• The entrance of the southern tunnel has been moved a further 350m south to reduce the impact on the Thames Estuary and Marshes Ramsar site.</li> <li>• An informal public space, Chalk Park, will be created around the southern tunnel entrance to improve local biodiversity and ecological connectivity.</li> </ul>
Removal of the rest and service area	<ul style="list-style-type: none"> <li>• After further investigation and consideration of the feedback from statutory consultation and environmental considerations, Highways England have decided not to progress with the rest and service area or the maintenance depot that was proposed north of the river. Resources will be provided from other local maintenance depots to serve LTC.</li> <li>• Highways England will be working with service area operators, the haulage industry and road user groups to consider the most appropriate location for any further service area provision on the Strategic Road Network.</li> </ul>
Removal of the Tilbury junction	<ul style="list-style-type: none"> <li>• Highways England say the removal of the rest and service depot means the junction at Tilbury is no longer required.</li> </ul>
<b>Number of lanes</b>	<ul style="list-style-type: none"> <li>• Highways England have removed one lane southbound between the M25 and A13/A1089 junction to reduce the route's impact, while still providing sufficient vehicle capacity.</li> </ul>
<b>M25 junction</b>	<ul style="list-style-type: none"> <li>• Highways England have redesigned the southbound link from the M25 to the Lower Thames Crossing to avoid demolition and reconstruction of the existing Ockendon Road bridge over the M25.</li> </ul>
<b>Facilities for walking, cycling and horse riding</b>	<ul style="list-style-type: none"> <li>• Highways England have developed a detailed set of proposals for maintaining, improving and upgrading the walking, cycling and horse-riding network in the vicinity of the project.</li> </ul>

<b>Funding of construction</b>	<ul style="list-style-type: none"> <li>• Following the Chancellor of the Exchequer’s announcement in October 2018 to end the use of private finance, the project is now being developed as a fully publicly-funded scheme. Now the project is not being delivered through a single private finance supplier, which could have brought commercial constraints, Highways England have revised their procurement strategy. This includes improving the packaging of works, which can be divided into southern and northern packages, each with different challenges and required skills.</li> </ul>
<b>Maintenance funding</b>	<ul style="list-style-type: none"> <li>• As the construction and maintenance of the approach roads and the junctions are no longer combined, the maintenance can be absorbed into Highways England’s existing strategy for the Strategic Road Network in the South East. As a result, there is no need for a dedicated maintenance depot along the Lower Thames Crossing route.</li> </ul>
<b>Charging Model</b>	<ul style="list-style-type: none"> <li>• The most recent modelling and assessments have shown that making the charge for the Lower Thames Crossing the same as the Dartford Crossing would be the most beneficial option.</li> <li>• Highways England intend that a local resident discount scheme shall apply to residents of both Thurrock and Gravesham, and will be implemented on a similar basis, with the same level as applies to Dartford.</li> </ul>
<b>Building of LTC</b>	<ul style="list-style-type: none"> <li>• The new roads and tunnel would be constructed concurrently.</li> <li>• Highways England plan to carry out most of the work between 7am and 7pm* on weekdays (excluding bank holidays), and between 7am and 4pm on Saturdays. (*During the summer, earthworks would be undertaken between 7am and 10pm).</li> <li>• Operation of the tunnel boring machines and associated activities for tunnel construction will take place 24-hours-a-day throughout.</li> <li>• It is likely to take around six years to build the tunnel and the road within the tunnel.</li> </ul>
<b>Traffic modelling – Use of the crossing</b>	<ul style="list-style-type: none"> <li>• In its first year of operation, more than 30 million vehicles are forecast to use the Lower Thames Crossing. This would relieve congestion at the Dartford Crossing by reducing the number of vehicles there by 22 per cent.</li> <li>• By 2042, Highways England predict the new route would carry more than 36 million vehicles a year (around 100,000 vehicles a day).</li> <li>• It would reduce journey times across the Thames. For example, when the road opens, morning peak time journeys over the Dartford Crossing between M25 junctions 2 and 31 would be cut from 12 minutes on average to just seven minutes according to the traffic models.</li> </ul>



### 3. LTC timeline

3.1 The LTC proposal is classified as a Nationally Significant Infrastructure Project. The timeline for building the LTC is currently envisaged as:

Year	Event
2020	Pre-examination of the DCO application
Summer 2020	Submission of DCO documents
6 months after DCO submission	DCO examination by Planning Inspectorate
3 months after DCO examination	The Planning Inspectorate will make a recommendation to the Secretary of State for Transport.
Late 2021	The Secretary of State has three months to issue a decision following receipt of the Planning Inspectorate's recommendation. If approved, construction could begin soon after.
2027 or 2028	The Lower Thames Crossing opens to traffic (subject to DCO examination and decision).

### 4. Recommendation

4.1 A draft consultation response is included within Appendix A for KMEP to consider and amend as appropriate, prior to submission on 25 March 2020.

1. **Changes to the route**

**South of the river in Kent**

Q1a. Do you support or oppose the proposed changes south of the river?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q1b. Please let us know the reasons for your response to Q1a and any other comments you have on the proposed changes south of the river.

**Overall, KMEP welcomes the changes to the route south of the river, and would call upon Highways England to continue to work closely with the two Local Highway Authorities, and Gravesham Borough Council.** Our specific points are:

KMEP welcomes the reduced footprint for the scheme: KMEP views Shorne Woods Country Park as an important environmental asset to the county. The original proposal had a negative impact on the Country Park, but the new proposal shows the A2 widening occurring within the existing highway boundary. However, the utilities diversions required for the scheme do have a significant impact on the Country Park and we urge that everything possible is done to minimise the loss of ancient woodland.

KMEP welcomes the access for local residents onto the A2 Eastbound where the LTC joins: The new proposal contains a direct connection from Valley Drive to the A2/M2 eastbound. Local residents will therefore be able to maintain their existing connections to the A2 with less pressure on the local road network.

KMEP welcomes the relocation of the tunnel entrance a further 350 metres to the south: This will reduce the adverse impact on the Thames Estuary and Marshes Ramsar site. It will also help lessen the adverse impact for residents living in the village of Chalk.

KMEP welcomes the removal of the tight bend when travelling westbound to access the Gravesend East junction: The modification to the bend's radius will be safer in our opinion.

KMEP welcomes the widening of the Thong Lane green bridge, with a segregated route for walkers, cyclists and horse-riders: KMEP is very supportive of ensuring local residents do not lose access to public rights of way, particularly given the positive physical and mental health benefits of exercise which, in turn, can produce a positive economic impact.

KMEP would welcome these further changes to the scheme design:

- The new proposal reduces the A2/M2 eastbound carriageway from four to two lanes from the Gravesend East junction through the LTC junction. Please could the traffic model be reassessed, because this reduction in lanes could cause a significant congestion bottleneck. This section of road is currently four lanes wide, and already experiences severe congestion in peak times.

- Please could Highways England consider adding direct access from the Gravesham East Junction to the A289/A2 (Strood), to improve local resident’s access to the surrounding area.
- The new proposal does not provide information on the impact on heritage assets (e.g. on the former RAF Gravesend perimeter track).

**North of the river in Thurrock and Essex**

**Previously proposed Tilbury junction**

Q1c. Do you support or oppose the removal of a dedicated rest and service area and maintenance depot for the Lower Thames Crossing, the junction at Tilbury and changes that result from this?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don’t know

Q1d. Please let us know the reasons for your response to Q1c and any other comments you have on the removal of a dedicated rest and service area and maintenance depot for the Lower Thames Crossing, the junction at Tilbury and the changes that result from this.

**KMEP is strongly opposed to the removal of the rest and service area, and the removal of the junction to Tilbury. This will have a particularly adverse impact on the logistics sector.**

Our specific points are:

KMEP strongly opposes the removal of a rest and service area which HGV drivers could use:

In the 2018 consultation, KMEP emphasises the need for a network of lorry parks to be delivered alongside the motorways which head in the direction of the Port of Dover and Eurotunnel. There is ample evidence that inappropriate lorry parking is negatively affecting hundreds of Kent and Medway businesses and residents.

Kent County Council undertook overnight lorry park survey across Kent’s highway network in 2017 and 2018. These surveys found over 900 HGVs were parked inappropriately each night. The consequences of this inappropriate HGV parking include:

- lorry-related crime/thefts,
- road safety concerns (e.g. by HGVs reducing visibility and dangerous overtaking being required, blocking pavements, etc)
- damage to roads, kerbs and verges,
- environmental health issues (including human excrement being left in business parks and outside people’s homes)
- litter and noise disturbances, especially when HGVs are parked close to residential areas.

These negative impacts can have financial consequence for businesses, with KMEP being aware of businesses that have employed cleaners specifically to clear litter and human waste from their premises, which has been left by HGV drivers, as littering is so frequent and it creates an environmental health hazard for staff.

KMEP would strongly urge Highways England to reincorporate its proposal to have a rest and service area and to plan for a minimum of 300 HGV spaces to match the current demand in the area. This size of lorry park would also make the rest area site extremely viable with a positive financial return, making it attractive to potential private-sector lorry park operators. The rest area could also include electrical chargers and/or hydrogen fuel facilities, given the Government announcement that no new diesel and petrol vehicles are to be sold after 2035. The construction of a self-contained rest and service area, alongside the highway, and away from the residential areas, is an opportunity that should be grasped.

KMEP strongly opposes the removal of the Tilbury Junction: The area around Tilbury contains several businesses of significant economic importance. These include the London Gateway Port (which 2,000 HGVs travel to and from daily according to 2019 data). In addition, the Lakeside retail park forms one of the largest shopping areas in a single location within Europe, with almost 2,600,000 square feet of retail space on a site of 200 acres (0.81 km<sup>2</sup>). Numerous HGVs transport goods to the stores, and there is the need for customer access as well. Furthermore, there are businesses in Tilbury and its surrounding environs that employ Kent and Medway residents (and vice-versa).

Having a junction with Tilbury will provide additional resilience to the highway network (in case of disruption at the existing Dartford Crossing), and add local connections, that are vital to ensure that the forecast economic and regeneration benefits are experienced in Kent, Thurrock and Essex.

### **A13/A1089 junction**

Q1e. Do you support or oppose the proposed changes in the area around the A13/A1089 junction?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q1f. Please let us know the reasons for your response to Q1e and any other comments you have on the proposed changes in the area around the A13/A1089 junction.

KMEP strongly urges Highways England to create an all-movements junction with the A13: The current design does not permit vehicles to join the A13 westbound from either direction on the LTC. Vehicles cannot access the A1089 from the LTC either. This, coupled with the lack of a Tilbury junction, mean Thurrock residents cannot leave the LTC to access their homes/businesses.

As mentioned in the previous answer, Thurrock contains businesses of significant economic importance, and several distribution/logistic centres. Without full access to the A13 and local road connections, these businesses may be forced to continue to use the existing Dartford Crossing which already operates over capacity, creates air pollution above EU-recommended levels, is not resilient to accidents, and cannot allow vehicles carrying

hazardous goods or abnormal loads through the tunnel without an escort. By forcing Thurrock residents and local businesses to use the existing Dartford Crossing, there will be less relief for Dartford residents, who experience significant local traffic congestion because of the Dartford Crossing.

We would encourage Highways England to continue to work with the Local Highway Authorities north of the river to see how best an all-movements junction and connections to the local road network can be created. This will help make the LTC an accessible and attractive alternative route to the Dartford Crossing.

### **Lower Thames Crossing and its junction with the M25**

Q1g. Do you support or oppose the proposed changes in the area around the Lower Thames Crossing and its junction with the M25?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q1h. Please let us know the reasons for your response to Q1g and any other comments on the proposed changes in the area around the Lower Thames Crossing and its junction with the M25.

The design of the M25 junction is vitally important given the volume of freight traffic which travels from the Midlands and the North to the Ports of London Gateway, Dover, and Eurotunnel. The M25 junction must be easy to navigate and able to withstand the expected traffic volumes. However, in respect to the detailed design, KMEP encourages Highways England to continue to work with the Local Highway Authorities north of the river, and defers to their opinion.

### **M25 junction 29**

Q1i. Do you support or oppose the proposed changes in the area around the M25 junction 29?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q1j. Please let us know the reasons for your response to Q1i and any other comments on the proposed changes in the area around the M25 junction 29.

In respect to the detailed design of the M25 junction 29, KMEP encourages Highways England to continue to work with the Local Highway Authorities north of the river, and defers to their opinion.

## 2. Revised development boundary

Q2a. Do you support or oppose the changes to the proposed area of land that would be required to build the Lower Thames Crossing?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q2b. Please let us know the reasons for your response to Q2a and any other comments you have on the proposed changes to land that would be required to build the Lower Thames Crossing.

KMEP wishes to see any negative impact on local businesses, residents, landowners, natural assets (such as woodland) and wildlife minimised to the lowest possible level. Specifically, we call on Highways England and the Government to ensure that:

- The businesses, residents, and community groups that are located either within or just outside the development boundary are suitably compensated for the impact of the LTC. We recognise some businesses and residents may only be affected temporarily during the construction phase, however, given the scale of the project, this construction phase is likely to last several years. This temporary disruption could therefore make a business unviable in the long term, as their customers move supply chains elsewhere.
- Appropriate screening must be put in place to reduce visual, noise and dust pollution for local residents, particularly in the village of Chalk and Thong.
- New facilities are provided nearby to replace leisure amenities that will be unavoidably lost due to the LTC (such as the Southern Valley Golf Club).
- The diversion, for when the A226 is temporarily possessed by Highways England for construction traffic, is appropriate, so local businesses and residents experience the least disruption possible to their journeys. We urge Highways England to work with Kent County Council (the Local Highways Authority) on planning these works.
- No ancient woodland is destroyed as a result of the utility diversion.
- The CycloPark and Shorne Woods Country Park, which are important leisure amenities, are not adversely impacted by the LTC itself. However, we urge Highways England to work with Kent County Council (the landowner) to ensure the proposed plans, especially those for utilities diversions are acceptable to both parties.
- Dialogue occurs with the local councils about the potential impact of the scheme on heritage assets and on the Thong Conservation Area.
- Any land, which is temporarily used during construction, is returned to at least its original state after project completion (e.g. any green areas replanted, etc).

### 3. Walkers, cyclists and horse riders

Q3a. Do you support or oppose our proposals for walkers, cyclists and horse riders?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q3b. Please let us know the reasons for your response to Q3a and any other comments you have on our proposals for walkers, cyclists and horse riders.

The continued provision of footpaths, cycle paths and bridle ways is vitally important. Local residents may use these paths for commuting purposes, and/or for recreation.

The cost to the economy of losing such routes would be significant. Emerging research shows the financial benefit of constructing green pathways, which help improve both physical and mental health of the workforce and local communities.

We urge you to work with Kent County Council's Public Rights of Way (PROW) team to ensure that diverted and new routes are attractive to use. KMEP fully supports the following requests made by Kent County Council:

1. For electronic people counters to be installed on PROWs at key gateway locations as soon as possible. Data obtained from these counters can then be used to monitor existing path use, influence the design of the LTC and assess the long-term impacts of the project.
2. For a PROW plan to be created, which clearly identifies the diverted PROW and the new routes that are being proposed.
3. For the existing PROWs, proposed diversion routes, and new path links to all be dedicated as Public Bridleways (helping to create a connected network of routes).
4. For appropriate and durable surfacing treatments to be applied to PROWs across the site.
5. For any new PROW routes to not be dissected by new roads (wherever possible) to reduce safety concerns for path users (e.g. the NCR177 PROW route diversion).
6. For information about the design and layout of the green bridges to be shared with the PROW team.
7. For information about the creation of a Chalk Park at the southern tunnel entrance to be shared with Kent County Council and Gravesham Borough Council, as only high-level detail is available at present.
8. For efforts to be made to minimise path closures and retain popular routes during the construction phase (as far as possible). Indeed, there is an opportunity for legacy benefits in terms of improved PROWs and 'green corridors' to connect Gravesend town centre with surrounding villages and Shorne Woods Country Park. KMEP encourages Highways England to work with local partners to make this a reality.

Furthermore, KMEP urges Highway England to have an ongoing dialogue with all the local councils, given their local knowledge of community usage of green spaces, pathways and heritage assets, and how the paths connect to the broader transport network in the borough.

#### 4. Environmental impacts and how we plan to reduce them

Q4a. Do you support or oppose the change to the environmental impacts of the Lower Thames Crossing?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q4b. Please let us know the reasons for your response to Q4a and any other comments you have on the environmental impacts of the changes to the Lower Thames Crossing.

KMEP is concerned by the lack of detailed information within the consultation regarding:

- Any updated surveys to assess the environmental impact;
- The proposed environmental mitigation measures and information about the ancient woodland;
- The heritage and historical assets that may be affected by the revised development boundary, and the corresponding mitigation measures;
- The proposed drainage and surface-water management now the tunnel portal has moved further south; and
- The creation of a Chalk Park at the southern tunnel entrance, and how it will operate.

KMEP urges Highway England to share this information with the relevant public bodies (such as the local councils), so dialogue can commence on these matters.

As aforementioned, KMEP wishes to ensure that ancient woodland, natural assets/habitats, wildlife, and leisure amenities (e.g. Shorne Woods Country Park and CycloPark) are protected, preserved, and enhanced. We specifically ask Highways England to meet Kent County Council to discuss these aspects in detail.

Furthermore we ask that sound-proof fencing is provided between the LTC site and the Country Park/woodland (as suggested in the last consultation). We note Kent County Council has specific concerns about the ongoing viability of its Outdoor Education Centre in its present location within the Country Park if sufficient mitigation measures (such as sound-proof fencing) are not installed.



**5. Building the Lower Thames Crossing**

Q5a. Do you support or oppose our revised proposals for how we plan to build the Lower Thames Crossing?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q5b. Please let us know the reasons for your response to Q5a and any other comments you have on our revised plans for how to build the Lower Thames Crossing.

KMEP notes the Lower Thames Crossing will take approximately six/seven years to build. KMEP is extremely eager to not see this timescale slip any further, given that the Dartford Crossing is the busiest crossing in the United Kingdom and is operating well above capacity. The Dartford Crossing was designed to carry 135,000 vehicles daily, yet more than 180,000 used the crossing on some days in 2017. It can take between 3 and 5 hours for the road usage to return to normal following a closure. Hence, there is a strong economic argument to construct the LTC in the shortest possible timescale.

KMEP notes the construction hours per day have increased in the latest consultation, so work begins at 7am and concludes at 7pm from Monday to Friday. We welcome this, as hopefully it will result in the LTC being constructed to schedule. However, we recognise the impact that six or seven years of construction will have on nearby residents and we recommend that Gravesham Borough Council's Environmental Health Team are consulted in relation to noise impacts of these revised construction hours, and any suitable mitigation measures are installed. We also urge close project management of the scheme, and continued dialogue with the local community, so they are updated on the construction progress.

KMEP supports the creation of a construction route directly off the M2/A2, to allow construction traffic direct access onto the Strategic Road Network. KMEP supports Kent County Council's concerns regarding Lower Higham Road (which is a residential road with on-street parking) and regarding Thong Lane (a width-restricted road) being used as the primary and secondary construction routes, and we urge Highways England to speak to Kent County Council about these routes to determine if they are feasible.

KMEP understands the closure of the Brewers Road Bridge during the LTC construction could potentially cause a significant impact to visitor numbers at Shorne Woods Country Park (currently there are 350,000 visitors per year, of which 3,500 are school children). Certain vehicles, such as the school buses, must use Brewers Road Bridge to access the site, so we urge Highways England to have conversations with Kent County Council to see what mitigation can be put in place.

## 6. Utilities

Q6a. Do you support or oppose our revised proposals for the utility works required to build the Lower Thames Crossing?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q6b. Please let us know the reasons for your response to Q6a and any other comments you have on changes to the utility works proposed for the Lower Thames Crossing.

The proposed utility works will cause permanent damage to Sites of Special Scientific Interest and Ancient Woodland. KMEP feels this action should only be considered as an absolute last resort, and we urge Highways England to work with local partners now to consider all other options first, as ancient woodland and rare species cannot be replaced once lost.

The proposed utility works also impact the local wildlife. Hibernating natterer and Brown long-eared bats, moths and butterflies, and dormice live in the affected areas. Consideration should be given to how the wildlife can be preserved and relocated, potentially through the provision of shelters.

Also, thought should be given to how to shield the local community from the impact of utility diversions (such as screening the electricity substation at the Southern Tunnel Entrance, and considering how/where the overhead electricity cables cross the LTC link road).

Finally, with regard to utilities, KMEP (as a local federated board of the South East LEP) is very cognisant of the challenges posed by utility diversion work. Some SELEP schemes have been delayed and run over budget due to utility maps not accurately displaying the existing underground utility network. In light of this, we urge Highways England to factor these challenges into its contingency budget and proposed timeline prior to seeking Secretary of State authorisation. (It is better to under promise and overdeliver).

## 7. Using the crossing

Q7a. Taking into account the updated traffic information included within the supplementary consultation, do you support or oppose the view that the Lower Thames Crossing would improve traffic conditions on the surrounding road network?

Strongly support

Support

Neutral

Oppose

Strongly oppose

Don't know

Q7b. Please let us know the reasons for the response to Q7a and any other comments on how the changes to the Lower Thames Crossing would affect traffic conditions on the surrounding road network.

KMEP, and its Business Advisory Board, is unequivocal in its support for the Lower Thames Crossing, because of the positive economic impact that the LTC will have.

Reasons why KMEP and BAB strongly support the need for the new LTC include:

- The unpredictable journey times on the current Dartford crossing results in lower productivity. Businesses and commuters have lost working hours because they must schedule more time for travelling.
- New business markets and supply chains could be created. The Lower Thames Crossing will unlock the ability for Kent businesses to grow and remain competitive.
- Skilled employees are required on both sides of the Thames, and the river acts as a recruitment barrier.
- The current crossing functions well in excess of its design capacity. It does not serve the existing population well.
- The Dartford Crossing is an accident hotspot due to the concentrated traffic flows. Safety is of paramount importance.
- High-growth locations like Dartford are being stymied to some extent by businesses not being able to move in stagnant congestion. There is great potential for further growth if the congestion is alleviated.
- The congested current crossing is a nationally important section of the road network. The need for a Lower Thames Crossing is not a local issue; It requires national intervention and funding. HGVs routinely travel from the Port of Dover (the UK's busiest roll-on roll-off port) via the Dartford Crossing to the Midlands and the North. By reducing travel times, the Lower Thames Crossing will help to grow the national economy, as well as local economy.
- Having an alternative route will provide resilience, in case high winds or an accident closes the existing crossing. Furthermore, the design of the existing Dartford Crossing does not permit fuel tankers to travel unescorted, resulting in increased waiting time at the crossing, and once again reduced productivity.
- Kent and Medway are needing to accommodate accelerated housing growth in the coming years, as evidenced by the local plan numbers. The current crossing is congested; Without swift intervention, this situation will deteriorate as the population (and the resultant number of vehicles) increases.

However, KMEP and BAB have always been clear that to accommodate the new traffic flows of people using the LTC, **we require resilience to be built into the wider Kent, Medway and South Essex networks to prevent congestion being pushed to the next weakest point on the network.** This investment, planning, and construction of infrastructure must be made concurrently to the construction of the Lower Thames Crossing, rather than at a later period.

At present, it is clear that Highways England are focusing on infrastructure within the LTC development boundary, rather than the wider strategic road network from the M25 to the Port of Dover and Eurotunnel, which we feel is remiss.

KMEP has identified the following interventions as necessary and ought to accompany the LTC works. We implore Highways England to prioritise these infrastructure schemes within their Roads Investment Strategy (RIS).

#### Improvements to the M2 / A2 corridor

- **Upgrading M2 Junction 7 at Brenley Corner** to improve flows between the A2 and M2. Junction 7 marks the end of the M2. Traffic wishing to continue on the A2 towards Dover must exit on the slip road, navigate a roundabout which connects with the local traffic network serving the businesses and residents of Faversham. It is a location that is well-known for its congestion, particularly at peak times. It is often raised at the Business Advisory Board as a junction that causes congestion and prevents the free-flow of employees.
- **Dualling the single carriageway on the A2 from Lydden to the Port of Dover.** Near Dover, parts of the A2 revert back to single carriageway. Highways England's original modelling said 7 million vehicles would use a new crossing at Gravesend. If a sizeable proportion of these were to continue to Dover on the M2/A2 without any upgrade or investment, this will cause significant further congestion in Dover district.
- Highways England should consider **upgrading the A260 route from Lydden on the A2 to Hawkinge**, which can therefore act as the most easterly rung in the ladder between the M20/A20 and M2/A2.
- The M2 is still only two-lanes for much of its length. KMEP strongly urges the DfT and Highways England to **expand the motorway to 3-lanes** along its length. Bifurcation of Channel traffic must be increased, and the road and junctions must be upgraded to achieve this.

#### Linkage between M20 and M2

- KMEP requests that a pragmatic and affordable proposal is created and funded to upgrade the A229 (Bluebell Hill) and A249 (Detling Hill), accompanied by improvements to junctions 3 and 5 on the M2, and junctions 4 to 7 on the M20 to allow free flow between the two motorways without impeding local traffic.

#### Lorry Park Provision

- A network of lorry parks ought to be delivered along the M2 and M20 to prevent inappropriate lorry parking that is affecting businesses and residents alike. (Please see the earlier response to Question 1d for why a network of lorry parks is needed).

#### Measures installed to prevent long-distance traffic using the local roads inappropriately as 'rat runs'.

- Local roads (in particular the A228 and A227) are designed to serve the local community and residents. Long-distance traffic must remain on the Strategic Road Network and must be actively discouraged from using the local road network.

The traffic modelling undertaken by Highways England for this consultation shows significant increases in traffic flows across Kent and Medway. KMEP does not employ traffic modelling experts, so we urge Highways England to work extremely closely with Kent County Council, Medway Council, and Transport for the South East to ensure that the modelling is accurate, the correct times have been designed as ‘peak hours’, and that appropriate investment is made at the pinch-points identified across the network by Highways England and the DfT.

## 8. Other comments

Q8. We would welcome any other comments you would like to make about the Lower Thames Crossing.

Economically, the LTC is an absolute must. However, as stated in the last answer, there should be a package of infrastructure improvements that are constructed alongside the LTC if it is to function efficiently and not push further congestion onto Kent motorways. Specifically, Highways England should:

- Upgrade the M2 Junction 7 at Brenley Corner.
- Dual the single carriageway on the A2 from Lydden to the Port of Dover
- Upgrade the A260 route from Lydden on the A2 to Hawkinge
- Widen the M2 to 3-lanes along its length.
- Upgrade the A229 and A249, accompanied with junction improvements to the M2 and M20.
- Create a network of lorry parks (including the rest and service area at Tilbury).
- Install measures to prevent long-distance traffic using the local roads inappropriately as ‘rat runs’ (such as the A228 and A227).

Finally, connected and autonomous self-driving vehicles have been mooted as the next technological advance. KMEP assumes that the LTC has been designed with this in mind, so that any digital connectivity required by such vehicles will be accessible within the tunnel?

## 9. The consultation

Q9. Please let us know your views on the quality of our supplementary consultation materials, our events, the way in which we have notified people about our plans, and anything else related to this consultation.

	Very good	Good	Average	Poor	Very Poor	Not applicable
Q9a. Was the information presented clearly and easy to understand?			X			
Q9b. Were the events of good quality?						X
Q9c. Were the events suitably located?			X			
Q9d. Was the consultation promoted well and to the right people?		X				

Q9e. Please let us know the reasons for your responses to Q9a-Q9d and any other comments you have on the delivery of this consultation

N/A

## ITEM 6

**Date:** 17 March 2020

**Subject:** Kent and Medway 2050 Enterprise and Productivity Strategy

**Report Author:** Ross Gill, Associate Director, SQW

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### Summary

Substantial work has been done over the past 18 months to prepare a **Kent and Medway 2050 Enterprise and Productivity Strategy**. This has included consultation with KMEP members and other stakeholders, and an initial draft was prepared in autumn 2019.

This paper provides an update on the purpose of the Strategy and explains the process and timetable for preparing a full consultation draft by the end of May. It also outlines KMEP's role in the process. A further presentation on the development of the Strategy will be made at the KMEP meeting.

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### 1. **Background: Why we need a Kent and Medway 2050 Enterprise and Productivity Strategy**

1.1 Kent and Medway partners agreed to progress a Kent and Medway Enterprise and Productivity Strategy in 2018. Since then, there has been strong partner support for the concept. It is envisaged that the new Strategy will set out Kent and Medway's shared economic priorities (with the goal of supporting long-term economic and productivity growth). It will also help to make the case for future funding, specific powers or partnerships with Government.

1.2 Three features of the Strategy will be especially important:

- First, it should take a **long-term view**, taking account of the major changes that we might anticipate over the next 30 years (for example in relation to climate and technology change), identifying the economic implications and setting out the actions that should be taken in the medium-term to prepare for them
- Second, it should **reflect Kent and Medway's distinctive assets, opportunities and challenges**. Some issues will be shared with other parts of the country – but the Strategy should articulate our distinct local context and policy choices

- Third, the Strategy should be **based on consensus and partner ‘ownership’**. Support from business, local authorities and the education sector will be important in ensuring its credibility.

1.3 An initial draft of the Strategy was prepared in autumn 2019. Since then, the context has changed somewhat, following the election of a new Government. However, this makes it important that we move quickly to producing a full draft, while ensuring that there is still extensive consultation and partner input

## 2. Timetable: Completing the Strategy

2.1 Taking into account the work that has been done to date (including previous consultation with KMEP and other partners), it is proposed that:

- A **‘pre-consultation draft’** will be prepared by week beginning 20 April. This will enable KMEP members and other key partners to consider and comment on an early version of the draft Strategy
- Following comments on the pre-consultation draft, a full **‘consultation draft’** will be prepared by week beginning 25 May. This will enable KMEP to consider and approve the draft subject to final comment
- **Public consultation** will then take place from early July, with the opportunity for wider engagement, especially with the business community.

2.2 Assuming revisions to the Strategy in the autumn, this timetable should allow for Strategy adoption by the end of the year. In the meantime however, the draft Strategy should itself be helpful in setting out Kent and Medway partners’ emerging shared priorities.

2.3 In parallel with the timetable above, work is also underway to prepare a consolidated evidence base on the Kent and Medway economy, which will help to underpin the draft Strategy and its emerging themes.

## 3. KMEP’s role

3.1 KMEP has an important role in contributing to and ‘owning’ the Strategy: as set out in the timetable above, it is anticipated that KMEP will consider a consultation draft on 3 June.

3.2 In the meantime, it would be helpful to establish a small ‘reference group’ of KMEP members to review and comment on draft papers as they are developed.

## 4. Recommendations and next steps

4.1 KMEP members are recommended to note the process and timetable set out in this report, and to consider the nomination of a small number of members to join a Strategy Reference Group.

4.2 A further presentation outlining the proposed timetable and next steps in taking the Strategy forward will be provided at the meeting.



## ITEM 7

<b>Date:</b>	17 March 2020
<b>Subject:</b>	SELEP's Sector Support Fund (including the SELEP Coastal Communities Prospectus, and the South East Development Fund proposal).
<b>Report author:</b>	Sarah Nurden, KMEP Strategic Programme Manager Steve Samson, KCC Trade Development Manager

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### Summary & Background

Each year, the South East LEP invites SELEP working groups to bid for a share of the SELEP Sector Support Fund (SSF). The SSF is a pot of money to support one-off, discrete pieces of work of a pan-LEP nature with a sector focus that brings demonstrable benefit and has support across the LEP.

This paper provides information on a SSF project nearing completion and describes another SSF bid that is seeking KMEP's comments and endorsement.

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### 1. Introduction & background information

- 1.1 Each year, SELEP invites its working groups to bid for a share of the SELEP Sector Support Fund (SSF). The SELEP working groups are:
- Business Support (Growth Hub)
  - Clean Growth
  - Coastal Communities
  - Housing & Development
  - Rural
  - Senior Officer Group
  - Skills Advisory Group/Panel
  - Social Enterprise
  - South East Creative Economy Network (SECEN)
  - Transport
  - Tourism
  - U9 (University working group)
- 1.2 The SELEP Sector Support Fund provides revenue funding, and this money can be used to support a working group's project or initiative. The total amount of SSF available per year is set at £500k, and any underspend within a year has routinely rolled forward to the next financial year.

1.3 In addition to the SSF being available to support the activities of SELEP’s working groups, the SELEP Strategic Board agreed in 2017 that SSF could be used to support the establishment of Enterprise Zones.

1.4 SELEP has set the following criteria for the Sector Support Fund:

- The project is pan-LEP in scope
- The project will drive forward economic growth
- The project is consistent with SELEP’s Local Industrial Strategy priorities, and helps to create the conditions for increased numbers of jobs and homes, and/or raises skill levels.
- The project has at least 30% match-funding (The match can be either cash or non-cash (e.g. staff time, etc)).
- The project provides value for money
- The project meets legal requirements
- The project has the support of at least one federated board
- The project value is between £5k and £200k
- The project requires one-off spend and time-limited (Business as usual projects will not be funded using this money).

## 2 Approval process for securing SSF

2.1 There is a four-stage process, which projects must go through, prior to being awarded SSF:

- Step One – The proposed project must secure support from at least one Federated Board.
- Step Two – An independent assessment must be completed by the SELEP Accountable Body, Essex County Council for all SSF applications. This assessment considers the project’s suitability against the agreed assessment criteria (shown in paragraph 1.4), and the requirements of the SELEP Assurance Framework.
- Step Three - The SELEP Strategic Board must endorse the proposal.
- Step Four – The SELEP CEO will formally endorse the project and transfer the SSF to the project (assuming steps one to three are successfully completed).

## 3 Projects that have been allocated Sector Support Funding

3.1 Since its inception in June 2017, the SELEP Strategic Board has allocated Sector Support Funding to these projects:

Financial year	Project	Project Description	Promoter	Amount of SSF allocated
17/18	England’s Creative Coast <i>(Project renamed from Cultural Coasting)</i>	Culture Coasting is an immersive visitor experience driven by world-class art.	Tourism & SECEN working groups	<b>£50k per year for 3 years</b> (£150k in total)
17/18	Gourmet Garden Trails <i>(Project renamed from Colours and Flavours).</i>	Creation of a bespoke online and mobile planning tool and service that gives a unique database of beautiful gardens, high-quality boutique hotels, B&Bs, and food & drink venues and experiences.	Tourism working group	<b>£60k for one year</b>

17/18	North Kent Enterprise Zone – Rochester Airport	<p>SSF paid towards:</p> <ul style="list-style-type: none"> <li>○ the cost of commissioning expert consultancy support to progress the Local Development Order for the NKEZ Rochester Airport Technology Park</li> <li>○ an added-value package to increase the impact of the NKEZ marketing activity, &amp;</li> <li>○ the evaluation of the NKEZ.</li> </ul>	Enterprise Zone	<b>£161k</b>
18/19	Future Proof: Accelerating Delivery of High-Quality Development across the LEP	Development of a new financial product which can be applied to other development sites across SELEP in order to help accelerate the delivery of housing and overcome barriers.	Housing and Development working group	<b>£110k</b>
18/19	Kent Medical Campus Enterprise Zone	The SSF grant contributed towards covering the cost of anticipated total design stage costs of £260,000 for the development of an Innovation Centre on Kent Medical Campus Enterprise Zone.	Enterprise Zone	<b>£156k</b>
18/19	Planning and prioritising future skills, training and business support	<p>SSF funded a comprehensive skills evaluation to formulate recommendations for targeting future skills delivery, setting out priorities for the main rural sectors:</p> <ul style="list-style-type: none"> <li>a) Agriculture</li> <li>b) Food &amp; drink: Production &amp; manufacture</li> <li>c) Horticulture production – vegetable crops, fruit and viticulture</li> </ul>	Rural working group	<b>£96k</b>
18/19	Good Food Growth Campaign	<p>A project supporting growers, processors, retailers, food businesses and new entrants through three main activities:</p> <ul style="list-style-type: none"> <li>○ 3 x ‘Meet the Buyer’ business-to-business events.</li> <li>○ 4 x Food and Drink Conferences delivered with key speakers focussing on business development, start-ups, branding, product development, new markets, accessing buyers/suppliers, etc.</li> <li>○ Consultancy work setting out the emerging rural priorities as a</li> </ul>	Rural working group	<b>£60.4k</b>

		result of the Brexit transition period.		
18/19	Coastal Communities Prospectus	<i>Please see the next section of the report for details.</i>	Coastal Communities Group	<b>£40k</b>
18/19	Delivering skills of the future through teaching: Teaching for growth	This project addressed the widespread shortage of tutors, teachers and trainers across the SELEP area, via: <ul style="list-style-type: none"> <li>○ Delivering a high-quality awareness raising campaign</li> <li>○ Making a contribution to teacher training costs aligned to priority sectors comprising of 40+ grants of up to £4,000.</li> <li>○ Providing programme management to capture and showcase existing &amp; related support available such as ‘Teach-Too’ and the tutor CPD work.</li> </ul>	Skills Advisory Group	<b>£166k</b>
19/20	SELEP Creative Open Workspace and Masterplan Prospectus	The project addresses a gap in suitable available workspace for the Creative, Cultural and Digital Sector across SELEP. Its outputs are: <ul style="list-style-type: none"> <li>○ A refreshed SECEN Prospectus to describe exemplary pipeline projects,</li> <li>○ A Creative Open Workspace report and toolkit,</li> <li>○ A Cultural Planning Policy Guidance that can be adopted by local authorities,</li> <li>○ A minimum of three Creative Enterprise Zones,</li> <li>○ SELEP-wide pipeline of investment-ready open workspace projects, &amp;</li> <li>○ Development of the governance and operating structure for a new creative workspace finance vehicle.</li> </ul>	SECEN	<b>£49k</b>
19/20	Energy and Clean Growth – Supply Chain Mapping	An in-depth analysis of the supply chain for the local energy and clean growth sector, and the creation of a Customer Relationship Management system that will then be used to develop a targeted Clean Growth Support Programme. Sector-based interventions will be prioritised and selected from the Clean Growth	Clean Growth	<b>£129.5k</b>

		Support Programme and will be piloted as part of the project.		
19/20	Accelerating Opportunities within the Newhaven Enterprise Zone	SSF paid towards: <ul style="list-style-type: none"> <li>○ An Estates Improvement Plan</li> <li>○ Testing &amp; assessing options for creating an Industrial Business Improvement District, and</li> <li>○ Marketing of the Newhaven Enterprise Zone</li> </ul>	Enterprise Zone	<b>£115k</b>
<b>TOTAL allocated to date (since SSF established in June 2017)</b>				<b>£1,292,900</b>

#### **4 The SELEP Coastal Communities Prospectus (CCP)**

- 4.1 In December 2018, the SELEP Strategic Board awarded £40k of SSF towards the development of a Coastal Communities Prospectus (CCP). Match funding, totalling £20k, was secured via contributions from the following Local Councils: Thanet, Rother, Tendring, Rochford, Eastbourne, Southend, Dover, Folkestone and Hythe, Malden, Lewes and Hastings.
- 4.2 The CCP was to act as an investment prospectus that will articulate the economic opportunities and priorities specific to coastal areas and make a strategic case for investment, based on an evidence-led approach that demonstrates the potential economic outcomes, benefits and the comparative costs of investing on the coast compared to areas of the region better connected to transport and economic infrastructures.
- 4.3 In order to deliver this project, the consultancy, Deyton Bell, were appointed by the SELEP working group to undertake the following:
- To consider the current and future opportunities of the Coastal Communities and their potential purpose in the regional economy;
  - To analyse the opportunities and barriers to investment and growth;
  - To identify a number of key strategic interventions that may accelerate growth, and close the gap between the coast's economic performance and the wider region;
  - To inform the SELEP Local Industrial Strategy;
  - To recommend to SELEP a limited number of strategic priorities for action, identifying key outputs and outcomes that will enable success to be measured.
- 4.4 The draft CCP and accompanying data pack have now been produced (please see appendix A and B), and will be presented to KMEP on 17 March 2020 by Louise Askew of Thanet District Council. Subsequently, the CCP and data pack will be presented to the SELEP Strategic Board on 20 March 2020 for endorsement.

#### **5 South East Export Development (SEED)**

- 5.1 South East Export Development (SEED) is a proposal that wishes to seek SSF funding in the coming months. It is being developed in consultation with the Senior Officer Group (which includes the officers that support the four federated boards and SELEP team). There are three circumstances that have resulted in the officers feeling the SEED bid is timely and appropriate:
- 5.2 Firstly, SELEP is progressing with its Local Industrial Strategy (LIS). As KMEP board members may recall from the last board meeting, the draft SELEP LIS contains three strategic objectives, which are:
- 5.1.1 UK's Global Gateway
  - 5.1.2 Communities for the Future, and

### 5.1.3 Coastal Catalyst

- 5.3 According to the recent SELEP presentation, the ambition that sits behind the 'UK's Global Gateway' strategic objective is *"to capitalise on the unique infrastructure that provides key connectivity and trade routes for the UK into Europe and the world. SELEP will work with their gateways to strengthen these locations by addressing capacity and reliability associated with transport and digital infrastructure, including routes to London, and will capitalise on this to increase international trade and enterprise for the region".* The South East Export Development proposal, if awarded SSF, would help SELEP to support an increase in international trade, and thus help SELEP to achieve one of its core objectives.
- 5.4 Secondly, the withdrawal of the United Kingdom from the European Union makes this SSF bid very timely. Not only are companies still facing uncertainty and a new series of potential trade regulations and procedures within export markets. To date, some European Union and Interreg funding has been used by SELEP's ESIF Committee to support companies wishing to export to the EU. In addition, local authorities and organisations (such as the Chambers of Commerce) across the SELEP region have worked hard to develop their own schemes that have tackled barriers to international trade and helped SMEs with export activity. Such schemes have complemented and added value to the core export support offer from the Department for International Trade. The EU funding streams are drawing to a close, and so bespoke activity to support exporters could possibly diminish as resources become increasingly constrained.
- 5.5 Thirdly, at the time of writing, a total of £207.1k remains unallocated for 19/20, and the SELEP team is unaware of other SSF bids in development.
- 5.6 In light of these circumstances, the views of KMEP are sought on the SEED proposal that can be found in Appendix C.
- 5.7 Steve Samson, Trade Development Manager at Kent County Council, will attend the KMEP meeting on 17 March to give a brief overview of the project. This proposal is at an early stage of development, so feedback would be especially welcomed, specifically on which sector(s) that should receive export support. Following discussion, KMEP will then be asked if it wishes to endorse this bid in principle.

## 6 Recommendation

- 6.1 The KMEP Board is asked to:
- Note and comment on the SELEP Coastal Communities Prospectus, and data pack;
  - Consider, comment on, and endorse the SEED bid for Sector Support Funding.

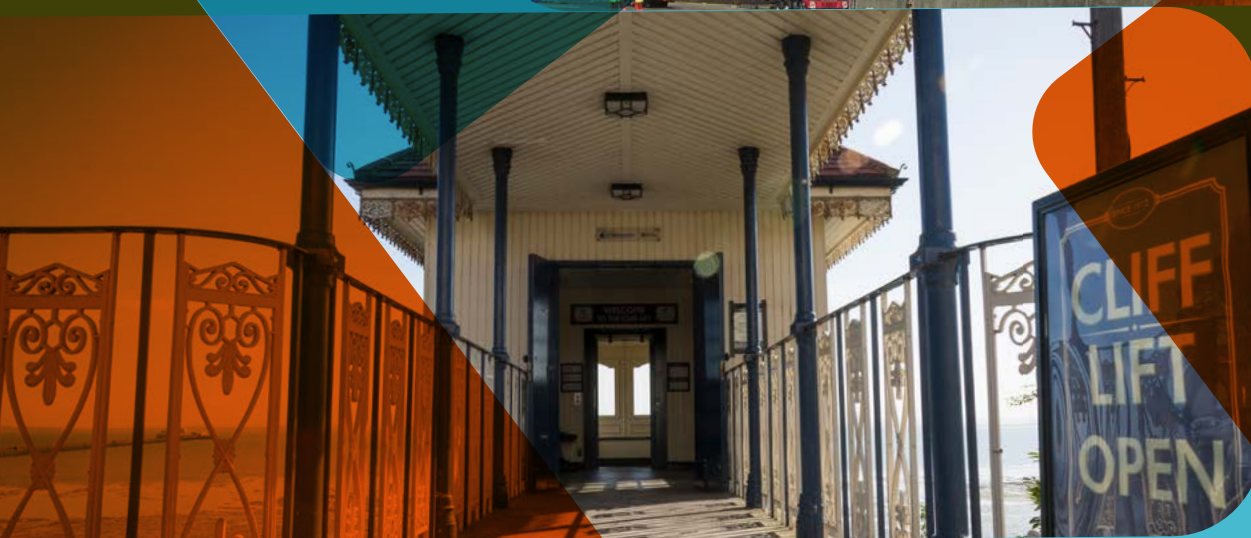
# BOOSTING COASTAL PRODUCTIVITY



SOUTH EAST  
LOCAL ENTERPRISE  
PARTNERSHIP



AN ECONOMIC  
PROSPECTUS  
FOR THE SOUTH  
EAST COAST







## THE COASTAL COMMUNITIES GROUP

have a long history of working closely together to deliver improvements to the South East Coast.

- South East Local Enterprise Partnership
- Environment Agency
- Natural England
- Canterbury City Council
- Colchester Borough Council
- Dover District Council
- Eastbourne Borough Council
- East Sussex County Council
- Essex County Council
- Folkestone & Hythe District Council
- Hastings Borough Council
- Kent County Council
- Kent and Medway Economic Partnership
- Lewes District Council
- Maldon District Council
- Medway Council
- Rochford District Council
- Rother District Council
- Shepway District Council
- Southend Borough Council
- Swale Borough Council
- Tendring District Council
- Thanet District Council
- Wealden District Council

## THE COASTAL PARTNERSHIP

came together to produce the Prospectus. Throughout the document the collective group is described as 'we'.

- 1. Castle Point Borough Council
- 2. Colchester Borough Council
- 3. Dover District Council
- 4. Eastbourne Borough Council
- 5. East Sussex County Council
- 6. Essex County Council
- 7. Hastings Borough Council
- 8. Lewes District Council
- 9. Maldon District Council
- 10. Rochford District Council
- 11. Rother District Council
- 12. Southend Borough Council
- 13. Tendring District Council
- 14. Thanet District Council
- 15. Wealden District Council



## FOREWORD

Imagine an area of attractive coastline and countryside with great weather, superb cultural opportunities, comparatively cheap housing with close links to London and Europe. It exists and stands ready to deliver on its enormous potential for residents, the region and the wider UK. Welcome to the South East Coast.

The communities of the coast have huge development and investment opportunities. In the South East Local Enterprise Partnership area we are determined to take a positive approach that builds on closing the gap in economic performance and inclusion that exists with the rest of the region. This Prospectus is not aiming to address granular detail, but to strategically address key coastal themes. No single magic bullet exists but broadly:

- The coast's housing embraces the potential for both new build, and also developing the programmes which improve the Victorian housing stock, with opportunity to develop large scale approaches to tackle climate change and fuel poverty
- As the gateway to Europe, our ports and airports need to be properly connected to markets through good transport links and developed as centres of trade and employment
- Sun, sea and wind are here in abundance together with a willingness to play a leading role in the generation of energy that will meet emerging climate emergency targets

- The coast is an attractive place to live and work. However, imbalance in the housing market and actions taken by inland local authorities mean that local housing markets are sometimes distorted by inward migration of people who face economic, health or other problems. The coast needs to attract a balanced migration capable of powering its future sustainability
- Improving social mobility is critical if the region is to have a workforce capable of taking new opportunities. This needs sustained effort to close gaps in education and skills performance if generational unemployment is to be addressed and prosperity shared
- Coastal towns are often the centres for wider sub-regions; the benefits will ripple and be reflected back
- We will improve our physical, cultural and economic offer to attract the jobs the people need.

Coastal towns are seen as great places to live, with accessibility to the sea and countryside, character housing and leisure and health benefits. The public realm and seaside environment play a pivotal role in mental and physical well-being.

The coast is already delivering across a range of ambitious strategies to ensure a prosperous future for the district and our people. The Prospectus recognises the opportunities and the challenges faced by the South East coastal area. With support and investment we are ready to deliver on our vision.

Our vision encompasses our ambitions which in turn have defined the opportunities we wish to seize.

Investment in infrastructure is critical – often the cost against return presents a difficult challenge for the coast in competition with inland areas. The unique nature of business, with a proliferation of smaller businesses, presents a specific challenge, as do 180° markets. The coast will be a priority for better communication to link it into the region and beyond – improved opportunity is the surest way to enable coastal communities to help themselves.

Culture and tourism presents ever more potential and we will take steps to increase its value by encouraging investment in accommodation, attractions and skills to ensure this vibrant sector continues to attract new markets. Here there are very significant links to the rural and seafaring economies and the creation of a single food, viticulture, culture and “authentic” experience sought by many visitors.

Businesses and communities in coastal communities need much greater involvement with higher education to stimulate innovation and encourage local people to grow. This Prospectus seeks the commitment of higher education to develop this dialogue and for the reinforcement of the further education skills agenda to overcome considerable additional barriers to employment that significant proportions of coastal residents face.

We will work together around the South East Local Enterprise Partnership area and also develop the expertise to help other areas facing coastal challenges in England and Wales. This resonates closely with the new government's commitment to helping those communities most left behind.

The Prospectus is intended to both influence the Local Industrial Strategy and also to lay the basis for ongoing co-operation between communities. The next stage is to develop the programme that will deliver the overarching objective of celebrating our wonderful coastal area and seizing the opportunities it offers to improve the prosperity and wellbeing of its residents.

To achieve this we must begin by closing the gap in investment, performance and contribution between the coast and region.



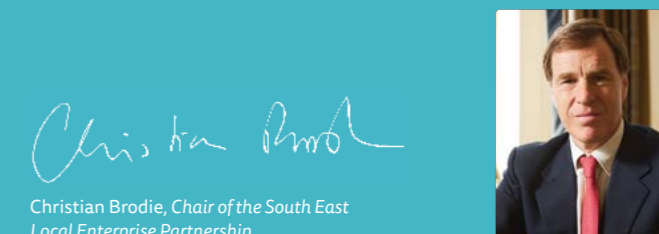
The Economic Prospectus builds upon the work of the Government and the House of Lords enquiry into the Future of Seaside Towns in 2018. We have reviewed the recommendations to the enquiry, and based on the evidence available, have identified how we can improve our economic performance. Our analysis is underpinned by the **Data Pack** of the South East Coast, available online.

We want to act quickly to move the Economic Prospectus into delivery phase. Full details of the long term strategy to improve the economic performance and productivity of the South East Coast are set out in this document.

Our key asks are to establish a new Coastal Economic Programme, to build new partnerships, networks and develop business cases which will attract new investment from both public and private sectors to meet the ambitions we have set out.

Like the North and Midlands the South East Coast is hungry for growth, inclusion and change. Its people need the chance to contribute to a better future.

Achieving this would be a profound change for the better and we are committed to it.



Christian Brodie, Chair of the South East Local Enterprise Partnership



## EXECUTIVE SUMMARY

The South East Local Enterprise Partnership (SELEP) coast has huge potential.

Nowhere else in the UK can provide an equal seedbed for economic growth alongside the opportunity to quash inequality at scale. This prospectus details the potential and provides options for how to realise the latent economic benefit available.

The scale of the opportunity is simple: the GVA performance of the SELEP coastal area is 10% below the South East average. Closing this gap will improve the lives of millions of hard-working residents and add billions of pounds to the UK exchequer.

However, it won't be easy.

Achieving real change for the SELEP coastal area will require the support and focus of a broad collective of stakeholders and an unwavering commitment to the "levelling up" investment policy currently advocated by central government.

We'll need to be brave and bold on behalf of residents and businesses.

A detailed action plan will follow the adoption of this prospectus; the SELEP Coastal Partnership will develop and deliver it.

## National Support

Although coastal deprivation has been documented for many years, the UK is yet to see an effective approach to addressing fundamental coastal issues.

Effective change will require a paradigm shift in approach.

UK Government needs to revisit its definition of 'successful investment': away from city-centric, house-price driven, connection-biased decision making, towards an: economic potential, well-being based, geography-conscious model that utilises poverty reduction to generate economic growth and promote equality.

We need government to develop a 'long-term' relationship with the coast. Not just across Whitehall, but also across the wider government estate and its various branches, including: Local Authorities, NHS England, Arts Council England, Homes England, National Lottery Heritage Fund and others. Better strategic partnerships with these organisations and a commitment to focus their resources will increase investor confidence and enable the sea-change in economic fortune desperately needed in coastal areas.

UK Government should openly commit to closing economic performance gaps for SELEP coastal towns alongside its plans for the Midlands and the North. The Town Deal Programme offers an exciting chance to do this; an opportunity that would be foolish to miss.

We think that coastal residents and businesses deserve better. For this to happen sectors that are significant on the coast need positive support to grow.

## First steps to driving economic growth against the five foundations of productivity

### People

We need to address the disparity in social mobility between SELEP coastal towns and the wider region. Residents of towns like Margate, Ramsgate, Folkestone, Hastings, Newhaven, Clacton and Canvey Island are frequently deprived of access to good educational provision simply by virtue of their location. The best talent invariably leaves and when positive initiatives arrive from outside they often fail to take root due to critical infrastructure deficiencies. Some initiatives, such as the Opportunity Area Programme in Hastings, have begun to raise achievement, but even then, a lack of long-term commitment can easily undermine the incremental gains.

### Place

We want our coastal towns to be the first choice for housing and energy investment. Coastal geography and erosion can make the same towns susceptible to

*The delivery of many of these proposals is dependent upon the identification of additional future funding from sources beyond the coastal partnership.*

### People proposal

Proposal	Desired Outcome	Partners	Initial Target
To roll out an Opportunity Area Programme to areas of underperformance in schools and where children face poor social mobility	To develop and sustain performance from primary school to 18 years old through targeted, industry-focussed interventions  To develop the processes and partnerships which enable this to be provided over a 'long-term' for each of the federated areas	DFE, Schools Commissioner, education authorities, FE colleges, academy trusts, employers	To bring forward proposals by December 2020

### Place proposal

Proposal	Desired Outcome	Partners	Initial Target
To develop a programme of retrofitting and other energy efficiency interventions in partnership with the private rented sector to improve energy efficiency and improve housing stock	To improve the energy efficiency of a number of properties  To develop a package of technical, legal and enforcement tools for national use to deliver both climate change and housing targets	Local authorities, Homes England, National Landlords Association, Energy Industry, University sector in terms of research and assessment and colleges leading delivery of skills programme	Pilot proposed by March 2021 with funding package to support first steps  Management structure set up between lead partners.  Legal structure identified if appropriate
To develop an economic and social response to the impact of global warming	That the coastal communities can integrate mitigation (budget) with economic, transport and social planning	SELEP, climate groups, Coastal Communities Group	Initial steps drafted by March 2021
To create the conditions where public realm investment is encouraged, particularly where planning will not provide this  Very close links with transport and access initiatives	A public realm partnership to support the development and funding of public realm schemes  UK Shared Prosperity Fund bid to support public realm investment where market failure means it cannot be obtained elsewhere  Measurable increases in jobs and wealth creation in seaside communities stimulated by initial investment  Drawing together of transport, cultural/heritage and infrastructure funds to stimulate investment in commercial and housing development	Local Authorities (both tiers), Homes England, MHLG, SELEP, Academy of Urbanism, Developer(s), ACE, NLHF, Historic England	Plan to stimulate public realm and infrastructure improvement in coastal towns  Bid to Shared Prosperity Fund to kick start public realm investment in coastal communities



the negative effects of climate change. In parallel, the coast offers a unique opportunity to make structural improvements to the private rented sector housing market. Many seaside towns are rich in energy inefficient properties, with high levels of fuel poverty. Switching these properties from gas to alternative heat sources will require a comprehensive package of measures, including: retrofit, the use of enforcement powers, and new partnerships.

As European funding streams come to an end, our coastal towns will work with SELEP to convene a Place Shaping Board, involving partners from Arts Council England, National Lottery Heritage Fund and Historic England. This board will help to focus and coordinate key support services to effectively plan how we improve our seafronts and town centres.

**Infrastructure**

Coastal towns often suffer from 180° catchment areas and poor connectivity; resulting in low business productivity and skills gaps. Accordingly, the SELEP coastal towns should be the priority locations for investment in new digital and transport infrastructure. This priority status will provide coastal towns with a competitive edge, 'level the playing field' with other city regions, and attract the most exciting and innovative investors.

Similarly, many coastal towns have become the 'end of the line' for transport connectivity and energy transmission. Conversely, their natural assets, topography and sector specialism make them an ideal location for energy generation.

Infrastructure proposal

Proposal	Desired Outcome	Partners	Initial Target
Coastal Digital Investment Plan	Business and housing investment is stimulated by the most attractive digital offer in the South East	Planning Authorities, DCMS, Virgin Media, BT Broadband, CityFibre	Digital targets for the coast identified by March 2021
To develop coastal energy projects as opportunities of climate plans Transmission coast to coast	Develop a single vehicle for coastal power generation SELEP Coast is perceived as clean, green and environmentally responsible High level of investment in energy-based projects Coastal town transport shifted from car	BEIS, SELEP, UK Infrastructure Commission, Planning Authorities	Initial steps drafted by March 2021
To bring coastal towns into the regional economy by providing good connection to London, UK and European transport links	Priority status given to train lines such as HS1 and the development of coastal trunk roads, seaports and coastal airports Dedicated investment programme to bring forward priority status projects	DFT, County Councils, business groups, rail groups, network operator	Initial targets and key projects identified by March 2021

**Ideas**

It is evident that coastal businesses have received far less research and development funding than their mainland counterparts. It is critical that this changes in what is often a low wage, low skill economy. Our higher education and further education partners can support the development of programmes that encourage innovation, productivity improvements and entrepreneurialism for coastal businesses.

**Business**

Business support is too often structured around the gravity of city centres. This re-enforces an un-level playing field for business growth. Resources to support coastal small and medium businesses need to be deployed to equalise business growth rates. We also need place-based markets and support models that fit local, potential and prospective businesses.

Ideas proposal

Proposal	Desired Outcome	Partners	Initial Target
To encourage HE to direct more R&D investment to coast businesses	Initial project funded by enterprise areas and universities to help SMEs afford the costs of R&D partnership	SELEP, Growth Hubs, Town Deal, Local Authorities, U9 university group, FE sector, Innovate UK	Project designed and funded on pilot basis by September 2021
To develop commitment of U9 university group to research and development in the SELEP coastal area	Commitment to share plans as part of U9, business and social commitments, to gain a clear understanding of how other partners can support this and integrate it strategically	Universities, SELEP, Town Deal Boards, Local Authorities	U9 "committed to the coast" as part of both business and diversity models

Business proposal

Proposal	Desired Outcome	Partners	Initial Target
To encourage investment which will close GVA and job density gaps by providing extra incentive to invest and grow coastal businesses	Prioritisation of cultural and creative business right around the coast. Specific programme to encourage investment in tourism infrastructure	Growth Hubs, BEIS, DWP, Job Centre Plus, FSB, Chambers of Commerce, Institute of Directors, MHCLG	Support programme drafted by March 2021

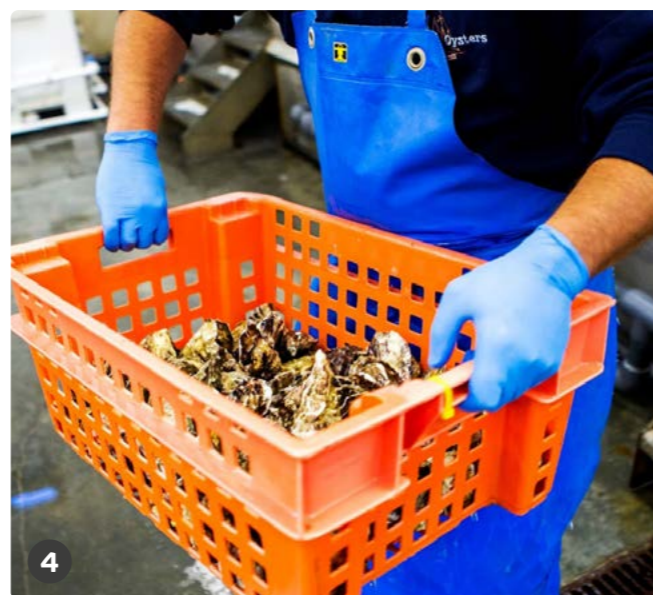
# INTRODUCTION TO THE COASTAL COMMUNITIES

This Coastal Economic Prospectus sets out significant opportunities that the coast has before it. These opportunities will help drive the success of the coast. With the right investment the South East Coast will be able to enhance its economic performance and provide a high quality of life for residents and visitors.

Our towns are the South East's "crown jewels", boasting a wealth of natural capital, history, heritage, relaxed atmosphere and fresh air. Our towns offer a high quality of life and are seen as attractive places to live and work.

We need to continue to deliver economic growth in order to offer our residents new opportunities and strengthen our business environment for the private sector. Our towns have a number of significant opportunities across a number of sectors, including Creative and Culture, Energy, Maritime and Marine Engineering and Healthcare.

The Economic Prospectus has identified priority activities that will drive economic growth around the coast against the five foundations that have been identified within the National Industrial Strategy (People, Place, Infrastructure, Ideas and Business).



We believe that the coast can make a significant contribution to both the Clean Energy and Ageing Societal Grand Challenges. However, more needs to be achieved, including developing our workforce, addressing housing conditions and supporting our businesses. If we are able to address these issues, we will be able to improve coastal economic performance.

The Economic Prospectus also informs the SELEP Local Industrial Strategy and identifies how the current gap in economic performance between the coast and the rest of the region and national level can be reduced. The Prospectus therefore seeks to:

- Demonstrate our ambition to identify the priorities we intend to focus on
- Articulate the support we need to grow our economies
- Identify how the coast can make a greater contribution to UK PLC.

## Our Vision

**Our vision is to:**

Improve the economic performance of the coast in absolute and relative terms to grow our economy and narrow the gap with the wider SELEP region.

Ensure our residents and communities benefit from inclusive regeneration and through improved skills and workforce development.

## OUR AMBITIONS SEEK TO IMPROVE THE ECONOMIC PERFORMANCE OF THE COAST:

- Improve connectivity in order to improve mobility and attract new investment and business
- Work alongside the Clean Growth Group to ensure the coast is at the forefront in delivering programmes that address the climate emergency
- Provide our residents and communities with improved skills and workforce development
- Work with SELEP/Government to make policy and programmes "coast friendly"
- Attract and retain business investment and government interest in supporting growth in economic productivity
- Improve the environmental fabric of the coast including housing, seafronts and town centres
- Build on existing relationships including with our Clinical Commissioning Groups and health partners to address long term health issues which impact our communities and economies.



## Our Ambition

**Economic opportunities for the coast:**

- Our natural environment forms a large part of the South East's attractiveness, and it embodies some of our biggest opportunities and challenges. We want to generate, use and recycle clean energy. A strong energy sector will present new employment, establish supply chains for local businesses and drive productivity.
- Culture and Creativity has been key to our improvement over recent years in a number of our towns. The sector supports our economic performance, and our ability to attract new visitors and residents. Growth in the sector has reinforced our positive reputation as economic locations to grow businesses in. We want the sector to continue to grow, supported by technology and the availability of high quality workspace.
- We are keen to support the evolution of the visitor economy into a higher value, all year proposition by helping to drive up skills and move away from low value seasonal work.
- The Maritime and Marine Engineering sector offers significant economic growth opportunities which will provide a real stimulus to the coastal and regional economy. The sector offers real potential as the region builds its reputation as a global gateway, identified as a key role for the South East in the South East Local Industrial Strategy.
- Our demographic profile reveals that we have an older community when compared to the rest of the South East. This presents an opportunity to support the Ageing Society Grand Challenge by being a location to test and embed Artificial Intelligence (AI) technology developed through the AI Grand Challenge to support our elderly community.

Overcoming these issues represents the South East Coast's biggest opportunity for sustainable regeneration and growth.



## THE COASTAL ECONOMY

Our economy is largely built upon micro and Small and Medium Enterprise (SME) businesses, with many based within declining traditional industries, which are low skilled and seasonal by nature. The origins of our relatively weak economy and poor wellbeing indicators lie in the decline of our traditional industries. The persistence of these problems, despite the area's natural advantages, can be identified by the low levels of business innovation and our low productivity levels.

- The South East coastal economy currently contributes over £36bn (1.3% of UK output) per annum to the UK economy
- The coast is home to over 2m people, with anticipated future growth averaging 7.5% per annum over the next decade. Our population growth will partly consist of elderly and unskilled/unemployed inward migration which does not contribute to economy, while our economic performance is compounded by our skilled/younger people moving away from the coast. However, we have extremes, with Whitstable for example, attracting high earners who are making housing unaffordable for local people
- It is home to over 72,000 businesses registered for VAT and employs over 800,000 people

- The South East's Gross Value Added per head in 2017 was £28,683, while the coast averaged just £17,840 per head. The coastal average is close to the performance of Blackpool (£17,309), Lancaster and Wyre (£18,482), Middlesbrough (£18,540), Cornwall (£17,634) all of which are recognised as economies requiring significant investment
- Coastal economic performance rivals the most deprived communities in the north, even with further growth in the South East
- The house price to workplace-based earnings ratio for the coast reveals that prices are 13x earnings, compared to 10x earnings in the wider South East region, while some towns including Whitstable and Broadstairs are currently experiencing house prices 15x higher current average salary wages
- If the coast were able to match the predicted growth rate for the UK over the next decade the economy could grow by 15% to £43bn per annum creating a potential 48,000 additional jobs.

These indicators reveal a stark difference in economic performance of the coast to the wider region.

More needs to be done if we are to improve our economic performance and reduce the gap that exists to the South East regional economic average.

## Our challenges are very real:

The challenges facing the coast are interlinked and manifest in a number of our communities. They are the result of a number of factors, including economic decline and the housing market being used to relocate communities who have health conditions, are vulnerable and lack both the ability to work and the skills our economies require. Our challenges are significant:

- The coast has significant numbers of Super Output Areas in the worst 10% nationally. This number has been increasing in the past decade and widening the gap in economic performance. Hastings (30%), Thanet (21%) and Swale (20%) stand out, as does Jaywick Sands in Tendring, which is the most deprived ward in the country
- Significant levels of deprivation exist around the coast, particularly in places like Eastbourne, Camber, Folkestone and Dover
- Our towns are amongst the most underperforming economies of the country. Our communities suffer from low productivity with coastal output levels currently 8% lower than the SELEP average
- Our productivity reflects the coast's reliance on traditional seaside industries which are low skill/low wage and have a high level of seasonality
- Our economy is dominated by SMEs based in traditional sectors which have been declining due to the collapse of the domestic holiday sector and reduction of port-related heavy industry
- Our average wage levels are lower than regional and national averages and our economies lack innovative businesses offering high value, high skilled employment opportunities
- Some coastal towns lack connection from the major road network and fast, reliable trains, which creates isolation, reduces mobility and restricts business growth and productivity
- House prices are between 9x and 13x local earnings levels around the coast
- Private rented housing numbers are double the national average in some communities and we are still experiencing rapid growth in the number of Houses of Multiple Occupation



- The private rented sector is over 30% of housing stock in a number of areas; this is over twice the national average; in our most deprived areas this figure is even higher. In some communities, such as Cliftonville, Thanet, this figure rises to over 70%. This exacerbates the problem coastal communities have with market failure and in tackling the impact of concentrated landlord ownership of properties
- We have become destinations for London Boroughs and the wider South East to relocate members of their community, including vulnerable groups
- We have a mental health crisis in our communities. NHS indicators reveal that the coastal population has the highest incidence of mental health issues in the country
- The health of the local population is poor, with indices for mental health, drug and alcohol abuse above the regional and national average. These conditions are a significant barrier for employment
- In the majority of towns, residents on incapacity and disability benefits are over 50% of those out of work
- Successive generations have never entered the employment market and our skills levels trail behind the regional average at every level. Our school's performance lags the regional average by 3%
- There is a lack of aspiration towards jobs and qualifications which serve as a fundamental barrier to people reaching their potential.





## PEOPLE

We want to ensure that greater numbers of our residents are ready for work and address the current lack of social mobility and ensure that our businesses can access the skills they need.

We want to fundamentally tackle deprivation that has led to intergenerational worklessness and a benefit claimant culture which is linked to a high incidence of complex health issues.

We believe we can encourage more members of this community to make a contribution to the economy, using their skills and knowledge to support future generations. We wish to encourage flexible and agile working to ensure that work/life balance is beneficial to our communities.

Recent thinking has been a “rising tide lifts all ships”. On the coast some ships have risen. A sustained approach to inclusive regeneration will provide the buoyancy to lift far more.



Skills levels within the coastal communities reveal real underperformance against their inland neighbours at all NVQ levels.

The greatest gap in performance compared to the rest of the SELEP area is at the lowest skills levels.



## To realise our potential, we need to

Where appropriate funding and opportunity is identified, we want to develop a clear pathway between all levels of education, which continues to inspire, raise aspirations and retain young people, providing them with opportunities to stay on the coast in the long-term. We want to build on existing best practice by:

- Exploring with the Department for Education how the Opportunity Area Programme can be expanded to all coastal towns, building on the success of the national programme
- Developing a long term programme which increases the number of businesses supporting work in schools to inspire our young people. We also want to pilot new curriculum approaches with a vocational focus on our core sectors, including Creative, Energy and Maritime and Marine Engineering
- Developing pre-employment programmes that support our communities to become work ready and prepared for work, while also improving business skills for potential entrepreneurs
- Seeking greater control, joint ownership and targeting of the skills system by retaining funds that have been secured through the Apprenticeship Levy to enable investment in our skills infrastructure, which will deliver improved outcomes
- Working with our colleges and universities to develop a coastal programme which ensures that our residents and businesses can receive new skills and qualifications
- Working across the public and private sector and region's universities to develop AI to meet resident's needs.

We want to develop programmes which increase the employment rate of local residents and provide high quality workspace units to meet existing demand and provide space for residents to develop new business ideas. We also want to ensure our older residents have access to digital infrastructure to help improve economic activity and develop the use of new AI in supporting our residents.

## Opportunity

We believe there are opportunities to strengthen existing support systems and networks further. Key areas that require additional resource and focus include:

- The national Opportunity Area Programme has demonstrated how a targeted programme can help raise aspirations, engage communities and tackle issues such as mental health
- Utilising retained Apprenticeship Levy funds that have accumulated to invest in our skills infrastructure
- Increased dialogue between young people and businesses through a long term programme
- Lifelong learning and reskilling older generations
- Develop further and higher education programmes to support our high growth sectors, such as Energy, Creative and Maritime
- Develop alternative curriculums to engage the most at risk in schools

We want to attract higher value jobs in order to begin to increase economic performance. The coast offers a high quality of life and a strong sense of community underpinned by cultural, sporting, religious and community groups. These are important in helping to retain people in smaller communities, which supports improvements to labour supply.





## PLACE

Our unique coast includes our historic seafronts, maritime towns, stunning beaches and geographies. However, deprivation is significant in many of our towns and investment is needed if we are to improve our long term performance. Our restricted 180° geography limits our access to markets, land availability and connectivity. Our housing is largely Victorian and Edwardian in nature and we are restricted in the amount of land available for further growth.

Housing is an area where we want to make real changes. Significant numbers of our houses are empty or in poor condition while the private rental sector is most evident in coastal towns.

We have an important place-shaping role to ensure that our towns are vibrant and welcoming. Our high streets have been hit hard with recent changes in retail trends. While we also have an important role in delivering new Garden Communities at Otterpool Park, Folkestone and Tendring Colchester garden community.

**The most acute concentrations of deprivation can be seen in and around Hastings, the Isle of Sheppey, Jaywick, Clacton-on-Sea and Margate. These areas together all fall within the 10% most deprived areas in the country.**

## Opportunity

The Coastal Space pilot project supported by SELEP in Hastings, Thanet & Tendring has demonstrated the benefits of capital investment in faltering or failing housing markets. Acquiring and renovating poorer quality housing to meet either market or affordable housing needs provides an opportunity to stabilise and strengthen those existing communities and achieves wider environmental, training and employment benefits. With progress being made with Modern Methods of Construction and Green Buildings, we want to explore how the coast may be an area that can benefit from new technology.

We want to take a strategic and evidence-based approach to the appropriate scale of population growth for each coastal community, in line with economic prospects. We would like to discuss with SELEP and government how we can develop a “coast friendly” funding framework and with policies which recognise the current uneven playing field in terms of land value, return on investment and addressing market failure.

The need for the development of homes is recognised by Local Plans, but in some coastal areas needs to be further stimulated and supported in a broader’ strategically planned way with investment levels and delivery on a major scale. As a consequence, much of the delivery of new homes has been carried out by SMEs rather than major builders. Without scale, cost efficiency and innovation there is a threat to viability and ultimately the prevention of development being realised.

We want to maximise opportunities from the Future High Street Fund and Town Deal initiatives. The Town Deals announced in Newhaven, Hastings, Margate and Colchester are a positive start, but we need to do more if we are to enhance our economies.



## To realise our potential, we need to

Establish a Housing Acquisition Programme, which would be targeted at empty and run down property in areas of higher deprivation, lower values and historic under-investment; due to the low returns on investment. We will use the collective might of the coastal partnership to work with others in driving this forward.

The programme could also be extended to retrofitting homes on a larger scale and assist in meeting Climate Emergency targets.

Discuss new powers with government which would strengthen Selective Licensing Regulations, to ensure that landlords are committed to improving their stock to the Decent Homes Standard and supporting large scale regeneration.

Work with MHCLG and Homes England alongside Housebuilders to explore potential advantages of allowing a grant to be deployed on the S.106 affordable housing element of sites where this will increase viability and accelerate the delivery of homes on sites that would otherwise remain undeveloped.

Establish a Place Shaping Board for the coast which would enable partners such as the Arts Council, Historic England, National Lottery, SELEP and local authorities to work more closely and identify initiatives that will enhance place-making on high streets and employment areas and initiatives that lead to housing market renewal.

Town Deals and Future High Street Funds provide an opportunity to join up policy, particularly with an increased higher education presence. We want to explore new and best practice that is improving high streets and share our learning as it emerges.



## INFRASTRUCTURE

The South East Coast is the UK's closest link to Europe. Post Brexit it will provide an enduring gateway for tourism and trade.

We are seeking support to improve our connectivity to key economic centres with further investment in place-based initiatives, on a long-term strategic basis. This is a key element required to raise productivity of the coast. Current assessment methodology is predicated on high job growth and value for money based on user numbers.

Improved infrastructure will help open up new markets and improve the movement of people to better employment and educational opportunities. The impact of this would increase our productivity and improve the social mobility of our communities.

We want to ensure that business demands for advanced technology can be met.

However, a number of our towns have evidence of technology not meeting business requirements. We need to ensure that we have infrastructure, both physical and digital to encourage more businesses to invest in the coast.

We want to create economic opportunities / mitigate economic risks around flooding, coastal erosion risk management and improve bathing water quality.

## Opportunity

Improved transport routes will provide the coast with access to regional economy and new markets for our businesses, attract new inward investment and provide our communities with greater mobility and access to new employment opportunities.

A leading digital infrastructure would help our economies grow our creative sector further, supporting existing businesses to scale up and grow, and attract new talent to set up new business or relocate existing companies. A leading digital infrastructure coupled with our low operating costs would attract new investment. Some of our communities such as Rother have just 3% coverage for High Speed Digital infrastructure when compared to Cornwall (30%) and London (80%).

'Poor connectivity is seen to restrict opportunities within the coastal communities...it also reduces the size of workplace catchments from which individuals can seek employment'

- Transport for the South East

## To realise our potential, we need to

Establish how the current funding methodology can be updated to ensure that investment can benefit coastal areas. This is necessary if we are to change the performance of the coast. Investment is required in road, rail and digital infrastructure. Should requisite funding become available, our ambitions are clear.

We want to improve access to our major ports to deliver on the promise to be the national gateway to the continent.

We want to secure the extension of High Speed Rail (HSR) from Ashford to Hastings, Bexhill and Eastbourne. Work with partners to improve access for coastal residents and businesses to major employment, such as improvements to the branch line between Clacton-on-Sea and Colchester and continue to support Thanet Parkway, a connectivity and business development hub.

Ensure that the coast has access to a reliable high speed digital network which exceeds the requirements of business if we are to boost productivity. The coast needs to be a priority for future investment.

Continue to grow the work of the South East Creative Economy Network in supporting the Creative and Digital sector. We want to ensure that our towns provide the correct environment for the sector, with links to the Thames Estuary Production Corridor and working with creative partners from the Brighton region where this is mutually beneficial, to ensure that we can meet future demand that the creative sector has.

We want to ensure that investment in new technology, from whatever available funding source, is targeted towards delivery on the coast.

We want to effectively mitigate the economic impacts of flooding and coastal erosion risk. We also want to deliver initiatives which improve bathing water quality.





## IDEAS

Our natural capital offers the opportunity for diversification of our economy, in providing new job opportunities. Research and Development (R&D) expenditure is however lower in coastal areas, as is the overall number of project applications submitted to Innovate UK.

We have high growth potential within our key economic sectors. We have three Coastal Enterprise Zones; Discovery Park, Sandwich, is home to globally focused businesses, while Rochester Airport and Newhaven Enterprise Zones are progressing well. All of our zones are providing opportunities to business and are beginning to have a positive impact on the coastal economy. Other key employment zones will play important roles in supporting business growth including Clacton, Harwich and Southend Airport Business Park.

The coast currently has limited connection with the region's higher education institutions and is therefore unable to exploit research and innovation opportunities.

With new partnerships, the coast could develop its innovation assets and strengthen its ability to attract investment in R&D and venture capital.

Innovate UK data reveals that the coastal communities receive only 10.4% of innovation and research funding accessed within the SELEP region.

## Opportunity

Where we are enabled to do so through freedoms and funding routes, we want to address the low skill, low wage economy on the coast and replace it with a more technology driven economy providing high skilled opportunities. We want to work with our further education and higher education institutions to establish programmes that encourage entrepreneurialism on the coast.

We have an opportunity to drive the implementation of programmes to enable a coast-wide approach to innovation; with the coast serving as a testbed for AI technologies which could assist in addressing our challenges concerning our ageing community and limited social mobility.

The region has a strong university offer, however little of this reaches the coast. A focused long term programme would engage our residents and businesses in a more consistent and outcome focused way.

## To realise our potential, we need to

Work with SELEP and its U9 group of universities and further education institutions to develop a coast-wide approach to innovation.

Develop a strategy that enables the coast to operate as a testbed for new AI technology that can help us address key challenges.

Work with partners to identify new opportunities that integrates coastal businesses into activity that boosts R&D spending, scale up innovation projects and share information between sectors, partners and universities more effectively and more systematically.

Work with all partners, including central government to develop and establish new set-piece funding processes and support structures which encourage collaborative, business-orientated innovation. This will support business growth and help tackle our current productivity deficit.





## BUSINESS

The scale of the climate emergency has been widely recognised by our local authorities and business. We will take steps to address the short and long term impacts climate change will have on the coast. We want to work closely with the Clean Energy Working Group to identify programmes and actions that will help address the challenge and mitigate its impacts. A number of the actions will help tackle the climate emergency and provide economic opportunities to the coast.

The coast has a number of sectors which offer significant potential that we believe can deliver growth and address our productivity challenge and improve our GVA per head from amongst the lowest quartile in the UK.

The energy sector is a major opportunity with potential for both micro and macro energy schemes. We are committed to delivering a carbon neutral economy. We want to be clean users and generators of energy and drive our local agendas with our communities. The maritime sector is one that is currently under-developed on the South East Coast when compared to other UK regions.

We are seeking to develop a bespoke programme to support both the energy and maritime sectors and marine engineering in partnership with our businesses and stakeholders.

The wider UK coast is currently collaborating and co-developing a series of activities to mark 2021 as the Year of the English Coast. This work will help underpin further work with the tourism sector to increase the number of visitors and the length of stay in our towns.

## Opportunity

We will champion a green and clean economy which is environmentally responsible, whilst looking for the economic opportunities within the sector which will help stimulate further growth.

We also want to raise the South Coast's visibility as a port and maritime driver and work with other maritime locations, both in the UK and internationally.

Although local authorities provide support to coastal SMEs, at present many continue to find it difficult to access the funds they require, principally as they do not have the time or resource to submit speculative applications. We will work to establish a way of providing capacity and signposting to businesses to help them benefit from any support that is available to them.

The creative sector is pivotal for the next phase of economic growth and productivity improvements along the coast. We welcome the Creative Open Workspace Masterplan and Prospectus and are keen to explore how we can ensure that workspace is available to businesses, such as the Thames Estuary Production Corridor.

We want to use opportunities such as the Year of the English Coast in 2021 to promote our towns and improve the economic productivity of the Tourism sector.

## To realise our potential, we need to

Work with SELEP and the energy industry to develop a response to the Offshore Wind Sector Deal and develop the coast as a major energy generator. We want to support growth using our planning powers and regulatory functions to encourage large scale delivery of solar farms, wind turbines and tidal energy farms. We want to support the nuclear industry to be highly productive where growth plans are being implemented, such as at Bradwell B or as opportunities arise in the future, such as Dungeness. Investment in the nuclear sector will provide an economic boost for the coast. Stakeholders will need to support the sector if benefits are to be achieved.

Deliver a major retrofitting housing programme that takes advantage of the new energy being generated. Delivery of the programme will ensure new, highly skilled jobs for our residents and supply chain opportunities for our businesses.

Review the wider potential of the maritime sector to drive new economic opportunities and the role Freeports could play, particularly the importance of our port related activities in the post-Brexit economy. We want to work with the Thames Gateway and East Coast to explore best practice.

We want to address seasonality in our economies by creating new patterns of demand for tourism and promote unique selling points and distinctive market niches in the visitor economy. We want to benefit from the Tourism Sector Deal. Our proposals include establishing a grant fund that encourages new investment in accommodation provision and de-risking

the sector to encourage growth. We want to attract new visitor accommodation and explore how our communities can benefit from Government's ambition to become Europe's leading hub for hotel investment.

Examine and develop models to address SME financial exclusion and lack of lending including evaluating the impact of existing Community Banks and Social Impact Bonds that are in operation.

Establish an Economic Sustainability Leverage Fund which could be deployed when a strategic heritage or tourism asset is under commercial threat.

Ensure the continued success of the creative sector identifying where investment ensures that flexible workspace is available at a reasonable price. We want to benefit from the Creative Industries Sector Deal and create three Creative Enterprise Zones which would help deliver economic growth to the coast.

Gross Value Added per head across SELEP is currently £28,683, while the coast averages just £17,840. A stark difference in economic performance which we need to address.

The coastal average places us within the lowest quartile of locations in the UK.



# HOW THE COAST WILL WORK TOGETHER

The South East coastal local authorities have a long history of working together and have robustly agreed during the development of the Economic Prospectus to drive the growth of the coastal economy across the South East region in order to improve our economic performance and productivity. Working together we will:

- Share best practice and learning on a more formal basis across our councils
- Build a joint programme with support from our business communities and residents that tackles the climate emergency and improves economic improvement around the South East Coast.

The Coastal Partnership will aim to achieve the following ambitions by 2039:

- The gap in GVA performance will have closed by 1% by 2025 and 3% by 2039 and by 2050 it will be eradicated
- We will grow the coastal economy by 15% to £43bn per annum and create an additional 48,000 jobs. With intermediary targets of 3% growth by 2025 and an additional 8,000 jobs
- We will have increased the employment rate in coastal areas to match the rest of the region
- We will have increased job density in each local authority to match the wider SELEP average.



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SELEP will be appointing a senior officer to help coordinate the programme of activity set out in this Prospectus. Additional support is crucial and would work closely with regional stakeholders. This would strengthen our partnership, and provide capacity to build key relationships which will help transform our economic performance and deliver the priorities set out in this Prospectus.

The senior officer will interact across all of the regional partnerships and submit proposals through appropriate SELEP structures.

We also believe our work can be a learning point for other parts of the country and position the South East as the UK's leading coastal area. We will proactively work with other coastal regions, sharing best practice and knowledge where this is appropriate.

The Economic Prospectus has been led by the coastal districts and boroughs who have a track record of cohesive partnership working and are well-placed to drive an economic renaissance around the South East Coast.

These authorities are well positioned to continue to deliver at the right level to make this step change.



## DELIVERING THE COASTAL ECONOMIC PROSPECTUS

The Economic Prospectus sets out a long term strategy to improve the economic performance and productivity of the South East Coast. The programmes set out in this Prospectus need to be implemented if we are to be successful in raising the coast's performance from amongst the lowest GVA per head performance in the country. We want to act quickly to move the Economic Prospectus into its delivery phase.

Albeit contingent on the availability of funding from government and other sources, with the ongoing support of SELEP, we will be able to build new partnerships, networks and develop business cases which will attract new investment from both public and private sectors which will meet the ambition we have set out. Our priority actions that we are seeking to undertake in 2020 includes:

- Convening discussions with the energy sector to enable us to begin to scope activity that develops both micro and macro energy systems that will increase the productivity of the sector and help us outline a major retrofitting programme of our existing housing stock
- Rolling out the Opportunity Area Programme to other coastal towns over the course of 2020
- Working with the U9 group of universities in early 2020 to quickly develop a programme that connects coastal businesses and residents with higher education and explore with further education partners how we can engage residents more effectively and support local business needs

- Establish the Place Shaping Board which will oversee the development of our regeneration proposals including:
  - Outlining a new regeneration programme which will tackle our most deprived communities
  - Assist in creating a Housing Acquisition Programme
  - Economic Sustainability Leverage Fund
- Develop responses to the government's Sector Deals where they align with the Prospectus, including the Tourism Sector Deal, Off-shore Wind Deal and the Creative Industries Sector Deal
- We will bring stakeholders together to explore how we can develop a Maritime Sector Group that will develop a programme to support the sectors growth by 2021
- We want to initiate discussions with government to discuss new powers which would strengthen Selective Licensing Regulations and develop a dialogue with MHCLG and Homes England to explore potential advantages of allowing a grant to be deployed on the S.106 affordable housing element of sites
- We want to ensure that the coast is prioritised for investment in new technology such as 5G over the next two years. We will also continue to work with the South East Creative Economy Network in order to support the Creative and Digital sector
- We want to work with Transport for the South East to revisit the business case for transport improvements that underpin improvements to coastal economies and secure support for the business case that will lead to the implementation of new schemes.





## PARTNERSHIP AND SUPPORT



Project Management Group: Tendring, Southend, Rother, Thanet, Hastings Councils and SELEP, in collaboration with Deyton Bell Limited, who also produced the supporting **Data Pack**. ([www.hastings.gov.uk/content/regeneration/pdfs/coastal\\_prospectus\\_data\\_pack.pdf](http://www.hastings.gov.uk/content/regeneration/pdfs/coastal_prospectus_data_pack.pdf))

### For more information, please contact:

Simon Hubbard  
Director of Operational Services  
Hastings Borough Council  
[shubbard@hastings.gov.uk](mailto:shubbard@hastings.gov.uk)  
01424 451753

Tom Gardiner  
Head of Regeneration  
Tendring District Council  
[tgardiner@tendringdc.gov.uk](mailto:tgardiner@tendringdc.gov.uk)  
01255 686102

## IMAGE REFERENCES

### Front cover

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### Consultants

Deyton Bell Limited  
[enquiries@deytonbell.com](mailto:enquiries@deytonbell.com)

### Designer

Luke Herriott  
[Studioink.co.uk](http://Studioink.co.uk)

# BOOSTING COASTAL PRODUCTIVITY

AN ECONOMIC  
PROSPECTUS  
FOR THE SOUTH  
EAST COAST

# DATA PACK

PRODUCED BY  
DEYTON BELL LIMITED  
OCTOBER 2019



SOUTH EAST  
LOCAL ENTERPRISE  
PARTNERSHIP



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# EXECUTIVE SUMMARY

This Data Pack has reviewed a considerable range of information relating to the performance of the coastal communities. The data is principally focused on the economic performance of the South East Coast, however the intrinsic link between the economy, with other fundamental issues such as housing and health, has helped bring together a full suite of data that demonstrates how the coast is currently performing.

At headline level the simple fact is that the coast is performing poorly against its inland neighbours and the national average. The data reveals that the gap exists on all data sets, whether this be economic data, housing or innovation.

The data therefore provides an insight into the opportunities that coastal partners will be able to bring forward to address some of the core challenges that are rooted in the coastal communities.

Based on the evidence and data available, a comprehensive programme for the coast needs to consider the following issues:

- How connectivity between the coast and key economic centres can be further enhanced, through both road and rail, recognising the role of new technology and new forms of mobility
- The role the coast can play in tackling climate change, using existing assets to reduce carbon generation, and the potential to make the coast carbon neutral and capable of generating a self-sustaining energy
- How partners can improve skills levels at all levels, through improved school outcomes, and enhanced engagement and performance of residents within both further and higher education
- The role technology plays in the economy, and how coastal communities can offer high quality networks to serve residents and businesses and act as an attraction for inward investment
- How to continue to offer an environment that supports further growth of the creative sector
- Whether opportunities from energy generation can be seized and how offshore opportunities can be secured

- The role of the maritime, whether it can be aggregated around the South East Coast and help position the sector as a high performing driver of growth
- How a broad programme can be developed to support improvements to housing, including the retrofitting of existing properties and how new development can overcome existing viability issues, including the role utility companies play
- How the coastal communities can attract new inward investment and economically active residents.

Deprivation is a major issue for the coastal communities. Partners need to work with their county councils, South East Local Enterprise Partnership and government to establish how deprivation can be tackled through a programme of support that improves social and environmental conditions and engages communities in new ways, assisting their participation with new opportunities the coast can generate.

Due to current conditions, this approach needs to address the failings of previous regeneration programmes and consider where new powers are required to enable local authorities to make largescale strategic interventions in regeneration, particularly where the private sector are absent.

# 1. OVERVIEW



# 1. OVERVIEW

- 1.1 This Data Pack seeks to provide an overall compendium of information related to the economic performance of the South East's Economic Prospectus. The Data Pack reviews existing data available from local, regional and national sources. It seeks to identify the strategic themes that will be developed as the Coastal Community Economic Prospectus is drafted.
- 1.2 Through the research, it is evident that the coastal communities and their county and regional partners already have a wealth of data available. The Data Pack has therefore sought to address two key issues:
  - i) Aggregating the coastal communities into a single unit
  - ii) Assessing the coastal communities against the wider South East Local Enterprise Partnership's performance
- 1.3 The key findings of the Data Pack reveal that the economic performance of the coastal communities is significantly poorer than the rest of the South East Local Enterprise Partnership (SELEP) area. Research has also interrogated other factors linked to the economy, such as skills, education, housing, health and environmental issues. All of these demonstrate that there are a number of connected issues that contribute to economic underperformance along the coast.
- 1.4 The coast more generally, and specifically the South East Coast, has been a focus for a significant amount of research and government investigation over a long period of time. The Data Pack includes evidence and analysis from a number of key publications that have researched the coastal area. This evidence will be invaluable in developing the Coastal Communities Economic Prospectus and in demonstrating both the issues and opportunities facing the coastal communities.
- 1.5 The Data Pack seeks to review the national economic picture, the SELEP area and the coastal communities. It is not designed to provide 'answers' at this stage. The pack is aimed at collecting and sifting the information and data which is available. The research seeks to link the three geographies together and develop an evidence base that demonstrates that the coastal communities require investment, and in certain areas, new policies.
- 1.6 The Data Pack should be seen as a living document. As the project develops additional information will be added to ensure that the document is dynamic and underpins the Coastal Communities Economic Prospectus.

# 2. THE COASTAL COMMUNITIES OF THE SOUTH EAST



## 2. THE COASTAL COMMUNITIES OF THE SOUTH EAST

- 2.1 The coastal communities working together on the Coastal Communities Economic Prospectus and Data Pack includes; Tendring, Southend, Thanet, Hastings, Rother, Dover, Rochford, Maldon, Wealden, Lewes, Eastbourne, Essex, Colchester and Castle Point.
- 2.2 The purpose of the work is to produce an economic prospectus/study for the coastal community areas within SELEP. The objective of the Coastal Communities Economic Prospectus will be to enhance the ability of SELEP partners to identify and focus on action that will grow coastally based businesses or create conditions for growth.
- 2.3 The Economic Prospectus will identify key opportunities, issues, challenges and strategic priorities for coastal communities in the SELEP area aimed at:
- Improving economic performance absolutely but also relative to the regional and national economy
  - Improving economic inclusion
  - Developing coastal-specific initiatives around housing, energy, small and micro businesses and tourism.
- 2.4 This Data Pack will provide supporting evidence to underpin the Coastal Communities Economic Prospectus, drawing together information that demonstrates the community, economic and environmental issues that the coastal communities currently face.
- 2.5 SELEP has the largest coastal region of any LEP in the country of over 375 miles, and out of a population of four million, just over two million of its population live in coastal districts. However, taken as a whole, this coastal region under-performs against inland SELEP as well as regional and national economic and social indicators. Some of the UK's most intense deprivation is found in parts of our coastal communities. This reflects patterns elsewhere in the UK but within a region of comparative wealth these differences are particularly stark.
- 2.6 The coast within the South East has a rich diversity of towns and outstanding rural areas, all with varying economic performance. Whilst there are some common patterns and features among the south east's coastal communities, it is also clear that the averages hide a great deal of diversity. The diversity between individual places, on a range of socio-economic indicators, was one of the more important observations of the statistical review.
- 2.7 Sheffield Hallam University were commissioned in 2012 to produce socio-economic analysis of the south east coastal economy. The analysis identified a stratification of locations along the coast. This work developed six categories of settlements on the coast. This was approved by SELEP in December 2012. The categorisations:
- i) LARGER SEASIDE TOWNS WITH SUBSTANTIAL PROBLEMS**  
 Clacton, Hastings, Margate (plus Birchington and Westgate) and Ramsgate
- These seaside towns have a combined population of 245,000, or about a quarter of the total in the south east's coastal communities. They share significant socioeconomic disadvantage on a scale that on many indicators places them close to the older industrial areas of northern England. They suffer from high benefit claimant rates, lower than average earnings, and an often high proportion living in poorer quality or privately-rented accommodation.
- ii) PORTS WITH A FAIR MEASURE OF SOCIOECONOMIC DIFFICULTIES**  
 Harwich, Dover, Folkestone and Newhaven
- The combined population of these towns is 120,000. The figures assembled in the statistical review indicate that their problems are not as acute as the larger seaside towns listed above but are certainly not negligible. On the overall Indices of Deprivation for example, all four of these towns are worse than the national average.

### iii) LARGER SEASIDE TOWNS WITH LESSER PROBLEMS

#### Southend and Eastbourne

These are two of the larger places along the South East coast – their combined population is 260,000. However, to bracket them with Clacton, Margate, Ramsgate and Hastings would be misleading. On a range of socioeconomic indicators their problems are less acute, even if neither of them quite matches the prosperity of the wider SELEP area.

### iv) MIDDLING SEASIDE TOWNS THAT ARE MOSTLY DOING OK

#### Frinton/Walton, Whitstable, Herne Bay, Broadstairs, Deal and Bexhill

These towns have a combined population of 180,000. They are a notch or two down in size from Southend and Eastbourne and, generally, a notch up in terms of prosperity.

### v) SMALLER PLACES WITH QUITE ACUTE PROBLEMS

#### Jaywick, Isle of Sheppey and Camber

These three places, with a combined population of 48,000 (mostly on the Isle of Sheppey – the other two are very small) display high levels of deprivation. In all three cases it probably owes something to the nature of the local housing stock, which includes residential caravans and chalets as well as more conventional housing. Jaywick is something of an extreme case.

### vi) SMALLER, MOSTLY PROSPEROUS COASTAL COMMUNITIES

#### Brightlingsea, West Mersea, Tollesbury, Burnham, Canvey Island, Sandwich, Kingsdown, St Margaret's, Hythe, Dymchurch/St Mary's Bay, Greatstone/New Romney, Fairlight, Seaford and Peacehaven

Although numerous, these places only account for a total population of 150,000 – less than Southend for example. Mostly they display little deprivation. Mostly they have a population strongly skewed to

retirees. To a large extent these places function as residential settlements serving businesses and jobs in neighbouring areas or further afield.

- 2.8 It is well documented that coastal towns began to experience significant decline in the 1960's/1970's due to a number of social and economic changes and for four decades have struggled to find a purpose. However, in more recent times, many coastal towns have begun a resurgence. Coastal living is becoming more popular as the nature of work changes, people seeking a better work-life balance and the untapped opportunities of these coastal locations become more apparent.

- 2.9 An international perspective is offered by the University Centre of the Westfjords, Iceland;

*'Around one-third of the world's population lives in a coastal area. There are 1.6 million kilometers of coastline around 123 countries. And 40% of us live within 100km of the coast.*

*But coastal zones are changing all the time. Geologists define such zones as 'the interface between the land and water,' with waves, wind, erosion, and fluctuations in the ecosystem continually affecting the nature and character of these areas. This is of particular importance since many coastal communities are among the poorest on Earth and rely on coastal ecosystems to provide food and work. The social and economic factors have a massive impact far beyond the regions in question, as do the environmental ramifications of coastal and marine ecosystems.*

*And coastal areas are already facing the consequences of climate change. Much of our fishing industry relies on coastal marshes that will disappear as sea levels rise, reducing the undeveloped areas between the sea and the built environment. And researchers are hard at work trying to understand the social and economic risks of tsunamis, flooding, droughts, severe storms, and population and development pressures. In the States alone, by 2045 flooding is predicted to affect 311,000 residential properties at a cost of \$117.5 billion, and directly affect half a million people.'*

# 3. THE NATIONAL ECONOMIC CONTEXT



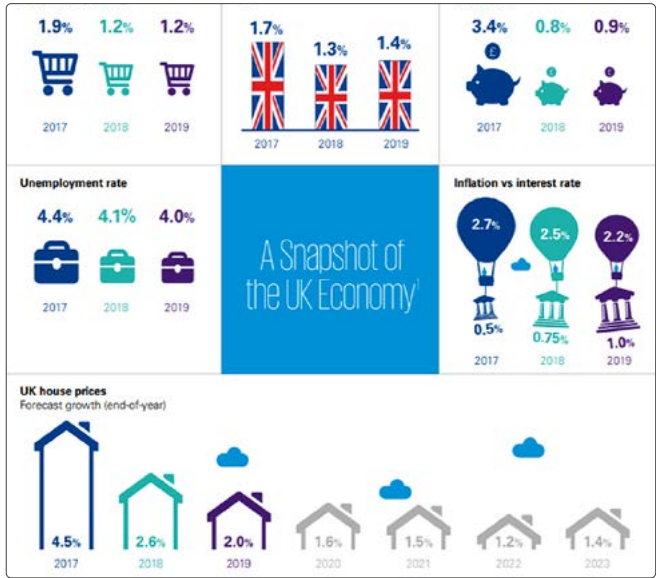
# 3. NATIONAL ECONOMIC CONTEXT

3.1 As is well publicised, the UK is currently going through turbulent economic times, not least due to continued uncertainty around Brexit. As is depicted in Figure 1, there is currently consistent reporting of key indicators, with consumer spending, GDP, investment and inflation all falling, while the unemployment rate also continues to fall. House price forecasts suggest that lower growth can be expected over the next few years.

3.2 The UK economy has posted its weakest monthly growth figures in three years. Figure 2 below demonstrates that UK GDP shrank by 0.4% in April 2019, rather worse than economists expected, dragging the rolling three-month growth rate down to 0.3%.

3.3 Figure 3 overleaf sets out the UK’s GDP performance since 2014. The decline has been principally due to the uncertainty of Brexit and increase in global competition. Most recently, there has been a 3.9% contraction across manufacturing, the worst decline since 2002. Car manufacturing has fallen by 24%, while transport output suffered its biggest monthly fall since 1974. The construction sector has also been faring poorly in 2019, down 0.4%, while the service sector was flat.

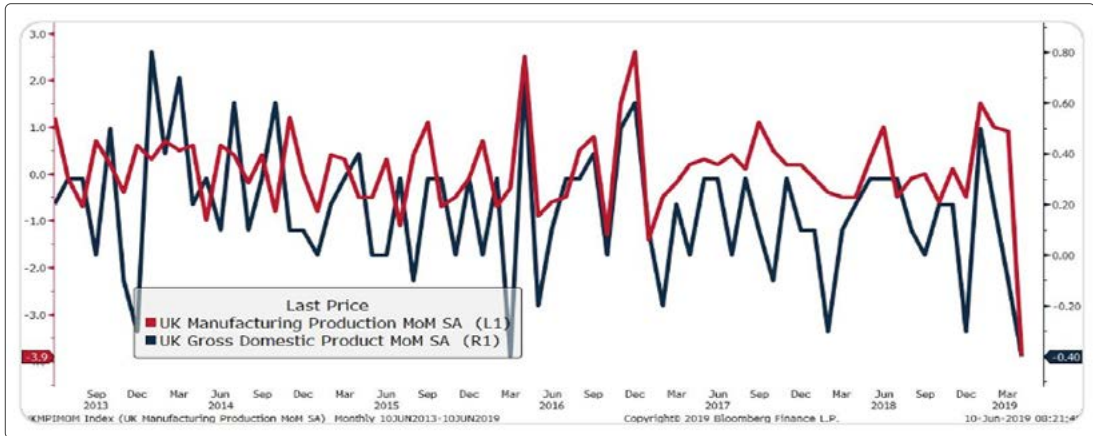
Figure 1: Snapshot of the UK Economy



Source: Bloomberg

3.4 PwC report that; ‘Consumer spending has continued to drive the economy, but the housing market has cooled and job creation is likely to slow over the next year. Business investment has been on a declining trend as a result of ongoing Brexit-related uncertainty and this is expected to continue until this is resolved’.

Figure 2: UK Growth Rates



Source: Bloomberg Finance



Figure 3: UK GDP Performance since 2014



Source: Tradingeconomics.com | Office For National Statistics

3.5 With the current level of uncertainty in the UK economy, there are significant implications for all areas of the UK's economy. The national context is important as it sets the conditions for regional and local growth. Having reviewed the national level, it is important to consider the performance of the wider south east.

3.6 The most pertinent national context for coastal communities is the government's National Industrial Strategy. There are a number of key policies that have been set out which will influence the economy of the South East's coast. There are a number of themes, or 'foundations' within the Industrial Strategy that will have a strong influence on how the Coastal Communities Economic Prospectus is shaped and ultimately delivered. The foundations set out to address how the country will boost productivity and earning power by focusing on the 'Five Foundations of Productivity'. The five foundations support the vision for a transformed economy. The foundations are particularly pertinent to the coastal communities as they are the cornerstone of a strong economy and delivering sustainable and inclusive growth in all communities. The Industrial Strategy states that its core foundations include:

**i) People - To generate good jobs and greater earning power for all**

Our employment rate is at a near historic high – one of the fastest post-recession rates relative to other major economies. It is underpinned by a world-class higher education system, the first choice of students and researchers around the world. Employers are ever more closely involved in the system, and we are committed to delivering three million apprenticeship starts by 2020.

The Industrial Strategy states that we still face challenges in meeting our business needs for talent, skills and labour. In the past, we have given insufficient attention to technical education. We do not have enough people skilled in science, technology, engineering and maths. We need to narrow disparities between communities in skills and education and remove barriers faced by workers from underrepresented groups in realising their potential.

**ii) Places – to have prosperous communities across the UK**

Many places are not realising their full potential. The UK has greater disparities in regional productivity than other European countries. This affects people in their pay, their work opportunities and their life chances.

**iii) Infrastructure - A major upgrade to the UK's infrastructure**

Infrastructure is the essential underpinning of our lives and work, and having modern and accessible infrastructure throughout the country is essential to our future growth and prosperity.

Our investment decisions need to be more geographically balanced and include more local voices. We can improve how we link up people and markets to attract investment, and we must be more forward-looking in respect of significant global economic trends.

**iv) Business Environment - To be the best place to start and grow a business**

The Industrial Strategy states that our challenge is to improve how we spread the best practice of our most productive businesses. We are one of the world’s great financial centres, yet growing businesses sometimes face difficulty in accessing finance.

Our managers are, on average, less proficient than many competitors, and we should make better connections between high-performing businesses and their supply chains.

**v) Ideas – being the world’s most innovative economy**

Our ability to innovate – to develop new ideas and deploy them – is one of Britain’s great historic strengths, from the jet engine and the bagless vacuum to MRI scanners and the World Wide Web. We are a global leader in science and research: top in measures of research excellence and home to four of the top 10 universities in the world.

The Industrial Strategy aims to make Britain the best place to start and grow a business, and a global draw for innovators. It aims to drive productivity in businesses of all sizes by increasing collaboration, building skills and ensuring everyone has the opportunity of good work and high-paying jobs. It aims to ensure the financial sector is better connected to the rest of the economy, driving impactful investments.

Every region in the UK has a role to play in boosting the national economy. The Industrial Strategy aims to build on the strong foundations of our cities, growth and devolution deals and continue to work in partnership with local leaders to drive productivity. The Industrial Strategy aims to introduce Local Industrial Strategies and further strengthen local leadership through Local Enterprise Partnerships and Mayoral Combined Authorities’.

Source: The Industrial Strategy

3.7 The Government has used the Industrial Strategy to guide funding and resources through Sector Deals and agency funding schemes such as Research England. **Figure 4** provides a high level map that highlights where this investment has gone thus far. It is noticeable that there is a significant lack of investment support on the South East coast to date.

3.8 The government will also introduce new policies to improve skills in all parts of the country, create more connected infrastructure, back innovation strengths, ensure land is available for housing growth, and strengthen our cultural assets.

3.9 Each of these foundations set out how the government will invest resources in tackling a number of issues that create issues across the country. Each foundation is pertinent to the coastal communities.

**Figure 4: Investments commitment by Government through the Industrial Strategy**



Source: <https://www.gov.uk/government/topical-events/the-uks-industrial-strategy>

# 4. THE SOUTH EAST'S ECONOMIC CONTEXT



## 4. THE SOUTH EAST'S ECONOMIC CONTEXT

- 4.1 In order to understand the economic performance of the coastal communities, it is important to understand the performance of the wider South East. The South East is widely recognised as the strongest performing region of the UK economy outside London. This section will compare the performance of the coastal communities against the wider South East region.
- 4.2 The SELEP region currently generates £87bn per annum (ONS). Through analysis of ONS data the coastal communities make a contribution of £26bn per annum. Current reports have suggested economic growth in the South East is forecast to be 1.7% in 2019 (PwC Economic Outlook 2019). Data from the Office for National Statistics (ONS) shows that the South East witnessed the third largest rise in its employment rate in the year to December 2017. Just behind the North East and the East of England, the South East also saw its employment rate grow by around 1.3% in the year.
- 4.3 The South East's business base predominantly consists of small businesses with around 90% employing fewer than ten people. Recent growth in the business stock has been strong. There were 24,000 additional enterprises in SELEP in 2018, compared with 2014 (an increase of 16%).
- 4.4 Between 2011 and 2017, the number of jobs in the South East grew by 162,000 (an increase of around 9%). Similarly unemployment has fallen significantly; by September 2018, the number claiming Jobseekers' Allowance or equivalent had dropped by 44,000 and now stands at a historically low level. However the number of people not seeking employment or workless stands at 266,700. (ONS Annual Population Survey – March 2019). However job density in coastal districts is particularly low. With the SELEP regional average of 0.86 (where 1 equals 1 job per resident) only Eastbourne has a higher density of 0.87. [Figure 5](#) demonstrates how the coastal districts perform. The levels of density reveal economies that do not

provide significant opportunities for their local community and that jobs are typically difficult to find. Districts such as Castle Point (0.5), Tendring (0.6) and Rochford (0.6) reveal economies that lack jobs and vibrant economies.

Figure 5: Job Density

District	Job Density
Great Britain	0.86
SELEP	0.86
Tendring	0.60
Maldon	0.70
Rochford	0.60
Southend	0.72
Colchester (Hythe)	0.84
Castle Point	0.50
Medway	0.62
Swale	0.63
Canterbury	0.80
Thanet	0.70
Dover	0.63
Folkestone & Hythe	0.67
Rother	0.71
Hastings	0.70
Eastbourne	0.87
Lewes	0.7
Wealden	0.74

Source: ONS Local Authority Profiles: Job Density

- 4.5 It is notable that employment is becoming more diverse, with growing self-employment and part-time and freelance working. Typically this shift leads to greater flexibility; however it also leads to insecurity, and often low paid, employment, a factor that is a key consideration within the coastal communities.
- 4.6 At LEP level, the construction and transport and logistics sectors have high levels of concentration, reflecting the regions role as an international gateway. The tourism industry is also substantial, reflecting the role of the coast as an employer. There is also a significant, growing energy sector associated with both the nuclear industry (with Bradwell located on the Essex coast) and offshore renewables.
- 4.7 Since 2016 the Government has raised the issue of the 'productivity challenge' across the country. While the economy made a positive recovery from recession, Britain's productivity when compared to its main competitors has failed to increase. This remains a major Government concern and a strong theme within the Industrial Strategy.
- 4.8 [Figure 6](#) provides a high level statistical analysis developed by Oxford Economics demonstrating current economic performance across the region.

Figure 6: Snapshot of the South East Economy

		South East	UK
<b>Population</b>			
2017 mid-year estimates	Millions	9.1	66.0
<b>Economy</b>			
Total output (GVA), 2017	£ billions	267	1,820
Total output (GVA) per head, 2017	£	29,415	27,555
Economic Growth (GVA), 2010-17	Annual ave real terms % ch.	2.0%	2.0%
<b>Forecast economic growth (GVA, real terms)*</b>			
2018	% change on year	0.6%	1.4%
2019-29	Average annual % change	1.9%	1.9%
<b>Labour market, January - March 2019</b>			
Employment Level	Thousands	4608	32,697
Employment rate	% of population aged 16-64	79.1%	76.1%
Unemployment level	Thousands	151	1,298
Unemployment rate	% of economically active	3.2%	3.8%
Median weekly earnings, 2018	£, full time employees	615	569
<b>Industries - employment, October-December 2018</b>			
Manufacturing	% of total jobs	5.7%	7.7%
Public sector	% of total employment	14.5%	16.4%

Source: Oxford Economics, May 2019

# 5. THE COASTAL COMMUNITIES



## 5. THE COASTAL COMMUNITIES

5.1 The development of the Economic Prospectus brings together 14 Local Authorities responsible for coastal areas across the three counties of East Sussex, Essex and Kent, the three county areas forming the South East LEP region.

5.2 The Government's 'Future of Seaside Towns' (April 2019), the House of Lords Select Committee on regenerating seaside towns and communities responsible for the report stated:

'There are many smaller towns on the coast that have seen their unique selling point diminish. These towns, many of them intrinsically attractive places to live and work, are home to significant populations, provide holidays and short vacations for millions of UK residents and overseas visitors, but face profound economic and social challenges. Their sense of isolation and 'end of the line' feel has left small town, seaside communities overlooked and feeling unloved'.

5.3 The 'Seaside Towns in the Age of Austerity' (Sheffield Hallam 2014) states;

*'Because of their history of tourism they tend to share a number of characteristics that distinguish them from other industrial or commercial centres along the coast or inland. This includes a specialist tourist infrastructure (promenades, piers, parks etc.), holiday accommodation (hotels, guest houses, caravan sites) and a distinctive resort character that is often reflected in the built environment'.*

5.4 The economic picture for the coastal communities reveals under-performance, and a reliance on a limited number of sectors which typically are low tech.

There are many examples where investment has improved the performance of coastal towns. This section of the data pack will review the economic performance of the coastal communities; particular attention has been paid to comparing current performance against the wider SELEP area, and where available, to the rest of the country.

### Reviewing the Coast's performance

5.5 The following sections will reveal the coast's performance against the Industrial Strategy's Five Foundations of Productivity:

- **People**
- **Place**
- **Infrastructure**
- **Ideas**
- **Business Environment**

# 6. PEOPLE





## 6. PEOPLE

### The population of the South East's coastal communities

- 6.1 The coastal community's districts forming the partnership have a combined population of 2.08 million people, representing around 48% of SELEP's population. The UK's coast has a population of 11m people, therefore the South East equates to 18% of the country's coastal population.
- 6.2 As [Figure 7](#) demonstrates, each district has seen a growth in population during this decade; however looking ahead the forecast population increase up to 2028 is greater still. This will create new pressures on a range of public services and on job creation. These will be explored further in later sections.

- 6.3 This future growth is likely to further exacerbate current challenges faced by the coastal communities. With this expected growth and the current performance of the coastal communities, further investment will be required to address this growth.
- 6.4 Coastal communities are also undergoing continuous sociodemographic upheaval, with highly transient and seasonal workforces, young people leaving and older people arriving. Performance of these communities relies on factors such as social structures, employment opportunities, adequate health infrastructure and housing.

Figure 7: Population of the coastal communities

Local Authority	Current Population (000s)	Population Growth 2010-18 (%)	Forecast population growth 2018-28
Tendring	144	7	8.9
Maldon	64	3	5.4
Rochford	86	3	5.8
Southend	181	4.3	7.0
Colchester (Hythe)	19	7.4	10.4
Castle Point	89	3.7	5.1
Medway	277	4.7	7.9
Swale	146	6.5	9.8
Canterbury	164	5.0	8.6
Thanet	141	5.7	9.0
Dover	115	3.0	5.1
Folkestone & Hythe	111	3.4	5.8
Rother	95	3.8	8.2
Hastings	92	4.3	5.2
Eastbourne	103	4.5	7.6
Lewes	102	3.9	7.7
Wealden	158	6.0	9.4
<b>Total population</b>	<b>2.087m</b>		

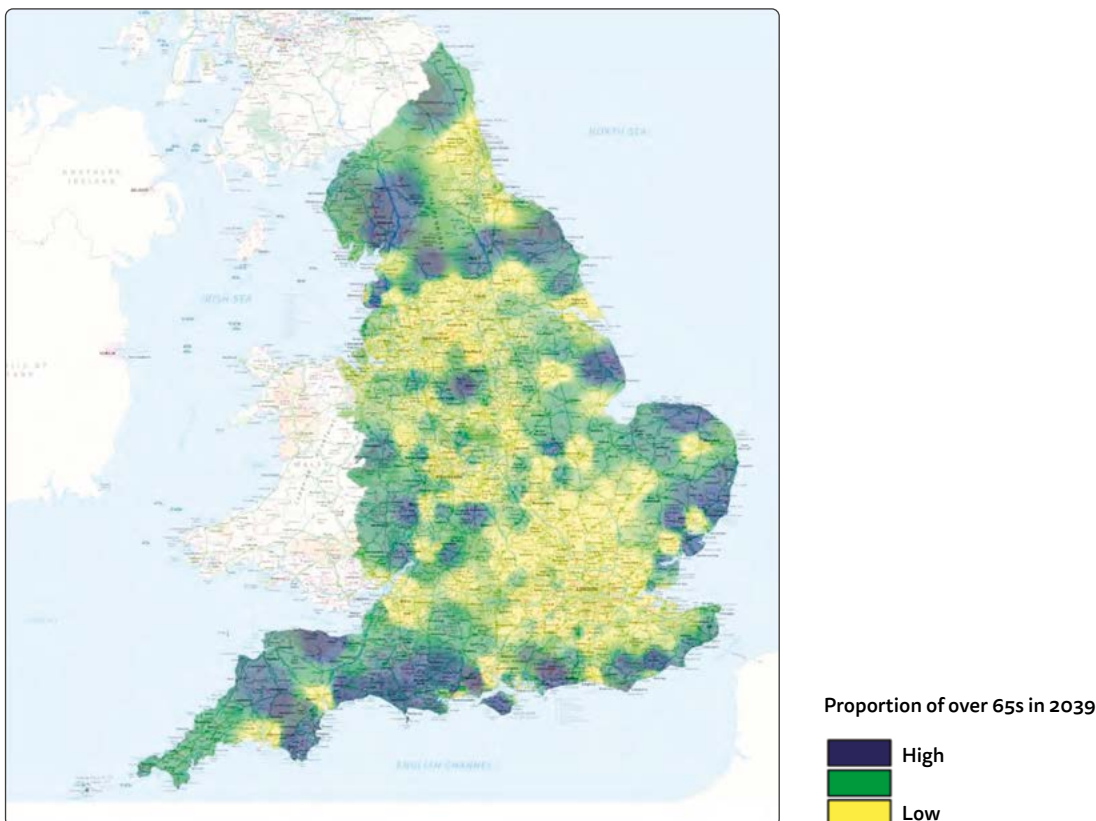
6.5 Coastal local authorities have been projected to be most affected by an increase in the proportion of the oldest population group over the next 10-year period (ONS 2016). This will impact on the overall health and wellbeing of each community and the subsequent demands on social and health infrastructure.

6.6 Patterns of internal and inward migration also disproportionately impact coastal communities. The seaside is an aspirational destination for retirees, a phenomenon contributing to the rapidly aging profile of coastal populations in the UK and elsewhere. For example, 65% of people aged 65 or over retiring from London moved to coastal local authorities (Pennington 2013; Moving On: Migration Trends in Older Life. London).

6.7 Figure 8 highlights projections for the growth in the proportion of over 65s in 2039. A range of hotspots can be seen, however, the coastal communities of the South East are anticipated to be one of the areas to see the largest growth.

6.8 Based on ONS population projections, the south coast will see some considerable change to demographics, specifically the impact of the ageing and growth in number of over-65s. Figure 9 overleaf highlights the most significant increases that will be experienced along the coast.

Figure 8: Growth in residents aged 65 + in 2039



Source; ONS Population projections 2014-2039

Figure 9 Demographic change

Location	No. of over 65s in 2019	No. of over 65s in 2039	% of over 65s in 2019	% of over 65s in 2039
Rother	31,400	45,200	32	40
Tendring	44,700	63,500	30	37
Eastbourne	26,900	40,400	25	33
Thanet	35,200	45,200	24	31
Hastings	19,100	28,300	20	27
Southend	36,100	53,700	19	25

6.9 Equally, coastal communities are also experiencing outward migration of young people, and the inward migration of transient workers. This influx has implications for the health and wellbeing of coastal communities, wellbeing of residents, and for the planning, sustainability and delivery of social and health services. Remoteness, lack of investment in infrastructure, high levels of socioeconomic deprivation, seasonality of employment and limited labour markets also contribute to social exclusion and threaten wellbeing in coastal communities (Ward 2015; Geographies of Exclusion: Seaside Towns and Houses in Multiple Occupancy).

6.10 These issues are contributing to the current range of issues impacting on the economic and social performance of the coastal communities. The following sections will review other indicators to establish how the South East's coastal communities are performing.

### Skills levels

6.11 'Skills have the potential to transform lives by transforming life chances and driving social mobility. Having higher skills also enables people to play a fuller part in society, making it more cohesive, more environmentally friendly, more tolerant and more engaged' (BEIS Future of Skills 2017).

6.12 When reviewing current skills levels within the coastal communities it is clear that all indicators reveal underperformance against their inland neighbours. For example there is an average of 8% of residents in coastal areas registered with 'no qualifications', while inland areas have an average of 6.7%. Across the four levels for skills attainment, the coastal areas consistently perform less well against the SELEP and England average. While each community performs differently, it should be noted that Tendring, Southend and Hastings all fall beneath SELEP levels across all skills levels, while Dover and Maldon have only one skill level above the SELEP level. The most concerning aspect of this analysis is that it is the lower skills levels (Level 2 particularly) where there is the greatest gap in performance compared to the rest of the SELEP area. This reveals one of the greatest issues facing the coastal areas.

6.13 While unemployment remains generally higher than national average in coastal areas, it has been reducing in line with national trends. At national level, reports that overall unemployment in the UK is now at its lowest since 1975 (ONS, 2017), together with analysis that of the 13.5 million people in poverty in the UK, 7.4 million (55%) are in working families (RSA, 2017), the focus is shifting towards creating good quality jobs. This is an important consideration for coastal areas too given the existing predominance of low skilled, low paid work.

6.14 Despite the relatively low level of unemployment across the South East, [Figure 10](#) illustrates a sharp contrast between coastal districts and those in close proximity to London when it comes to higher skilled occupations. This reflects the labour market relationships that SELEP shares with the capital but also emphasises the scale of the challenge that exists to raise the productivity of jobs and occupations that SELEP's residents are engaged in.

6.15 [Figure 11](#) overleaf provides data on skills levels of residents in each of the coastal communities; both SELEP and UK national figures are included as comparison. Where a figure is highlighted in red, this reflects the district having skills levels beneath the SELEP regional level.

6.16 Where figures are coloured brown this denotes where a district's skills levels are below the national level. As can be seen, very few districts have skills levels above the national average, with Rochford alone being above in three skills levels. This demonstrates a key issue for the coastal communities. A lack of skills inhibits an individual's opportunities and creates a pressure on the labour market and public purse. It also creates a skills gap with employers seeking employees who are simply not available.

6.17 At Level 4 the stark performance against the wider region is very recognisable. [Figure 12](#) on page 25 demonstrates that the coast has a very poorly qualified population compared to the wider region. This reflects the economic profile of the coast and the access to education facilities in the majority of coastal areas.

Figure 10: Employed Residents in SOC Occupation Groups 1-3

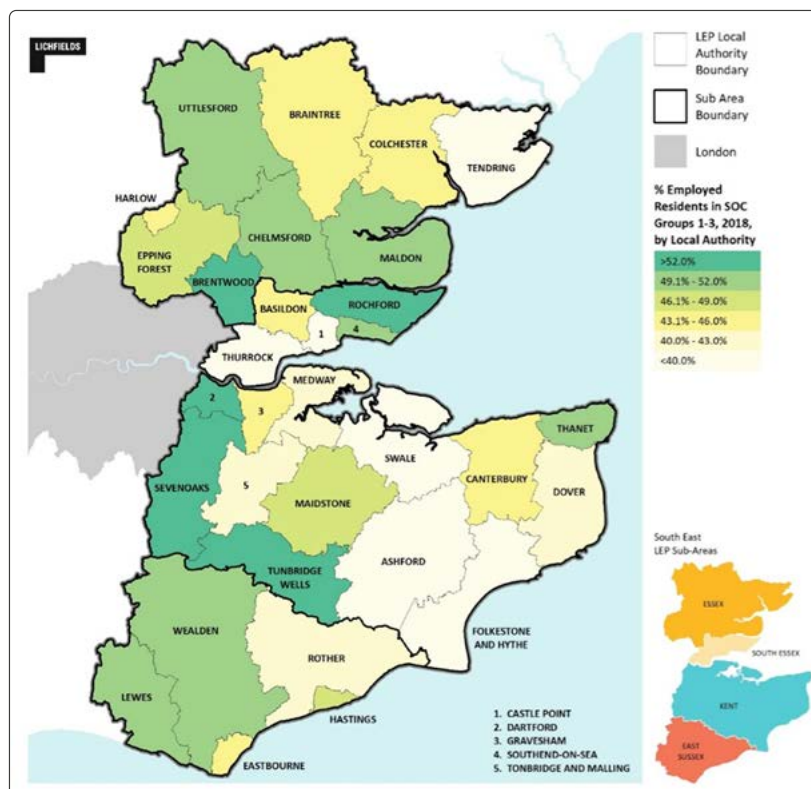
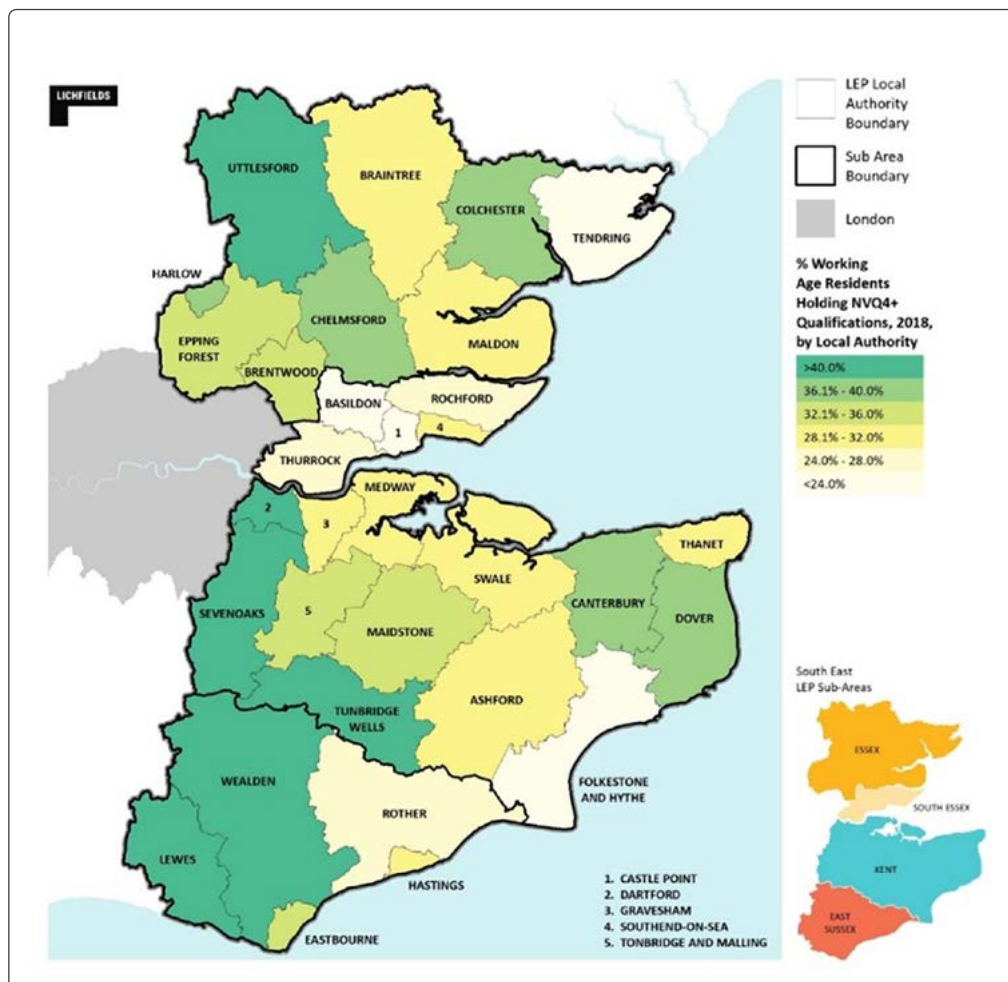


Figure 11: Skills Levels within the coastal districts

Local Authority	Level 4	Level 3	Level 2	No Qualifications
Tendring	18.3	43.8	63.9	12.0
Maldon	18.1	45.1	69.2	4.4
Rochford	40.6	59.1	83.8	4.1
Southend	28.2	47.2	68.7	10.3
Colchester	37.9	59.3	77.7	6.9
Castle Point	17.5	50.4	73.7	7.4
Medway	30.3	50.8	73.2	7.5
Swale	33.5	54.2	74.8	8.9
Canterbury	45.9	58.3	74.1	10.9
Thanet	30.0	50.9	70.7	5.5
Dover	32.9	49.7	69.5	5.2
Folkestone & Hythe	32.2	57.0	67.1	7.3
Rother	34.7	55.6	76.8	5.1
Hastings	29.7	45.9	60.5	11.7
Eastbourne	34.7	54.5	74.5	6.0
Lewes	43.5	59.8	76.3	4.9
Wealden	30.0	50.4	75.5	5.3
SELEP	33.3	52.8	72.6	9.2
UK	38.9	60.2	80.1	10.3

Source: 2016 Sub National Population Projections, ONS

Figure 12 Working Age Residents Holding NVQ4+ Qualifications



Source: ONS (2019)

### Earnings and Wages

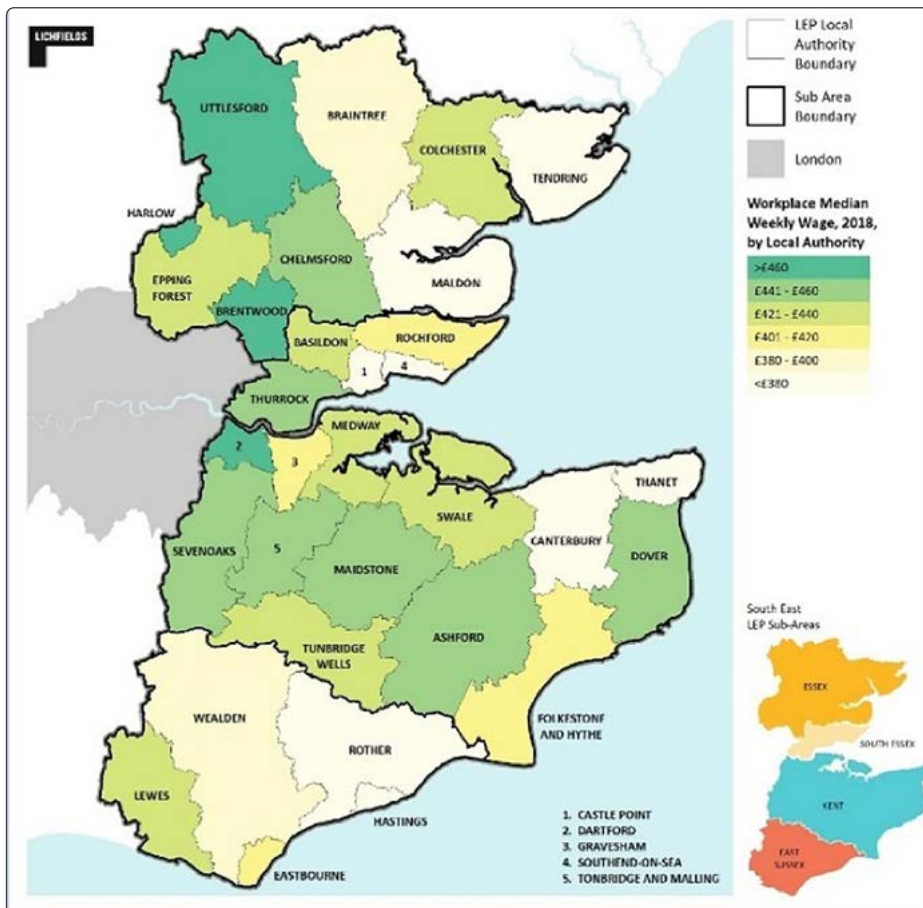
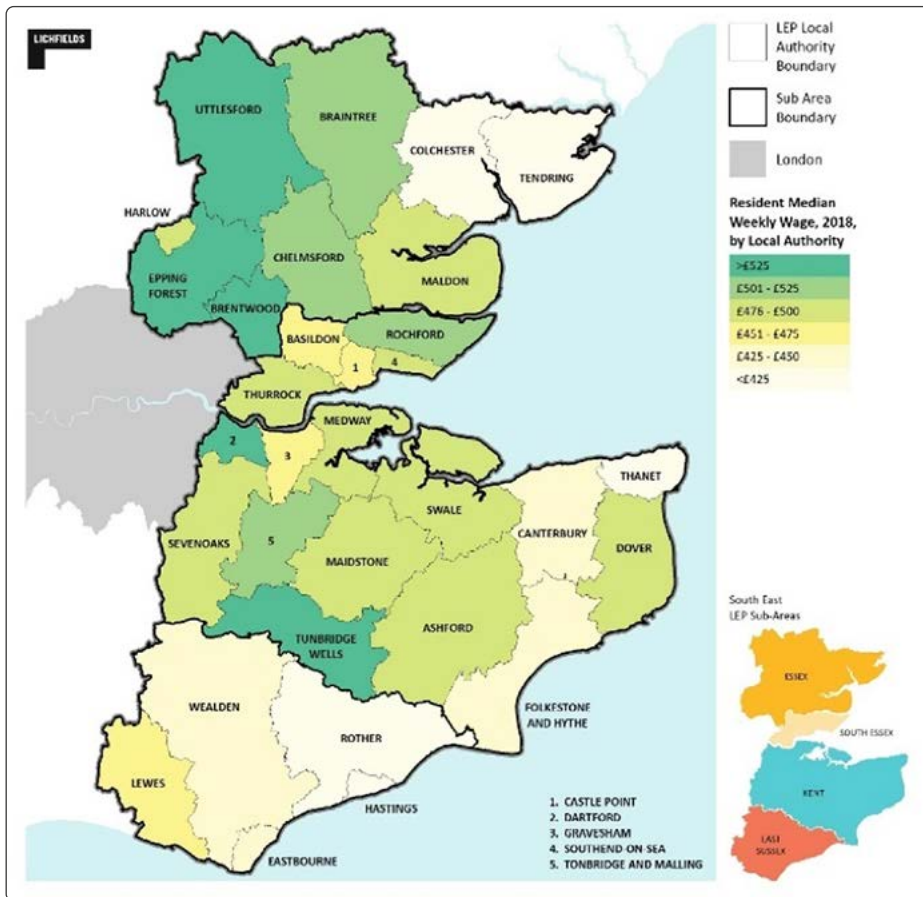
6.18 The data also shows that SELEP performs relatively poorly on average earnings compared with other LEP areas across the wider South East, South West and Midlands, with the coastal areas performing worse than the SELEP average. In fact, SELEP workplace wages are the lowest of all comparator LEP areas, revealing that the coast has a significant influence on the LEP-wide statistics, while resident earnings are also lower than most other LEPs. The Social Marker Foundation has also reported in August 2019 that the wage gap between the coast and inland areas has widened since 2017.

6.19 The “coastal community wage gap” widened substantially in 2018. Average employee annual pay in coastal communities was about £4,700 lower than in the rest of Great Britain in 2018. This compares with a wage gap of about £3,200 in 2017.

6.20 At a more local level, [Figures 13i and 13ii](#) overleaf shows highest resident earnings by resident and workspace. The map shows that the highest earning residents are typically found within western Essex authority areas, and western parts of Kent. Essex and Kent also tend to accommodate the highest paying workplace jobs, particularly compared with East Sussex and South Essex.

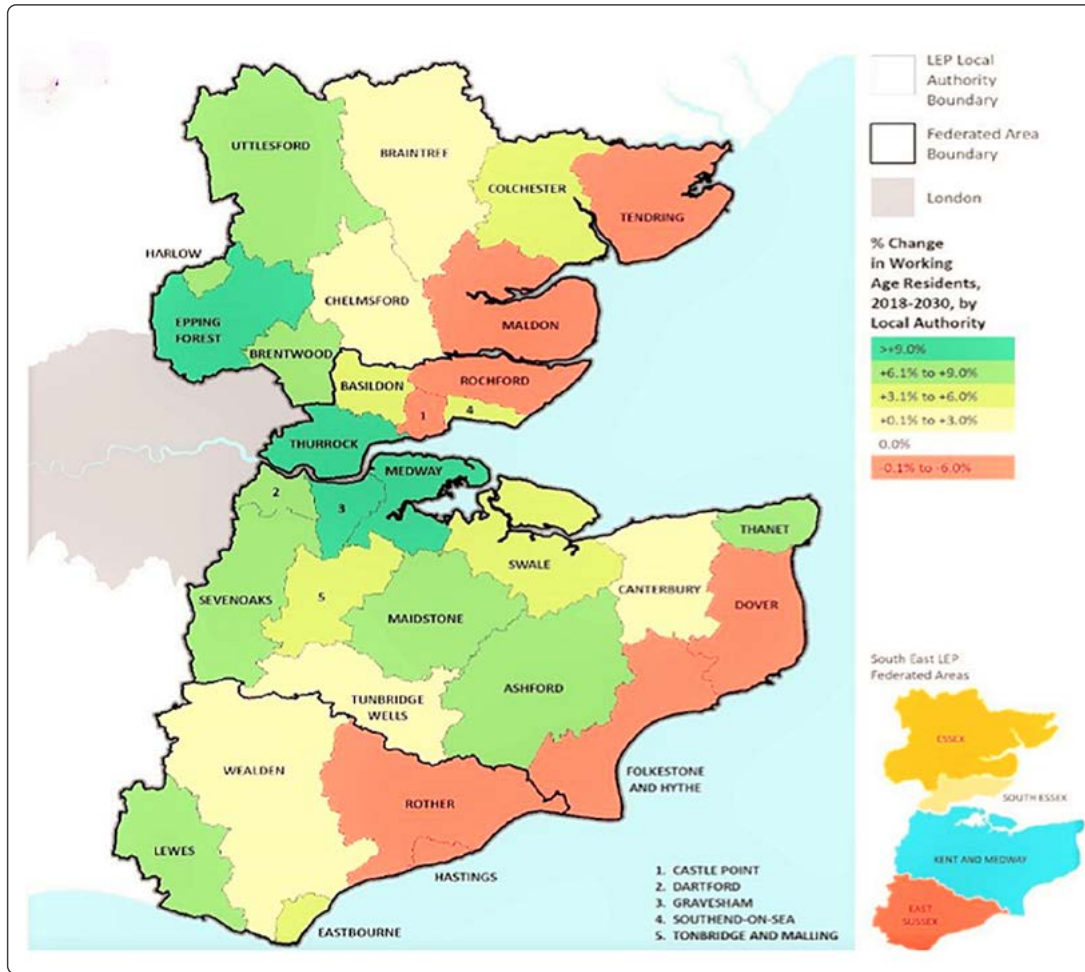


Figure 13i and 13ii Average Weekly Earnings (Resident and Workplace)



Source: ONS (2019)

Figure 14 Working Age Population Projection by Local Authority Area



Source: ONS 2019

6.21 At a more local level expected trends in working-age population change are even more varied, with a clear spatial contrast evident between coastal areas of SELEP (many of which are forecast to see a declining working-age population) and inland locations (Figure 14). This ageing of the population presents clear challenges to the coastal populations and in particular the economy. With the dominance of SME's in coastal economies, the ageing of the workforce presents succession challenges, which could potentially damage the performance of the local economy further.

6.22 The combined factors of skills, education and earnings are all interlinked and have impacted upon on the productivity performance of the coastal communities in the South East. The Social Marker Foundation has reported in August 2019 that the wage gap between the coast and inland areas has widened since 2017.



## Education

6.23 Education in coastal areas has been a focus for the Department of Education for many years. Recent evidence has demonstrated that coastal communities have been underperforming. A 2016 report by Century Forum suggested that, “at Key Stage 2, less disadvantaged, non-isolated schools that are outside coastal areas have 3 percentage points higher Level 5 attainment rates than those in coastal areas.” Research from SchoolDash, has also stated that “2015 GCSE results showed that pupils in coastal schools were on average achieving 3% lower results than inland schools, based on the benchmark five A\*-C GCSEs including English and maths”.

6.24 The challenges faced by coastal schools are related to geographical, economic and cultural factors: declining industry, limited transport infrastructure, low-paid work and few opportunities. Coastal populations simply have fewer choices than many others.

6.25 Most problematic is that these factors have an impact on how children see themselves. The Heads in this report talk about how they have worked to change young people’s mindsets, to show them that they can have more choices if they can learn to believe in themselves and work hard. In many cases this reflects family history where generations have not been exposed to opportunity and therefore do not pass on encouragement and inspire their younger generation.

6.26 The findings of Drs Ovenden-Hope and Passy in Coastal Academies: Changing school cultures in disadvantaged coastal regions in England (Ovenden-Hope and Passy 2015) demonstrates the scale of challenge facing coastal locations. The schools in Dr Ovenden-Hope’s study all became academies as a result of poor student outcomes and the report begins by arguing that many coastal areas are characterised by high

levels of deprivation, limited skilled employment prospects for school leavers, multi-generational unemployment and communities that do not see the value of education.

6.27 The Coastal Academies study found issues facing the education sector include a combination of factors, which included:

- **Difficulty engaging students and families**  
Schools report problems engaging with students and families, citing child protection issues and a lack of motivation due to family members’ poor experiences at school. In areas with high levels of unemployment that sometimes spanned generations, many families fail to understand the role, and need for education.
- **Educational isolation**  
The study concluded that large areas of the coast have no local university to act as a natural destination after school. Equally the study argued that the coast had not benefitted from targeted investment and improvement programmes that inner-city schools have benefitted from over the past ten years, for example the London Challenge and engagement from large corporations with nearby headquarters.
- **Difficulties with staff recruitment**  
All head teachers reported difficulties recruiting staff. They attributed this to their coastal location, characterised by geographical isolation, poor transport links and limited employment prospects for partners and long commutes from affluent areas. It was not uncommon to only have one or two applicants for roles – or sometimes none at all.
- **Poor quality of teaching and learning**  
The study reported that 80% of Head teachers surveyed reported poor quality teaching arising from a lack of accessible continual professional development, high rates of staff sickness, poor student assessment structures, poor

data management, poorly trained staff in key positions and low staff morale.

- **Failing local primaries**

The study reported low or variable standards in local primary schools. The smaller number of primaries in coastal areas means Year 7 intakes are significantly affected by low-performing feeder schools, leading to teachers having lower expectations of the entire cohort that negatively define students' time in secondary school.

- **Change in politics and educational policy**

The study reported that changes to performance measures, academy organisation, the curriculum, assessment and exams has led to significant challenges for teachers trying to improve grades. These issues were evidenced to have a bigger impact when coupled with the issues described above.

6.28 In addition, schools report that when children do succeed in school and leave for university, they do not return to their home community. The coastal communities are therefore caught between losing their brightest talent, reflecting the lack of economic opportunity and not providing a strong enough education environment for the vast majority of their local communities.

6.29 The Guardian in their report 'Out in the cold: the coastal schools neglected by national initiatives in October 2016 stated that;

'the challenges facing children here are great, and the barriers to educational achievement are many. More than half of the pupils attract the pupil premium, which provides additional funding to raise the attainment of disadvantaged pupils.

Children are trying to learn amid poverty, deprivation, high unemployment and poor housing, amid a fluid and unstable population. The level of special educational needs and disability are well above the national average; and, geographically it feels isolated.....fading seaside resorts that have lost much of their tourism – and

therefore wealth – to foreign travel. But while schools in London and other deprived urban areas have been successfully turned around thanks to big investment, schools on the coast have been overlooked by national initiatives that have raised standards elsewhere'.

6.30 A further report entitled 'Rural and coastal schools - the challenge of location' – Ovenden-Hope February 2019 states that;

*'The challenges of schools' geographical location, socioeconomic conditions and/or cultural opportunities and diversity in the community were identified by rural and coastal schools to a much greater extent than by urban, or coastal-urban schools. There were signs that in 2012 the Coalition government had begun to recognise the poverty in coastal regions:*

The main challenges of location for educationally isolated schools were:

- **Geographic remoteness** - Rural and coastal school leaders indicated the highest levels of geographical isolation from another school. They reported limited access to public transport, and the high cost of travel and long journeys were seen to have a negative effect on teacher recruitment and retention, and on parental/ community engagement with the school.
- **Socio-economic disadvantage** - Rural and coastal school leaders indicated the highest levels of perceived isolation in relation to economic and social indicators.
- **Few large-scale, innovative employers** resulted in an impoverished type of careers advice that was without reference to new or potential forms of employment in a fast-changing world.
- **High levels of seasonal and poorly-paid employment** were reported by school leaders in rural and coastal areas. These employment conditions were seen to limit young people's

expectations from employment and reduce their motivation to work hard at school.

- The absence of sound employment prospects, particularly when combined with austerity measures, was seen to have a devastating effect on socioeconomically deprived and isolated communities. Students were reported as 'experiencing a lot of trauma'.
- Cultural isolation - Rural and coastal school leaders indicated the highest levels of perceived isolation in relation to cultural opportunities, such as museums and theatres, and cultural diversity'.

6.31 Further analysis has identified that government investment in London has led to its rise as an 'education superpower', succeeding despite high levels of deprivation. Whereas coastal schools, however (here defined within 5.5km of the coast of England) appear to face continuing challenges that impact on performance (changing student behaviour in schools located in areas of socioeconomic deprivation: findings from the 'coastal academies' project. R Passy, T Ovenden-Hope; 2015).

6.32 The coastal communities also report that the academisation of schools has had a profound impact on education in their area. There is evidence that academy schools create a two-tier system; they have the best facilities and attract the best teaching staff, leaving other schools in the area as 'sink' schools. There is evidence that academies 'cherry pick' their pupils, and even expel less able pupils, in order to achieve better exam results.

6.33 The research available demonstrates that coastal schools face more challenges, to a much greater extent than by those in urban schools. The issues facing schools in coastal areas are multi-faceted and ingrained within the community. Many are not within the schools control, and require a

broad multi-agency approach to tackling the root of the issues. Without tackling issues within the education system, the coastal communities are simply storing up issues that present in later life, such as health, housing and crime. It will be important for each community to focus on education to ensure it does not further exacerbate issues being felt in coastal communities and long term solutions are implemented which tackle the issues that have been identified.

# 7. PLACE



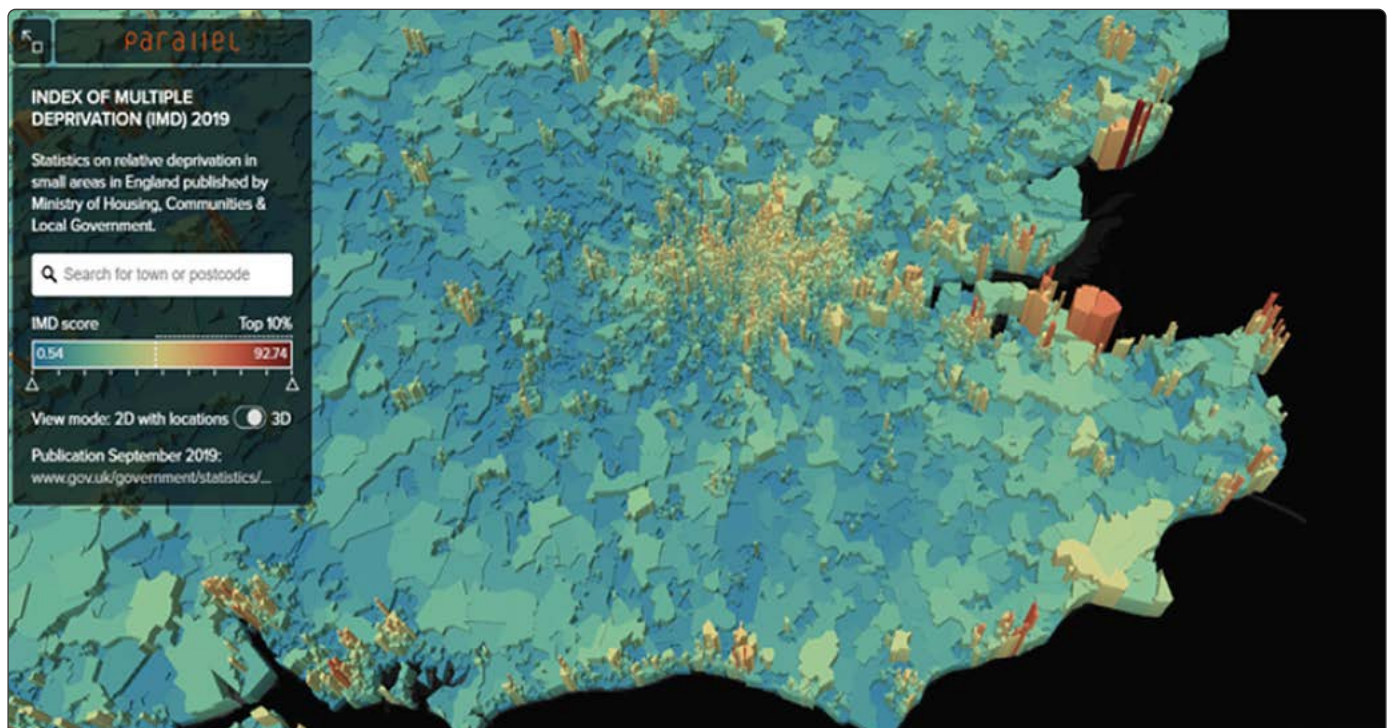
## 7. PLACE

### Deprivation

- 7.1 At the local authority level, deprivation within SELEP is highest in Hastings, which is ranked as one of the 10% most deprived areas in England.
- 7.2 At a more granular level, significant variations can be observed across each of the LEP sub-areas. As shown in [Figure 15](#), the most acute concentrations of deprivation can be seen in and around Hastings, the Isle of Sheppey (in Swale District), Clacton-on-Sea (in Tendring District) and Margate (in Thanet). These areas all fall within the 10% most deprived Lower Super Output Areas nationally.

- 7.3 The Indices of Multiple Deprivation (IMD) are produced by Ministry of Housing Communities & Local Government (MHCLG). The IMD (2019) covers seven measures: Income, Employment, Education, Health, Crime, Housing Barriers and Living Environment. A stark headline within the data (IMD; ONS 2019), reveals that the extent of deprivation within the coastal communities is similar to that experienced in major cities. A review of the top 10% of the most deprived communities reveal that deprivation is not simply in 'pockets' but rooted within entire coastal communities. MHCLG present data based on Special Output Areas (SOAs), these are aggregated to form ward level data. This leads to a clear picture of deprivation across coastal towns. [Figure 16](#) overleaf demonstrates the extent of deprivation within coastal communities which have SOAs in the top 10% of the IMD.

Figure 15: Indices of Multiple Deprivation





**Figure 16: Indices of Multiple Deprivation**

Local Authority	Number of SOAs in Top 10% of IMD	Number of SOAs impacted by deprivation in each district	% of SOAs in each authority with deprived communities
Hastings	16	16/53	30%
Thanet	17	18/83	21%
Swale	16	14/67	20%
Tendring	16	10/72	14%

Source: ONS – Index of Multiple Deprivation 2019

7.4 A number of local authority areas have SOAs in the top 10% nationally impacting a significant number of wards within the local area. However Hastings Borough Council has 30% of its SOAs in its borough in the top 10% most deprived in the country. Similarly Thanet and Swale both have over 20% of their communities living in the top 10% most deprived in the country. Tendring has 14% of its district located in the top 10%, however, the most deprived community in the UK is Jaywick Sands, located in Tendring. [Figure 17](#) overleaf highlights the number of SOAs across the South East in the top 10 most deprived in 2019, this shows a 10% increase from 2004. The increase in number of SOAs demonstrates that deprivation is impacting more communities and reflects the economic performance across the South East coast.

### Fuel Poverty

7.5 One measure that reflects poverty in communities is the level of fuel poverty. Fuel poverty in England is measured by the government, with households considered to be 'fuel poor' if:

- they have required fuel costs that are above average; and
- were they to spend that amount, they would be left with a residual income below the official poverty line.

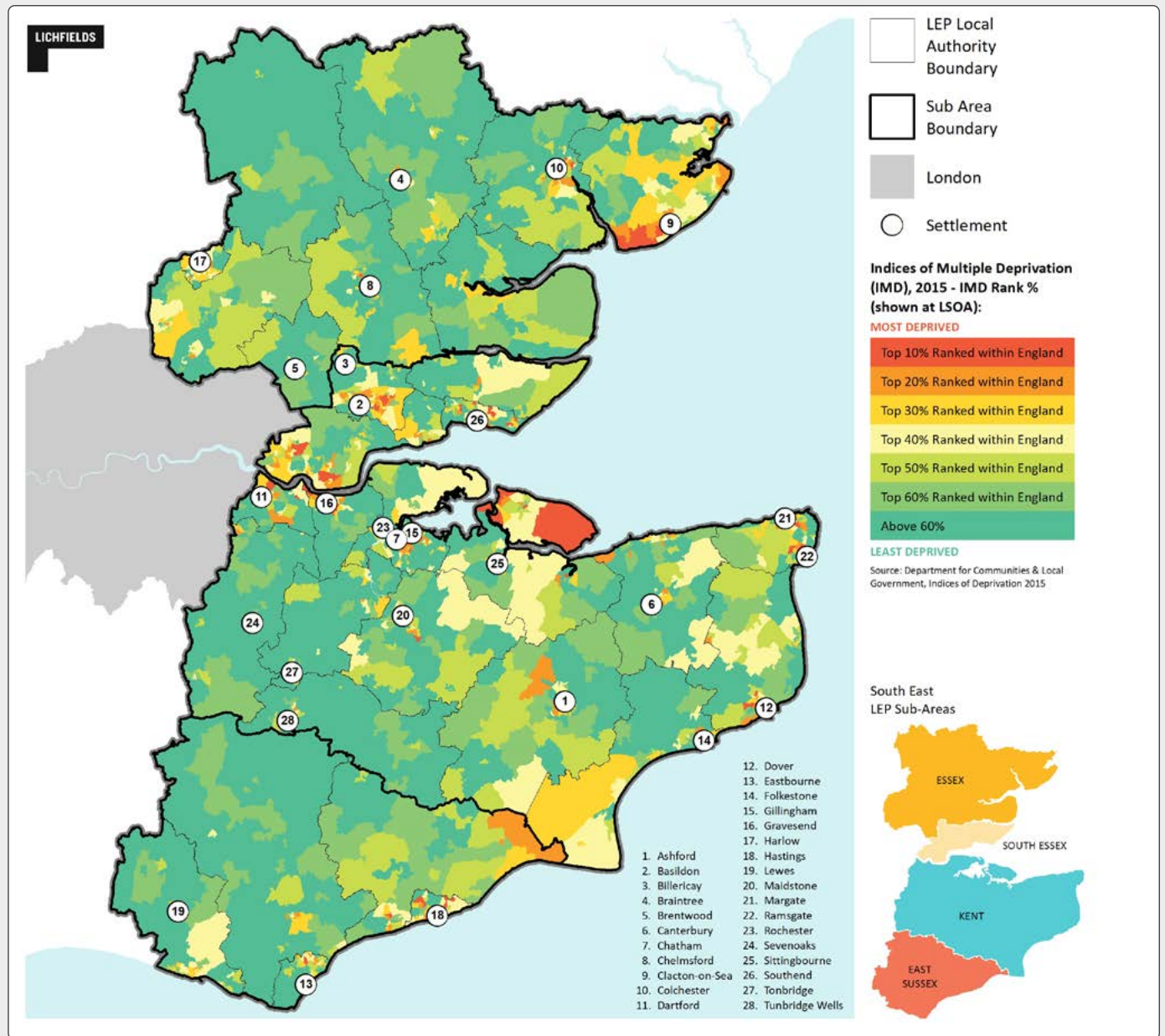
7.6 It provides an alternative indicator of household deprivation and the scale of socioeconomic challenge that exists across parts of the country towards boosting prosperity and earning power.

7.7 Data from the Department for Business, Energy & Industrial Strategy (BEIS) indicates that approximately 1 in 10 households in England are fuel poor (10.9%), and that the South East region (i.e. Government Office Region) has the lowest proportion of fuel poor households in the country. [Figure 18](#) shows that within the SELEP area, these regional-wide trends vary quite considerably, with many of the coastal authorities recording over 10% of households in fuel poverty.

7.8 Fuel poverty and private rented housing have a strong correlation. The annual fuel poverty statistics report: 2017 demonstrates that recent statistics for England show that the levels of fuel poverty are highest in the private rented sector (PRS) and this sector also has the highest fuel poverty gap.

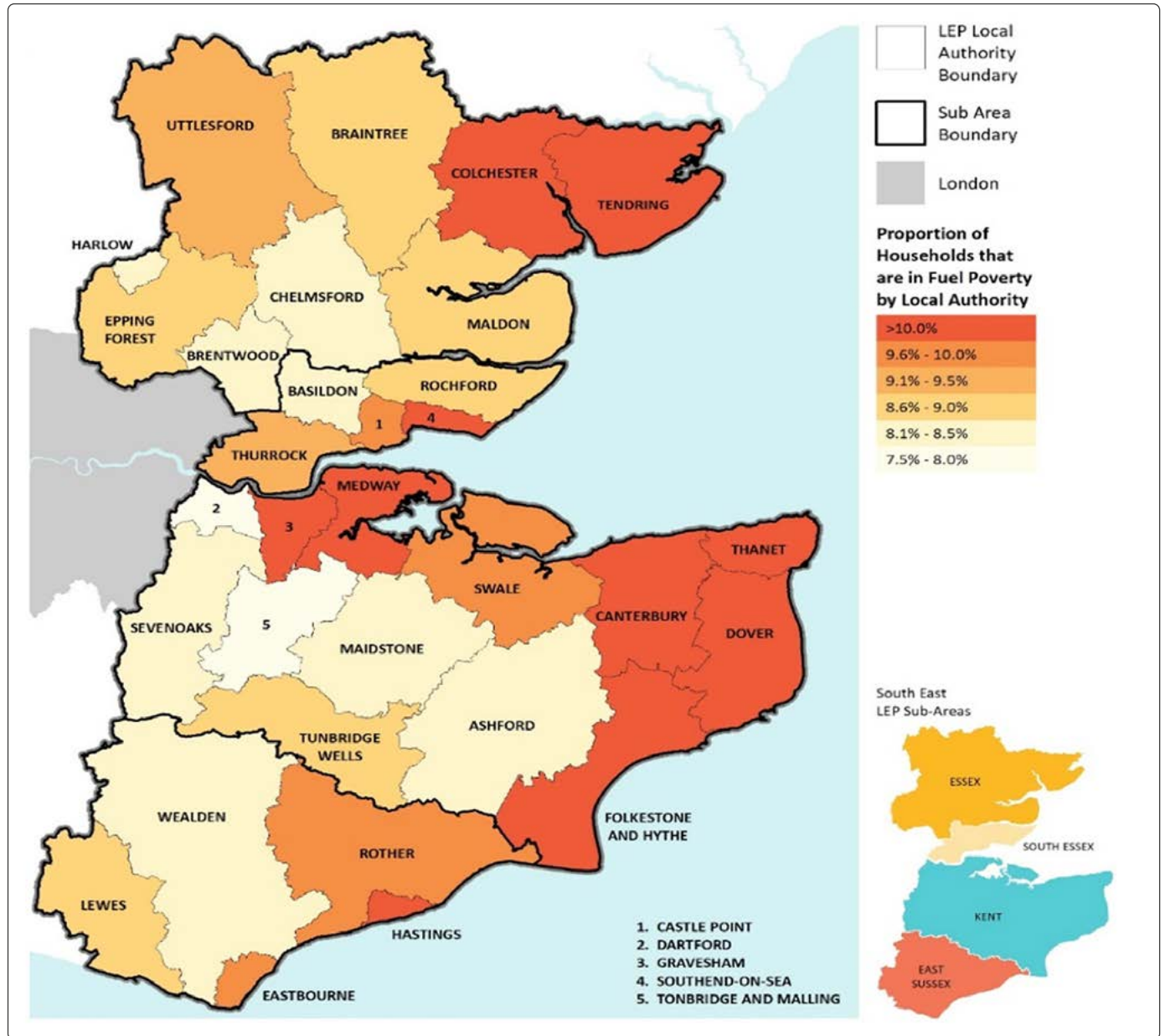
Compared with other housing tenures, [Figure 19](#) on page 36 shows that the PRS has the largest proportion of the most energy inefficient F- and G-rated properties (as recorded on their Energy Performance Certificates), at 6.3%. This compares to around 0.7% of social housing. 45.7% of households living in such properties are in fuel poverty.

Figure 17: Top 10% ranked most deprived LSOAs (IMD,2004 and 2019)



Source: IMD Data ONS 2019

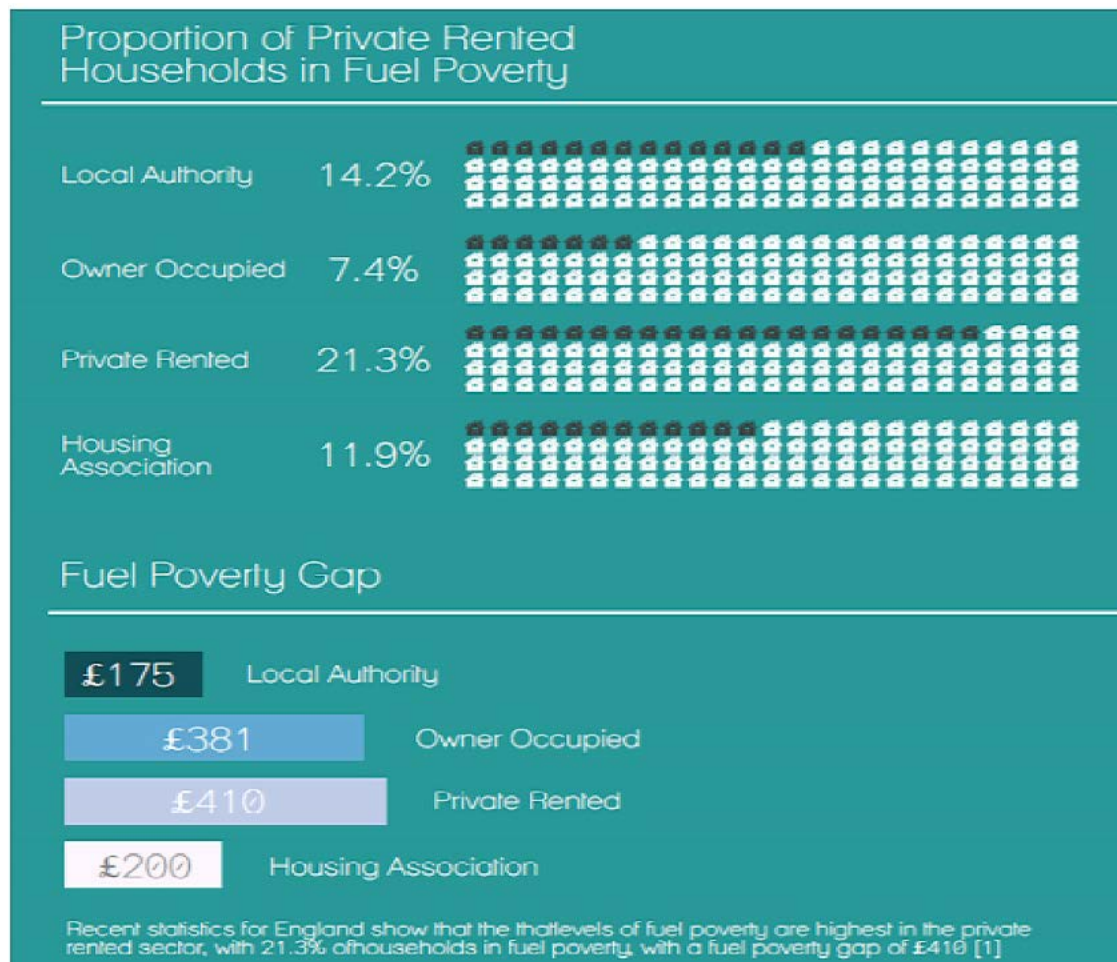
Figure 18: Fuel Poverty by Local Authority



Source: BEIS (2018)



Figure 19: Proportion of Households in Fuel Poverty



**Health factors in the coastal communities**

7.9 The Future of the Sea: Health and Wellbeing of Coastal Communities (August 2017) report states that ‘Coastal populations are more likely to report poorer general health than those further inland’;

*Health and wellbeing are closely tied to economic activity and to the levels and quality of employment. The primary industries and commercial activities in many coastal areas – such as tourism, shipping, energy (including renewables), defence, and fishing – are highly dependent on the state of the local environment, further exacerbating vulnerability to change. The ability to address economic*

*underperformance is allied to the availability of skilled labour and a large pool of people. Health indicators reveal that coastal communities have higher incidents of health issues’.*

7.10 Levels of economic inactivity around the south coast reflects the link with health issues faced within local communities. A number of locations display significantly higher than the regional average levels of economic inactivity. This is a major economic issue within the coastal towns. These are set out in [Figure 20](#) overleaf.

Figure 20: Levels of Economic Inactivity

District	Level of Economic Inactivity
Eastbourne	26.9%
Hastings	24.5%
Swale	23.7%
Rother	22.6%
Thanet	21.7%
Tendring	20.7%
<b>South East</b>	<b>18.4%</b>

Source: ONS: Local Authority Profiles

7.11 Figure 21 indicates that the unadjusted percentage of the population reporting bad or very bad health is greater within coastal communities than inland areas. The specific health issues of coastal residents are typically those faced by older populations (e.g. increased rates of morbidity and multi-morbidity, high demands on health services), or relate to lifestyle factors such as high levels of alcohol use. Characteristics of coastal communities (potentially including physical isolation, low levels of employment, and constrained sociocultural opportunities), have also been associated with high rates of poor self-esteem, poor mental health and harmful behaviours among young people (Cave 2010; Health, Wellbeing and Regeneration in Coastal Resorts).

7.12 The range of health indicators reveals that coastal areas have more pronounced issues than inland areas. NHS Digital reports on a range of indicators. Of particular note are the indicators concerning the number of people in contact with mental health services (Figure 22 overleaf) which reveals a high incidence in coastal areas in the South East, with Thanet identified as one of the areas with the highest incident of mental health service use by young people in the country.



Figure 21: Incidence of local population reporting poor health

Source: NHS Monitor 2017

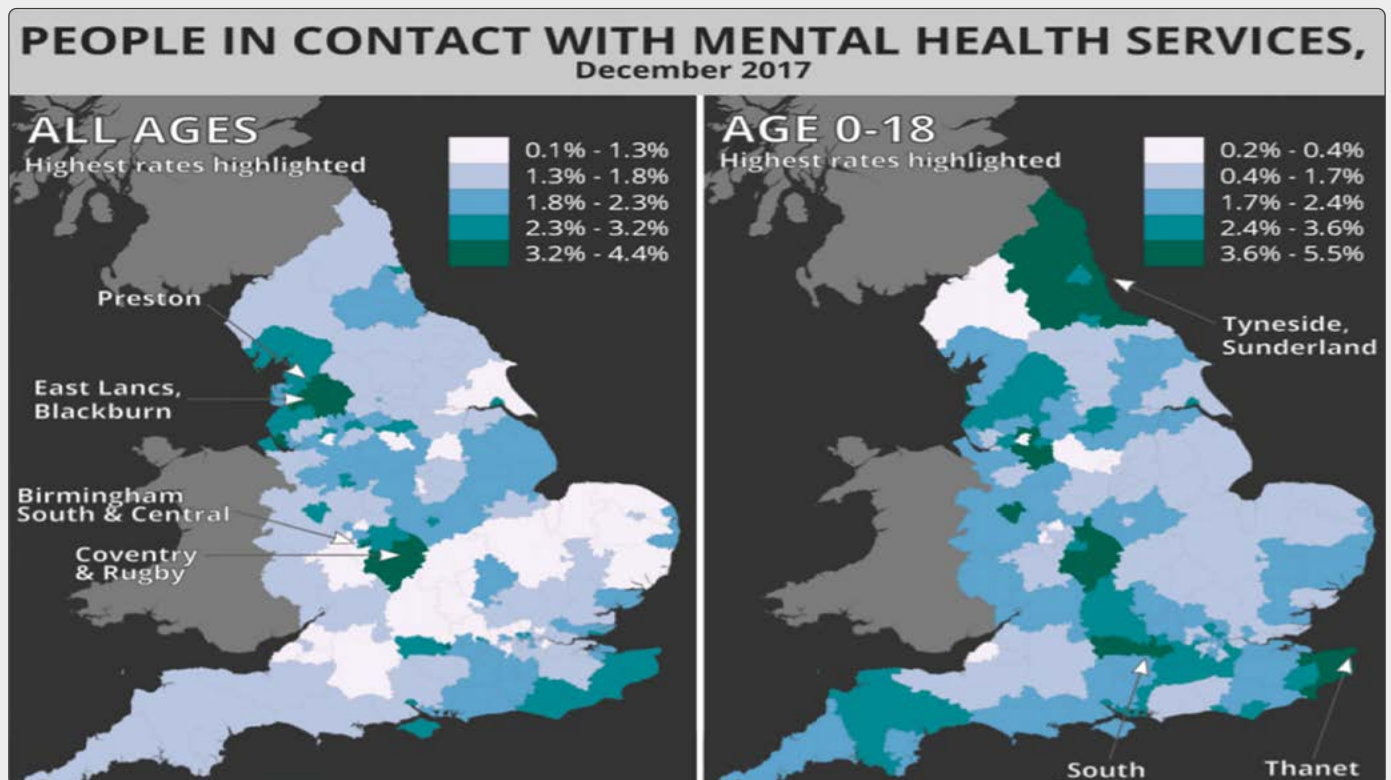
7.13 Equally the majority of the coastal communities in the South East display similar levels of service use, which is significantly higher than inland neighbours and within the top quartile nationally.

7.14 The analysis is further added to when investigating the prevalence of depression and anxiety (Figure 23). The NHS atlas also shows a higher incidence around the South East coast, particularly in East Sussex, Kent and North Essex. This places these areas amongst the highest in the country and aligned to inner city areas.

7.15 The importance of alcohol misuse as a public health issue has been highlighted in a number of key policy and strategy papers both locally and nationally. Alcohol indicators also demonstrate a major problem for the coastal communities across all sections of the community. Young people (15 year olds) in East Sussex have significantly higher alcohol consumption of 8%, compared to the England average of 6%. Year 10 pupils reporting that they had had a drink in the last seven days was highest in Wealden and Hastings. With 20% of 15 year olds confirming that they had been drunk within the past four weeks (national average 14%).

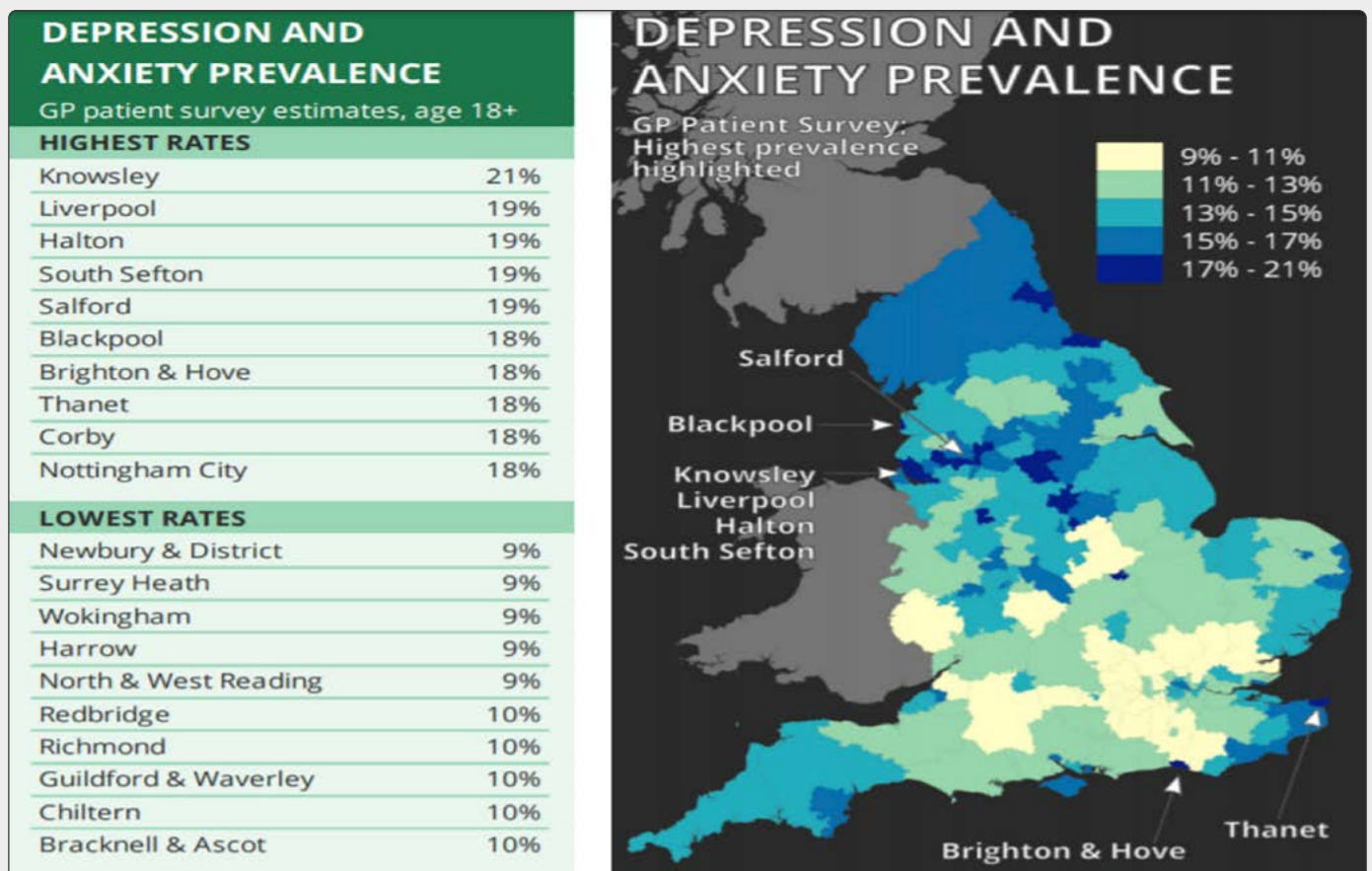


Figure 22: People in contact with mental health services



Source: Number of People in contact with Mental Health Services; NHS Atlas of Variation 2016

Figure 23: Prevalence of anxiety across the UK



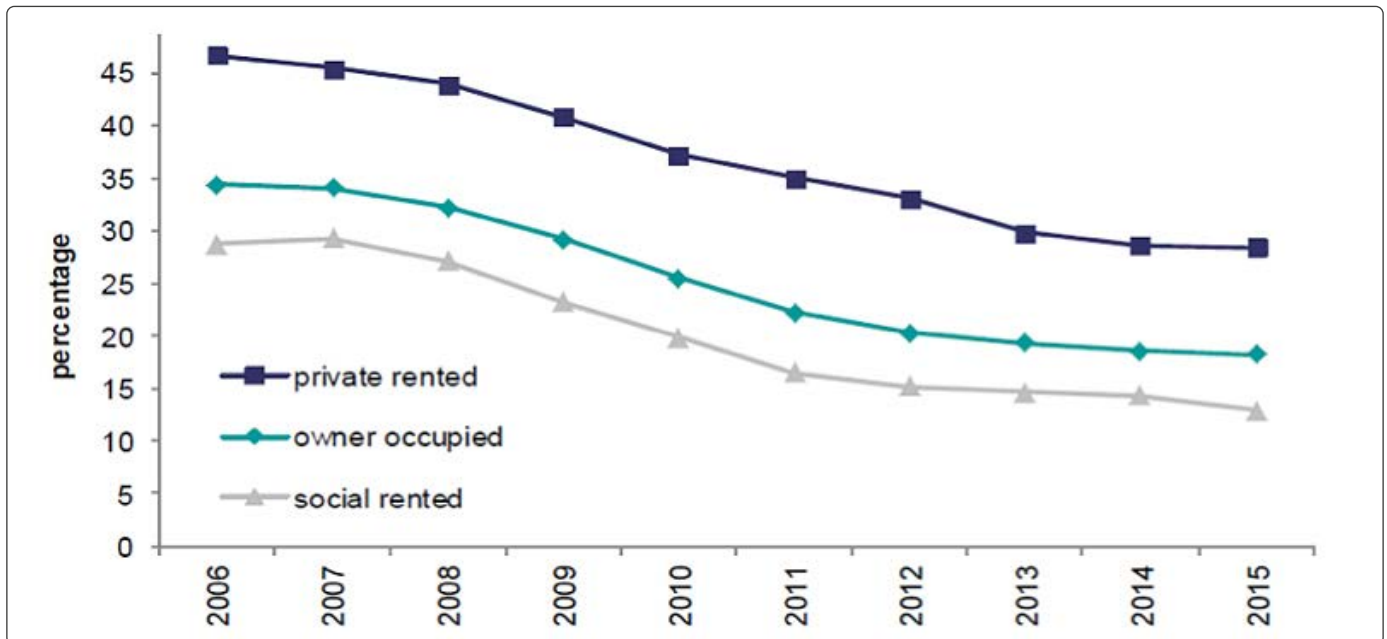
Source: NHS Atlas of Variation 2016

- 7.16 In Kent, there were 39% of children in years 7 to 11 who reported drinking alcohol at least once. This pattern of reported drinking alcohol is the lowest rate since records began in 1988. This trend is also reflected in the reduction of alcohol-related hospital admissions in those aged below 18 years nationally and in Kent. One-in-four deaths amongst 16-24 year olds are related to alcohol.
- 7.17 Alcohol-related health harms (admissions and deaths) are significantly worse in Hastings than in England, with 32% drinking to levels of excess. Eastbourne generally has similar levels of alcohol related health harm to England, with Lewes, Rother and Wealden either 'similar to' or 'significantly better', compared to the national average. Alcohol health harm is higher for males.
- 7.18 A&E attendances during the night-time economy due to assaults are higher for males and for 15-24 year olds. Attendance rates are significantly higher than the county average in Eastbourne and Hastings. There are higher rates for persons from more deprived areas. Alcohol-related ambulance call-outs have seen a 17% increase in 2015/16 compared to 2014/15. Half are between 8pm and 4am with a further 1 in 5 between 4pm and 8pm.
- 7.19 There is a strong relationship between deprivation and alcohol misuse. Although Kent is one of the least deprived counties in England, it has areas of significant deprivation. Generally, those living in deprived conditions are among the least likely to seek help for health-related issues although it should be remembered that fearing stigmatisation, those living in more affluent communities will also require help.
- 7.20 Similarly drug abuse is having a major impact on the coast. ONS reports that deaths in coastal communities where a drug controlled under the Misuse of Drugs Act 1971 was mentioned on the death record stands at 428 people between 2016-18. Both Thanet and Tendring display a level of drug related deaths at twice the Essex county average and both Hastings and Eastbourne average at similar levels. ONS reports that Hasting experiences the 3rd highest number of drug related deaths per 100,000 population, while Thanet is 8th highest.
- 7.21 Drug dependence has severe implications for all areas of society, from increased crime rates to a rise in child neglect. Aside from the evident costs of treatment for those dependent on drugs, which is estimated at over £44,000 per problematic drug user each year, there are several other costs associated with drug abuse; these include for example, extra policing, money needed to repair or rebuild community structures damaged by vandalism or drug-related crime, legal proceedings and hospital treatment for those affected by drug-related crime or poor decision making on the part of an individual under the influence of drugs or alcohol.
- 7.22 The Drugs Forum (2015) reported that there is a strong correlation between drug abuse and poverty. In many case drug abuse often causes poverty. Someone addicted to drugs can quickly lose their job or have a hard time holding down a job.
- 7.23 The Social Market Foundation 'Living on the Edge'; August 2019 has reported that the impact of poverty, drug abuse, alcohol abuse leads to a stark impact on life expectancy. Life expectancy data is now revealing a growing gap between the coast and the rest of the country. The report states that;
- 'There is now a widening life expectancy gap between coastal communities and the rest of Britain.** While in the early 2000s there was no life expectancy gap for men born in coastal communities, those born today can now expect to live half a year less than those in other parts of the country. Life expectancy at birth among women born in coastal towns has fallen recently'.

## Housing

- 7.24 The House of Lords report 'The Future of Seaside Towns'; April 2019 investigated issues relating to coastal housing. The report concluded that housing was a prominent issue for coastal communities.
- 7.25 A number of key themes have emerged that impact upon housing in coastal communities. The coastal communities report that the role of private sector housing has a significant impact on local housing. The ONS confirms that in the past 10 years, the number of people living in poverty in the private rental sector has almost doubled to 4.3 million, more than half of whom are in working families. This is a big shift in the profile of people in poverty and has consequences for the affordability, stability and quality of homes.
- 7.26 Shelter state in *Happier and healthier: improving conditions in the private rented sector*; September 2017 that 'property conditions in the private rented sector are worse than any in any other tenure. More than a quarter (28%) of privately rented homes did not meet the government's Decent Homes Standard in 2015. This compares to 13% in the social rented sector and 18% of owner-occupied homes'. Private rented homes, which most commonly comprised of two bedrooms, were more likely to be older with 35% built before 1919. The private rented sector had a higher proportion of terraced houses (36%) and converted flats (11%) than all other tenures but it did have a higher proportion of detached homes (6%) than the social rented stock (less than 1%).
- 7.27 The coastal communities report that the supply of social housing is not sufficient to meet housing demand locally. There is therefore a reliance on the private rented sector which in many communities is over 30% of all the housing stock; this is over twice the national average. However, a higher than average proportion of this privately rented accommodation, often in multiple occupation, is below minimum acceptable standards. Evidence shows that over 50% of all Houses of Multiple Occupations (HMOs) fail to meet the government's Decent Homes Standard ([Figure 24](#) overleaf demonstrates the variance in decent homes by housing tenure). Many suffer from low standards of fire safety, management and maintenance, and in some cases, tenants are treated very poorly and the buildings are a focus for crime and anti-social behaviour.
- 7.28 The *Future of Seaside Towns* report by the House of Lords, noted that the growth of HMOs underpinned and exacerbated a number of the social and economic challenges that coastal communities face. The report identified that 'HMOs are associated with poor quality housing and poor tenant management. High concentrations of HMOs have also been related to increased anti-social behaviour, poor social cohesion and increased pressure on local services.' Moreover, 'the abundance of low-quality housing stock in many coastal towns was linked to two key problems for seaside towns. First, that there is a link between HMOs and a transient and vulnerable population, which can place additional pressure on local services, and can impact negatively on community stability and cohesion. Second, that concentrations of sub-standard housing stock, that is often dilapidated, unsafe or even abandoned, acts as a blight on the locality, making these areas unattractive for redevelopment and frustrates efforts to complete wholesale regeneration in coastal towns'. This can be further evidenced in terms of house ownership for each coastal district set out in [Figure 25](#) on page 42.
- 7.29 The report also stated that population transience in the coastal areas was "largely the result of London boroughs relocating applicants for social housing away from support networks". Within the coastal communities, we have calculated that over £4.2m is spent per annum on emergency accommodation for arrivals seeking housing.

Figure 24 Non Decent Homes by tenure 2006-15



Source: MHCLG English Housing Headline report 2017

In addition, councils are spending over £7m per annum on purchasing housing for use as emergency accommodation. These are abnormal costs that typically fall upon metropolitan and coastal areas, which are not covered by the current funding formula for local authorities. With the continued reduction in central government grant funding to councils and the move towards local retention of business rate receipts, the coastal communities are increasingly likely to be caught by the abnormal housing costs experienced through emergency provision, and the limited business rate uplift coastal areas experience due to the performance of their economies.

7.30 The Coastal Communities Alliance outlined the impact that this practice has and suggested that local authorities lacked the resources to manage the pressures that population transience may cause: "Compounding the effects of coastal deprivation is the local authority funding formula that does not cover the costs generated by transient populations, looked-after

children, mental health issues, homelessness, housing benefit dependence and worklessness. Overstretched service budgets can undermine efforts and the resources available for community engagement, developing attractions, stimulating business growth and engaging in the costly uncertainty of inward investment promotion."

7.31 The National Housing Federation has further suggested that poor quality housing in the private rented sector could also, in some areas, provide a barrier to regeneration, particularly where there is a desire to take a place-based approach: "In communities where the private rented sector is large and low quality it is extremely difficult for the local authority, or anyone else, to undertake place-based regeneration."

7.32 The report made two very clear recommendations to government which are pertinent to the coastal communities in the South East;

*'A sustained, long-term effort is required to address the impact of transience on coastal areas. We recommend that the Department for Work and*



Figure 25: Home ownership in coastal districts

Local Authority	Local Authority owned	Private register	Other	Private ownership	Total
Tendring	3130	2860	0	63350	69340
Maldon	0	3020	0	25220	28240
Rochford	0	2880	0	32840	35720
Southend	5980	3580	0	71140	80710
Colchester	5950	5150	20	69450	80570
Castle Point	1520	600	0	36510	38630
Medway	3030	5180	300	106000	114500
Swale	10	8370	0	52930	61310
Canterbury	5120	2520	30	60070	67730
Thanet	3050	4780	240	59120	67190
Dover	4310	2660	0	47090	54070
Folkestone & Hythe	3380	1990	300	46160	51820
Rother	0	4300	0	41050	45350
Hastings	0	6100	10	38120	44230
Eastbourne	3450	2640	0	42700	48800
Lewes	3210	1480	0	40810	45500
Wealden	2930	2490	10	63740	69190

Source: ONS

*Pensions works with MHCLG to assess the scale and impact of population transience in and out of coastal areas, and examine the extent to which this is a result of non-coastal local authorities placing vulnerable adults and children into these areas. Such an assessment should be cross-referenced with the Government's updated research into the challenges facing coastal communities, including the disproportionately high levels of people claiming sickness and disability benefits in coastal towns.*

*We recommend that funding for the receiving coastal local authorities should reflect the financial impact of providing adequate services to support the needs of vulnerable people.'*

7.33 Fuel poverty continues to be an issue for the coast. The number of households in fuel poverty in coastal districts are amongst the highest in the South East. This is mainly due to the nature of the housing stock but also as a result of poor housing management in some areas and many households being on low incomes. The coastal communities are committed to reducing fuel poverty and are working with partners to introduce a range of measures that will improve housing standards through enforcement, practical improvements to homes, promoting awareness of how to reduce fuel costs and continued applications for external funding for new initiatives to tackle fuel poverty. Strategic initiatives that combine licensing, enforcement and acquisition will be important in the council's aims of driving up housing standards and in turn improving the health and wellbeing of residents and neighbourhoods.



- 7.34 The Joseph Rowntree Trust reports that the high cost of housing and childcare is an insurmountable obstacle for many people wishing to escape poverty. The organisation goes on to suggest a number of ways in which poverty rates could be lowered through housing policy. These include;
- Boosting the supply of genuinely affordable housing
  - Enabling young people leaving care to maximise their potential with proper support on housing, employment and training
  - Unfreezing working-age benefit levels and increasing them in line with rises in the cost of essentials such as food, clothing and housing
  - Benefits should also account for the extra costs faced by those with a disability, longstanding illness or a mental health condition, including those associated with housing.
- 7.35 While it is clear that improvements to the labour and housing markets alone will not guarantee shared prosperity for all, the report also warns the rise in evictions is increasing poverty: “High rents and evictions from private tenancies are a major driver of homelessness in some areas. Increasing the supply of genuinely affordable housing to bring down costs across tenures has become central to solving poverty in much of the UK.”
- 7.36 In addition to the current issues facing coastal communities, the government is expecting that housing growth will be delivered within all communities. Figure 26 on page 44 highlights the housing growth that has been delivered within each coastal community across the past decade.
- 7.37 [Figure 26](#) overleaf highlights that housing growth has been consistent across the coastal communities. As a collective group the coastal authorities have made a significant contribution to housing growth across the SELEP area, with the coast delivering more new housing units than inland areas. Only in 2017/18 did the inland areas deliver more new units than the coast.
- 7.38 Looking ahead, based on Local Plans in place for the coastal local authorities, collectively over 7,000 housing units will need to be delivered to meet plan targets until 2038.
- 7.39 In addition Tendring District Council and Colchester Borough Council are working on the Tendring Colchester Borders Garden Community. The Garden Community is proposed to develop 7,500 new homes within 198 hectares.
- 7.40 Coastal communities are able to cite a range of issues in delivering housebuilding. Many can evidence that viability precludes developers from considering sites within coastal areas. There are examples where sites have stalled due to the utility companies not engaging in projects, or simply refusing to provide services, examples here include North Bexhill, Rother.
- 7.41 SELEP has previously identified high levels of private renting in some of its coastal communities, often to those with complex social needs, with rents providing significant returns to landlords. The LEP plans to ensure that landlords are unable to let property that does not meet health and safety regulations, and cannot receive benefit payments directly when letting such properties. Further incentives are planned with the help of the government’s Behavioural Insights Team.
- 7.42 Resolving housing issues in coastal communities will require a coordinated effort involving policy change at government level, new sources of funding and close stakeholder working at local level across both statutory agencies and communities. Addressing the imbalance in the housing stock in these areas will provide a mix of housing to improve housing choice and help to deliver long-term policy objectives relating to economic regeneration is a key priority for the coastal communities. However many of

Figure 26: Housing Growth 2010-18

Local Authority	2010/11	2015/16	2017/18
Tendring	36	232	565
Maldon	102	91	175
Rochford	52	93	299
Southend	226	328	521
Colchester	636	1072	1048
Castle Point	451	56	163
Medway	740	809	685
Swale	485	397	585
Canterbury	384	625	1139
Thanet	1007	320	238
Dover	418	242	446
Folkestone & Hythe	157	207	445
Rother	270	177	186
Hastings	178	360	204
Eastbourne	198	217	127
Lewes	228	247	311
Wealden	864	617	462
Total	6432	6090	7599
SELEP	12158	10600	15540
Coastal v SELEP	52% v 48%	57% v 43%	49% v 51%

Source: Housing growth by district, ONS

the coastal authorities do not have the funding available to make large scale intervention in order to deliver major regeneration within their deprived communities. Equally there is evidence across the coastal area that there is limited appetite from national housebuilders to operate on the coast. This is partly down to the limited returns that are available on coastal schemes, linked to the low values that our locations offer compared to other areas within the South East. The coastal communities are therefore looking towards new interventions that support wider regeneration approaches. Energy provides a significant opportunity for coastal housing whether this is through the generation of energy or through the large scale retrofitting of older properties. The coastal communities are keen to explore these options and investigate how it can generate change to housing stock.

### Environmental Issues

7.43 Both DEFRA and the ONS have highlighted issues facing the South East and its coast in recent publications. In both cases the coast is identified as being at risk as the climate continues to change. The research reveals that without action we could see:

- Increases in the frequency of flooding affecting people's homes and wellbeing, especially for vulnerable groups (e.g. those affected by poverty, older people, people in poor health and those with disabilities), and the operation of businesses and critical infrastructure systems'. Without action, a range of important infrastructure such as roads and railways may be affected by a significantly increased risk of flooding based on future population growth and if no adaptive action is taken.

- Summer overheating potentially contributing to heat-related health problems. Premature deaths due to hotter summers are projected to increase (e.g. by between 580 and 5900 by the 2050s). This is likely to place different burdens on National Health Service (NHS), public health and social care services. Other health risks that may increase include problems caused by ground-level ozone and by marine and freshwater pathogens.
  - Reductions in water availability, particularly during the summer, leading to more frequent water use restrictions and, in the longer term, water shortages. The gap between demand and availability will potentially widen, impacting homes, businesses, schools and hospitals. By the 2050s, between 27 million and 59 million people in the UK may be living in areas affected by water supply-demand deficits (based on existing population levels). Adaptation action will be needed to increase water efficiency across all sectors and decrease levels of water abstraction in the summer months.
- 7.44 The UK Climate Change Risk Assessment identifies a number of economic risks for the coast that will arise from a change in climate conditions, these include;
- Flooding poses a major risk to South East businesses, causing damage to assets, stock, premises, and business continuity. Possible uninsurability and reputational damage represent significant threats.
  - Loss of productivity due to overheating has been identified as a significant risk, possibly tripling in some industries by the 2050s.
  - Industries that rely to some degree on weather, such as agriculture and tourism, may see opportunities. However, these must be managed properly and balanced against risks such as water scarcity.
  - Main climate challenges to businesses include flooding and coastal erosion, increased competition for water, and disruption of transport and communication links.
  - The degree to which individual organisations are affected depends upon their level of vulnerability and adaptive capacity.
- There are potentially significant commercial and competitive advantages to be gained for those businesses taking on the challenge.
  - Increased agricultural yields, longer growing seasons
  - Longer tourist seasons, potentially more visitors due to warmer weather
- 7.45 The Met Office UK Climate Projections, September 2019 has generated a new set of marine projections that show that sea levels around the UK will continue to rise to 2100 under all emission pathways. The pattern of sea level rise is not uniform across the UK. Sea level rise is less in the north and more in the south, this is mainly due to the movement of land, up and down. For the south coast, sea level rise by the end of the century (when compared to 1981- 2000), with adaptation to a low emission society, increases are very likely to be in the range 0.29 m to 0.70 m. If society continues to be high emission level, the range is very likely to be 0.53 m to 1.15 m.
- 7.46 The impact of climate change will be profound on the coast. Work needs to be undertaken based on the national scenarios that are set out above. The coast depends on transport to bring in visitors/goods and access employment. The coast will therefore need urgent investment in the right type of transport infrastructure which builds the coast's resilience to increasingly changeable weather conditions. The coastal communities need to ensure that they individually and collectively take action to mitigate impacts. This will require new approaches to support communities, protect economic assets, local business and importantly, benefit from economic opportunities.
- 7.47 Due to the nature of the coast's environment there are significant numbers of designations such as Sites of Special Scientific Interest and Areas of Outstanding Natural Beauty which are important attractions in each community. However they also serve as a constraint on planning and the identification of sites and place additional pressure on areas outside of the designation.

8.

# INFRASTRUCTURE



## 8. Infrastructure

- 8.1 Access to coastal areas is mixed across the South East. A number have benefitted from national investment due to their location on arteries to international gateways, such as Eurotunnel or ports. However a number remain remote from core infrastructure, which reduces their economic potential. Transport for the South East state that 'coastal communities suffer due to isolation from economic hubs which are most likely to be locations of jobs and further / higher education facilities which will enable residents of coastal communities to be upskilled.'
- 8.2 However, many coastal communities are very well connected with relatively fast road and rail connections into London and other economic hubs along the way; but the strategic local connectivity and orbital connections to other coastal communities, particularly sustainable transport options, are poor. Similarly the Essex Transport Strategy, states that the county needs a dependable and reliable transport network, is fundamental to the efficient functioning of our local economy.
- 8.3 Transport for the South East's Economic Connectivity Report states that 'Poor connectivity is seen to restrict opportunities within the coastal communities, connections between major coastal areas are considered poor and are recognised as restrictions on the choice of further education colleges that residents of coastal communities can access. Poor orbital connectivity also reduces the size of workplace catchments from which individuals can seek employment'.
- 8.4 Transport for the South East considers that 'A high quality strategic local transport network would facilitate residents of coastal communities being able to access skills to increase the type of employment available to them. It would also enlarge the catchment from which they could seek employment. With the result of increased economic participation and a consequent uplift in contribution to the Gross Value Added (GVA) of the South East'.
- 8.5 The visitor economy is seen as a strength of the coastal economy. The connectivity needs of the sector informs how the transport network could better support coastal communities. It is recognised that improved connectivity to areas of significant population within the South East could be enhanced. Improved connectivity between coastal communities and international gateways could also stimulate increased international tourism. The consequent increase in visitor numbers could drive higher employment and GVA in these locations. Based on this understanding of the how transport investment can have a positive impact on deprived communities, the key economic corridors have been mapped in [Figures 27 and 28](#) on page 48.
- 8.6 The coastal communities position is further complicated by the draw of London, which attracts significant in-commuting. However, [Figure 29](#) on page 49 highlights that the coastal communities do not provide significant numbers to Greater London, particularly when compared to the Home Counties. This reveals a significant level of containment within the coastal communities.
- 8.7 The comparison over the 2001 -2011 period reveals very little change in commuting patterns, with a number of coastal communities being confirmed as having low levels of commuting, including Hastings, Thanet and Canterbury. This reflects two issues, firstly the role infrastructure plays in limiting opportunity in coastal areas and secondly, the limited opportunity available for those residents who possess low skills levels.
- 8.8 The Coastal Communities Alliance (Spring 2018) report that *'there are significant and distinctive employment issues in coastal areas. On average, these areas have lower rates of employment. The availability of jobs is affected by the seasonal nature of the economy and the work available is often low-skilled and low-paid. The ONS found that (at the time of the 2011 census) in some coastal settlements, such as Jaywick, the unemployment rate among*



Figure 27: Transport for the South East 'Economic Connectivity Review'; 2019



Figure 28: Essex Transport Strategy: Key Corridors

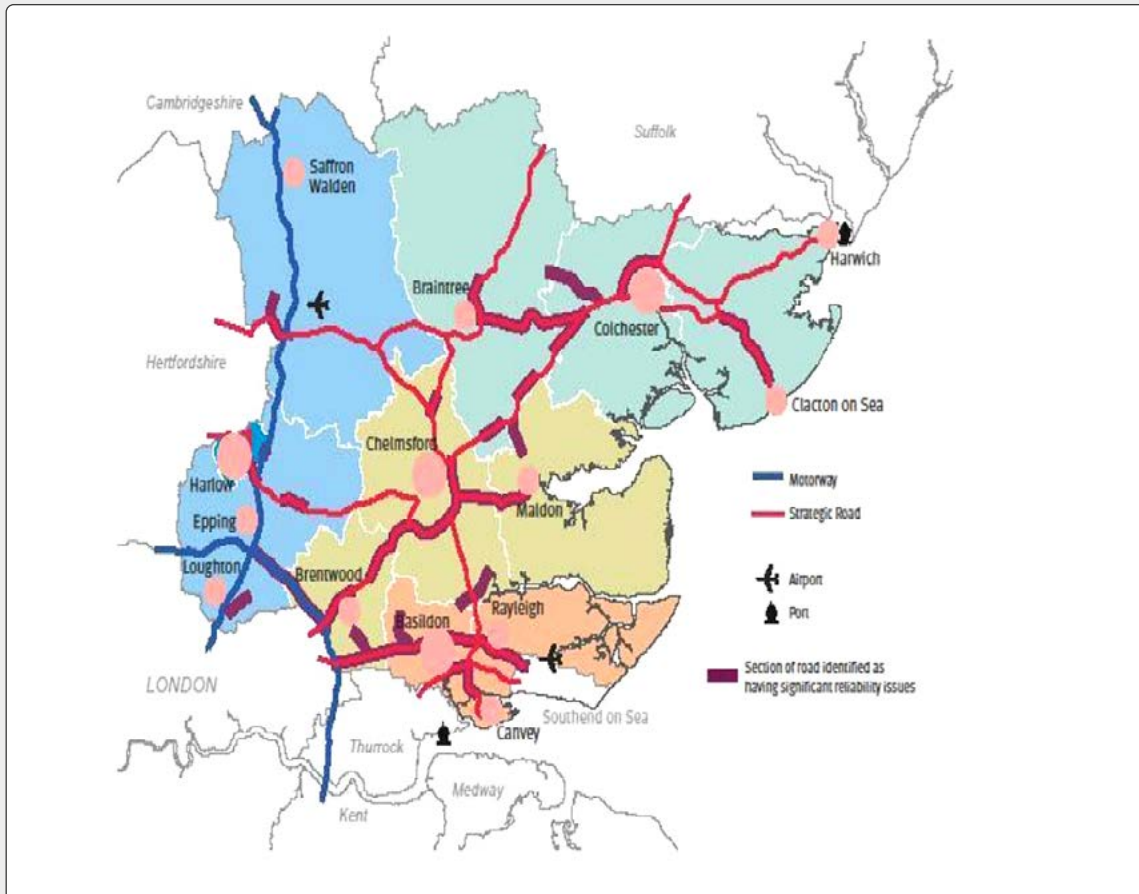
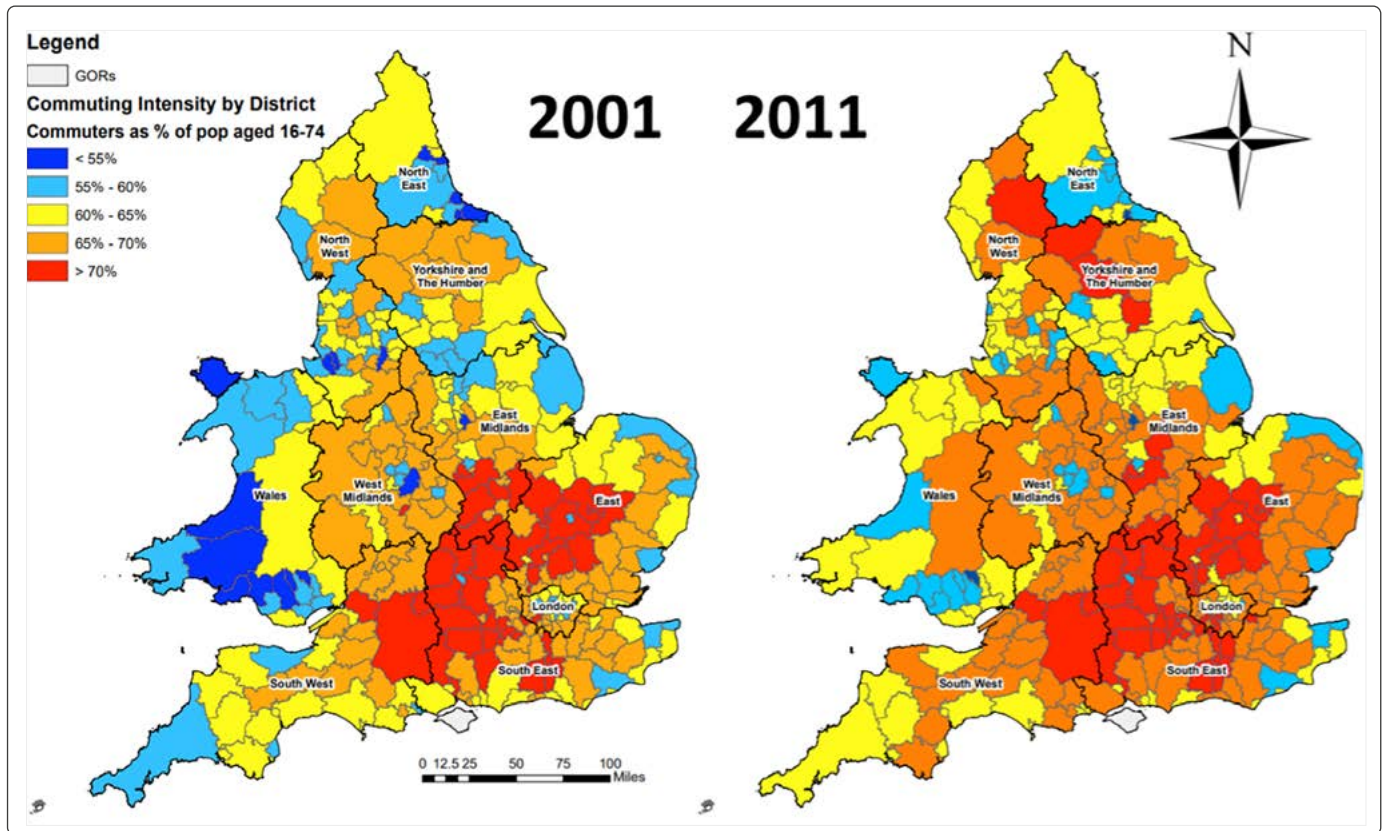


Figure 29: Commuting levels in England and Wales



Source: District commuting intensity; Census Data Service

people aged 16-64 was between 15 and 19 per cent nationally (compared to 7.4 percent at the time of the census, nationally) (ONS, 2014). A decline in traditional industries such as fishing, engineering and manufacturing coupled with a lack of – or limited awareness of opportunities outside the immediate area and poor transport connections have contributed to these conditions’.

8.9 The evidence reveals that the coastal communities have varying levels of connectivity. However the pressure on the transport network across the wider region means that the coast needs to be able to demonstrate the impact investment will make. Making the case based on current evaluation methodology does put coastal schemes at a disadvantage when it comes to measuring economic impact and generation of GVA and jobs, when compared to more connected and large economic centres.

### Digital Connectivity

8.10 The House of Lords ‘Future of Seaside Towns’; April 2019 has claimed that ‘digital connectivity in coastal areas is “largely insufficient,” while investment in mobile and broadband ISP infrastructure “lagged considerably behind” urban areas’, concluding that ‘digital connectivity is vital for the future prosperity of coastal areas struggling to create sustainable local economies, particularly those suffering from inadequate transport links’.

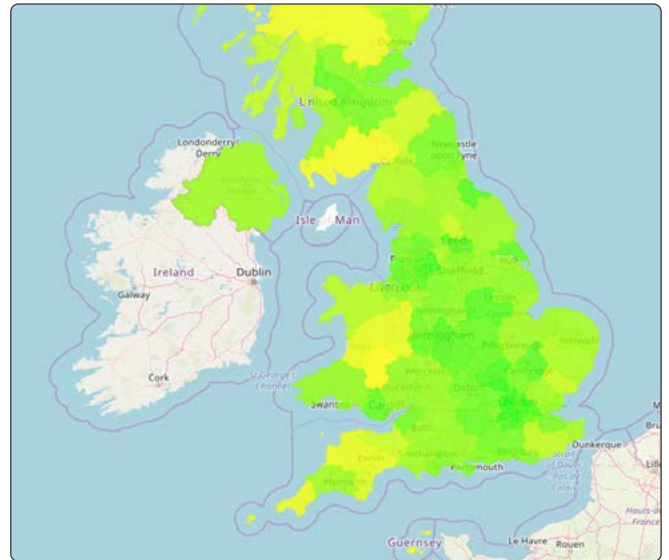
8.11 In the reports analysis it was argued that ‘digital connectivity in coastal areas was largely insufficient, restricting access to essential services for residents and limiting the attractiveness of these areas to inward investment. A number of areas indicated that they believed opportunities to overcome physical distances and issues of peripherality through improved digital infrastructure were being missed. It was suggested that investment in mobile and broadband infrastructure in coastal communities lagged considerably behind that being made in urban areas and that this was worsening the economic disadvantages already being felt in these communities’.



- 8.12 It is widely recognised that improved digital connectivity offers a significant opportunity to address the challenges of peripherality in coastal areas. Improvements in connectivity would help existing businesses, encourage new businesses, and enable people to work more flexibly from home without the need to commute.
- 8.13 The Future of Seaside Towns concluded; *'We recommend that the Government should promote initiatives to support digital connectivity in coastal communities specifically, and undertake a full programme of engagement with local authorities, LEPs and businesses in remote coastal communities to help to understand better the challenges to improved digital connectivity in coastal areas. Assistance in delivering ultra-fast broadband in seaside towns should be the highest priority for the Government if the regeneration of these areas is to be achieved. The provision of high-quality broadband and mobile connectivity in coastal locations should be considered a priority and an effective infrastructure investment in areas where the physical transport infrastructure is limited.'*

- 8.14 **Figure 30** provides an overview of current broadband coverage in the country. By comparison, at district level, the coastal communities are broadly in line with the rest of the country, although there are clear hotspots that require investment to enhance current provision. Moreover, with the current economic performance deficit, it can be argued that a greater level of investment needs to be made in coastal areas to boost performance in order to reduce the current gap in economic activity.

Figure 30: Levels of Broadband Reception



Source: BD:UK

# 9. IDEAS



## 9. IDEAS

### Innovation

9.1 The Innovation South Science Innovation Audit shows that the South East is a global region and a national asset, benefiting from good international and national connectivity. It is a powerhouse of research strengths, matched by a strong culture and ethos of enterprise and innovation. Within the SELEP area, it identifies key innovation assets including a number of Enterprise Zones, universities, UKSPA science parks and NESTA accelerators/incubators. The majority of these assets tend to be clustered to the north-west and middle of Kent, with comparatively fewer innovation assets located within East Sussex.

9.2 Similarly, the East of England SIA identifies that the region has a well-developed network of science parks, innovation centres, incubators and accelerators (Figure 31) which are playing a crucial role in the process of innovation. The SELEP coastal area accommodates a relatively small share of these assets (particularly when compared with larger innovation centres such as Cambridge, Norwich and parts of Hertfordshire)

Figure 31: Innovation South: Key Assets

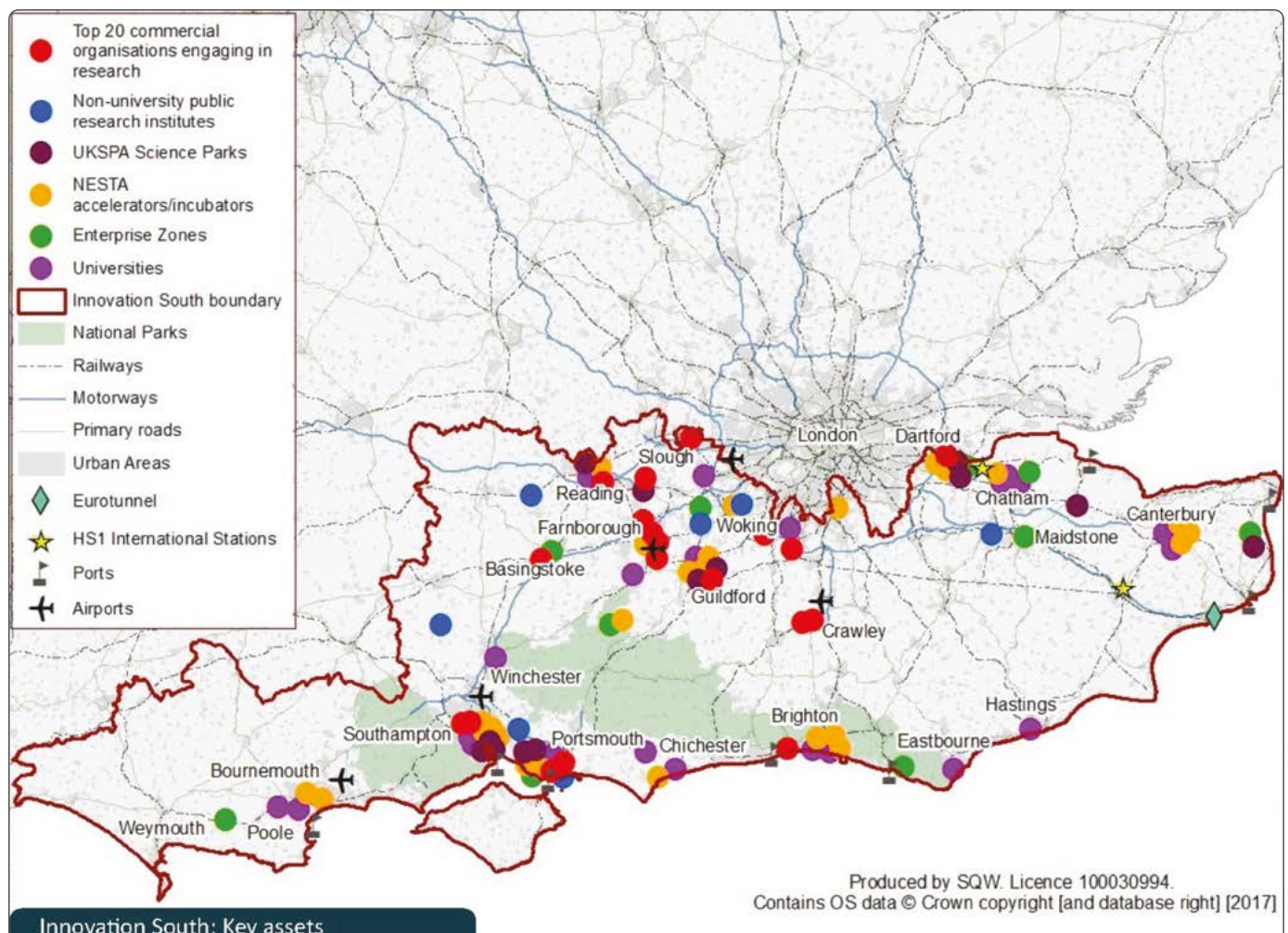
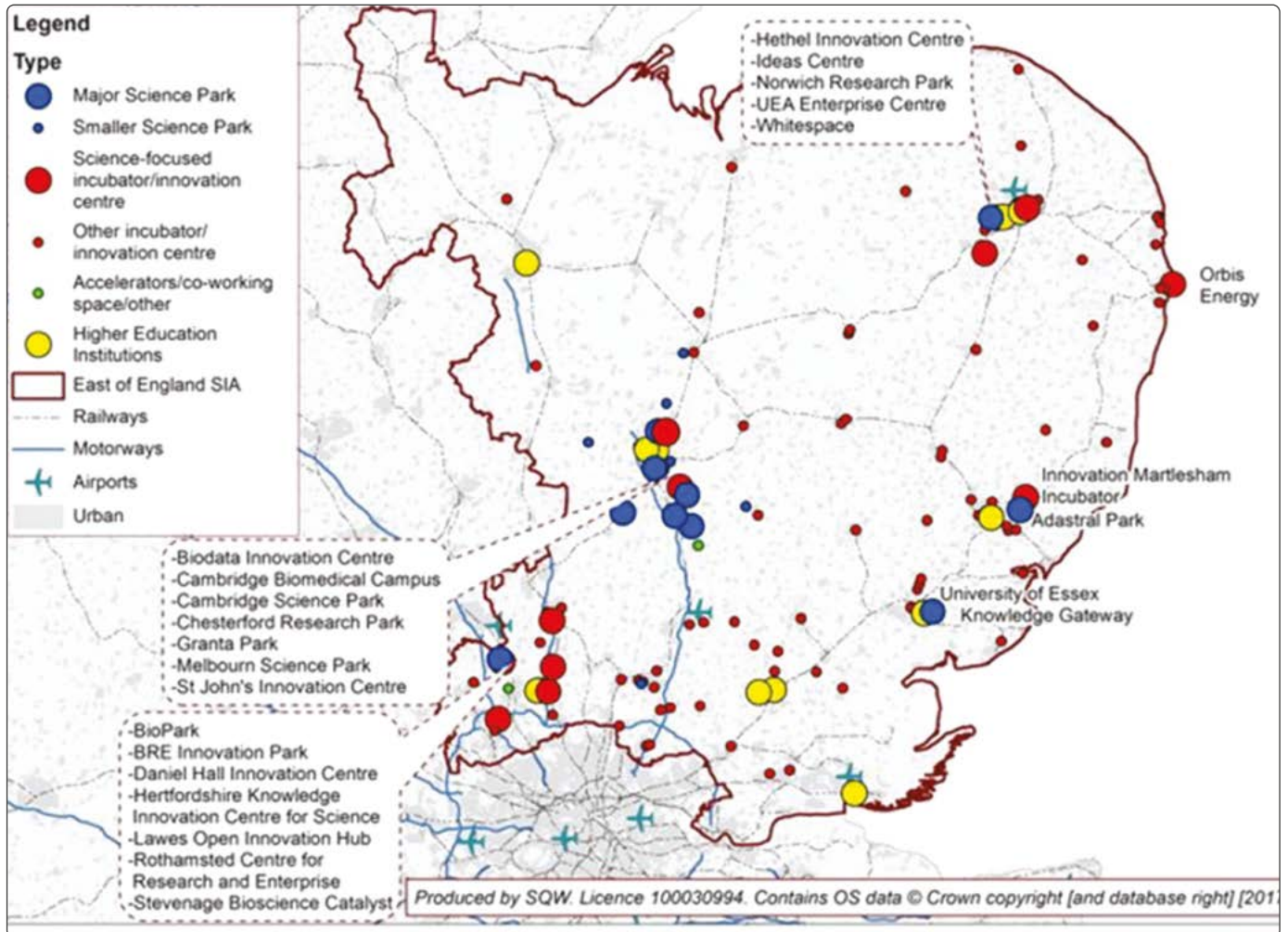




Figure 32: Innovation Assets in Essex and the East of England



Source: Innovation South Science and Innovation Audit (2017)

9.3 Similarly, the East of England SIA identifies that the region has a well-developed network of science parks, innovation centres, incubators and accelerators which are playing a crucial role in the process of innovation (Figure 32). The SELEP area accommodates a relatively small share of these assets (particularly when compared with larger innovation centres such as Cambridge, Norwich and parts of Hertfordshire).

9.4 Data on Innovation funding received by businesses is a useful proxy in demonstrating the vibrancy and dynamism of local economies. The following figures highlight that the coastal communities tend to receive significantly less funding when compared to inland settlements. This feature also reflects the economic structure of the coastal communities, where there is a reliance on tourism and leisure sectors, manufacturing and creative industries. Figure 33 overleaf demonstrates the performance of each LEP by the number of Innovation Awards (Grants) that have been received in their area.

Figure 33: The National Picture; by number of project awards

Source: Innovate UK Beta

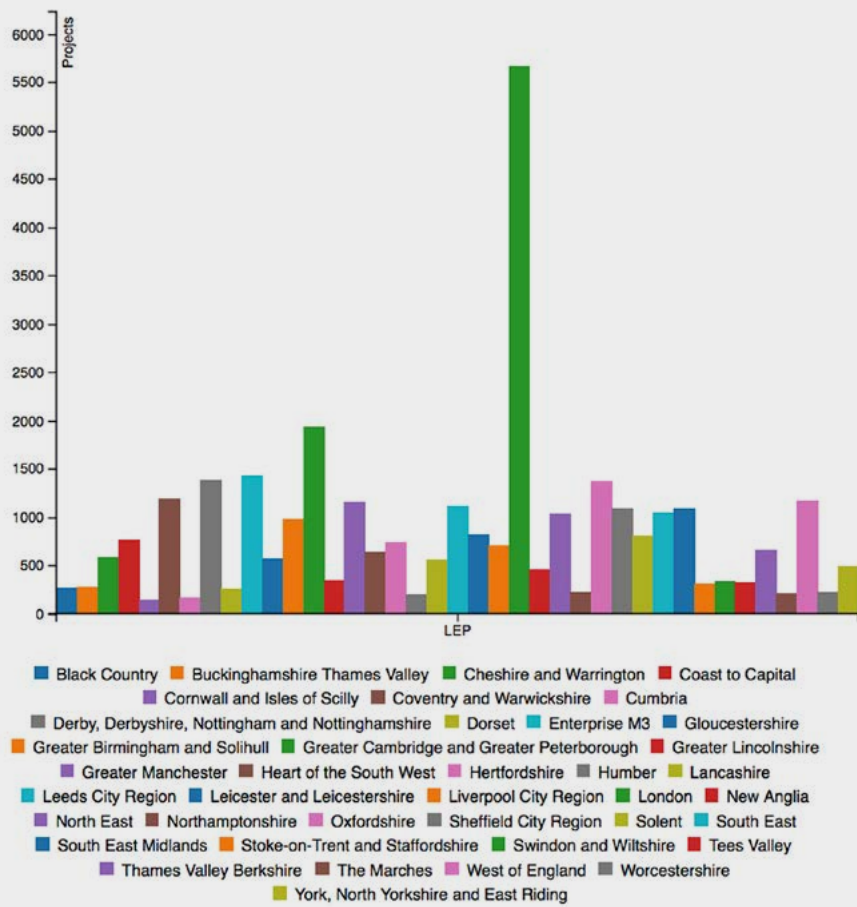
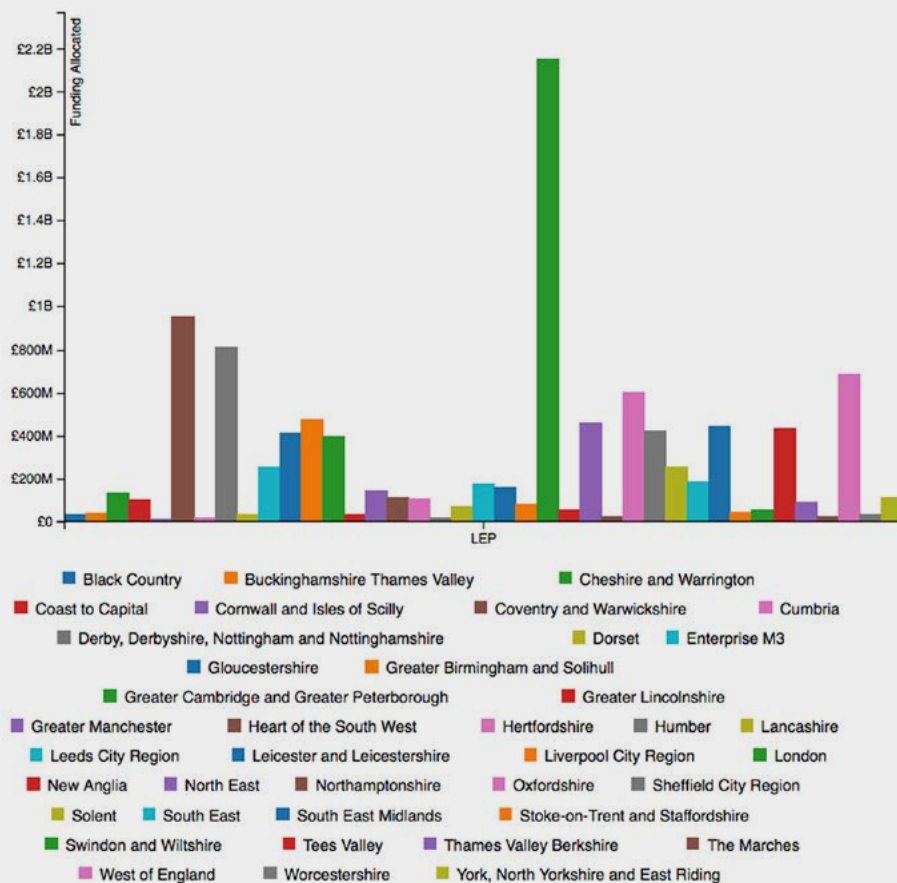


Figure 34: Level of Innovation funding secured by LEP area

Source: Innovate UK Beta



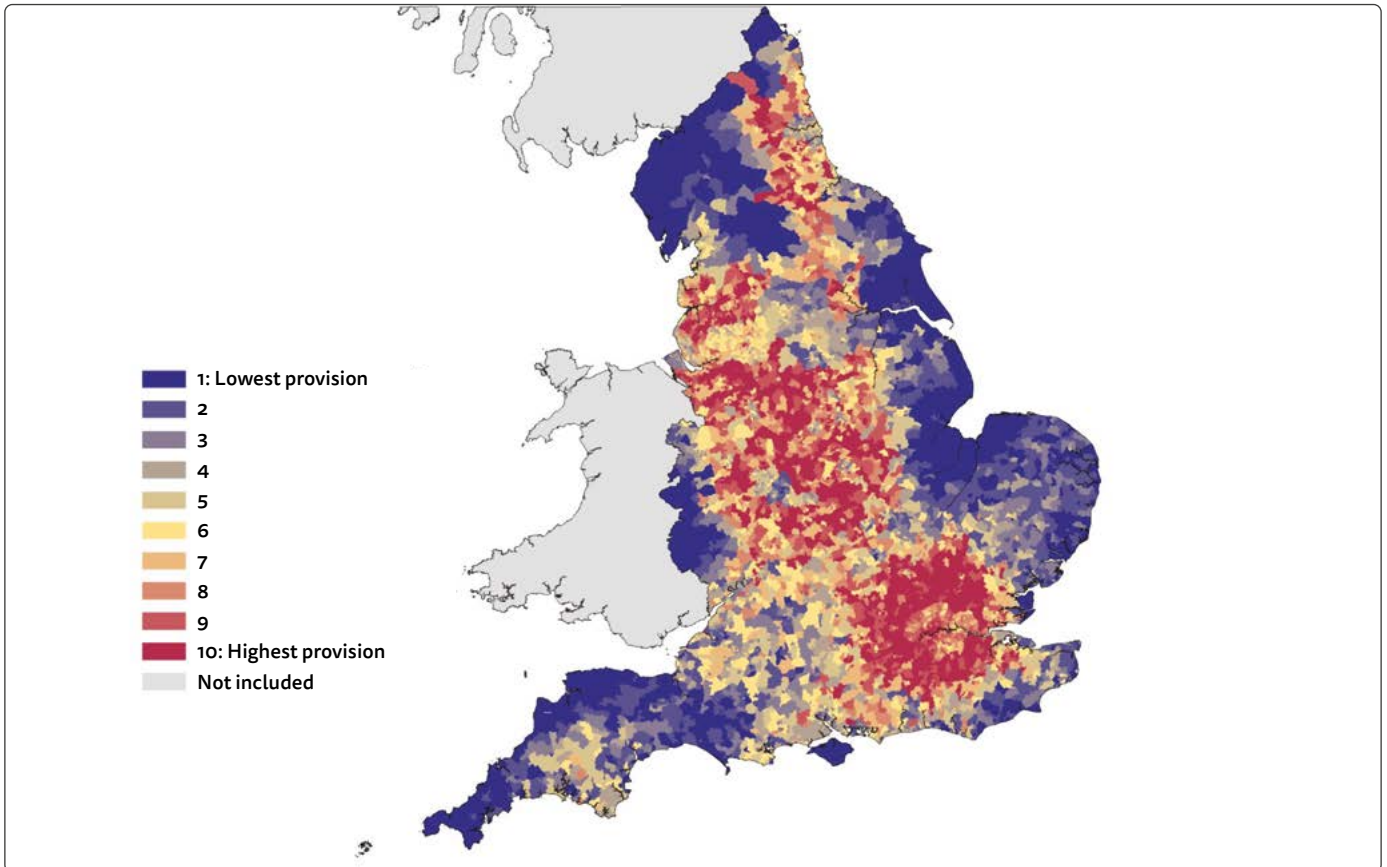
- 9.5 Using Innovate UK data we are able to identify how Innovation funding is awarded to businesses at LEP level. The analysis reveals that the SELEP region is the 7th highest funded region in the country with support being received for 999 projects. [Figure 34](#) sets out the levels of funding received for Innovate UK by LEP area.
- 9.6 The award of £177.6m through Innovate UK places SELEP in 15th position of the 38 LEPs, suggesting that despite the relatively high number of projects awarded funding, each project typically receives less funding than other areas. The position by comparison places SELEP next to Leicester and Leicestershire (£145.9m), and behind benchmark areas such as Cambridgeshire (£324m); Enterprise M3 (£238m) and Solent (£233.3).
- 9.7 Looking at county and coastal level the analysis is more revealing about the role that the coastal communities play in producing innovation. Analysis of the Innovate UK database demonstrates that the coastal districts have received the following awards
- East Sussex coastal districts –  
41 projects – value £6.3m
- Essex coastal districts –  
38 projects – value - £8.1m
- Kent coastal districts –  
29 projects – value £4.2m
- 9.8 This aggregates to 108 projects attracting £18.6m compared to SELEPs overall £177.6m total. This equates to the coastal areas attracting just 10.4% of Innovation funds compared to the rest of the inland SELEP areas. In terms of number of projects, this is similarly low with just 10.8% of projects being supported in the coastal communities.
- 9.9 Innovation is an important economic measure of how vibrant communities are, as well as demonstrate that the local economic sector configuration is traditional in its nature, and not necessarily innovation focused. The analysis reveals that the coastal area performs poorly when compared to its inland neighbours. Fundamentally this points to the make-up of the coastal economy which is predominantly led by low tech sectors, such as tourism and hospitality and with traditional manufacturing operations. The gap that exists is not easily closed, particularly where there is little connection to higher education provision, which across the UK helps underpin innovative companies and provide a focal point for innovation.
- 9.10 The analysis provided in the Science and Innovation Audits (SIAs) provides an opportunity to establish whether the coastal communities are linked to the core research specialisms of the regional universities. Whilst these two SIAs cover a wider geographical area than just the SELEP, it is possible to draw out some key findings and priorities as they relate to the SELEP and its coastal communities area specifically. These are summarised in [Figure 35](#) overleaf.
- 9.11 A number of the examples set out in [Figure 35](#) overleaf are rooted along the coast, for example the marine and maritime sector or the offshore energy sector in Essex. The university specialisms also reveal a small number of connections to the coast, such as the University of Sussex Marine Environments and Marine Engineering capability, equally the Digital Catapult at Brighton University supports a sector which has strength on the coast. The role higher education plays in driving economic growth, innovation and productivity is well researched. The following section reviews the role higher education plays more widely on the South East Coast.

Figure 35 Science and Innovation Assets within SELEP

	Innovation South Exploiting world class assets in Digital Enabling Technologies	East of England Innovation Region
Themes	Applying Digital Enabling Technologies in; <ul style="list-style-type: none"> <li>• Connected digital</li> <li>• Marine and maritime</li> <li>• Bioscience</li> <li>• Advanced engineering</li> </ul>	<ul style="list-style-type: none"> <li>• Life Sciences</li> <li>• Agri-tech</li> <li>• Advanced materials and manufacturing</li> <li>• ICT</li> </ul>
Strategic Assets	<ul style="list-style-type: none"> <li>• University of Kent: Interdisciplinary Centre for Cyber Security</li> <li>• Canterbury Christ Church University: KM Edge Engineering Hub</li> <li>• Brighton: Digital Catapult Centre</li> <li>• Brighton: 5G testbed</li> <li>• Natural Resources Institute at the University of Greenwich at Medway</li> </ul>	<ul style="list-style-type: none"> <li>• Ford's major research facility at Dunton</li> <li>• Anglia Ruskin University: Med-Bic (Chelmsford)</li> <li>• University of Essex: Smart Enabling Technologies Testbed</li> </ul>
REF specialisms	<ul style="list-style-type: none"> <li>• University of Kent: Computer Science and Informatics</li> <li>• University of Kent: Marine Environments</li> <li>• University of Kent: Biological Sciences</li> <li>• University of Kent: Psychology, psychiatry and neuroscience</li> <li>• University of Kent: Physics</li> <li>• University of Sussex: Quantum Technologies</li> <li>• University of Sussex: Computer Science and Informatics</li> <li>• University of Sussex: Marine Environments &amp; Marine Engineering</li> <li>• University of Sussex: Biological Sciences, Allied Health Professions and Psychology, psychiatry and neuroscience</li> <li>• Sussex: General Engineering</li> <li>• Canterbury Christ Church University: Communication, Cultural and Media Studies, Library and Information Management</li> <li>• Canterbury Christ Church University: Agriculture, veterinary and food science</li> <li>• University of Brighton: Communication, Cultural and Media Studies, Library and Information Management</li> <li>• University of Brighton: Computer Science and Informatics</li> <li>• University of Brighton: Aeronautical, mechanical, chemical and manufacturing engineering (low carbon internal combustion systems)</li> <li>• University of Greenwich: Agriculture, veterinary and food science</li> <li>• University of Greenwich: Aeronautical, mechanical, chemical and manufacturing engineering</li> <li>• University of Greenwich: Computer Science and Informatics</li> </ul>	<ul style="list-style-type: none"> <li>• University of Essex: ICT &amp; Data Analytics</li> <li>• University of Essex: Politics and International Studies</li> <li>• University of Essex: Psychology, Psychiatry and Neuroscience</li> <li>• University of Essex: Modern Languages and Linguistics</li> <li>• University of Essex: Robotics and AI</li> <li>• Anglia Ruskin University: Communication, Cultural and Media Studies</li> <li>• Anglia Ruskin University: Environmental Sciences</li> </ul>
Networks and Clusters	<ul style="list-style-type: none"> <li>• Kent, Surrey and Sussex ASHN</li> <li>• Bio-Gateway</li> <li>• Wired Sussex</li> <li>• West Sussex Health and Life Science Cluster</li> </ul>	<ul style="list-style-type: none"> <li>• Southend: SouthendTechMeet</li> <li>• Essex: M11 Health Enterprise Forum</li> </ul>
Industry Concentrations	<ul style="list-style-type: none"> <li>• North Kent: Manufacturing</li> <li>• Brighton: Gaming</li> <li>• Kent &amp; East Sussex: Marine &amp; Maritime</li> </ul>	<ul style="list-style-type: none"> <li>• South Essex: Med-Tech</li> <li>• Essex: Building and Construction</li> <li>• Essex: Offshore Energy</li> </ul>



Figure 36: Higher Education Coldspots in England



Source: HEFCE 2015

### The role of Higher Education

9.12 Higher education institutions play a key role in supporting the development and advancement of communities. Unesco states that;

*‘Universities play an important role as leaders in teaching and learning, in education, research and technology. In teaching activities, universities provide the professional training for high-level jobs, as well as the education necessary for the development of the personality. Universities are considered to have been regarded as key institutions in processes of social change and development. Another role that universities may play is in the building of new institutions of civil society, in developing new cultural values, and in training and socializing people of new social era.’*

9.13 At present the coastal communities have higher education presence in six of the communities (Broadstairs, Canterbury, Canterbury Christchurch, Hastings and Medway). The providers include the University of Kent, University of Brighton (who validates degree courses run by a further education college in Eastbourne and Hastings) and University of Essex. This however masks a greater ‘coldspot’ within the coastal communities (Figure 36). There have been two recent attempts to establish higher education facilities in the coastal towns; the University of Brighton in Hastings and Canterbury Christ Church in Broadstairs. Both operations have subsequently ceased with both universities citing a lack of numbers taking courses. Canterbury Christ Church had operated in Broadstairs since 2000, while the University of Brighton operated in Hastings between 2003 -18.



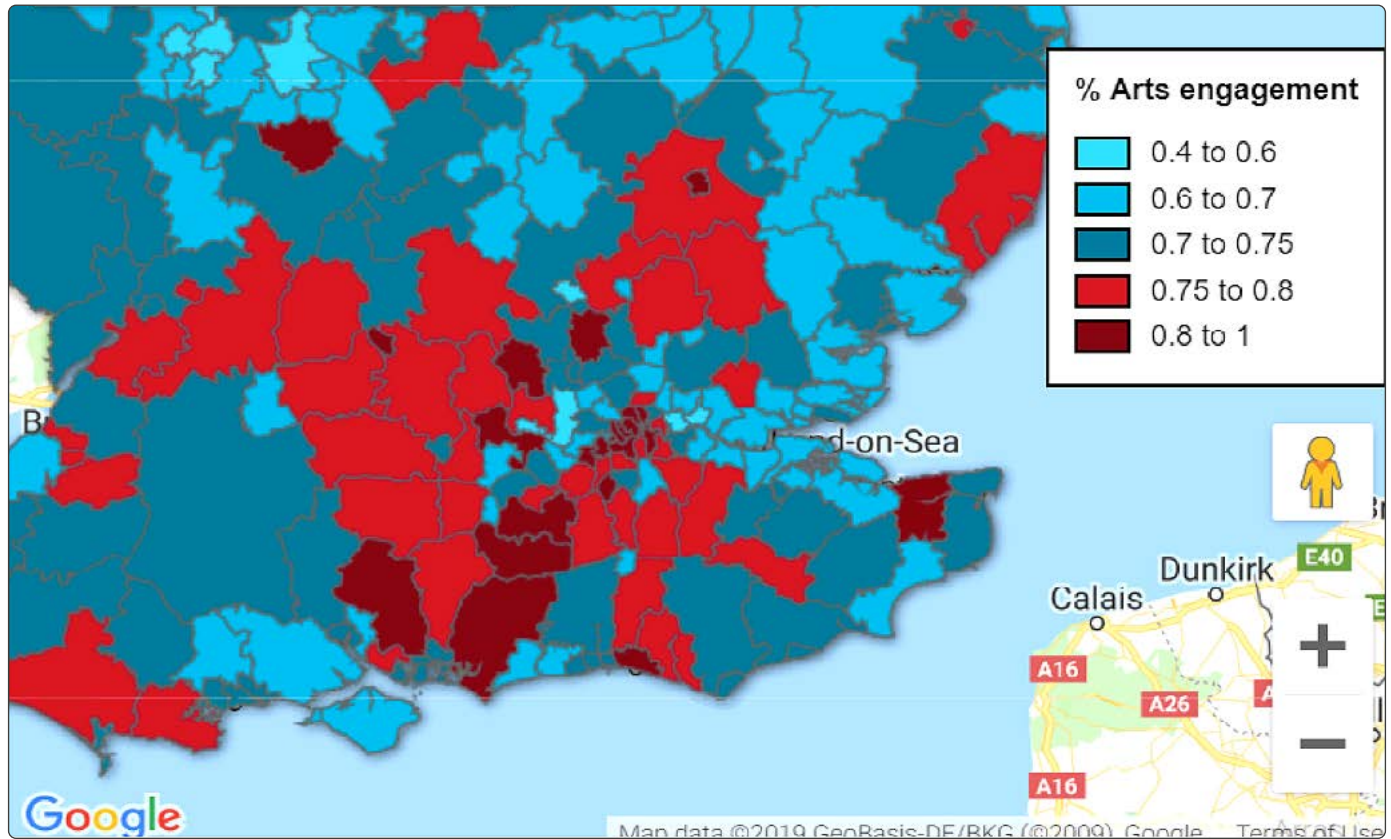
- 9.14 The connection between institutions and the local business community is recognised as supporting the development of innovation within a business. Recent Data from HEFCE has shown continued strength in university collaborations, with income from knowledge exchange growing to £4.2 billion across the UK in 2015-16.
- 9.15 Knowledge exchange in this context covers a very broad range of activities, from commercialisation of new knowledge, delivery of professional training, to activities with direct social benefits. Evidence from Innovate UK does however reveal that the South East and particularly the coastal communities do not benefit from this collaboration in a strategic way, not least due to the availability for connection between the business sector and higher education institutions. The data revealing that the coastal communities receive only 10.4% of innovation and research funding from the public purse demonstrates that a lack of higher education support is impacting on the business community's ability to bring forward innovation.
- 9.16 More importantly, the gap in innovation support with the wider South East stands at £18.6m in the coastal communities to £159m to inland areas within SELEP.
- 9.17 **Figures 37** below outlines the performance of higher education institutions located within the coastal communities. It is noteworthy that SELEP universities are in 35th, 49th, and 98th positions, however both the University of Essex and the University of Kent have seen a significant drop in their league positions in the past recorded year. While this may not be a structural change in each university's performance, the trend should be watched in the longer term as it may reveal the impact of research funding reductions or lower student levels.
- 9.18 The higher education sector plays an important role in helping to facilitate Research and Design (R&D) and innovation activity within the local economy. Higher Education Expenditure on R&D (HERD) – providing a broad measure of innovative research activity led by universities – is estimated to be in the order of £53 per FTE job in the wider SELEP area. This is considerably lower than the LEP wide average of £210 per FTE, placing SELEP within the bottom 25% of all LEP areas in the country. It can be assumed that despite the lack of evidence, the coastal performance is lower than the LEP average.

**Figure 37: Relative performance of Higher Education Research**

Research Fortnight 2014 Power Rank	2008 Rank	Institution Name	Number of Departments Submitted	FTE Research Staff Submitted	Research Fortnight Power Rating	Research Fortnight Quality Index	Research Fortnight Market Share
32	40	Kent	23	591	16.6	41.2	1.03%
44	43	Essex	14	339	10.5	45.5	0.65%
95	109	Canterbury Christ Church	10	137	1.84	19.8	0.11%

Source: Research Excellence Framework (REF) produced <https://www.telegraph.co.uk/education/universityeducation/11299261/League-Figures-the-top-universities-for-research.html>

Figure 38: Level of engagement in the Arts by Local authority area



Source: Arts Council England

9.19 Graduate start-ups – typically a result of graduates linking university research specialisms or innovation with a potential business opportunity – are relatively weak in the SELEP area. Again we can assume that due to the lack of university provision on the coast, that graduate start-ups are even less common, despite the lack of district level evidence. Data for 2015/16 suggests that there were 33 active start-up enterprises founded by graduates who studied in the SELEP area. This ranks the SELEP area within the bottom half of LEP areas on the graduate start-up measure.

**The role of the Creative Sector**

9.20 The House of Lords ‘Regenerating Seaside Towns’ stated that ‘The creative industries have a clear role in supporting seaside towns to diversify their economies and enhance their local cultural assets. Capital investment must be made in the context of its impact on the place generally and be monitored and evaluated accordingly. It is vital that evaluation processes for grant funding for heritage and arts projects address issues relating to place-based approaches to regeneration, so as to ensure that public funds are used prudently, and that best practice can be understood and shared’.

- 9.21 The South East coastal communities have 16 National Portfolio Organisations as designated by the Arts Council. This demonstrates the core strength of the cultural infrastructure within the coastal communities. The creative sector has been one of the UK's fastest growing sectors. Nesta has reported that research in partnership with the Creative Industries Council, confirms that creative industries across the UK are driving local and national economic growth, identifying that local economies have grown their creative industries employment by an average of 11 per cent, twice as fast as other sectors (where local economies experienced, on average, 5.5 per cent of growth).
- 9.22 The coastal communities have been beneficiaries of the growth within the creative sector. A number of the coastal communities have become an attractive location for artists and creatives. Many of the coastal towns have proactively invested in public realm improvements in order to improve the local environment for residents and business.
- 9.23 The Independent Review of the Creative Industries (2017) reviewed the potential for further growth of the sector, it concluded that;
- Forecast the Gross Value Added by the Creative Industries to be £128.4bn by 2025 (3.9% year-on-year increase).
  - Boost job creation: projecting forward the higher than average growth rate of the sector would imply roughly one million new creative jobs by 2030.
- 9.24 The coastal communities are in place to benefit from this growth, but we need to tackle some of the issues set out, such as skills, housing and availability of workspace if it is to secure a significant proportion of this growth.

- 9.25 Government data has also revealed local level information on arts attendance and participation across England's 326 local authority areas for the first time since 2009/10. The data also reveals artistic engagement by age, socioeconomic status, ethnicity and gender. It will be used by Arts Council England (ACE) to guide investment via its Creative People and Places programme, which supports arts activity in areas with historically low levels of cultural engagement. [Figure 38](#) on page 59 demonstrates the levels of engagement with art by residents across the 326 English Local Authorities. The map reveals that the levels of engagement across the coastal communities is mixed, but with limited connection to Tendring, Medway, Swale, Folkestone and Hythe districts.

### Government's Tourism Sector Deal

- 9.26 In June 2019 the Government announced a Tourism Sector Deal. This is a game-changer for tourism, spelling a step-change in how we underpin the success of tourism for a generation, moving it to the top figure as a leading industry for the UK Government's future economic planning.
- 9.27 Highlights of the Deal include the following themes;
- **'Ideas'**; industry and the BTA will work together to create a new independent Tourism Data Hub which will help the sector to better understand visitor preferences in real time
  - **'People'**: Industry will create an additional 10,000 apprenticeship 'starts' a year by 2025; a £1 million recruitment and retention programme; and increasing in-work training and development of new T-Levels.
  - **'Infrastructure'** – Industry will continue to invest in accommodation - developing an additional 130,000 bedrooms by 2025 - and attractions and innovative products. Government will make travel to and around the UK easier for tourists with the development of

its Maritime and Aviation strategies as well as a number of policy developments.

- **‘Place’** - piloting up to five new Tourism Zones, supported by central government and a biddable funding process, to drive visitor numbers across the country, extend the season and to tackle local barriers to tourism growth. Joint working to ensure support for the Government’s ambition to make the UK the most accessible tourism destination in Europe.
- **‘Business Environment’** – launching a Business Events Action Plan 2019-25 to make the UK the leading destination for business events in Europe.

9.28 The deal presents a significant opportunity for the coastal communities. This will be pursued closely as the Economic Prospectus is developed.

### The Maritime sector

9.29 The Maritime Sector makes a substantive macroeconomic contribution to the UK through turnover, GVA and employment. It is estimated that the sector directly supported just over £47 billion in business turnover, £17 billion in GVA and 220,100 jobs for UK employees in 2017. The marine engineering and scientific (MES) and shipping industries are the largest constituent industries in terms of economic activity, contributing £5.1 billion and £6.1 billion in GVA respectively, and directly supporting around 81,900 jobs and 59,400 jobs in 2017.

9.30 The direct contribution of the maritime sector through turnover, GVA and employment has increased since 2010, when turnover, GVA and employment are estimated to have been £37.8 billion, £13.6 billion and 195,400 jobs respectively. Average productivity in the maritime sector – as measured through the GVA generated by each job – exceeds that of the national average. Average productivity in each maritime industry also exceeded the national average in each year from 2010 to 2017. The maritime sector exported

£12.4 billion of goods and services in 2017, or around 2.0% of the UK total. The average job in the maritime sector in 2017 raised approximately £77,400 in GVA, and so compares favourably to the UK average of £54,300.

9.31 The volume of goods transported by ships and demand for maritime services has grown steadily. The growth is set to maintain current levels with containerize and dry bulk commodities expected to experience the strongest growth. Strong economic and population growth in Africa and Asia is likely to shift trading patterns opening new opportunities for the UK. Climate change and significant climatic events are likely to change the patterns of trade while amplifying the need to protect the marine ecosystem.

9.32 The maritime sector brings together all of coastal communities and offers significant potential. There is significant effort being made to promote the UK maritime sector, including the Maritime UK’s ‘State of the Maritime Nation 2019’ and the development of the Maritime 2050 Strategy, At present the South East coast is the 3rd highest contributor to the UK economy following Scotland and London. There is a key focus on the south coast, led by Southampton and Portsmouth, but there is very little focus on the South East Coast. Three strategic groups operate on the south coast, including;

- Maritime UK <https://www.maritimeuk.org/>
- South Coast Marine <https://southcoastmarine.org.uk/>
- Marine South East <https://www.marinesoutheast.co.uk/>

9.33 These networks are currently seeking to influence national policy, but also play a more fundamental role in connecting businesses within the geography.

9.34 The Spectator in July 2018 printed a report by Murray and Morris which stated that;

*'For the United Kingdom, these coastal communities have long served as the historical heartbeat of the nation and, despite a long and varied history, the UK has always had one constant. It has been inextricably tied to the seas that surround it.*

*As an island nation, the sea has always been a provider of prosperity and partnership, and there's never been a more important time to unleash the sector and transform the fortunes of our coastal communities. Maritime UK figures estimate that the sector supports £40 billion in value to the UK economy in 2015 and supports a million jobs across the UK. The sector has a unique capacity to kick-start a renaissance in the fortunes of those communities and reawaken a new coastal powerhouse.*

*The potential is enormous. The maritime sector boasts productivity 53% higher than the national average. On top of this the average maritime sector job generated £77,897 in value to the economy in 2015. Compare this to the average job in the UK economy which generated £50,800, that's a third less.*

*The ports sector alone already invests more than £600 million per year in coastal areas and is ambitious to do more. The launch of the RRS David Attenborough is a fitting example of the UK's high value ship building capabilities, alongside the UK's world-leading superyacht manufacturers. Through these industries the Maritime sector is committed to high skill levels and high-quality apprenticeships, providing year round jobs. And developing skills and infrastructure benefits not only the maritime sector – the new road to a boat yard or port is also the one that brings in more tourists or takes out manufactured goods and food products.*

The process to transform these communities isn't some far flung pipe dream, nor does it require huge investment and resources from government.

It does, however, require a number of specific changes and support for initiatives to unlock private investment and deliver growth. The three key areas that require change are:

1. Investment in connectivity and infrastructure
2. Creation of a pro jobs and trade planning environment to boost investment and development
3. Support for industry-led maritime clusters embracing local government and academia

British industry understands the breadth of the opportunity available if we can mobilise our coastal communities and is working collaboratively to realise it. Government ministers have signalled their support and we now have the very real opportunity to transform our coastal communities.

This transformation will require more than direct boosts to investment and jobs around our coast – it requires us to look to the technologies of the future to place these communities at the cutting edge of the sector. This is already happening. The maritime sector is bidding to co-fund a new national centre for maritime research and innovation which would bring together the UK's leading maritime academic and research institutions, most based in coastal communities'.

There is an opportunity to build on the many assets on the South East coast. The development of a programme to support and grow the sector would help position the sector effectively moving forward. The sector offers potential to the South East coast, which will be explored in the Economic Prospectus.



# 10. BUSINESS



## 10. BUSINESS

10.1 Using GVA per head as an indicator of total economic performance reveals a clear difference in the performance of the coastal communities when compared to the wider South East. At headline level the South East's GVA per head in 2017 was £28,683, while the coastal communities averaged just £17,840 per head - a stark difference in economic performance.

10.2 At district level, the highest performing areas in the wider South East in 2017 were Dartford - £34,888, Tunbridge Wells - £30,679. While the lowest performing districts in 2017 were Castle Point - £14,523, Tendring - £15,308 and Dover - £15,715.

The highest performing of the coastal communities was Maldon with £19,319 which demonstrates just how the coasts performance lags behind the wider regional average. [Figure 39](#) below provides details of GVA performance by all of the coastal communities.

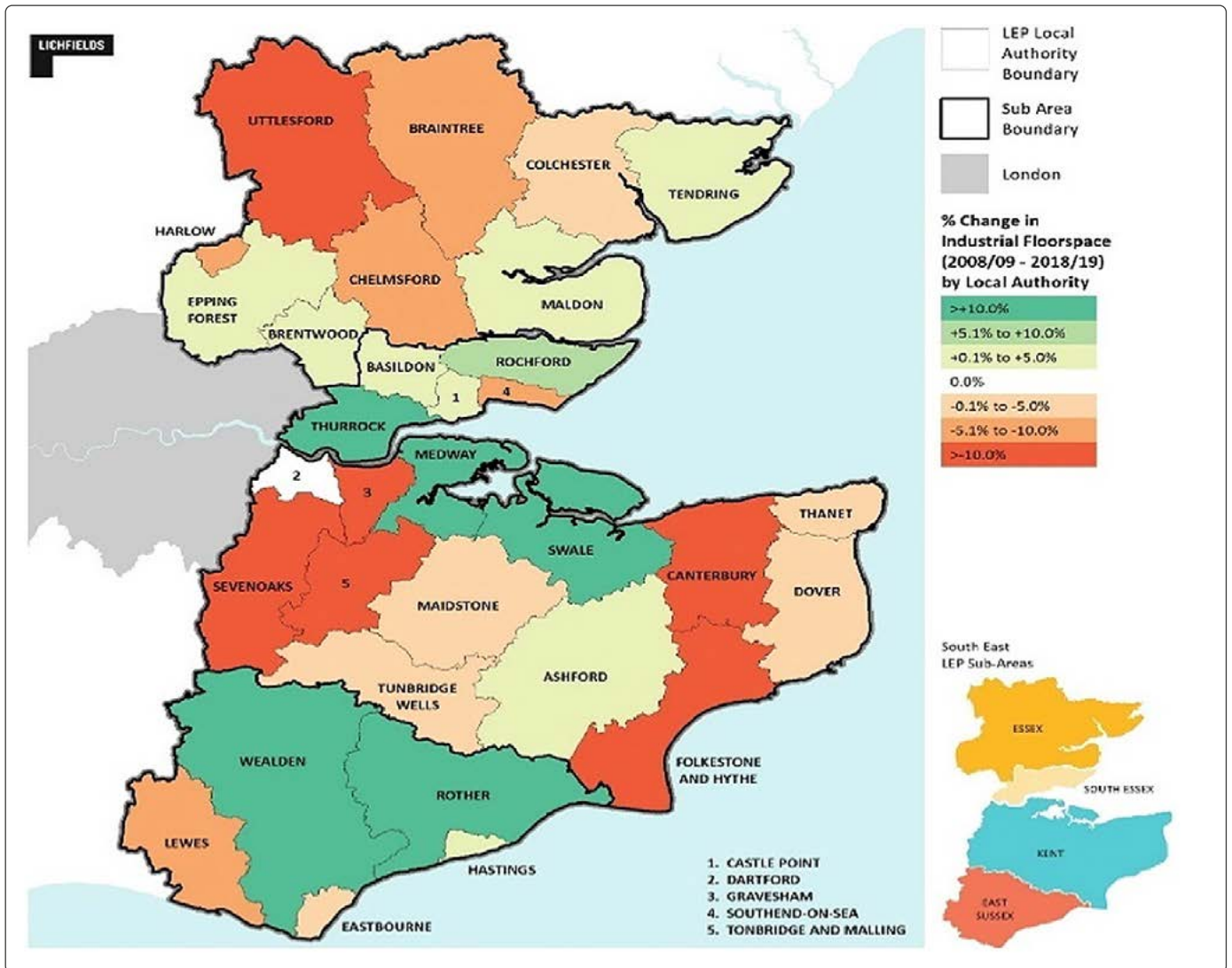
10.3 The South East regional GVA per head performance is the second highest region behind London (£46,482) nationally. These levels reveal how far behind the coastal area's economic performance is when compared to their near neighbours. It reveals an underpinning factor of performance that influences other issues within the coastal communities, for example, education, health and housing.

Figure 39: GVA per head by district

Local Authority	GVA Per Head (2017)
Tendring	£15,308
Maldon	£19,319
Rochford	£16,718
Southend	£17,524
Colchester (Hythe)	£21,520*
Castle Point	£14,523
Medway	£17,338
Swale	£18,916
Canterbury	£19,066
Thanet	£16,648
Dover	£15,715
Folkestone & Hythe	£19,130
Rother	£18,905
Hastings	£17,763
Eastbourne	£18,242
Lewes	£19,361
Wealden	£18,906
<b>South East regional average</b>	<b>£28,683</b>
<b>Coastal Communities average</b>	<b>£17,840</b>

- 10.4 SELEP's 'Smarter, Faster Together' Towards a Local Industrial document (2018) states that *'the South East's productivity is relatively weak. Despite this recent employment and business growth, the UK faces a 'productivity challenge': while the economy apparently made a strong recovery from recession, Britain's productivity (relative to that of its main competitors in Europe and the United States) has largely failed to grow. Addressing this is a major focus of the Government's Industrial Strategy.*
- 10.5 *The 'productivity deficit' does not apply everywhere in the South East: the west of Essex and west Kent have productivity levels higher than the UK average (and the UK average is in turn skewed by London's very high productivity levels). But given SELEP's growth potential and its proximity to London and the rest of the South East, there is an opportunity to improve the area's performance.'*
- 10.6 The inference of higher productivity in the west of Essex and west Kent reveals that the coastal areas within the South East contribute to poorer productivity rates. This presents an economic challenge that cannot be tackled in isolation, but is a feature of the wider coastal economy, where a range of issues need to be tackled, from health, education and skills to the attraction and development of new and indigenous businesses.
- 10.7 The economic performance of the coastal communities is likely to be inhibited into the future as research (Morrissey, K. (2017) Economics of the Marine Sector: Modelling Natural Resources) suggests that *'there is a risk that many potential growth sectors may not be based in coastal areas. Poorer infrastructure, small labour pools, and greater distance to central markets could mean that larger companies will continue not to invest in coastal areas. This would prevent the development of local, small and medium enterprise-based supply chains in coastal settings'*. On a positive note, the report also states that *'there is potential for high-value-added activities associated with, for instance, marine renewable energy, blue biotechnology and marine technology to remain in urban hubs, with minimal increases in the labour force in coastal communities'*.
- 10.8 The Social Market Foundation (Living on the Edge; August 2019) have reported that; *'Coastal communities have seen much weaker economic growth since the financial crisis than other parts of the country. While the size of Britain's coastal economy grew by 7.5% between 2010 and 2017, the rest of the country's economy grew more than twice as fast, by 17.1%. The economic growth gap between coastal communities and other parts of the country is greater than was the case before the financial crisis.'*
- 10.9 More concerning is that with the growth of the SELEP economy between 2014-2016 standing at £6.8bn, with the uneven spread of economic activity (as demonstrated by GVA per head), it is evident that the majority of growth within SELEP will, unless an alternative path is pursued, be experienced away from the coast. Ultimately this will further exacerbate the current data and create a more divided region between the coast and inland areas.

Figure 40: Industrial Floorspace Change



Source: VOA (2019)

### Business Space

10.10 SELEP-wide trends have played out quite differently across the LEP area, as shown in Figure 40 above. Whilst this shows that there is no clear overarching pattern, it does suggest that South Essex has generally seen its stock of industrial floorspace grow over the past 10 years (with the exception of Southend), while large parts of Kent and Essex have seen their industrial stock decline in absolute terms. Thames Estuary locations and the rural areas of East Sussex have recorded the most significant gains in industrial space over the last 10 years.

10.11 The pattern tends to be even more varied when it comes to office floorspace, with the majority of Kent authorities having lost office space over the last 10 years, but with a more mixed picture across other SELEP sub-areas. This suggests that changes to the office market have impacted upon some office locations in SELEP more than others, with the introduction of Permitted Development Rights (for change of use of office space to residential without the need for planning permission) proving a key factor in locations such as Maidstone, Sevenoaks, Colchester, Eastbourne and Harlow.

# 11. SOURCES



# 11. SOURCES

The Data Pack has drawn together information from the following sources:

- Nesta Innovation Index
- Smart Specialisation Strategy
- Local Industrial Strategy White Paper
- Demos-PwC Good Growth for Cities Index (LEP Datasets)
- European Innovation Scorecard 2017
- Office of National Statistics
- Unesco
- Innovate UK Beta
- Research Excellence Framework
- Higher Education 'Coldspots'; HEFCE 2015
- Smart Specialisation Observatory: SELEP Profile
- Innovate UK Data Hub
- Centre for Cities – Cities Factbook 2017
- Ward, K.J. (2015) Geographies of Exclusion: Seaside Towns and Houses in Multiple Occupancy. *Journal of Rural Studies* 37.
- ThinkBroadband.com
- UK Climate Change Risk Assessment 2016
- DEFRA Annual report 2017
- 'The Future of Seaside Towns'; House of Lords; April 2019
- School Dash
- 'Rural and coastal schools - the challenge of location' – Ovenden-Hope February 2019
- NHS Atlas of Variation 2016
- Health, Wellbeing and Regeneration in Coastal Resorts; Cave 2010
- District Commuting intensity; Census Data Service
- Coastal Communities Alliance; Spring 2018
- 'Smarter, Faster Together' Towards a Local Industrial document; SELEP 2018
- Skills Strategy; SELEP 2018
- Oxford Econometrics forecasts; May 2019
- Seaside Towns in the Age of Austerity; Sheffield Hallam 2014
- 'Changing student behaviour in schools located in areas of socioeconomic deprivation: findings from the 'coastal academies' project', R Passy, T Ovenden-Hope; 2015.
- Economics of the Marine Sector: Modelling Natural Resources, K Morrissey; 2017
- Geographies of Exclusion: Seaside Towns and Houses in Multiple Occupancy; Ward 2015
- 'We need to reimagine the UK's coastal communities into a coastal powerhouse' Murray and Morris, *The Spectator*, July 2018





**SOUTH EAST**  
LOCAL ENTERPRISE  
PARTNERSHIP

## Appendix 2 Sector Support Fund (SSF) Application Template

1. Project Title	
SE Export Development (SEED)	
2. Project Location	
<ul style="list-style-type: none"> <li>Location of delivery &amp; supporting partners: Kent, Medway, North Essex, South Essex, East Sussex.</li> <li>Location of project beneficiaries (SMEs): whole SELEP area</li> <li>Location of project implementation: whole SELEP area and targeted international market</li> </ul>	
3. Lead point of contact for Project	
Name	Steve Samson
Organisation	Kent County Council
Job Title	Trade Development Manager
Email	<a href="mailto:steve.samson@kent.gov.uk">steve.samson@kent.gov.uk</a>
4. Lead contact in County Council/ Unitary Authority (if different from above)	
N/A	
5. Description of Project (No more than 300 words)	
<p>Exporting helps businesses grow, become more innovative and productive but export levels in the SELEP area have tended to be quite low.</p> <p>Companies have experienced significant uncertainty about the UK's trade relations and report that they face many challenges when it comes to exporting including a lack of access to international contacts and a lack of internal capacity to focus on export activity. SEED will seek to address these issues.</p> <p>SEED complements the existing export support offer from the Department for International Trade (DIT), Enterprise Europe Network (EEN) and Chambers of Commerce (CoC) and will deliver a tailored programme of support to businesses which are new to export or which have significant potential to internationalise.</p> <p>As a pilot, the project will support companies from a priority industry sector (either Life Sciences, Agri-Food, Environmental Technology or Digital &amp; Creative) which is of strategic importance to the SELEP area and with significant export potential. The project will focus primarily on manufacturers of products within the chosen sector as it is easier to display products at a trade show, but companies offering services will also have the opportunity to participate, especially through a trade mission.</p> <p>The project will deliver the following activities:</p> <ol style="list-style-type: none"> <li><b>Business Engagement:</b> a series of communication activities to recruit companies from the target sectors wishing to expand into international markets and assessing their suitability to participate in the project</li> <li><b>Export preparation:</b> working to help selected companies get 'export-ready' (with hands-on support from DIT, accredited CoCs and other strategic partners) through 1-2-1 and group training activities (covering topics like regulations, export paperwork, distribution, getting paid and maximising time at exhibitions).</li> <li><b>A SELEP Stand at an International Trade Show:</b> Organisation of a SELEP stand at a major international trade show, with dedicated space for 20 companies allowing them to showcase their</li> </ol>	

products / services to global audiences from the right industry sectors. This will also allow the inward investment agencies from the federated areas to promote SELEP abroad as a place to do business. A video will be produced for display on the stand showcasing the best of the sector in the SELEP area and key investment sites and assets. Representatives of the Inward Investment Agencies in the SELEP area will be invited to attend the show to meet with international business contacts and also promote the area as place to invest and do business.

4. **A SELEP trade mission** will also be organised to enable a further 30 companies to visit the same show to carry out market research and participate in a range of matchmaking, meet the buyer and market insight presentations.

The project will provide intensive support to 50 businesses from the SELEP area with an estimated split per federated area as follows: Essex: 12, South Essex 8, Medway 5, Kent 16, East Sussex 9  
The sector focus and therefore the target international trade show are currently being finalised by the delivery partners.

*An example below of a typical trade show stand used by Kent in the past gives an idea of what will be developed for SELEP within the SEED project:*



## 6. Federated Board endorsement

*Please indicate which Federated Boards have endorsed the project, including dates of any relevant meetings.*

- An endorsement from KMEP will be sought at their meeting on 17 March
- **Subsequent endorsements from \_\_\_\_ will be sought afterwards.**

## 7. Project links to SELEP Economic Strategy Statement (ESS)

According to DIT, firms that export show higher rates of productivity than those that solely operate in their domestic market. SEED will make an important contribution to Boosting Productivity as part of the ESS which states that *"We will help firms to create better links internationally, through exporting, importing or international partnerships."*

SEED will provide intensive support to businesses in SELEP's strategically important sector, whilst raising the profile abroad of the SELEP area's strengths.



The project aligns perfectly with the new South East Local Industrial Strategy which states:

- Strategic Opportunity; “the South East’s critical role as a global gateway and as a leading location for inward investment, linking the UK with international markets. We will work with our gateways to strengthen these locations by ... capitalising on this to increase international trade and enterprise for the region”
- “We can increase domestic and international trade, supporting our businesses to take advantage of our successful track record in securing inward investment and export opportunities.”
- “Driving up the UK’s export ability – and its attractiveness to inward investors – will be a high priority and one from which the South East will benefit through its role as the UK’s global gateway.”
- “We will create a thriving business environment that supports our businesses to grow, innovate and to trade internationally. We will also continue to build a strong business-led voice for the South East economy, supporting growth through increased exports, foreign direct investment and exposure to wider markets.”

SEED will directly contribute to the following SELIS key outcomes:

- “Increased international trade and investment as a result of improved skills and leadership capabilities”
- “Increased domestic and international trade”

**8. Total value (£s) of SSF sought (net of VAT)**

£151,360

**9. Total value (£s) of project (net of VAT)**

£201,360

**10. Total value (£) of match funding (net of VAT)**

£50,000

**11. Funding breakdown (£s)**

Source	2017/18	2018/19	2020/21	Total
SSF			£151,360	
Other sources of funding <i>(please list below, add additional rows if necessary)</i>				
Dedicated officer time from the partner Local Authorities (Kent, Medway, South Essex) and Chambers of Commerce			£30,000	
DIT SE & EEN International Trade Advisor time			£5,000	
(DIT East of England) ITA Time - TBC			£5,000	
SME contribution towards travel and accommodation costs			£10,000	
<b>Total Project Cost</b>			£201,360	

**12. Details of match funding**

Each of the delivery partners (KCC, Medway Council & Sussex Chamber and South Essex) will contribute a dedicated amount of officer time for the management and implementation of the project.

Further in-kind support through DIT International Trade Advisor time will be contributed to the project as detailed above along with time dedicated to the project from Enterprise Europe Network and the 3 accredited Chambers of Commerce.

Support from inward investment agencies in the SELEP area in the form of officer time will also be secured for the trade show participation.

The beneficiary SMEs will make a contribution to travel & accommodation costs for the trade shows to help demonstrate their commitment to international sales but this will be proportionate so as not to create a barrier to their participation.

### 13. Expected project start and completion dates

1 July 2020 to 30 June 2021

### 14. Key Milestones

Key Milestones	Description	Indicative Date
Promotion of SEED Project to target companies	A series of promotional activities will be designed and delivered by the delivery partners as well as being disseminated by strategic local partners (export support organisations, business support organisations and sector groups) including: <ul style="list-style-type: none"> <li>• Social media activity</li> <li>• Promotional flyers</li> <li>• Newsletter articles &amp; bulletins</li> </ul>	July-Sep 2020
Selection of companies to participate in support programme	The partners will develop an Expression of Interest form and suitable selection criteria (focusing on export readiness, track record in the domestic market etc) and will invite companies to apply for the programme. The partners will select eligible companies (with expert advice from DIT, EEN, local authorities' ED Teams and the local Chambers of Commerce) for the project and companies which have already been working with core export support services may be particularly relevant for this project.	Aug-Oct 2020
20 x 121 export readiness visits to companies	Each company will receive a 1-2-1 visit from a DIT International Trade Advisor or equivalent Chamber of Commerce or EEN advisor/Local Authority Advisor to ensure that they are export-ready	Oct-Dec 2020
4 group export & trade show training sessions (2 for each target sector)	Training sessions will be organised in the different federated areas for the selected companies based on their sector with tailored advice about regulations and exporting procedures. These will bring together advise & expertise from the core existing, export service providers in the SELEP area (DIT, EEN, CoCs).	Dec 2020 – Feb 2021

	Trade show preparation sessions will also be organised to ensure that the selected companies can properly prepare for the trade show stand and maximise their participation	
SELEP trade show stand organised at trade show (20 companies exhibiting)	<p>The delivery partners will book stand space, commission the design of the SELEP stand and make all of the necessary logistical arrangements on behalf of the companies as well as organising receptions / promotional events to maximise the exposure of the companies at the events</p> <p>The partners will also use international connections (DIT overseas posts, EEN's extensive network and the British International Chambers of Commerce network) to make the most of in-market expertise and contacts for the companies.</p>	March/April 2021
Trade Mission (30 companies) visiting trade show	The delivery partners will organise travel, logistics and a full programme of activity for companies attending the trade show as part of the SELEP trade mission.	March/April 2021
Follow-up support to companies	The delivery partners and their local export-support providers (DIT etc.) will work with companies to ensure that leads obtained at the trade show are followed up and that any potential barriers to overseas orders being fulfilled are tackled	May-June 2021
Evaluation report including details about benefits captured from participating companies	The partners will capture detailed feedback from the companies to gather information about immediate benefits for each participating company (e.g. leads generated, direct export sales etc.) which will be followed up at regular intervals after the project end date to capture longer term benefits.	June 2021

**15. Benefits created by 2021 (list benefits with number/amount and cash value if applicable)**

Type of Benefit	Number of benefits created	Cash value of benefit (£)
New skills and knowledge gained by participating SMEs	50 SMEs with new knowledge	
International exposure for SMEs	50 SMEs exposed to new international markets	
Sales leads generated for companies	20 leads per exhibiting company gained at the trade shows	
New international business contacts made	200 new contacts made by companies participating in trade mission	
Export orders / contracts secured	New export orders company in the year following the project implementation	£200,000 estimate (Average £10K per exhibiting company)
Increased turnover for	10% increase in turnover between the start of the	

exhibiting companies	project and 6 months after the end of the project	
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### **16. Value for Money – Benefit/Cost Ratio**

Based on metrics detailed in an evaluation of UKTI's (now DIT) Tradeshow Access Programme by the London School of Economics in 2008, companies participating in a single trade fair report an average financial benefit of £40,000. Within the SEED project, the amounts will vary from company to company as we will focus on smaller companies who are 'new to export' or who have only limited export experience. So, based on enabling 20 companies to exhibit at an international trade show, we conservatively estimate total export wins to be more than £200,000. We would consider an export win to be new orders or contracts resulting from the participation in the trade shows in the year following the project as it can take some time for companies to follow-up on leads identified at trade shows and subsequently fulfil any export orders. SEED will therefore secure an equal return on investment for the SSF grant.

In recent years, DIT-funded trade shows offered £70 return for every £1 spent (Gambica 2018) which shows the value of helping businesses with this type of activity.

This project also adds value to previous initiatives funded by SELEP such as the 'Get Exporting' ESIF project which enhanced DIT's core service offer to companies in the SELEP area. This project goes a step further by removing the financial barriers faced by companies to enable them to exhibit at global trade events.

We also anticipate other benefits for companies participating in the project such as increased productivity (a key characteristic of exporting companies) and potential collaborations. We will capture details of such benefits using a detailed project evaluation form which companies will complete at the end of the project.

### **17. Value for Money – Other Considerations**

Once a company has made the necessary internal preparations for export markets (ensuring compliance with regulations in target market, internationally-tailored communication and labelling materials, suitably skilled staff, decisions on shipping, logistics, payments and aftersales support etc.), in order for SMEs to successfully export, they need to ensure that their products and services are showcased in their target markets. Trade shows are a key way to do this. They offer a unique opportunity to meet potential buyers, collaborators and international industry contacts but attending and especially exhibiting are expensive. SMEs are often unable to resource attendance at such events meaning that they miss out on opportunities to win export business.

By undertaking a SELEP approach to organising a joint stand at a major international trade show, significant value for money is achieved. The costs of developing attractive trade show stands and booking exhibition space can run into tens of thousands of pounds which is beyond the reach of most small companies. Significant staff time is also required to make the necessary logistical and preparatory arrangements and most companies also struggle to do this.

The approach of the SEED project is to eliminate these costs for SMEs and to achieve excellent value for money by investing in a SELEP pavilion which will host 20 companies at an international trade show. The cost per company is significantly reduced. A further 30 companies will also be able to use the stand as a base during the trade mission.

### **18. Dependencies and Risks**

Risk	Likelihood	Impact	Mitigation	Overall risk
Brexit causing additional uncertainty among businesses and unclear trading relations with EU markets	Possible	High	Monitor Brexit implications during and after the 'Transition Period'	Medium
Risk of corona virus or other health risks causing the cancellation or postponing of trade shows	Possible	High	Plan the trade show participation for early 2021 when the impact of coronavirus will hopefully have reduced	Medium
Failure to recruit sufficient numbers of companies	Unlikely	High	Wide publicity campaign involving local partners in the different federated areas of SELEP and selecting well-known industry events and providing attractive package of hands-on support	Low
Failure to secure direct export wins at the trade shows themselves	Possible	High	Detailed training & preparation activities for companies prior to participating in international trade shows and ongoing support for companies to pursue leads gained after the events	Medium
Not being able to secure the right amount of stand space for the SELEP companies	Unlikely	High	Booking stand space well in advance with enough lead-in time to make all arrangements	Low
Exchange rate fluctuations	Possible	Medium	Costs incurred 'in-market' could be higher than planned if the value of the pound drops significantly	Low

## 19. State Aid Implications

The value of the support provided to beneficiary companies will be treated as secondary level State Aid under the EU De Minimis regulation (1407/2013). The partners will ensure that the following activities take place to ensure that beneficiaries (SMEs) selected are in line with state aid regulations:

1. Include a self-certification section on the project expression of interest form for companies to sign declaring any previous state aid awarded and that they have not received more than the permitted de minimis threshold during the last 3 fiscal years
2. Informing the beneficiary companies (at the selection stage) of the likely value of the state aid (project support) to be provided through the SEED project
3. Writing to each beneficiary company at the end of the project to confirm how much de minimis aid has been granted by the project.
4. Ensuring that records are retained by the beneficiary companies (SMEs) and the awarding bodies (project partners) for a period of 10 years after the end of the project.

## 20. Contracting Body

Kent County Council, Economic Development, Invicta House, County Hall, Maidstone, Kent, ME14 1XX

Mr Dave Hughes, Head of Business Engagement, [dave.hughes@kent.gov.uk](mailto:dave.hughes@kent.gov.uk) 07917 639120



## 21. Project Governance Structure

Project Sponsor:  
Dave Hughes, Head of  
Business Engagement, KCC

Project Manager:  
Steve Samson, Trade  
Development Manager. KCC

Project Officer:  
KCC

Project Lead:  
Medway  
Council

Project Lead:  
South Essex Local  
Authorities

Project  
Contact:  
Essex CC

Project  
Contact:  
Sussex Chamber

Support Partners: (company recruitment & export readiness support)



Essex  
Chamber -  
TBC

- Kent County Council will oversee the implementation of the project building on its experience of running & coordinating export support activities locally. A project manager will be supported by a dedicated project officer who will work on the day to day implementation of the project.
- South Essex and Medway will also nominate a lead officer for the project who will support the implementation of the project.
- Essex & East Sussex County Councils are unable to dedicate specific staff resource for the implementation of the project but will keep in contact with the project officers from the other federated areas to ensure a fair representation of businesses from all areas. External 'support partners' (DIT, EEN and Chambers from across the SELEP area) will support the implementation of the project including identifying potential beneficiary companies and delivering export readiness training and advice.
- The above individuals will take part in the project steering group which will meet at regular intervals (and arrange regular teleconferences) to plan and oversee the implementation of the project.

## 22. Declaration

<b>Declaration</b>	I certify that the information provided in this application is complete and correct
<b>Signature (Lead applicant)</b>	
<b>Print Name</b>	Steve Samson
<b>Organisation</b>	Kent County Council (Economic Development)
<b>Date</b>	

## ITEM 8

**Date:** 17 March 2020

**Subject:** KMEP AGM and Project Showcase

**Report Author:** Sarah Nurden, KMEP Strategic Programme Manager

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### 1. KMEP AGM and Project Showcase

1.1 KMEP has met with the MPs and the wider business community in the past. The purpose of this type of meeting is:

- To update MPs and the wider business community regarding KMEP's delivery to date.
- To receive feedback from the MPs about the economic growth objectives which are of utmost importance to them.
- For KMEP to present their top priorities to the MPs and wider business community, suggesting appropriate actions to achieve their vision.
- To subsequently develop a shared set of priorities through discussion with the Kent and Medway MPs.

The intention is for all parties to then convey the same messages when lobbying approaches are made to Ministers, Civil Servants and in discussions with the media and other organisations.

1.2 Following the general election in December 2019, the KMEP Chairman wrote to all the Kent and Medway MPs to invite them to a KMEP AGM and project-showcase event, to be hosted in July 2020, saying a save the date would follow in 2020.

### 2. Questions for discussion

A short period of time has been added to the KMEP agenda on 17 March to start discussion regarding the following questions:

- 1) **What is the board's preferred format for the event?** – At the most recent event with MPs, KMEP chose three areas of focus (Rail, Road, and Skills Infrastructure). Private-sector board members then presented KMEP's view for circa 15 minutes per topic. Following the presentation, the MPs were asked for their views in response to the presentation. Subsequently, there was an open Q&A on the topic (which operated similar to BBC's Question Time, with businesses and board members in the

audience being able to ask the MPs on the top table specific questions). Should this format be replicated? Are there improvements you'd like to suggest?

One improvement to the event that the KMEP team would like to propose is to incorporate a project showcase element. The idea is that KMEP select its three or four most transformative projects that would not have been delivered without KMEP's support in securing funding. This will help show the added value we deliver to the MPs.

- 2) **Which topics should KMEP focus on?** If KMEP selects to replicate the original format, it would be useful to gain ideas about the three areas that KMEP wishes to discuss with the MPs. The business advisory board has heard recently from the agricultural sector about the expected lack of seasonal labour following the end of the Brexit transition period, and the significant consequences to the UK's food supply chain. Could this be a potential topic to focus on, maybe linked to research and development in the rural sector? Initial views eagerly requested...
- 3) **Who should be the presenters on the day?** At the last event, Vince Lucas spoke on rail infrastructure and the need for new High-Speed 1 rolling stock; Tim Waggott (the then CEO of the Port of Dover) spoke on the need for a resilience motorway network and a new Lower Thames Crossing) and Paul Winter and Simon Cook spoke on the need for changes to the skills and apprenticeship landscape. **A suggestion to the board is that we form possible three working groups of KMEP board members (one per topic).** These working groups can then work together to produce the content of the presentations, help direct the creation of any briefing material that should be given out at the event or prior to it, and can then decide once the content is agreed which of them presents at the AGM?

Finally, in terms of a venue for the event, the KMEP team has already been in contact with the University of Kent and Canterbury Christ Church University to enquire about using a space at their Canterbury Campuses for the AGM. The reason for the approach is that the most letters that KMEP ever received from the MPs were in support of the Kent and Medway Medical School. Hence, we thought maybe having a tour of the KMMS facilities or a presentation about it from the KMMS Dean within the AGM and project showcase may help prove how KMEP is delivering against the MPs' and local community's priorities. (KMEP was pivotal in securing £8m of capital funding for the scheme).

## ITEM 9

<b>Date:</b>	17 March 2020
<b>Subject:</b>	Local Growth Fund Rounds 1, 2, 3 and 3b: Delivery Progress Report
<b>Report authors:</b>	Kerry Clarke, LGF Programme Manager, Kent County Council Jessica Jagpal, LGF Programme Co-ordinator, Medway Council

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### Summary

This report provides an update on the progress in delivering Kent and Medway's Local Growth Fund (LGF) programme, including those schemes that were allocated funding as part of the most recent round of Growth Deal funding (Round 3b).

The Board is recommended to:

1. Note the update on LGF project scheme delivery.
  2. Note the reallocation of funding from existing projects to new projects on the LGF3b pipeline list.
- 

### 1. Introduction

- 1.1. £177.22 million has been allocated from the Local Growth Fund (LGF) round 1, 2 and 3 to capital projects – primarily transport schemes - in Kent and Medway.

### 2. Kent and Medway's Forecast LGF spend in 2019/20

- 2.1. In April 2019, SELEP received its 2019/20 LGF grant allocation of £54.915m as anticipated. In addition, a total of £57.719m LGF was carried forward from previous financial years.
- 2.2. The spend forecast for 2019/20, as reported to the South East LEP (SELEP) Accountability Board in September 2019, has been set at £18.289m for Kent and £16.555m for Medway. This is the benchmark for which delivery and spend will be monitored against for the 2019/20 financial year and which will be adjusted based on reporting to the quarterly SELEP Programme Consideration meetings.
- 2.3. The anticipated spend in 2019/20 for each area as reported to SELEP Accountability Board on 14<sup>th</sup> February 2020 is shown in Table 1 overleaf.

**Table 1 LGF spend forecast 2019/20**

LGF (£m)	Planned LGF spend in 2019/20*	Total forecast LGF spend in 2019/20 (as reported in January 2020)	Variance*	Forecast LGF spend relative to planned spend in 2019/20 (%)	Breakdown of variance	
					Additional spend/slippage identified for 2019/20 since the last board meeting	Additional spend/slippage previously considered by the Board
East Sussex	9.346	9.348	0.002	100.0%	-6.423	6.425
Essex	15.210	18.844	3.634	123.9%	-1.613	5.248
Kent	18.289	18.527	0.238	101.3%	-1.225	1.463
Medway	16.555	6.185	-10.370	37.4%	-5.028	-5.342
Southend	15.693	13.434	-2.259	85.6%	-0.688	-1.571
Thurrock	4.410	8.641	4.231	195.9%	0.010	4.221
Skills	0.000	0.000	0.000	-	0.000	0.000
M20 Junction 10a	0.000	0.000	0.000	-	0.000	0.000
LGF Sub-Total	79.503	74.979	-4.524	94.3%	-14.968	10.444
Retained	27.811	34.780	6.969	125.1%	1.201	5.768
Total Spend Forecast	107.314	109.760	2.445	102.3%	-13.766	16.212

\*Variance between the total planned spend in 2019/20 as reported at outset of the 2019/20 financial year and the total forecast LGF spend in 2019/20, as it currently stands.

The slippage is shown as a negative value, whilst additional LGF spend is shown as a positive value.

### Spend Profile for 2019/20

2.4. The total KCC LGF budget for 2019/20 = £18.289m

2.5. Current KCC LGF forecast spend for 2019/20 = £18.527m (based on update provided for February SELEP Accountability Board meeting).

- 2019/20 Q1 Actual Spend = £1.437m
- 2019/20 Q2 Actual Spend = £1.044m
- 2019/20 Q3 Actual Spend = £2.071m
- 2019/20 Q4 Predicted Spend = £13.975m

2.6. The Kent LGF forecast spend has decreased from the forecast included in the last KMEP update report and reported to SELEP Accountability Board in November 2019. This is because the Thanet Parkway project is unable to draw down its LGF allocation until the planning permission is in place. This is not expected until July 2020 and therefore no LGF can be spent this financial year.

2.7. Total Medway LGF Budget for 2019/20 = £16.515m

2.8. Current Medway LGF Forecast spend for 2019/20 = £6.185m (based on update provided for February SELEP Accountability Board meeting).

- 2019/20 Q1 Actual Spend = £1.215m
- 2019/20 Q2 Actual Spend = £1.444m
- 2019/20 Q3 Actual Spend = £0.689m
- 2019/20 Q4 Predicted Spend = £2.836m



### **3. Business case development**

- 3.1. Project funding is only secured following the completion of a full project Business Case, its appraisal by the Local Enterprise Partnership's (LEP) Independent Technical Evaluator (ITE) (currently Steer) and approval by SELEP Accountability Board.
- 3.2. At the meeting of the Accountability Board on 14<sup>th</sup> February 2020, the business case for the M2 Junction 5 Improvements Scheme (£1.6m) was approved. The revised business case for Thanet Parkway (£14m) was also approved. Appendix A shows a summary of the Accountability Board decisions.
- 3.3. Across Kent and Medway, approval of a business case is required for three schemes.
- 3.4. In Kent, The Kent Strategic Congestion Management Programme (KSCMP) is a £4.8m package previously supported by KMED and SELEP. It has a remaining £300k allocation which needs to be unlocked through a further business case submission
- 3.5. It is proposed that an updated business case will be presented to the Accountability Board meeting on 3<sup>rd</sup> July 2020. Prior to this; approval will be sought from Accountability Board via a change request for a change to the KSCMP programme. This will seek to remove the Wateringbury Crossroads scheme and request that the £300k allocation is either:
  - Diverted to another approved scheme within the programme;
  - Added to the request submitted in the new business case, or
  - Returned to SELEP for reallocation through the LGF3b process.
- 3.6. If the change request is approved; the preferred option is for SELEP Accountability Board to agree to approve the reallocation of £200k for the new congestion relief scheme which a business case is currently being prepared for. The remaining £100k would then be returned for reallocation through LGF3b.
- 3.7. The Kent and Medway Medical School has received its second phase of LGF3b funding; and the business case will be presented to the Accountability Board Meeting on 15<sup>th</sup> May 2020 for approval.
- 3.8. Innovation Park Medway (Rochester Airport Phase 3) - £1.5185m is due to be considered at the meeting of SELEP Accountability Board on 3<sup>rd</sup> July 2020.

### **4. LGF3b Update**

- 4.1. On 29 June 2018, the South East LEP Strategic Board discussed and endorsed 'Developing a SELEP pipeline of Local Growth Funding (LGF) projects' and an open call was held between 29 June and 31 August 2018 for projects that are seeking capital grant funding.
- 4.2. The pipeline of projects would then be prioritised by SELEP Investment Panel and any additional LGF which became available would be reallocated to the projects on the agreed list.

- 4.3. At the SELEP Investment Panel on 8th March 2019, £15.448m LGF3b funding was reallocated to 9 projects, including Thanet Parkway and Innovation Park Medway for the KMEP area.
- 4.4. On the 28th June 2019, a second meeting of the Investment Panel was held, which agreed a further eight projects to progress utilising the £15.158m available at the time of the meeting. Table 2 illustrates the successful projects allocated LGF3b in March and June 2019.
- 4.5. In June 2019, the Investment Panel also agreed a ranked list of the pipeline projects to progress should additional LGF underspend become available. This included a further eight projects, as set out in Table 3.

**Table 2: LGF3b projects funding in May and June 2019**

Project	Local board	LGF allocation	Date of Business Case Approval	Additional Comments	Date when project will next be discussed by Accountability Board
<b>LGF3b projects agreed for funding by the Investment Panel in March 2019</b>					
Bexhill Enterprise Park North	East Sussex	£1,940,000	07-Jun-19	Rother District Council's planning committee refused the reserved matters application and an appeal has been lodged. An update will be provided to Accountability Board in July 2020	03-Jul-20
Digital Technologies Campus	OSE	£2,150,000	07-Jun-19		-
Colchester Institute	Success Essex	£100,000	14-Feb-20	Change request approved at Accountability Board 14/2/20; allocation reduced to £50,000 with the surplus returned for reallocation through LGF3b	-
Skills for Rural Businesses Post-Brexit	East Sussex	£2,918,000	07-Jun-19		-
USP College CEDTIL	OSE	£900,000	13-Sep-19		-
Thanet Parkway	KMEP	£4,000,000	14-Feb-20		18-Sep-20
Flightpath Phase 2	Success Essex	£1,421,500	07-Jun-19		-
Sidney Little Road Business Incubator Hub	East Sussex	£500,000	07-Jun-19		-
Innovation Park Medway (northern site) - Enabling Infrastructure	KMEP	£1,518,500		Delays due to LDO and Highways England comments. Business case yet to be approved	03-Jul-20
<b>Subtotal</b>		<b>£15,448,000</b>			
<b>LGF3b projects agreed for funding by the Investment Panel in June 2019</b>					
M2 J5 Improvements	KMEP	£1,600,000	14-Feb-20		-
Bexhill Creative Workspace	East Sussex	£960,000	13-Sep-19		-
Kent and Medway Medical School Phase 1	KMEP	£4,000,000	15-Nov-19		-
Exceat Bridge Replacement Phase 1	East Sussex	£1,500,000		Since being prioritised, the project has developed a funding gap of £1.2m. East Sussex CC await the outcome of a bid to the DfT's Maintenance Challenge Fund (outcome expected in April).	03-Jul-20
Tilbury Riverside	OSE	£2,360,000	13-Sep-19		-
Southend Town Centre Phase 1	OSE	£867,708	15-Nov-19		-
Basildon Innovation Warehouse	OSE	£870,000		Since being prioritised, the project promoters have discovered the earmarked innovation site does not have WiFi connectivity yet. Other sites are being explored to see if project can proceed elsewhere.	15-May-20
University of Essex Parkside Phase 3	Success Essex	£3,000,000	14-Feb-20		-
<b>Subtotal</b>		<b>£15,157,708</b>			

**Table 3: LGF3b Pipeline Projects agreed in June 2019**

Project	Local board	LGF allocation	Date of Business Case Approval	Additional Comments	Date when project will next be discussed by Accountability Board
<b>LGF3b pipeline projects agreed at Investment Panel in June 2019 - Now funded</b>					
University of Essex Parkside Phase 4	Success Essex	£2,000,000	14-Feb-20		-
Southend Town Centre Phase 2	OSE	£632,292		Business case submitted for SELEP approval at Accountability Board on 15th May 2019	15-May-20
Kent and Medway Medical School Phase 2	KMEP	£4,000,000		Business case submitted for SELEP approval at Accountability Board on 15th May 2020	15-May-20
Exceat Bridge Replacement Phase 2	East Sussex	£610,579		Since being prioritised, the project has developed a funding gap of £1.2m. East Sussex CC await the outcome of a bid to the DfT's Maintenance Challenge Fund (outcome expected in April).	03-Jul-20
Eastbourne Fisherman's Quayside & Infrastructure Development Project	East Sussex	£1,080,000		The GPF project at Eastbourne Fisherman's Quay has been delayed. The Quay was to be constructed on land that was originally owned by Carillion. The project's repayments are delayed after Carillion's liquidation, and due to it taking longer to agree lease term with new owners (Premier Marinas). It is unsure how this LGF project related to the site is affected.	TBC
New Construction Centre, Chelmsford	Success Essex	£1,295,200		Business case to be submitted for SELEP approval	03-Jul-20
Subtotal		£9,618,071			
<b>LGF3b pipeline projects agreed at Investment Panel in June 2019 - Awaiting Funding</b>					
Colchester Grow-on Space - Queen Street	Success Essex	£3,777,451		£1.51m is in SELEP bank account for the project, £2.27m additional LGF required before a business case can be brought forwards.	-
NIAB East Malling Advanced Horticultural Zone	KMEP	£1,750,000		Awaiting LGF3b funding to become available. Preparation of business case has commenced.	Hoping to take a report to 03-Jul-20 meeting if sufficient LGF is returned in May/July
Subtotal		£5,527,451			

4.6 At SELEP Accountability Board on 14<sup>th</sup> February 2020; £11.129m of funding was returned for reallocation. This funding was returned from the following projects:

- The Mark Farm project (A131 Braintree to Sudbury), Essex, returned £1.8m as the project is now fully funded by S106 contributions
- The A289 project in Medway returned £9.279m because Medway have been successful in their HIF bid and therefore the LGF is no longer required to deliver the project.
- The Colchester Institute, Essex, returned £50k because a change in scope meant that less LGF was required to deliver the project.

4.7 This has provided funding allocations for the first 6 projects on the LGF3b pipeline list shown in Table 3. There is also £1.51m of funding which has been returned that is being held by SELEP as it is not enough to fund the next project on the list, Colchester Grow-on-Space – Queen Street; which has an LGF ask of £3.78m.

4.8 It is possible that further LGF will be returned for reallocation at the May and July Accountability Board meetings as there are several projects which currently have deliverability issues.

4.9 In preparation for the possibility of additional funding becoming available; and to avoid further delays later; NIAB EMR have begun working on their business case. This will be submitted in line with the timescales for consideration at the meeting of Accountability

Board on 3<sup>rd</sup> July 2020. It will only be considered at the meeting if sufficient funding has been returned during the Accountability Board meetings in May and July 2020.

## **5. Scheme delivery**

- 5.1. A Red, Amber, Green (RAG) spreadsheet (shown in Appendix D and E) provides an overview of progress in delivering each of the LGF capital projects in Kent and Medway.

For the **KCC programme**:

- 12 are Green (business case approved, funding fully secured and delivery on target).
- 8 are Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);
- 2 are Red (funding not yet secured and significant cost or delivery issues).
- 9 are completed
- 5 have been removed

For the **Medway programme**:

- 4 are Green (business case approved, funding fully secured and delivery on target)
- 3 are Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated)
- 1 is Red (funding not yet secured and significant cost or delivery issues).

## **6. Recommendations**

- 6.1. The Board is recommended to:

6.1.1. Note the update on LGF project scheme delivery

6.1.2. Note the reallocation of funding from existing projects to new projects on the LGF3b pipeline list.

## **7. Appendices:**

Appendix A: Business Case Update from the last SELEP Accountability Board Meeting

Appendix B: Forward Plan of Business Case submissions

Appendix C: Details of projects highlighted red in the RAG rating

Appendix D: RAG spreadsheet (Kent County Council schemes)

Appendix E: RAG spreadsheet (Medway Council schemes)

**Business Case Update from SELEP Accountability Board meeting on 14<sup>th</sup> February 2020 – Appendix A**

Outline business case submission dates	SELEP Accountability Board meeting date	Scheme	Description	Decision
15th November 2019	14th February 2020	M2 Junction 5, Stockbury	Junction improvement scheme	<p>To Agree the award of £1.6m to support the delivery of the Project identified in the Business Case, which has been assessed as presenting high value for money with high certainties of achieving this. This is subject to written confirmation being provided to SELEP Secretariat and Accountable Body by Kent County Council (KCC) to confirm:</p> <ol style="list-style-type: none"> <li>1. the Secretary of State for Transport’s approval of the Project following Public Inquiry (Rescheduled for 28<sup>th</sup> April 2020);</li> <li>2. the Highways England Project Business Case confirms that the Project presents high value for money, with a benefit cost ratio of over 2:1, and;</li> <li>3. the full funding package is in place to deliver the Project. *</li> </ol>
		Thanet Parkway	A new railway station in Thanet	<p>To Approve the award of £14m LGF to the delivery of the Project which has been assessed as presenting high value for money with medium certainty of achieving this, subject to receipt of written confirmation from Kent County Council that planning permission for the Project has been granted. Written confirmation should be provided by 22nd July 2020 at the latest. *</p>

\* N.B. The formal minutes of the Accountability Board meeting were not available at the time of writing this report as they will be signed off at the next meeting of the Accountability Board on 15<sup>th</sup> May 2020



### SELEP Accountability Board Forward Plan – Appendix B

Outline business case submission dates	SELEP Accountability Board meeting date	Scheme	Description	SELEP ask
6 <sup>th</sup> March 2020	<b>15<sup>th</sup> May 2020</b>	Kent and Medway Medical School Phase 2	State of the art new Medical School at Canterbury Christchurch University and The University of Kent, Canterbury.	To approve the award of the £4m LGF3b funding for Phase 2 of the Project.
24 <sup>th</sup> April 2020	<b>3<sup>rd</sup> July 2020</b>	Kent Strategic Congestion Management Programme	Utilising the remaining £300k of the original £4.8m LGF allocation to deliver a highway improvement scheme.	To approve the remaining £300k allocation of LGF for the project.
24 <sup>th</sup> April 2020	<b>3<sup>rd</sup> July 2020</b>	Innovation Park Medway northern site extended enabling infrastructure (Rochester Airport Phase 3) LGF3b	Innovation Park Medway Northern site enabling infrastructure, which includes utilities and spine road.	To approve the LGF3b funding award of £1.5185m for Phase 3 of the project.
24 <sup>th</sup> April 2020	<b>3<sup>rd</sup> July 2020</b>	NIAB EMR	The construction of new state-of-the-art glasshouses and a low-carbon energy centre.	<p><u>NB This will only be considered if sufficient LGF has been returned in May and July 2020.</u></p> <p>To Approve the award of £1.75m LGF3b funding for the delivery of the project.</p>

### Details of projects highlighted red in the RAG rating - Appendix C

Scheme	Description	Budget	RAG Rating
Thanet Parkway	New railway station to the west of the Cliffsend village, Thanet	£34.51m (£14m LGF, up to £17.81m KCC, £2m TDC, £0.7m EKSDC)	

#### Progress:

- SELEP Strategic Board agreed on 31<sup>st</sup> January 2020 to approve that the project can spend a proportion of the LGF allocation outside of the Growth Deal period (i.e. post March 2021). This was subject to SELEP Accountability Board approval that the project meets the 5 criteria specified to permit spending after 31<sup>st</sup> March 2021.
- A full Business Case went through the SELEP Independent Technical Evaluation (ITE) process to confirm that the Project continues to present value for money, in light of the increase in Project cost and that the full funding package is in place.
- Approval for the £14m LGF allocation to the scheme was given at the SELEP Accountability Board on 14<sup>th</sup> February 2020, and the full funding package is in place following approval of the KCC Cabinet decision for KCC to contribute up to £17.81m towards the delivery of the scheme.
- The LGF cannot be drawn down until SELEP receive written confirmation from Kent County Council that Planning Permission has been granted for the project. This must be provided by 22<sup>nd</sup> July 2020 otherwise the decision may be taken at the Accountability Board meeting on 18<sup>th</sup> September 2020 to reallocate the £14m LGF.
- SELEP Accountability Board agreed on 14<sup>th</sup> February 2020 that the Project satisfies the five conditions agreed by the Board in February 2019 to allow LGF spend beyond the Growth Deal period. This is also subject to the Planning Permission being secured for the project.
- The revised planning application was submitted in November 2019, with the consultation closing on 20th January (although responses can be submitted up until the planning committee).

#### Issue:

- The project is not yet able to draw down from the LGF allocation until SELEP receives confirmation that the Planning Permission has been granted for the project.
- If Planning Permission is not in place by 22<sup>nd</sup> July 2020 then the £14m LGF allocation may be reallocated at the meeting of SELEP Accountability Board on 18<sup>th</sup> September 2020.

#### Mitigation:

- KCC, the Planning Consultant and the Network Rail design team are addressing the comments that have been raised during the planning process and will be submitting further information in due course.
- Proposed responses are being discussed with statutory consultees to mitigate the risk of further comments being raised after submission.

Scheme	Description	Budget	RAG Rating
Sturry Link Road, Canterbury	New link road connecting A28 Sturry Road to A291 Sturry Hill	£29.6m (£5.9m LGF £23.7m Developer Contributions)	

Progress:

- The outstanding planning applications, for the housing developments (being decided by Canterbury City Council) and the Project (being decided by KCC), are subject to a joint Appropriate Assessment (AA) being considered as part of the planning application and being agreed by Natural England. Natural England have withdrawn their objections to the scheme and as such the AA has been submitted for Natural England's formal approval.
- The planning applications for the key developments are due to be determined by CCC by 31<sup>st</sup> March 2020.
- The planning application for the Project is due to be determined by KCC by May 2020.
- Approval was given at SELEP Strategic Board on 31<sup>st</sup> January 2020 for the project to spend a proportion of its LGF allocation post 31<sup>st</sup> March 2021; subject to SELEP Accountability Board approval that the Project satisfies the five conditions agreed by the Board in February 2019 to allow LGF spend beyond the Growth Deal period.

Issue:

- The delivery of the Project has been slower than anticipated due to the interdependency between the Project and the planning applications for the residential/ commercial development which is associated with the Project.
- The most significant Project risk is the availability of the private sector funding contributions towards the delivery of the Project. Although all the sites are allocated in the adopted Local Plan (July 2017), full planning consent has not yet been approved for any of the main three developers due to financially contribute towards the delivery of the Project.
- If satisfactory progress has not been made towards securing the full funding package and having the planning applications in place (By KCC for the delivery of the Project and by CCC in respect of the Broad Oak Farm and Sturry Developments) by the next update to the SELEP Accountability Board on the 15<sup>th</sup> May 2020, the Board will consider the reallocation of LGF to new LGF3b projects.

Mitigation:

- Potential options have been identified to manage the cash flow position and to secure developer contributions which have been identified towards the delivery of the Project.
- The approval of the Strategic Board for the Project to spend outside of the Growth Deal means that the revised programme for delivery of the project and receiving of the Developer Contributions is achievable if planning permission is secured by May 2020.

Scheme	Description	Budget	RAG Rating
Innovation Park Medway – Phase 2	Innovation Park Medway (IPM) will deliver up to 100,000m <sup>2</sup> of high-quality, innovative commercial space, bringing forward 3,000 highly skilled jobs overall.	£3.7m LGF	

Innovation Park Medway (IPM) - Phase 2 was awarded £3.7m LGF3 at the February 2019 SELEP Accountability Board, to deliver the enabling infrastructure required to facilitate development of the first phase of the northern site of IPM. The works include; access road and surface parking, drainage and water provision, electricity and gas works, broadband fibre and landscaping. The site will offer access to world-class research and development and provide opportunities for the skilled talent pool at Medway's four universities. This phase of the project will bring forward 1,365 highly skilled new jobs.

#### Progress:

- The business case for IPM Phase 2 was approved at February 2019 SELEP Accountability Board.
- A Local Development Order (LDO) is being progressed as a simplified planning route to deliver the site.
- Design for the enabling infrastructure works have now commenced and are progressing well. The design follows the principles set out in the IPM masterplan and design code, which will allow the design to be submitted through the LDO self-certification process, once the LDO has been adopted.
- A Development and Investment Plan was approved at Cabinet and Council in June and July 2019, which includes approval of funding for the landmark building. Medway Council has committed to delivering the first building on site; a landmark building at the top of the runway park. This feature building will act as a collaborative hub and demonstrate quality ambitions for the site. A full design team is currently in the process of being appointed with the market showing good interest in the opportunity.

#### Issue:

- LDO consultation responses are being addressed to incorporate any changes into the final LDO, including comments from statutory consultees; Highways England (HE) and Natural England (NE). HE's comments relate to traffic modelling and impact on the Strategic Road Network and discussion is ongoing to address these comments, prior to adoption of the LDO. SELEP have rated this project high risk due to the LDO not yet being approved.
- The 14<sup>th</sup> February 2020 SELEP Accountability Board agreed that an update must be provided to the 3<sup>rd</sup> July SELEP Accountability Board to demonstrate IPM Phase 2 and Phase 3 meet the five conditions for spending beyond the Growth Deal period, must provide evidence of progress towards milestones and provide an update on mitigation sought by Highways England.

#### Mitigation:

- There is ongoing liaison with HE around mitigation.
- A request for SELEP Strategic Board to endorse spend beyond the growth deal period was submitted in January and the decision will return to the March 2020 SELEP Strategic Board.

## Appendix D – Kent Schemes

Scheme	Description (Delivered by KCC unless stated)	Scheme delive ry by	Budget	LGF Spend (millions) (to 2 decimal places)	Status	RAG Statu s	Comments	Key Events for Next Period	Target outcome
<b>Local Growth Fund Round 1 Schemes</b>									
Sturry Link Road, Canterbury	New link road connecting A28 Sturry Road to A291 Sturry Hill - requires a crossing of both railway & river. Start of works planned for Spring 2019.	20/21	£29.60m  Made up of: £5.90m LGF £23.70m match	15/16 LGF spend = £0 16/17 LGF spend = £0.40 17/18 LGF spend = £0.39 18/19 LGF spend = £ 0.29  Profiled Spend 2019/20 = £2.39  Spend to date 2019/20 = £0.04  <i>LGF spend currently on hold</i>	<b>DETAILED DESIGN</b> (Business Case Approved)	→	Working towards resolution of issues and concerns raised through the planning application consultation process. Works continuing on the s106 agreements with the developers providing the match funding. A shortlist of tenderers has been prepared following the expressions of interest and assessment of the selection questionnaire and preparation of contract documents. SELEP Accountability Board considered progress with the project on 14 <sup>th</sup> February 2020 and resolved that LGF spend should continue to be paused until May Accountability Board, when a further report will be presented on progress with the planning and funding risks which need to be mitigated. If the planning for the 2 Canterbury developments and the Link Road itself is not secured, then the LGF allocation will be removed and reallocated through the LGF3b process.	Continue tendering process for selection of a design and build contractor. Respond to queries raised through the planning application process. Progress the draft s106 agreement. Commence drafting of Compulsory Purchase Order (CPO).	Jobs = 250 Homes = 720



Middle Deal transport improvements, Dover	New road between Albert Road & Church Lane, Deal. Scheme being prepared & delivered by developer. <b>(Delivery by Quinn Estates)</b>	18/19	£1.55m Made up of: £0.8m LGF £0.75m match	15/16 LGF spend = £0 16/17 LGF spend = £0.8 17/18 LGF spend = Match funding only 18/19 LGF spend = Match funding only  Profiled to spend in 2019/20 = Match funding only	<b>CONSTRUCTION</b> (Business Case Approved)	→	Agreed highway technical amendments with KCC. Work on the spine road commenced on site week commencing 13 <sup>th</sup> January 2020. The anticipated completion date remains at Q3 2020/21.	Progress with site works.	Jobs = 150 Homes = 150
Maidstone Integrated Transport	Package of transport improvements.	16/17 to 20/21	£11.85m Made up of: £8.9m LGF £2.95m match	15/16 LGF spend = £0 16/17 LGF spend = £0.27 17/18 LGF spend = £1.11  18/19 LGF spend = £ 0.67 Profiled Spend 2019/2020 = £ 3.101  Spend to date 2019/20 = £1.316	<b>VARIOUS STAGES OF DELIVERY</b> (Business Cases approved for all phases)	→	Phase 1  1) A20 London Road j/w Willington Street - Detailed design continues to progress, planning application delayed due to the postponement of the public consultation. KCC sign off via various asset managers progressing including structures.  Phase 2 2) Coldharbour R/bout – Design delayed by two weeks but does not affect the overall programme for delivery. Heads of Terms agreed with the RBLI and discussions being held in relation to the overage payment to the SoS.  Phase 3 3) A229 Loose Road Corridor  3a) Wheatsheaf/Cripple Street/Boughton Lane. Design almost completed, awaiting responses from the public	Review consultation responses and prepare report	Jobs = 1820 Homes = 1725

						<p>consultation to be able to progress any further. Looking at options for the demolition of the pub prior to the civils works, Anticipated commencement in the summer 2020.</p> <p>3b) Armstrong Road/Sheals Crescent - Awaiting responses from the public consultation to be able to progress any further.</p> <p>4) A20 London Road j/w Hall Road – Heads of Terms agreed with landowner. Tender will commence early 2020 in conjunction with Coldharbour roundabout.</p> <p>Public Consultation ran from 29<sup>th</sup> January 2020 to 11<sup>th</sup> March 2020:  <a href="http://kent.gov.uk/keepmaidstonemoving">kent.gov.uk/keepmaidstonemoving</a></p>		
<p>Sittingbourne Town Centre Regeneration (developer delivered), Swale</p>	<p>Re-alignment of St. Michaels' Rd &amp; public realm improvements adjacent to rail station. <b>(Delivery by Spirit of Sittingbourne)</b></p>	<p>17/18</p>	<p>£4.7m          Made up of:          £2.5m LGF          £2.2m match</p>	<p>15/16 LGF spend = £0.34          16/17 LGF spend = £2.16          17/18 LGF spend = £0.00          18/19 LGF spend = £0.00</p> <p>Profiled to spend in 2019/20 = Match funding only</p>	<p><b>CONSTRUCTION</b>          (Business Case Approved)</p>	<p>→</p>	<p>The Retail element of the scheme is now open and trading, with the leisure quarter (hotel, cinema and restaurants) to come on-line in a phased manner over the next six months. The Hotel is set to open imminently, and the restaurants and cinema from Easter onwards and recruitment has commenced for most tenants. The multi-</p>	<p>Jobs = 560          Homes = 214          &amp; training facilities</p>

						<p>storey car park associated with the development is open.</p> <p>Phase 1 revisit is continuing in various areas of the overall scheme, including the resurfacing of West Street and St Michaels road. Ongoing but delayed by MSCP contractor.</p> <p>Phase 2 (main works at Station frontage) Remedial surfacing works have been ongoing where closures and weather have permitted. Further amendments to the bus area required following early RSA.</p> <p>Phase 3 (section 1) - The resurfacing of the carriageway wearing course will likely mean that this area will not complete until Q2 2020 in the warmer weather.</p> <p>Phase 4 (section 2) - Works have commenced with below ground drainage, carriageway re-alignment, utilities installations/diversions and the construction of the retaining structure for the new turning head on Fountain Street. This highway section is circa 6 weeks behind programme and weather will now likely continue to effect progress.</p>	<p>Completion of Phase 1 Re-visit.</p> <p>Southern Water phase 4 (section 2) drainage approval.</p> <p>Resolve Structures coordination on Fountain Street Retaining Wall.</p> <p>Progress Legal on Section 2.</p> <p>Achieve TA on Section 2.</p> <p>Commencement of Phase 3 Section 1.</p> <p>Practical Completion of Section 3, 4 and 5</p>	
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<p>Tunbridge Wells Junction Improvements (Phase 2 - A26 Cycle Route)</p>	<p>Junction improvement &amp; A264 junction changes. Phase 1 works complete. Phase 2 construction planned for 2018/19</p>	<p>15/16 to 18/19</p>	<p>£1.8m LGF</p>	<p>15/16 LGF spend = £0.60 16/17 LGF spend = £0.19 17/18 LGF spend = £0.05  18/19 LGF spend = £0.32  Profiled Spend 2019/20 = £0.25  Spend to date 2019/20 = £0.008</p>	<p><b>DELIVERED - PHASE 1 DETAILED DESIGN/CONSTRUCTION- PHASE 2</b> (Business Case Approved for full allocation)</p>	<p>→</p>	<p>Phase 2 (Section 1) delivered on time. Cycle lane and side road raised tables completed.  The Phase 3 design is ongoing with a view to delivery between Nov 2020 and March 2021.  A review of potential enhancements to Phase 1 has been completed and a trial using bolt down rubber white lines will be implemented in Summer 2020. This will offer light segregation between cyclists and motorists.</p>	<p>Progress with detailed designs for phase 3 and implementation of the trial for phase 1</p>	<p>Jobs = 105 Homes = 85</p>
<p>West Kent LSTF</p>	<p>A package of measures to support travel by sustainable means. Start of works planned for 2015/16.</p>	<p>15/16 to 20/21</p>	<p>Total across 6 years - £9.06m  Made up of: £4.9m LGF £4.16m match</p>	<p>15/16 LGF spend = £0.8 16/17 LGF spend = £1.31 17/18 LGF spend = £0.33 18/19 LGF spend = £ 1.39  Profiled Spend 2019/20 = £0.47  Spend to date 2019/20 = £0.0948</p>	<p><b>VARIOUS STAGES OF DELIVERY</b> (Business Case Approved)</p>	<p>→</p>	<p><b>Tunbridge Wells Public Realm phase 2 -</b>  KCC experienced long delays in appropriating the stone finishing for the new steps and, due to the amount of work to cut and lay this stone, this will not be completed until early April.  Work to install additional signage for motorists has been completed apart from one sign for which an appropriate location is being sought.  Quotes are being sought to install static cameras, initially to monitor traffic movements but also potentially to support the enforcement process going</p>	<p><b>Tunbridge Wells Public Realm phase 2 – Completion of construction works.</b></p>	<p>Jobs = 345 Homes = 393</p>

						<p>forward.</p> <p><b>Maidstone East station</b> – The temporary ticket office has been in operation since 6<sup>th</sup> January 2020 to enable the station redevelopment work to begin. Planning Application and additional planting scheme drawings have been submitted to MBC.</p> <p><b>Tonbridge Station Interchange</b> - Project complete.</p> <p><b>Swanley Station</b> - The CIL funding has been transferred to KCC by SDC. Southeastern have commissioned TTPP to progress the current design to GRIP 5. EqIA is complete. Tender for construction has been issued by Southeastern with tenders returned 21/02/2020. EqIA has been completed and is now signed off. Southeastern to commission pre-scheme passenger surveys so monitoring data can be gathered in March 2020.</p>	<p><b>Maidstone East</b> – Secure planning permission; proceed with delivery of the new ticket office</p> <p><b>Tonbridge Station</b> – Complete</p> <p><b>Swanley Station</b> – Review tenders and appoint contractor</p>		
Kent Thameside LSTF	A package of measures to support travel by sustainable means. Start of works planned for 2015/16.	15/16 to 20/21	<p>Total across 6 years - £7.65m</p> <p>Made up of: £4.5m LGF £3.15m match</p>	<p>15/16 LGF spend = £2.05 16/17 LGF spend = £0.48 17/18 LGF spend = £0.72 18/19 LGF spend = £ 0.25</p> <p>Profiled Spend 2019/2020 = £0.45 Spend to date 2019/20 =</p>	<p><b>VARIOUS STAGES OF DELIVERY</b> (Business Case Approved)</p>	→	<p><b>Barrack Row Bus Hub</b> – The delivery programme is currently being reviewed so that it can be aligned with the improvements being progressed by KCC’s Public Transport Team at Garrick Street.</p>	<p><b>Barrack Row Bus Hub</b> – Complete detailed design</p>	<p>Jobs = 843 Homes = 657</p>



				£0.175			<p>All tenants have now vacated the site. Detailed design is being progressed and is anticipated to be complete at the end of March 2020. The procurement process will then commence.</p> <p><b>Princes Rd cycle route</b> – Steeles have been appointed by Amey and Construction started on 4th December to rectify the issue with the vegetation being cleared. The fencing will be completed first and then Phase 1 construction will follow on and this will not affect build programme. A pedestrian/Cycle counter has been installed on the route for pre/post monitoring purposes.</p> <p><b>Gravesend Station to Cyclopark cycle route</b> - The scheme is programmed to start construction in March 2020. The Coldharbour Road section of the route will be completed by the developer in conjunction with the new housing estate.</p>	<p><b>Princes Rd cycle route</b> - Complete construction</p> <p><b>Gravesend Station to Cyclopark cycle route.</b> Construction to commence</p>	
Kent Strategic Congestion Management programme	Package of congestion management initiatives. Start of works planned for 2015/16.	15/16 to 20/21	Total across 6 years - £4.8m LGF	<p>15/16 LGF spend = £0.86  16/17 LGF spend = £0.69  17/18 LGF spend = £0.60  18/19 LGF spend = £ 0.24</p> <p>Profiled Spend 2019/20 = £0.89</p> <p>Spend to date 2019/20 = £0.245</p>	<p><b>VARIOUS STAGES OF DELIVERY</b>  (Business Case approved £300k remains to be unlocked via a further business case or change request)</p>	→	<p><b>2018/19 schemes:</b>  <b>A229 Bluebell Hill CITS Scheme</b>  Following a second “TESTFEST” event in November 2019; it has been agreed to carry out a final test event to gather more data which is anticipated before the end of the financial year.</p> <p><b>Wateringbury Crossroads</b> – The scheme costs have been reviewed and there is</p>		<p>Jobs = 1903  Homes = 2230</p>

						<p>insufficient budget to proceed with the current design. A change request will be submitted for SELEP</p> <p>Accountability Board approval to reallocate a proportion of the funding (£200k) to an alternative scheme within the programme. The remaining £100k will be returned for reallocation through the LGF3b process.</p> <p><b>Tunbridge Wells link assessment</b> – KCC and TWBC have reviewed the options and have concluded that encouraging modal shift by providing electric bike hire would provide the best value for money. Agreement being sought from TWBC to lead the scheme and to take on the future revenue support which would be required.</p> <p><b>Dover TAP/ ITS assessment</b> CCTV cameras have been ordered and are due for installation. Parklets are being developed as part of a sustainable measure. All works are being coordinated with Brexit works to ensure no extra disruption is caused to the network.</p> <p><b>MOVA</b> 2 locations in Dover have been identified and will be progressed in Q4 2019/20. The</p>	<p><b>Wateringbury Crossroads</b> – Pursue change request with SELEP</p> <p><b>Tunbridge Wells link assessment</b> – Finalise agreement with TWBC</p> <p><b>Dover TAP</b> – Install CCTV cameras</p>	
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						<p>remaining allocation will be spent on locations in Thanet and Tunbridge Wells and suitable locations are being investigated.</p> <p><b>HGV Trial</b> DfT are reviewing the powers for enforcement which are required for the scheme. The trial area for the scheme has been identified.</p> <p><b>Flemmish Roundabout</b> Construction of highways works is complete. Traffic surveys are being arranged for post scheme monitoring. Feedback has been positive from the public.</p> <p><b>INRIX</b> A trial took place throughout December 2019.</p>		
Kent Sustainable Interventions programme	Package of smaller transport interventions. Start of works planned for 2015/16.	15/16 to 20/21	Total across 6 years - £3m LGF (£0.5m annually)	<p>15/16 LGF spend = £0.14 16/17 LGF spend = £0.41 17/18 LGF spend = £0.53 18/19 LGF spend = £ 0.39</p> <p>Profiled Spend 2019/20 = £0.65</p> <p>Spend to date 2019/20 = £0.153</p>	<b>VARIOUS STAGES OF DELIVERY</b> (Business Case approved)	→	<p><b>2018/19 schemes:</b></p> <p><b>A228 Holborough, T&amp;M</b> - 50mph limit now implemented and contractor in place to build toucan crossing. Construction start date has been delayed and a new date is still to be confirmed.</p> <p><b>2019/20-20/21 schemes:</b></p> <p><b>Maidstone East Station Expansion</b> – legal agreement has been signed between KCC and Southeastern who will deliver the scheme in</p>	Jobs = 1335 Homes = 1440

						<p>conjunction with the wider Station Redevelopment.</p> <p><b>Week Street/Sandling Rd Raised Table, Maidstone:</b> Project manager assigned, and outline design has commenced. Stakeholder Engagement planned for Q1 2020/21 once outline design is completed.</p>		
Kent Rights of Way improvement plan	Package of ROWIP measures. Start of works planned for 2015/16.	15/16 to 20/21	Total across 6 years - £0.3m LGF	<p>15/16 LGF spend = £0.19 16/17 LGF spend = £0.06 17/18 LGF spend = £0.14 18/19 LGF spend = £ 0.18</p> <p>Profiled Spend 2019/20 = £0.15</p> <p>Spend to date 2019/20 = £0.335</p>	<p><b>VARIOUS STAGES OF DELIVERY</b> (Business Case Approved)</p> <p>→</p>	<p><b>2017/18 schemes in progress - Powder Mills scheme (Leigh to Tonbridge).</b> Construction of the scheme has been completed with the tree planting now in place.</p> <p><b>2018/19 schemes in progress – St Peter’s Village scheme (extension from Aylesford to Burham).</b> The request for Permissive Agreement for pedestrian and cycle access to MR30 /MR610 has been refused by the landowner, so the current status will remain for MR30 as Footpath with the Bridleway on current alignment. Works due for completion by the end of February 2020. The Junction Improvement works on Church Road have been completed, as has the surfacing of bridleway MR10. When the weather improves a final top finish will be added. The bespoke signage for three main locations of Peters Village has been agreed</p>		Jobs = 140 Homes = N/A

							<p>and the order has been placed – delivery is expected in March 2020.</p> <p><b>Leybourne Grange</b> – Works began on site week commencing 10<sup>th</sup> February 2020.</p> <p><b>Rucking Dyke Bridleway</b> – The Creation Agreement is still being agreed between Invicta Law and Taylor Wimpey, following some amendments to plans being identified. There has been no further update from Invicta Law. The contractor has programmed to start work on the route in summer 2020.</p>		
Innovation Investment Fund (Growth Hub Capital)	Loan support programme.	15/16 to 20/21	Total £6m (£1m annually)	<p>15/16 LGF spend = £0  16/17 LGF spend = £0.39  17/18 LGF spend = £2.95  18/19 LGF spend = £ 0.94</p> <p>Profiled Spend 2019/20 = £1.00</p> <p>Spend to date 2019/20 = £1.133</p>	<b>PHASE 8</b> (Business Case approved)	→	<p>Scheme currently closed to applications. Quarterly monitoring of successful recipients continues.</p> <ul style="list-style-type: none"> <li>•Phase 1 – Phase 6 – Complete with loans fully defrayed.</li> <li>•Phase 7 – 2 out of the 4 agreed loans have been partially defrayed in line with their Convertible Loan Agreements (Algaecytes Ltd £250k and Exoid technology ltd £200k).</li> </ul> <p>The offer for Ming Foods Limited (£500k) has been revoked as it was not possible for the company to meet the security or match funding requirements.</p>		



							<p>The Structural &amp; Weld Testing loan has not been progressed as they are still looking for suitable premises. They are now working with Locate in Kent and Swale to identify potential sites with the correct usage. It is hoped the loan can be defrayed by March 2020.</p> <p>•Phase 8</p> <p>CTO Technologies 15/05/19: Fully defrayed.</p> <p>Kafoodle 15/05/19: Declined loan (£249,283, Jobs Created 7.88, Jobs safeguarded 5), due to delays in match funding and needed to seek further investment from current investors.</p> <p>Drink Warehouse 15/05/19: Q2 19/20: Fully defrayed.</p>		
A226 London Rd/B255 St Clements Way, Dartford	Junction improvements.	19/20	£6.9m Made up of: £4.2m LGF £2.7m match	15/16 LGF spend = £0 16/17 LGF spend = £0.73 17/18 LGF spend = £0.85 18/19 LGF spend = £ 2.64  Profiled Spend 2019/20 = £0	<b>Construction Complete</b> (Business Case approved)	→	Works are now complete, with completion on 29 March 2019. Some minor defects are still to be corrected, mainly around landscaping works.	Correction of remaining defects. Work towards agreement of final account and finalise Health and Safety File. Arrange formal opening ceremony.	Jobs = 2395 Homes = 890
Thanet Parkway, Thanet	New rail station.	20/21	£34.51m Made up of: £14m LGF £20.51m match	Awaiting Planning Permission  Actual spend in 2018/19 = £0  Profiled Spend 2019/20 =	<b>GRIP STAGE 4</b> (Outline Business Case approved)	→	Cabinet made the decision to fully fund and progress the scheme following the results of the public opinion survey, which showed 45% support the station compared with 37%	Planning Approval to be achieved in July 2020	Jobs = 2100 Homes = 800

				£0		<p>against across the catchment area.</p> <p>NR/BAM have confirmed that they won't undertake the junction or archaeological works and so KCC is taking steps to commission this work directly. WSP is to be commissioned for junction detailed design through the new Highways Framework and then a competitive tender will be held to commission the build. A competitive tender will be held to procure the archaeology.</p> <p>Many planning consultee comments have been received and work is continuing to address these. KCC are still aiming for the May Committee but there is a risk that this could be delayed to July given the requirement for a further 30 day consultation when we have supplied responses to the planning consultees.</p> <p>The Business case was approved at SELEP Accountability Board on 14th February 2020; however, if the planning is not secured by July 2020 then the £14m LGF will be removed from the project at the September Accountability</p>	
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							Board meeting.		
SELEP Coastal Communities	Housing-led economic regeneration in Cliftonville West/Margate Central <b>(Delivery by Thanet DC)</b>	20/21	£1.529m Made up of: £0.666m LGF £0.863m match	17/18 LGF spend = £0.06 18/19 LGF spend = £ 0.51  Profiled Spend 2019/20 = £0.09  Spend to date 2019/20 = £0.00	<b>CONSTRUCTION</b> (Business Case approved)	→	1. 24 Ethelbert Crescent - Project completed with handover of units. Final accounts to be issued. 2. 17-21 Warwick road- 9 x 2 bed flats. Main contractor appointed. Contract duration 46 weeks. Project estimated completion has slipped to 18 <sup>th</sup> April 2020		Jobs = TBC Homes = TBC
<b>Local Growth Fund Round 2 Schemes</b>									
Ashford International Rail Connectivity (Ashford Spurs)	Signalling upgrade to maintain international rail services at Ashford <b>(Delivery by Network Rail)</b>	16/17 to 18/19	£8.6m Made up of: £0.7m partner funding; £7.9m LGF	15/16 LGF spend = £0 16/17 LGF spend = £0.17 17/18 LGF spend = £4.17 18/19 LGF spend = £1.41m  Profiled Spend 2019/20 = £2.143  Spend to date 2019/20 = £0.484	<b>GRIP STAGE 6 (Delivery)</b> (Business Case approved)	↑	Project complete.	Final accounts to be settled	Jobs = 1000 Homes = 350 & Retain International Rail Services
M20 Junction 10A (now a full junction to be delivered by Highways England)	New Motorway Junction in Ashford <b>(Delivery by Highways England)</b>	19/20	£104.4m Made up of: £19.7m LGF £16m match £68.7m Highways England	Allocation for 2017/18 onwards (Direct from SELEP)  17/18 LGF spend = £8.30 18/19 LGF spend = £11.40  Profiled spend 2019/20 = match funding only	<b>CONSTRUCTION</b> (Business Case approved)	→	Work was fast-tracked by HE so that the east facing slip roads at the new junction, as well as the new A2070 link road, were open at the end of October 2019. The London Bound facing slip roads were also made available before Christmas 2019, leaving further landscaping and NMU routes to be completed.	Final scheme to be completed in Q2 2020.	Jobs = 900 Homes = 1700

Local Growth Fund Round 3 Schemes								
Dartford Town Centre Transformation	Part of a wider programme of work aimed at improving the economic performance of Dartford town centre through public sector funding of transport/public realm improvements. <b>(Delivery by Dartford BC)</b>	21/22	£12m Made up of: £4.3m LGF £7.7m match	18/19 Match funding spend = £0.41  2018/19 LGF spend = £0.52  Profiled LGF Spend 2019/20 = £3.36  LGF Spend to date 2019/20 = £0.913	<b>PHASE 1 CONSTRUCTION</b> <b>ON PHASE 2-4 Detailed DESIGN</b> (Business Case approved)	→	In view of the previously noted delays arising from Thames Water activities, drainage design revisions and now granite material ordering issues, the completion date of Phase 1 has been pushed out to mid-June 2020 – a total delay of c16 weeks. Traffic was switched to run on the southern side of Market Street on 6 <sup>th</sup> February 2020.  Design delays for Phase 1a (High Street), allied to the Phase 1 Works delays, have resulted in the commencement of the Works phase being pushed out to early May 2020 – a delay of c16 weeks.  The Phase 2 (Junctions) Works are dependent upon the completion of Phase 1 and so are delayed. In addition, the West Hill junction is now subject to additional design options being undertaken in connection with the development proposals for the former Coop site (Westgate-Muse) and potential changes to permitted traffic movements to avoid abortive work.	Jobs = 1811 Homes = 2341

							Accordingly, this may be pushed out further depending upon the outcome.  Phases 3 (Hythe Street) and 4 (Home Gardens junctions) have been exchanged in the programme to facilitate additional time for the design development and interface coordination with the delayed Westgate-Muse site. The overall result is that the DTCR project is now scheduled to complete in late February 2022 – delayed from the estimated date of August 2021 but the LGF allocation will be spent in full by March 2021.		
Kent & Medway Engineering, Design, Growth & Enterprise (EDGE) Hub	Scheme to construct & equip the Kent & Medway EDGE Hub. <b>(Delivery by Canterbury Christ Church University)</b>	19/20	£21m Made up of: £6.12m LGF £14.88m match	17/18 LGF spend = £1.95 18/19 LGF spend = £ 4.17  Profiled Spend 2019/20 LGF = £0 - Match Funding only	<b>CONSTRUCTION</b> (Business Case Approved)	→	Good progress continues to be made across all the project work streams. Building handover is still on schedule for handover in summer 2020 in good time for the first students in September that year. There is also encouraging news in the latest position for applications to full-time study on EDGE Hub programmes from September 2020: as of 13th February; 463 applications for places had been received across the full range of engineering, technology and design programmes. This gives potential to exceed the 2020/21 target of 122 students.	Further good progress is expected on the new building, and ongoing development of the main project work streams.	Jobs = 398 Homes = 0 Learners = 1250
Leigh Flood Storage Area & East Peckham -	Scheme to reduce the risk of flooding in the catchment. <b>(Delivery by</b>	22/23	£24.691m Made up of: £4.636m LGF £20.055m	18/19 LGF spend = £ 0.98  Profiled Spend 2019/2020 = £1.37	<b>DETAILED DESIGN</b> (Phase 1 Business Case approved by	→	Ongoing design work, preparation of documentation for submission of Medway Flood Relief Act amendment.		Jobs = 70 Homes = 850



unlocking growth	<b>Environment Agency)</b>		match	Spend to date 2019/20 = £0.618	SELEP in September 2018)		Next step is consultation and engagement with residents in Hildenborough regarding the environmental consultation.		
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**ADDITIONAL SCHEMES**

Open Golf Champions hip 2020	Transport Improvements at Sandwich Station <b>(Delivery by Network Rail)</b>	19/20	£3.546m Made up of: £1.09m LGF £2.456m match	18/19 LGF spend = £ 0.04 Profiled Spend 2019/20 = £1.33 Spend to date 2019/20 = £1.78	<b>GRIP Stage 5-8 (Construction)</b> (Business Case Approved)	→	Site compound installed and utilised by contractors BAM Nuttall and suppliers. High Voltage Electrification and Plant cable has been diverted from the Dover end of Platform 2. Fees agreed with respective parties for land access. Detailed design is progressing well; enabling works for plant routes via platform 1 being constructed and the site of the new footbridge has been relocated 15 metres towards the Dover end to avoid high voltage UKPN cable. A lineside privacy issue (from new pedestrian stepped footbridge) has been addressed with the affected resident in St George's Road, and a Hawthorn/Field Maple Mix Hedgerow is to be planted on the Network Rail boundary.	Continue to progress with delivery including installation of the new footbridge (due May 2020).	Jobs = TBC Homes = TBC
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**LGF3B SCHEMES**

M2 Junction 5 Improvements	Junction improvements at M2 junction 5, Stockbury	20/21	£1.6m LGF	<p>Profiled LGF spend 2019/20 = £0.00</p> <p>Profiled LGF spend 2020/21 = £1.60</p>	<p><b>Detail design</b> – (Business Case preparation)</p>	↑	<p>Business case approved by SELEP Accountability Board on 14<sup>th</sup> February 2020.</p>	<p>Complete legal agreement with Highway England</p>	<p>Jobs = tbc</p> <p>Homes = tbc</p>
Kent and Medway Medical School – Phase 1	New medical school at Canterbury Christchurch University and University of Kent campuses	20/21	<p>£20.84m</p> <p>Made up of: £4m LGF £16.84m Match (£7.244m CCU and £9.6m UoK)</p>	<p>Profiled LGF spend 2019/20 = £4.00</p>	<p><b>CONSTRUCTION</b> – (Business Case Preparation)</p>	→	<p>Business case was signed off by SELEP Accountability Board on 15<sup>th</sup> November 2019. Legal agreement between KCC and the Universities is being finalised. Construction is progressing ahead of release of LGF at the risk of the Universities. Good progress is being made and the Medical School is on track to open for new cohort of students in September 2020.</p>	<p>Seal legal agreement</p>	<p>Jobs = 130.7 FTE</p> <p>Learners = 1018</p>

### SCHEMES COMPLETED OR REMOVED

Folkestone Seafront Resurfacing Shepway	Resurfacing of Tontine Street (in conjunction with S106 works).		<p>£0.65m</p> <p>Made up of: £0.5m LGF £0.15m S106</p>	Scheme Delivered – 2015/16				N/A
Maidstone Gyratory Bypass, Maidstone	A229 Gyratory Bypass, Fairmeadow.		<p>£5.74m</p> <p>Made up of: £4.6m LGF £1.14m match</p>	Scheme Delivered – December 2016				<p>Jobs = 1250</p> <p>Homes = 2000</p>
M20 Junction 4 Eastern Overbridge	Widening of existing motorway overbridge.		<p>£5.69m</p> <p>Made up of: £2.2m LGF £3.49m match</p>	Scheme Delivered – February 2017				<p>Jobs = 745</p> <p>Homes = 1695</p>

Tonbridge Town Centre Regeneration	Tonbridge High Street and adjacent transport improvements.		£2.65m Made up of: £2.4m LGF £0.25m match	Scheme Delivered (Phase 1 completed - High Street improvements June 2016 Phase 2 completed - River Walk improvements April 2017 / Hadlow Road/Cannon Lane jct improvements completed September 2016)	Jobs = 366 Homes = 1000
Maidstone sustainable access to employment areas	New River Medway Pathway between Aylesford & Allington Lock.		£3m Made up of: £2m LGF £1m match	Scheme Delivered (Main works complete - May 2017).	Jobs = 350 Homes = 475
Rathmore Road Link, Gravesend	New 2-way link road between Stone Street & Darnley Road		£9.5m Made up of: £4.2m LGF £5.3m match	Scheme Delivered in January 2018 (Opening ceremony held on Friday 19 <sup>th</sup> January 2018)	Jobs = 215 Homes = 390
Folkestone Seafront (developer delivered)	Construction of platform & sea defences to facilitate development of Seafront.		£22.11m Made up of: £5m LGF £17.11m match	Scheme Delivered (Main works complete – April 2018)	Jobs = 450 Homes = 1000
Dover Western Dock Revival	Package of highway improvements. (Delivery by Dover Harbour Board)		£5m LGF	Scheme Delivered (Highway improvements complete and Marina opened May 2019)	Jobs = 1685 Homes = 500 & Enables broader Western Docks Revival scheme
A2500 Lower Road Improvements Phase 1, Isle of Sheppey	Scheme to realign & improve the capacity of A2500 Lower Road/ Barton Hill Junction.		£1.805m Made up of: £1.265m LGF £0.54m match	Scheme Delivered (Junction opened to traffic December 2019)	Jobs = 1500 Homes = 892
Westenhanger Lorry Park, Fort Halstead, A2 Off-Slip at Wincheap, Sturry ITP, East Peckham Flood Defence and A28 Chart Road.	<b>Projects removed from programme following approval by KMEP &amp; SELEP AB</b>				

**Updated RAG Status for Kent Projects**

Jan-18	Mar-18	May-18	Jul-18	Sep-18	Nov-18	Mar-19	Jun-19	Sep-19	Nov-19	Jan-20	Mar-20
3 red	4 red	6 red	5 red	5 red	3 red	3 red	2 red	1 red	2 red	2 red	2 red
10 amber	10 amber	8 amber	9 amber	9 amber	10 amber	10 amber	9 amber	11 amber	10 amber	9 amber	8 amber
13 green	12 green	12 green	12 green	12 green	12 green	12 green	12 green	12 green	12 green	13 green	12 green
1 is not required to spend until later in the programme; 1 removed and 6 complete	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 removed and 7 complete	1 removed and 7 complete	2 removed and 7 complete	2 removed and 7 complete	4 removed and 7 complete	5 removed and 7 complete	5 removed and 7 complete	5 removed and 7 complete	5 removed and 9 complete
34	34	34	34	34	34	34	34	36	36	36	36

**Methodology** Green (business case approved, funding fully secured and delivery on target).  
 Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);  
 Red (funding not yet secured and significant cost or delivery issues).

**Key for Kent spreadsheet: The arrows denote the direction of travel.**

↑	denotes significant improvement/progress in scheme delivery
→	denotes a similar position as reported at the last KMEP meeting
↓	denotes scheme delivery experiencing a delay

### Appendix E – Medway Schemes

Scheme	Description	Scheme delivery by	Budget and LGF spend	Status	RAG Status	Comments	Key Events for Next Period	Target outcomes
<b>Local Growth Fund round 1 schemes</b>								
Strood Town Centre	Journey time and accessibility enhancements to the town centre including changes to the highway and improved public realm	Q2 20/21	<p><b><u>BUDGET</u></b> Total budget = £10.27m Made up of: - £9.0m LGF - £1.27m match funding</p> <p><b><u>LGF SPEND</u></b> 15/16 LGF spend = £0.2m</p> <p>16/17 LGF spend = £1.772m</p> <p>17/18 LGF spend = £0.944m</p> <p>18/19 LGF spend = £1.384m</p> <p>Profiled 19/20 LGF spend = £3.65m</p>	<b>CONSTRUCTION</b> (Business Case Approved)	→	<p>Most of the public realm and traffic improvements are complete. Works still to be completed are a signal crossing upgrade along Commercial Road, outstanding electrical connections to lighting columns and signage and the final section of paving works and planting.</p> <p>Network Rail approval of rail bridge lighting is pending, subject to determination of traffic management impacts of adjacent Rochester Bridge Trust works. Works continue with completion expected by end of Q2 2020/21.</p>	Work will continue on-site to deliver the remainder of the project.	Jobs = 360 -450  Homes = 600 -815
Chatham Town Centre place-making and public realm package	Improving the link between Chatham railway station and Chatham town centre and waterfront area and provision of a new civic space.	Q4 19/20	<p><b><u>BUDGET</u></b> Total budget = £4.9m Made up of: - £4.0m LGF - £0.9m match funding</p> <p><b><u>LGF SPEND</u></b> 15/16 LGF spend = £0.870m</p> <p>16/17 LGF spend = £0.945m</p> <p>17/18 LGF spend = £0.881m</p>	<b>CONSTRUCTION</b> (Business Case Approved)	→	Work is complete on all placemaking elements and improvements to Chatham Railway Station forecourt.	Event to mark completion of works to be scheduled in 2020.	Jobs = 6271  Homes = 3682



			18/19 LGF spend = £0.747m  19/20 LGF spend = £0.756m					
Medway Cycling Action Plan	A range of measures designed to improve access to cycling in the Medway area and improve upon and expand existing cycle facilities.	18/19	<p><b>BUDGET</b> Total budget = £2.8m Made up of: - £2.5m LGF - £0.3m match funding</p> <p><b>LGF SPEND</b> 15/16 LGF spend = £0.228m  16/17 LGF spend = £1.15m  17/18 LGF spend = £0.919m  18/19 LGF spend = £0.203m</p>	<b>COMPLETE</b> (Business Case Approved)	→	The project is complete.  All LGF funding has been spent.	All construction works are now complete.  Work on SELEP baseline and post completion reports continues.	Jobs = 390  Homes = 261
Medway City Estate connectivity improvement measures	An integrated package of infrastructure measures aimed at addressing the existing barriers to movement to and from and within the Medway City Estate.	Phase 1 Q2 2017  Phase 2 Q4 20/21	<p><b>BUDGET</b> Total budget = £2.094m Made up of: - £2m LGF - £0.094m match funding</p> <p><b>LGF SPEND</b> 15/16 LGF spend = £0.3m  16/17 LGF spend = £0.181m  17/18 LGF spend = £0.035m  18/19 LGF spend = £0.088m  Profiled 19/20 LGF spend = £0.49m</p>	<p><b>PHASE 1 – COMPLETE</b> (Business Case Approved)</p> <p><b>PHASE 2 - CONSTRUCTION</b> (Business Case Approved)</p>	→	<p>Phase 1 of the project is complete. The new traffic signals at the entrance to the westbound tunnel bore are now operational and testing has identified the most effective signal timing to offer the most benefit to users of Medway City Estate, whilst causing minimal disruption on the remainder of the road network.</p> <p>The revised Business Case for Phase 2 of the project to deliver a slip road from Anthony's Way on the Estate onto Berwick Way, was approved by the September 2019 SELEP Accountability Board.</p> <p>Additional ground investigation works to determine the final retaining wall design has been completed. Land requirement has been reduced and tenders for contractors for land acquisition have been received.</p>	<p>The impact the Phase 1 works have had on the flow of traffic leaving Medway City Estate will continue to be monitored.</p> <p>Phase 2 works will continue.</p>	Jobs = 390

**Non-transport schemes - LGF rounds 2 and 3**

Rochester Airport - phase 1	Introduction of Innovation Park Medway. Phase 1 of the project involves improvements to airport infrastructure - works which are required to facilitate the development of the Innovation Park.	Q2 20/21	<p align="center"><b><u>BUDGET</u></b> Total budget = £4.4m</p> <p>Additional Council match funding may be required, below £500k threshold in SELEP Assurance Framework.</p> <p align="center"><b><u>LGF SPEND</u></b> 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.179m 17/18 LGF spend = £0.182m 18/19 LGF spend = £0.260m Profiled 19/20 LGF spend = £0.688m</p>	<b>CONSTRUCTION</b> (Business Case approved)	→	<p>Kier were appointed in March 2019 as the principle contractor, the pre-construction phase has commenced, and planning conditions are being discharged.</p> <p>Kier have proceeded with the design, design freeze has been achieved across all building on the site. The Civil Aviation Authority have approved the layout and design of the control tower. All orders have been placed with companies to deliver the hangars and control tower and hub building.</p> <p>Kier have undertaken ground investigation borehole and soakaway testing.</p> <p>Archaeological investigations are underway.</p>	The contractor will continue with works.	Jobs = 37
Innovation Park Medway (Rochester Airport - phase 2)	Introduction of an Innovation Park at Rochester Airport. Phase 2 of the project involves infrastructure works to enable the development of the Innovation Park.	Q4 20/21	<p align="center"><b><u>BUDGET</u></b> Total budget = £48.67m Made up of: - £3.7m LGF - £44.97m match funding</p> <p align="center"><b><u>LGF SPEND</u></b> 17/18 LGF spend = £0.0m 18/19 LGF spend = £0.099m Profiled 19/20 LGF spend = £0.218m</p>	<b>DESIGN</b> (Business Case approved)	→	<p>The Business Case was approved at SELEP Accountability Board in February 2019.</p> <p>Design works for the enabling infrastructure have now commenced. Design of the landmark building has begun. Responses to the LDO consultation are being addressed to incorporate any changes into the final LDO, including Highways England (HE) and Natural England (NE). Discussions are ongoing with HE and NE.</p> <p>An update will be provided to the July 2020 SELEP Accountability Board to demonstrate IPM Phase 2 and Phase 3 meet the five conditions for spending beyond the Growth Deal period, evidence of progress towards milestones and an update on mitigation sought by Highways England.</p>	Design works will continue.	Jobs = 1544
Innovation Park Medway	Innovation Park Medway extended	20/21	<b><u>BUDGET</u></b> £1.5185m LGF	<b>BUSINESS CASE TO BE ASSESSED</b>	→	The project has been prioritised by SELEP Investment Panel for LGF3b funding.	The project awaits a funding decision at July 2020	

(Rochester Airport – phase 3)	Northern site enabling infrastructure.					The Business Case was submitted in July 2019 and will be considered at the July 2020 SELEP Accountability Board.	SELEP Accountability Board.	
Civic Centre site, Strood - flood mitigation measures	Improvements to flood defences at the former Civic Centre site to enable the development of the site. The former Civic Centre is a prime development site offering views across the river to Rochester Castle and Cathedral.	18/19	<p><b>BUDGET</b> Total budget = £92m Made up of: - £3.5m LGF - £88.5m match funding</p> <p><b>LGF SPEND</b> 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.0m  17/18 LGF spend = £1.122m  18/19 LGF spend = £2.378m</p>	<b>CONSTRUCTION</b> (Business Case approved)	→	The LGF element of the project is complete.  All LGF funding has been spent.	The flood gates are to be installed.  Work on SELEP baseline and post completion reports continues.	Jobs = 610  Homes = 325

**Updated RAG Status for Medway Projects:**

RAG Status										
March 2018	May 2018	July 2018	September 2018	November 2018	March 2019	June 2019	September 2019	November 2019	January 2020	March 2020
0 red	0 red	1 red	0 red	0 red	3 red	1 red	0 red	0 red	1 red	1 red
2 amber	1 amber	0 amber	3 amber	3 amber	1 amber	4 amber	5 amber	5 amber	4 amber	3 amber
4 green	6 green	6 green	5 green	5 green	4 green	4 green	4 green	4 green	4 green	4 green
2 not required to spend until later	1 not required to spend until later	1 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later
8	8	8	8	8	8	9	9	9	9	8

**Methodology**

Green (business case approved, funding fully secured and delivery on target).  
 Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);  
 Red (funding not yet secured and significant cost or delivery issues).

**Key for spreadsheet: The arrows denote the direction of travel.**

↑	denotes significant improvement/progress in scheme delivery
→	denotes a similar position as reported at the last KMEP meeting
↓	denotes scheme delivery experiencing a delay

# **FOR INFORMATION ITEMS**



## **FOR INFO ITEM**

**Subject:** Future meeting dates of the KMEP & SELEP Boards

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### **KMEP Board Meeting Dates**

- Wednesday 3 June 2020 – Hilton Hotel, Maidstone
- Wednesday 23 September 2020 – Hilton Hotel, Maidstone
- Wednesday 2 December 2020 – Hilton Hotel, Maidstone

All meetings will be held at the Hilton Hotel, Maidstone, ME14 5AA and run from 4:30pm to 7:00pm.

### **KMEP AGM**

- July 2020 – Date and Venue TBC

### **SELEP Strategic Board Dates**

The SELEP Strategic Board Meetings dates are:

- Friday 20 March 2020 – Induction at 9am. Board meeting at 10.45am.
- Friday 12 June 2020 – Starts at 10am
- Friday 2 October 2020 – Starts at 10am
- Friday 11 December 2020 – Starts at 10am

All meetings will be held at High House Production Park.  
Kent and Medway LEP team usually meet at 09:00 – 10:00am for a pre-briefing.

### **SELEP Accountability Board**

- Friday 15 May 2020
- Friday 3 July 2020
- Friday 18 September 2020
- Friday 20 November 2020

All meetings will be held at High House Production Park and start at 10:00am

### **SELEP Investment Panel**

- Friday 17 April 2020 – From 10am to 12pm – High House Production Park.  
Please note this meeting is not open to members of the public to observe.

### **SELEP AGM**

- Wednesday 24 June 2020 - Venue & Time TBC