

# STRATEGIC BOARD AGENDA PACK

Friday 29 January 2021
Zoom Video Conference



## Agenda

Item 1	11:45	Welcome	Chris Brodie	
Item 2	11:45	Minutes from 11 December meeting Declarations of Interest Matters arising	Chris Brodie and Adam Bryan	Pg. 3
Item 3	11:50	<b>Freeport Bid Endorsement:</b> decision by Board to endorse bids as presented	Alex Riley	Pg. 8
	12:00	Close		

**Future Strategic Board meeting dates:** 19 March, 4 June, 1 October, 10 December, 18 March 2022



# Minutes of Strategic Board: 11 December 2020

#### **Attendees**

Chris Brodie	Chair
Sarah Dance	Deputy Chair
Adam Bryan	CEO
Ana Christie	Team East Sussex
Andrew Metcalf (substituting for Geoff Miles)	Kent and Medway Economic Partnership
Angela O'Donoghue	Further Education representative
Carol Ford	Kent and Medway Economic Partnership
Claire Lewis	Success Essex
Clive Soper	Team East Sussex
Cllr David Finch	Essex County Council
Cllr Graham Butland	Essex District/Borough/City Councils representative
Cllr Keith Glazier	East Sussex County Council
Cllr Rob Gledhill	Thurrock Council
Cllr Rodney Chambers	Medway Council
Cllr Roger Gough	Kent County Council
Cllr Ron Woodley	Southend Borough Council
Graham Peters	Team East Sussex
Jo James	Kent and Medway Economic Partnership
Liz Gibney	Kent and Medway Economic Partnership
Matthew Arnold	Kent and Medway Economic Partnership
Miles Adcock	Success Essex
Penny Shimmin	Social Enterprise Representative
Perry Glading	Opportunity South Essex
Prof Karen Cox	Higher Education Representative

Apologies: Geoff Miles, Aideen Sadler, Cllr David Monk

#### Other attendees:

Alex Riley	SELEP Secretariat	Katherine Wyatt	SELEP Secretariat
Amy Bernardo	Essex County Council	Kim Forward	Hastings Council
Amy Ferraro	SELEP Secretariat	Lee Burchill	Kent County Council
Carole Barron	University of Kent	Lorna Norris	Essex County Council
Charlotte Moody	Essex County Council	Louise Aitken	SELEP Secretariat
Christopher Seamark	Kent County Council	Marwa Al-Qadi	East Sussex County Council
Claudia McKibbin	Essex County Council	Peter Shakespear	Essex County Council
Dave Evans	East Sussex County Council	Rhiannon Mort	SELEP Secretariat
Ellie Clow	SELEP Secretariat	Richard Dawson	East Sussex County Council
Emma Lindsell	Southend Borough Council	Richard Longman	Thames Valley Gateway Partnership
Helen Dyer	SELEP Secretariat	Roshna Ahmad	Shepherd Neame
Helen Russell	SELEP Secretariat	Sarah Nurden	Kent County Council
Howard Davies	SELEP Secretariat	Sharon Spicer	SELEP Secretariat
lain McNab	CLGU	Stephanie Mitchener	Essex County Council
lan Lewis	Opportunity South Essex	Stephen Taylor	Thurrock Council
Iwona Bainbridge-Dyer	SELEP Secretariat	Suzanne Bennett	SELEP Secretariat



Jim Wilkinson	SELEP Secretariat	Victoria Conheady	Hastings Council
Jo Simmons	SELEP Secretariat	Vivien Prigg	SELEP Secretariat
Joanne Cable	Medway Council		

This meeting was held as video conference and a recording can be found <u>by clicking here</u>; the timestamp of the start of the discussion for each item is indicated in brackets.

#### Item 1: Welcome and introduction

1.1. Chris Brodie welcomed the Board to the virtual meeting.

#### <u>Item 2: Minutes of last meeting, declarations of interest, matters arising (1'30" timestamp on video)</u>

- 2.1. The following interests were declared:
  - i) Karen Cox declared a pecuniary interest relating to LGF due to the University of Kent's interest in the medical school. Karen Cox will leave the meeting for item 5.
  - ii) Sarah Dance declared an interest relating to an SSF project (Catalyst for Culture).
  - iii) Perry Glading declared a potential interest relating to item 11 depending on the depth of discussion regarding freeports, due to his role with the Port of Dover.
  - iv) Andrew Metcalf declared an interest relating to NIAB and Discovery Park as a contractor for those organisations and a pecuniary interest in the Sector Support Fund as a board member of the Kent Chambers, he will leave the meeting for the Sector Support Fund item.
  - v) Jo James declared an interest relating to the Growth Hub and a pecuniary interest in the Sector Support Fund, she will leave the meeting for this item.
  - vi) Ana Christie declared a pecuniary interest relating to the Sector Support Fund, she will leave the meeting for this item.
  - vii) Penny Shimmin declared a pecuniary interest relating to the Sector Support Fund, she will leave the meeting for this item.
- 2.2. The Board agreed the minutes of the last meeting.
- 2.3. Adam Bryan provided an update to the Board regarding the launch of the COVID-19 recovery funding which will be on the 6<sup>th</sup> of January.

#### <u>Item 3: SELEP Economic Recovery and Renewal Strategy (7'23" timestamp on video)</u>

- 3.1. Helen Russell presented the proposed Economic Recovery and Renewal Strategy framework to the Board.
- 3.2. The Board agreed the framework for the SELEP Economic Recovery and Renewal Strategy, including the priorities and objectives set out within that framework, with the following caveats:
  - i) Within the 'Global Gateway' strategic priority, to reflect the importance of collaboration with Transport East and Transport for the South East regarding infrastructure improvements;
  - ii) consideration of a clearer reference to skills throughout the strategic priorities;
  - iii) to include reference to research and development and innovation within the objectives; and
  - iv) further clarity of the levelling up agenda/focus areas within SELEP.
- 3.3. These priorities and objectives will be used as the basis for all future prioritisations of funding allocations (this does not include any funding allocations for which prioritisation has already commenced).

#### Item 4: LGF Update and Spend Beyond Growth Deal Period (31'45" timestamp on video)



- 4.1. Rhiannon Mort presented the report to the Board.
- 4.2. The Board agreed LGF spend beyond 30 September 2021 for the following five projects:
  - i) Plumpton College, Skills for Rural Businesses Post-Brexit, East Sussex
  - ii) Hailsham/Polegate/Eastbourne Movement and Access Transport Package, East Sussex
  - iii) Maidstone Integrated Transport Package, Kent
  - iv) Medway City Estate Connectivity Improvement Package
  - v) University of Essex Parkside Phase 3
- 4.3. Ana Christie added that the Bexhill Enterprise North scheme may not know the outcome of the planning inspectorate's decision by the February Accountability Board meeting.

#### Item 5: LGF Reallocation Prioritisation (50'20" timestamp on video)

- 5.1. Rhiannon Mort and Helen Dyer presented the report and proposed list to the Board.
- 5.2. The Board agreed the below prioritised LGF project pipeline:

Band	Project name	Federated Area and ranking	Existing LGF allocation (£m)	% of LGF allocation spent to date	Additional LGF requested (£m)	Cumulative total (£m)	LGF spend end date	Estimated value for money	Barriers to project delivery
1	Kent & Medway Medical School	KMEP 1	8.0000	100%	1.0000	1.0000	2020/21		
1	Project Flightpath Phase 2	SEB 1	1.4215	100%	0.5600	1.5600	2020/21		
1	Dover TAP (KSCMP)	KMEP 2	0.3000	80%	0.1000	1.6600	2021/22		
1	A127 Essential Maintenance/The Bell Part A	OSE 2	6.6000	50%	0.2070	1.8670	2021/22		
1	East Malling Advanced Technology Horticultural Zone	KMEP 3	1.6836	0%	0.3150	2.1820	2020/21		
1	Southend Town Centre	OSE 3	1.5000	0%	0.1250	2.3070	2021/22		
2a	A13 Widening Part A	OSE 1	80.0000	79%	1.5000	3.8070	2021/22		
2a	Skills & Business Support for Rural Businesses post Brexit	TES 1	2.9180	8%	1.4950	5.3020	2021/22		
2a	M11 Junction 8	SEB 2	2.7339	88%	1.0000	6.3020	2022/23		
2a	Eastbourne Fisherman's Quay	TES 2	1.0800	0%	0.3600	6.6620	2021/22		
2b	Kent and Medway EDGE Hub	KMEP 4	6.1200	100%	1.2240	7.8860	2020/21		
2b	Mercury Rising	SEB 4	1.0000	100%	0.2280	8.1140	2020/21		
2b	Southend Airport Business Park Part A	OSE 4	23.0900	87%	0.6000	8.7140	2021/22		
2b	Southend Airport Business Park Part B	OSE 5	23.0900	87%	0.5000	9.2140	2021/22		
2b	Southend Airport Business Park Part C	OSE 6	23.0900	87%	0.5000	9.7140	2021/22		
2b	Maidstone East Station Access Improvements (West Kent LSTF)	KMEP 5	1.2460	80%	0.1530	9.8670	2020/21		
2b	A127 Essential Maintenance/The Bell Part B	OSE 8	6.6000	50%	0.3930	10.2600	2021/22		
2a	Parkside Phase 3	SEB 3	5.0000	0%	1.6500	11.9100	2023/24		
3	A13 Widening Part B	OSE 7	80.0000	79%	1.0000	12.9100	2021/22		
3	Dartford Town Centre improvements	KMEP 6	4.3000	74%	1.0000	13.9100	2021/22		

Highlighted projects are subject to confirmation of local funding sources at 12 February Accountability Board



#### List agreed by the Board - 11th December 2020

- \* Subject to confirmation of local funding sources at 12 February Accountability Board
- 5.3. The Board agreed LGF spend beyond 30 September 2021, as applicable for projects listed in Table 3, for those projects which have been prioritised for additional LGF funding.
- 5.4. If project completion dates are delayed by more than 6 months, the Board will be asked to confirm its continued support for LGF spend beyond the Growth Deal period.
- 5.5. Projects should also inform the Board if there are issues ahead of this time to allow for the acceleration of other projects.

#### <u>Item 6: Growing Places Fund Pipeline (1h29'17" timestamp on video)</u>

- 6.1. Helen Dyer presented the report to the Board.
- 6.2. The Board agreed the proposed amendments to the Growing Places Fund project pipeline which will allow the available GPF funding to be invested in projects which can progress now whilst retaining the Leigh Port Quay Wall (Cockle Wharf) project on the pipeline for future GPF investment.
- 6.3. The Board agreed that if a project cannot proceed within 6 months that it remains on the Growing Places Fund project pipeline, but that Accountability Board can award funding to the next project on the pipeline in order to facilitate swift investment of the GPF funding.

#### Item 7: Getting Building Fund Update and Pipeline (1h36'45" timestamp on video)

- 7.1. Rhiannon Mort presented the report to the Board.
- 7.2. The Board agreed to the inclusion of two new projects within the GBF programme, as follows:
  - i) Laindon Place (£800,000 GBF ask); and
  - ii) St George's Creative Hub, Gravesham (£323,204 GBF ask)
- 7.3. The Board agreed the approach and assessment criteria for the development of a pipeline of GBF projects as set out in the report.

#### Item 8: Operations and Governance (1h46'37" timestamp on video)

- 8.1. Suzanne Bennett presented the report to the Board.
- 8.2. The Board agreed the operational priorities for 2021/22 as set out in the report.
- 8.3. The Board agreed the following regarding the nominations of the co-opted members of the Board for 2021/22:
  - i) the Higher Education, Further Education and Social Enterprise representatives will be reselected by the relevant working groups, and the incumbent representatives may be reselected in accordance with SELEP governance. The Board also asks that the working groups keep the diversity requirements of the Board in mind when selecting representatives.
  - ii) The two district/borough/city council representatives shall be from Essex and Kent due to the activities around Brexit and Freeports during 2021/22. These representatives should be from areas that will be particularly affected by Brexit and/or Freeports.
- 8.4. The Board noted that this decision would mean that East Sussex councils won't have been represented on the Board for two years. Graham Peters requested that Board consider appointing an East Sussex representative for the two following years



8.5. The Board noted the importance of the wellbeing of the Secretariat.

#### Item 9: Evolution of the Growth Hub and Business Support (2h10'30" timestamp on video)

- 9.1. Jo Simmons presented the report to the Board.
- 9.2. The Board agreed the objectives, activities and timeline to evolve the SELEP Growth Hub service, as outlined in the report. It was further agreed that Federated Boards should be included in Board update and recommendations activity in Q1 2021/22.

#### Item 10: Sector Support Fund Endorsements (2h23'45" timestamp on video)

- 10.1. Adam Bryan presented the report to the Board.
- 10.2. The Board endorsed the following projects:
  - i) the Building Back Better (£192,000) project;
  - ii) the SE Export Development (SEED) (£91,500) project;
  - iii) the Carbon Pathways (£99,061) project;
  - iv) the Catalyst for Culture (£181,700) project;
  - v) the Gourmet Garden Trails (Extension) (£35,000) project; and
  - vi) endorsed that the Good Food Growth project be allowed to spend the underspend of £8,646.12.

#### <u>Item 11:</u> <u>Update on National and Regional Initiatives and Campaigns (2h28'07" timestamp on video)</u>

- 11.1. Adam Bryan and Alex Riley presented the report to the Board.
- 11.2. The Board agreed that an additional Board meeting will be held at 10:00 on 29 January 2021 to consider Freeport bids for endorsement.
- 11.3. The Board agreed that all known bidding consortiums should be invited to the meeting, ensuring commercial confidentiality is maintained where this is appropriate.

#### Item 12: AOB and Close (3h04'00" timestamp on video)

12.1. Chris Brodie closed the meeting.



## **Item 3: Freeport Bid Endorsement**

## **Executive Summary**

#### 1. Overview

- 1.1. This report provides the Strategic Board (the Board) with an overview of the Freeport bids coming forward for SELEP endorsement that plan to have a footprint and economic impact in the SELEP area.
- 1.2. Board members are advised that Local Enterprise Partnerships (LEPs) have no mandatory role in the formal Freeport bidding coalitions and there is no upper limit on the number of Freeport bids than an individual LEP or Mayoral Combined Authority (MCA) can endorse.
- 1.3. The Board is also advised that it is necessary to decide on bid endorsement for each individual bid at this Board meeting given the submission deadline for Freeport bids falls on the 5 February 2021.
- 1.4. Board members will be well positioned to make the required decisions on bid endorsement on the basis of information received during presentations from the Freeport bids prior to the formal Strategic Board meeting.

#### 2. Decisions: Board is recommended to:

- 2.1. **Endorse** the Freeport East bid as detailed in Appendix A noting that this will supplement principal endorsement of the bid by New Anglia LEP expected on 27 January 2021.
- 2.2. **Endorse** the Thames Freeport bid as detailed in Appendix B.
- 2.3. Endorse the Smart Freight Kent (GTI) Zone bid as detailed in Appendix C.

#### 3. Rationale for Decisions

3.1. The Board agreed to a set of Guiding Principles in December 2020 by which Freeport Bids would be assessed against for endorsement - these Guiding Principles are outlined in Appendix D. All three Freeport bids that the Board is recommended to endorse have evidenced alignment with the principles outlined on the focus areas of: Levelling Up, Coastal Catalyst, Skills, and the UK's Global Gateway – as detailed in Appendix A, B and C.



### **Further Information**

#### 4. Decision 1, 2 & 3:

- 4.1. The UK Freeports Policy, published in early 2020, was developed with the aim to:
  - 4.1.1. establish up to 10 Freeports as national hubs for trade and investment across the UK: intensifying the economic impact of ports by enhancing trade and investment and generating increased economic activity across the UK;
  - 4.1.2. promote regeneration and job creation: creating high-skilled jobs in ports and the areas around them, prioritising some of our most deprived communities to level-up the UK economy; and
  - 4.1.3. create hotbeds for innovation: creating dynamic environments, capitalising on new ideas and fostering the conditions that will attract new businesses, investors and innovations.
- 4.2. A Freeport is a secure customs zone, usually located at ports or airports, where different customs rules apply. The UK Government's plan for Freeports focuses on customs, tax reliefs, planning, regeneration funding, and innovation.
- 4.3. The Freeport model will require a primary customs site designated near a seaport, airport or rail port, within which customs benefits will apply. Additional subzones may also be permitted to enable multiple sites to benefit from the customs model. Businesses operating within a Freeport customs site will receive tariff benefits, including duty deferral while the goods remain on site, and duty inversion if finished goods exiting the Freeport attract a lower tariff than their component parts.
- 4.4. They will also include a defined site/s (up to three), with an area of up to 600 hectares, where tax reliefs will apply operating in a similar way to existing Enterprise Zones. The primary purpose of these tax reliefs is to incentivise business investment. The current proposals include stamp duty land tax relief, enhanced structures and buildings allowance, enhance capital allowances, employer NIC rate relief, business rates relief, and the local retention of business rates.
- 4.5. The broader aims of the UK Government's Freeport policy also aims to benefit the local area with regeneration funding to 'level up' deprived communities. As well as the enhanced customs and tax benefits attracting businesses, creating jobs, and increasing trade through the ports. This is potentially beneficial to SELEP as a successful Freeport could not only grow the regional gross value added but be located in areas of strategic focus such as coastal and estuarine communities that have historic issues in terms of unemployment, skills levels, and deprivation. As such, it is important the SELEP has an ongoing influence and engagement with these proposals to ensure alignment with broader strategic goals and investments.
- 4.6. SELEP submitted a formal response to the Freeports consultation focused on the role of the LEP requesting the removal of the expectation that LEPs/MCAs would lead the Freeport bids and that the single bid per LEP area limit be eliminated. These points were addressed in the Government's response, with the bidding prospectus stating no expectation that LEPs would lead the development of Freeport bids and eliminating the single bid per LEP area limit.
- 4.7. The Government concluded its consultation on the proposed Freeports Policy, with a formal response to the consultation published in October 2020.



- 4.8. Subsequently, the Government has published its Bidding Prospectus for Freeports in England. This initial bidding process is expected to lead to the establishment of up to seven new Freeports in England, with the first expected to be given approval in Spring 2021. The prospectus is available here: https://www.gov.uk/government/publications/freeports-bidding-prospectus
- 4.9. Within the Bidding Prospectus, Government encourages LEPs to participate in bidding coalitions; encourages LEPs to participate in Freeport Governance Bodies for individual bids; and notes the importance of formal endorsement by the LEP for submitted Freeport Bids.
- 4.10. Bidders have until Friday 5 February 2021 to submit their bids and these will be assessed by an MHCLG-chaired assessment panel in March 2021.
- 4.11. In accordance with the Government's timetable for the submission of bid, this meeting gives Board members the opportunity to formally consider endorsement of one or more of the Freeport bids which have a footprint in the SELEP area. These bids have primarily been developed by the port operators in collaboration with the relevant local authorities. There is no upper limit on the number of Freeport bids that a LEP/MCA can endorse, with three bids that have been developed that will have a direct economic impact in the SELEP area.
- 4.12. To note, that SELEP endorsement of the Freeport East bid will supplement principal LEP endorsement of the bid by New Anglia LEP. This is due to the expectation that the principal tax site will be located in the New Anglia LEP area and, as such, Government will consider New Anglia LEP to be the originating LEP area for the bid.

#### 4.13. Decision 1: Freeport East

- 4.13.1. The two ports representing Freeport East are the Port of Felixstowe, in Suffolk and Harwich International Port, in Essex.
- 4.13.2. The Freeport will include three tax sites and custom sites: at the Port of Felixstowe Logistics Park; Bathside Bay at Harwich; and Gateway 14 at Stowmarket.
- 4.13.3. Positioning of the tax and customs sites aims to address areas of persistent, extreme deprivation such as within Jaywick Sands, which is the most deprived area in the country.
- 4.13.4. Fundamental capabilities will be from Freeport East's ability to draw on its major maritime assets, harnessing local clean energy from the offshore and other carbon-free sources. This aims to drive long-term sustainable growth in the region, aligning with the Government's focus on a 'green recovery'.
- 4.13.5. More information on the bid is available in Appendix A.

#### 4.14. Decision 2: Thames Freeport

- 4.14.1. The Thames Freeport will bring together London Gateway and the Port of Tilbury to develop a scaled logistics, transport, and manufacturing cluster in the Thames Estuary.
- 4.14.2. Ford will be a strategic innovation partner and a wide range of net-zero and automation focused partners will participate in the Thames Freeport Innovation Hub.
- 4.14.3. The Freeport presents a transformational opportunity to regenerate communities in Thurrock with above average unemployment and supporting a robust skills programme through the Thames Freeport Skills Accelerator and committed funding for skills development.



- 4.14.4. The development of a Thames Freeport is expected to support up to 25,000 direct jobs and more than 20,000 indirect jobs. The bid states it will attract and facilitate £3 billion in public and private investment in the region, which is expected to contribute up to £2 billion in annual gross value added to the UK economy once fully developed.
- 4.14.5. More information on the bid is available in Appendix B.
- 4.15. Decision 3: Smart Freight Kent (GTI) Zone
  - 4.15.1. The Smart Freight Kent (GTI) Zone covers East Kent and is focused on the Port of Dover and Eurotunnel. The relevant local authority districts to which the Freeport designation applies are Dover and Thanet.
  - 4.15.2. The Freeport will include three tax sites: at White Cliffs Business Park, Discovery Park, and Manston. And three customs sites: at White Cliffs Business Park, TechFort, and the Port of Dover.
  - 4.15.3. It aims to increase the resilience, security and sustainability of UK-European supply chains, capture the value of rising demand for new technology, and build on existing and emerging industrial strengths.
  - 4.15.4. It will do this by establishing a Logistics Technology Research and Innovation Partnership, establish a network of secure sites which will benefit from tax and/or customs incentives as part of the Freeports package, and link this investment with a Transport Technology Skills and Adoption Programme.
  - 4.15.5. An initial estimate of the potential economic impact has yielded an estimate of 3,200 jobs over 15 years to 2037, generating around £90 million in additional gross value added.
  - 4.15.6. More information on the bid is available in Appendix C.

#### 5. Next Steps

- 5.1. In respect of any endorsed Freeport bids, the SELEP Secretariat will liaise with the relevant Freeport bid consortia to formalise this endorsement via a letter in advance of the bid submission deadline of 5 February 2021.
- 5.2. If one or more of the Freeport bids are successful at Government's selection stage, there is likely a role for SELEP in the emerging Governance Body of the Freeport. The SELEP Secretariat will maintain contact with the Freeport bid consortia and update the Board at the appropriate time.
- 5.3. Following bid submission on the 5 February 2021, Government will assess bids through March with the announcements of successful bids in Spring 2021. If successful, the next step will be for Freeports to develop their Governance Body and produce an Outline Business Case in Summer 2021. The Outline Business Case will be used by Government to determine the share of £175 million in seed capital funding pot that each Freeport will receive. Operation of the Freeports are anticipated to commence, subject to agreement and legislation, in late 2021-early 2022.

## 6. Comments from the Accountable Body

6.1. There are no comments from the Accountable Body on this report, except to note that any role for SELEP Ltd in the future Governance arrangements of any of the respective Freeports, will need to be reviewed to determine whether there are any resource or governance implications for SELEP Ltd.



## 7. Appendices, Supporting Documents and Previous Decisions

- 7.1. Appendix A- Freeport East Bid Information
- 7.2. Appendix B- Thames Freeport Bid Information
- 7.3. Appendix C- Smart Freight Kent (GTI) Zone Bid Information
- 7.4. Appendix D- Freeport Bid Guiding Principles
- 7.5. For more information please contact:

Alex Riley, Sector Engagement Lead, alexander.riley@southeastlep.com

Freeport Bid Name:	Freeport East
Bid Headlines	- The two ports representing Freeport East are Port of Felixstowe
Did Heddilles	and Harwich International Port.
	- The Freeport includes three tax sites and customs sites at the
	following locations: Port of Felixstowe Logistics Park, Bathside Bay
	at Harwich and Gateway 14 at Stowmarket. This formation
	provides the best combination of port and inland operations to
	exploit existing trade connections and capabilities.
	<ul> <li>Positioning of tax and customs sites allows areas of persistent,</li> </ul>
	extreme deprivation to be addressed such as within Jaywick Sands,
	which is the most deprived area in the country.
	- Fundamental capability will be Freeport East's ability to draw on its
	major maritime assets, harnessing local clean energy from offshore and other carbon-free sources. This will drive long-term
	sustainable growth in the region, along with aligning with the
	Government's focus on 'green recovery'
	given recovery
Strategic Alignment	Levelling Up
	- The Freeport East zone already supports high-value, globally
	competitive industry sectors.
	<ul> <li>Freeport status will allow the zone to develop incentivized and targeted mechanisms for promoting further high-value growth</li> </ul>
	across the central regions of the UK.
	This will be achieved through diversifying and deepening sectoral
	value chains, enabling greater sophistication in supply chains and
	by facilitating further innovation.
	- Importantly, this will align with the SELEP Recovery and Renewal
	Strategy, providing a catalyst of wider economic activity in the
	region, facilitating job creation, resilience and economic
	regeneration through greater business investment and growth,
	drawing upon the ports' global connections as a key driver.
	<ul> <li><u>Coastal Catalyst</u></li> <li>Extreme deprivation persists in coastal and inner urban areas and</li> </ul>
	average incomes are low across the sub-region with a particular
	focus on Tendring and the persistent deprivation evident.
	- The Freeport would play vital role in the regeneration of the local
	economy, creating new opportunities in coastal communities
	within the 45km zone, including the most deprived neighbourhood
	in the UK, Jaywick.
	Skills
	- Through poor wage growth in recent years, there has been a rise in
	lower skilled jobs. Complementary programmes will therefore be developed to provide greater access to new jobs and to upskill the
	existing workforce.
	<ul> <li>Programmes specifically targeting relatively deprived communities,</li> </ul>
	providing pathways into new opportunities generated by Freeport
	status.
	- This will place an emphasis on attracting workers within Tendring
	and beyond, flowing into Colchester and Braintree with an aim to
	actively increase the proportion of the population with Level 4 and
	<ul><li>above qualifications.</li><li>This will also seek to boost the number of persons employed</li></ul>
	within professional and managerial roles, recognising that the local
	area is currently below the national average.
	UK's Global Gateway
	- Freeport East recognises that SELEP have the most international
	gateways in the UK which includes the Harwich International Port.

	Whilst the maritime presence of Harwich may have declined over the last 20 years, Freeport East will seek to revitalise Harwich's fortunes and help it become a successful centre for port and maritime activity once again.
	<ul> <li>Freeport East will seek to leverage existing and planned investment in the East of England, positioning itself to become a centre for global trade and investment in a post-Brexit setting.</li> </ul>
Governance	<ul> <li>Freeport East will have a two-tier governance arrangement, comprising a Supervisory Board and a Management Board.</li> <li>Supervisory Board: responsible for the strategic direction of Freeport East. Monitoring and holding to account the Management Board for effective delivery of interventions.</li> <li>Management Board: responsible for the day to day operation of Freeport East and the discharge of its obligations regarding security, crime prevention and executing the strategy agreed by the Supervisory Board under delegated powers.</li> <li>It is proposed that Freeport East adopt a formal corporate structure as a company limited by guarantee (FPE) with a membership of businesses, institutions and organisations with a demonstrable and evidenced interest in the activities of Freeport East.</li> <li>The Supervisory Board would be composed of 1 representative of the LEPs (New Anglia or South East LEP) with the other LEP as an alternate board member.</li> </ul>
Economic Impact	<ul> <li>Freeport East will enable the realisation of extensive economic benefits. Whilst figures remain confidential, benefits will be attributed through:</li> <li>Enhanced trade – improved competitiveness and investment attraction; new FDI flows</li> <li>GDP/GVA and productivity gain</li> <li>Enhanced innovation capability, investments and products</li> <li>Deprivation alleviation through inclusive economic growth</li> <li>Significant job creation and improved access to economic opportunities</li> <li>Improved health and welfare status – reduction in socio-economic inequalities, especially for marginalised groups</li> </ul>

Freeport Bid Name:	Thames Freeport
Bid Headlines	<ul> <li>The Thames Freeport will bring together London Gateway and the Port of Tilbury, two of the UK's most significant and dynamic ports, to develop a scaled logistics, transport and manufacturing cluster in the Thames Estuary</li> <li>With Ford as the bids strategic innovation partner, and a wide network of net-zero and automation focused partners participating in the Thames Freeport Innovation Hub, the Freeport will support increased collaboration and investment in automated transport, circular economy industries and low carbon energy technologies, including hydrogen</li> <li>The scale of expected investment and development represents a major opportunity to bring investment to the UK and the Thames Estuary – the Freeport expects to develop more than 1,000 acres, leveraging road, rail and river transport links to connect Freeport businesses and international trade activity with London, the Midlands and the rest of the UK</li> <li>With both ports based in Thurrock, the Freeport presents a transformational opportunity to regenerate communities with above average unemployment, creating up to 25,000 direct jobs and supporting a robust skills programme, including through the Thames Freeport Skills Accelerator and committed funding for skills development</li> </ul>
Strategic Alignment	<ul> <li>Freeport sites in Thurrock will generate significant employment opportunities in an area with high unemployment and other measures of significant deprivation</li> <li>By aligning with local skills providers, the Freeport will aim to match employment demand with local supply, reversing trends of below average economic performance</li> <li>The infrastructure investments, retained business rates and private sector investments facilitated by Freeport development will make significant improvements to deliver Thurrock's vision to be an excellent place to live, work and play; including by supporting active transport networks and investing in digital connectivity throughout the region</li> <li>Coastal Catalyst</li> <li>The Freeport will leverage its trade links and partnerships with major manufacturers and research institutions in the UK (including industry catapults and research universities) to provide a platform for collaboration on many of the major innovation challenges prioritised by the UK government, including hydrogen, automation and circular economy</li> </ul>

	The Freeports skills programme includes specific measures to build the skills required by Freeport businesses in the local community, including through dedicated support to employers with a skills-specific need, funding for skills providers in the region and direct collaboration with major regional skills initiatives including the South Essex College Institute of Technology bid and the ASELA Technical University project
	<ul> <li>UK's Global Gateway</li> <li>London Gateway and Port of Tilbury are the major entry and exit points for the Port of London and the Freeport will facilitate their growth to double trade capacity, in line with the PLA's Thames Vision</li> <li>Freeport-facilitated investments include additional capacity to open the Thames Estuary to new international markets</li> <li>A strengthened focus on developing infrastructure and technology to shift the transport of goods to the Thames will help drive low carbon transport practices that allow for growth in trade capacity without contributing to congestion on roads and rail lines</li> </ul>
Governance	The Thames Freeport Governing Body will oversee major strategic development of the Freeport. We propose the SELEP have one of 11 seats on this body, which will include relevant local authorities, Freeport partners and an independent chair.
Economic Impact	<ul> <li>The development of a Thames Freeport is expected to support up to 25,000 direct jobs and more than 20,000 indirect jobs.</li> <li>The Freeport will attract and facilitate GBP 3 billion in public and private investment in the region, which is expected to contribute up to GBP 2 billion in annual GVA to the UK economy once fully developed.</li> </ul>

Freeport Bid Name:	Smart Freight Kent (GTI) Zone	
	(part of the Global Trade & Innovation Zone consortium)	
Bid Headlines	Summary	
	The Smart Freight Kent (GTI) Zone will:	
	<ul> <li>Increase the resilience, security and sustainability of UK-European supply chains by developing and applying new technology to the flow of freight at the Port of Dover and Eurotunnel.</li> <li>Capture the value of rising demand for new technology in the logistics and transport sector by creating a new opportunity for innovative firms to locate alongside Portrelated activities to develop, test and deploy innovative and lower-carbon solutions.</li> <li>Build on existing and emerging industrial strengths in East Kent to create higher-value business and employment opportunities, using and developing greener technologies.</li> <li>It will do this by:</li> <li>Establishing a Logistics Technology Research and Innovation Partnership (L-TRIP), focused on responding to the challenges of maintaining resilience at the UK's primary roll-</li> </ul>	
	<ul> <li>on-roll-off gateway and identifying practical solutions.         Prospective initial partners include Microsoft and the University of Kent, with the reach of the Partnership being expanded over time.     </li> <li>Establishing a network of secure sites, which will benefit from tax and/ or customs incentives as part of the Freeports package, which will be suitable for business expansion in both logistics technology and East Kent's wider growth sectors.</li> <li>Linking this investment with a Transport Technology Skills and Adoption Programme, designed to increase capacity within the transport sector – raising workforce skill levels, increasing productivity and sustainability and driving demand for technology-intensive solutions.</li> </ul>	
	Geography	
	The Freeport covers East Kent and is focused on the Port of Dover and Eurotunnel. The relevant local authority districts to which Freeport designations apply are Dover and Thanet.	
	However, through the focus on supply chain resilience, the Freeport will deliver national benefits.	

#### Freeport designated sites

Within this East Kent geography, the Freeport contains three proposed **Tax Sites** and three proposed **Customs Sites**, all of which are located within a 32 km area between the two furthest designated sites in the Zone.

#### Tax sites

- Tax Site 1: White Cliffs Business Park: Part of White Cliffs Business Park has been acquired by the Department for Transport for an Inland Border Facility. However, 8 hectares remain for development, suitable for R&D and manufacturing linked with the Port-related logistics technology proposition. A further proposal for 27 hectares of further development to replace the land lost to the IBF has been submitted and will need to be considered through the response to the Regulation 18 Consultation on Dover District Council's Local Plan. Potentially, there is therefore up to 35 hectares for designation as a Tax Site, subject to planning.
- Tax Site 2: Discovery Park: This is a 90 hectare site, which includes a major science park focused on medicines development and R&D. Through Enterprise Zone designation, activity on the site has expanded, with over 3,000 jobs now on site. There is scope for substantial additional development both in the 'core' pharmaceuticals and medicines technology activities associated with Discovery Park and in a range of other manufacturing and R&D uses.
- Tax Site 3: Manston: This is a 311 hectare site, which includes the former Manston Airport. A planning application has been submitted under the NSIP procedure to reopen the airport to cater for rising airfreight demand: confirmation of the Development Consent Order is anticipated in the coming months. The planning application includes scope for airport-related industrial activity, and is suitable for larger scale uses, sequential to Tax Sites 1 and 2. It may be possible to develop this as a Customs Site in the future, linked with the Airport's future 'global gateway' role.

#### **Customs sites**

Customs Site 1: TechFort: This is a 13 hectare site
overlooking the Western Docks at Dover. The site is of
historic importance, has recently been acquired for
development as an innovation and technology centre, and
contains space suitable for R&D, small-scale manufacturing/
prototyping and high-value storage. TechFort will provide a
focal point for transport and logistics testing and

development, building on its close proximity to the Port. There would be advantages in TechFort also operating as a Tax Site, although it is smaller than the minimum hectarage currently proposed in the Government's Bidding Prospectus.

- Customs Site 2: White Cliffs Business Park (see Tax Site 1 above). Given that HMRC and Defra will already have a presence on site as part of the Inland Border Facility, there is a clear rationale for Customs Site as well as Tax Site designation.
- Customs Site 3: Port of Dover: There are around 36 hectares
  of land potentially available at the Port itself (including
  around 10 acres at the existing cargo terminal and the
  remainder subject to the development of the Western
  Docks).

#### **Partnership**

The Smart Freight Kent (GTI) Zone Freeport proposal is led, and will be submitted by, the Port of Dover. It is supported by Eurotunnel, the owners of the tax and customs sites set out above, Dover District Council, Thanet District Council, Kent County Council and the University of Kent.

#### **Strategic Alignment**

#### **Levelling Up**

The Freeport proposition seeks to ensure sustained employment within the ports and logistics sector, long a major source of jobs in Dover and East Kent, alongside new employment principally in high-value activities. The project will support 'levelling up' through:

- Increased aggregate employment
- Efforts through the Transport Technology Skills Adoption Programme to increase the resilience of existing employment and encourage greater aspiration and awareness of opportunities
- Links with existing initiatives designed to support access to employment and skills opportunities within local communities in East Kent (such as the Discovery Park Community Lab)
- Measures within the tax and customs sites offers to require firms benefiting from the incentive package to participate in local recruitment, apprenticeship and skills development and supply chain development schemes as a condition of grantequivalent assistance. This will also include commitments to decarbonisation and environmental sustainability, in addition to those inherent in the development of new technologies.

#### **Coastal Catalyst**

The GTI Freeport is focused on the coast, and all the customs and tax sites are located in coastal districts. It specifically seeks to:

- Capture and expand the 'value added' that can be derived through the use of technology in the logistics chain – enabling East Kent to become a home of new solutions (and secure the value of that), as well as a transport route.
- Add value to existing and emerging technology 'clusters' in the sub-region, consolidating local strengths and relationships with the knowledge base

#### Skills

The development and adoption of new technologies in the transport and logistics sector will lead to demand for new skills – both for new entrants to the labour market and in re-skilling the existing workforce. The Smart Freight Kent (GTI) Freeport seeks to accelerate demand, with the component Transport Technology Skills Adoption Programme investing in additional supply, alongside local providers.

More generally, increased activity at the designated tax and customs sites will generate demand for additional, higher-value skills, which will be supported through integration with existing skills and employment initiatives.

#### **UK's Global Gateway**

The Smart Freight Kent (GTI) Freeport directly contributes to the region's Global Gateway role. Specifically, it strengthens the resilience of the Short Straits, improves supply chain flows to the rest of the UK as a result of this, and captures the value of the Global Gateway asset for greater local benefit.

#### Governance

A governance proposal has been prepared. This envisages the creation of a **Freeport Governance Body**, as outlined in the Bidding Prospectus, consisting of representatives of the relevant local authorities, the Port of Dover, Eurotunnel and the operators of the Customs and Tax Sites. The Governance Body will maintain strategic oversight, and will be responsible for determining the 'gateway criteria' for firms entering the Customs and Tax Sites and/ or accessing Freeports incentives. SELEP may wish to have a role on the Governance Body as a strategic partner.

Below the Freeport Governing Body, it is envisaged that a **Freeport Operating Board** will be established, probably as a special purpose vehicle. This will include Port of Dover, Eurotunnel and investors in the Freeport, and will be responsible for compliance and operations and for marketing opportunities across the Freeport.

Economic Impact	An initial estimate of potential economic impact has been	
	undertaken, based on the employment that could reasonably be	
	generated at the proposed tax and customs sites as a result of	
	Freeports designation.	
	This yields an estimated 3,200 jobs over 15 years to 2037, generating	
	around £90 million in additional annual GVA.	

## **Freeport Bid Guiding Principles**

The Freeport Bid Guiding Principles which were agreed at the December 2020 SELEP Strategic Board are detailed below:

- Levelling Up clear articulation of how the Freeport will promote regeneration and 'levelling-up' in nearby deprived communities. Ensuring that Freeport status generates a direct benefit for residents and businesses. Proposals must comprehensively illustrate how they will deliver these benefits to the local community, supporting the ambitions of the UK Government to 'Level up' deprived communities and the ambition of SELEP to ensure that the positive impacts of economic growth are felt across all communities in the South East.
- Coastal Catalyst supporting the ambitions as set out in the SELEP Coastal Economic
   Prospectus to support the ambition to close the economic productivity gap between coastal
   and inland communities in the South East. Clearly evidencing how a Freeport would increase
   opportunity and productivity in the local economy. As well as promoting the SELEP Strategic
   Priority to promote a Coastal Catalyst with a clear plan for how the Freeport would
   increase innovation and benefit local businesses.
- Skills proposals must show how they would promote and increase skills and training
  opportunities for the local community. This should align with the broader principles of the
  SELEP Skills Strategy, which emphasises the importance of increasing apprenticeship and
  industry-relevant qualification opportunities for all ages. There should be a clear plan of
  engagement and collaboration with local skills providers to ensure there is alignment
  between the needs of businesses and skills provision. This will assist in building an inclusive
  economy that can create opportunities for all.
- UK's Global Gateway the Freeport will support the ambition of SELEP to become the UK's
  Global Gateway, promoting the region's role as a gateway for global trade and enterprise.
  The proposal should work to align with the broader infrastructure ambitions of the region,
  enhancing connectivity between the Freeport site and wider South East. There should be a
  clear plan to promote both import/export growth and attract inward investment,
  maximising the positive impact of potential new trade deals.