



# THAMES GATEWAY KENT GROWTH PLAN

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# 1 Introduction

- 1.1 This Growth Plan sets out the ambitions of the Thames Gateway Kent Partnership for sustainable economic growth in North Kent.
- 1.2 The Thames Gateway Kent Partnership (TGKP) is a private public sector partnership that was formed in 2001. Members of the TGKP Board come from a range of organisations operating in North Kent [see inset box], including the local authorities and key businesses.
- 1.3 Some TGKP Board members also represent North Kent on the Thames Gateway Strategic Group, which addresses the wider Thames Gateway agenda and pan-Thames Gateway issues.
- 1.4 In 2009 the Partnership published the North Kent Economic Development Strategy, which set out the economic objectives and priorities for the economic regeneration of North Kent. In the three years since then we have seen enormous change - change to the economy, change in the political context for economic development and change in the organisations and partnerships charged with delivering regeneration. It is therefore now time for a review to ensure that it remains relevant and fit for the future.

## Thames Gateway Kent Partnership

This public and private sector partnership, chaired by the private sector, comprises senior representatives from the North Kent business community, local authorities, the Homes & Communities Agency, the Environment Agency, from Higher and Further Education, and includes a North Kent Member of Parliament.

The aims of the Partnership are to:

- Create the best conditions possible to attract investment and deliver sustainable, private sector- led economic growth across North Kent;
- Promote and enable collaboration between the public and private sectors to help achieve growth;
- Work with partners in London and South Essex, on pan-Gateway activities, to ensure that the views of North Kent businesses are represented and that the Thames Gateway remains as a key priority for government.

- 1.5 The Thames Gateway Kent Partnership works closely with and supports the Thames Gateway Strategic Group (TGSG), which was established in response to the Coalition Government's intention to decentralise the economic leadership of the Thames Gateway programme from central government to local authority leaders. The TGSG is chaired by Sir Edward Lister and comprises influential local authority leaders as well as Bob Neill MP, the Government Minister with specific responsibility for the Thames Gateway. Some members of the Thames Gateway Kent

Partnership Board sit on the TGSG to represent the interests of North Kent, along with other representatives from Essex and London.

- 1.6 In 2010 the Thames Gateway Kent Partnership worked with the Homes and Communities Agency (HCA) to develop and agree a North Kent Local Investment Plan (LIP). This identified our investment priorities for the key development sites that will bring forward new jobs and housing across North Kent. The reduced availability of public sector resources now means we need to explore new ways to unlock the investment needed to deliver these priorities.
- 1.7 This Thames Gateway Kent Growth Plan updates and brings together the Partnership's economic priorities for North Kent with the key investment opportunities that we expect will deliver our ambitions. It maps a way forward for the Partnership to help deliver our priorities in the new economic, political and organisational context.

## 2 Strategic Context

- 2.1 The economic rationale for the Thames Gateway remains as strong as ever. We believe that economic growth and transformation of the Thames Gateway is essential for the continued success of London as a world city. It is a huge once in a generation opportunity to improve the life chances of local residents and grow the local economy. But it is a long-term project which is now some 30 years into a 70-year endeavour. Whilst short-term priorities may change the long-term goal remains the same.
- 2.2 The Coalition Government remains committed to the Thames Gateway. This has been demonstrated in the appointment of Bob Neill as the Thames Gateway Minister and the Thames Gateway still remains the only part of the country to have its own dedicated Minister and the Thames Gateway is the only growth area mentioned in the Government's recent economic White Paper<sup>1</sup>.
- 2.3 The Government has introduced a new approach to delivering the Thames Gateway agenda. It is working in partnership with local authorities and other local interests rather than directing the initiative from Whitehall through a specific programme. This means that the impetus is to come from local partners to drive the Thames Gateway initiative forward. Partners in North Kent, along with those in South Essex and East London have responded positively to this new approach and have established the Thames Gateway Strategic Group to coordinate activities and channel dialogue with Government.

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<sup>1</sup> Local Growth: Realising Every Place's Potential; Nov 2010

- 2.4 The abolition of the regional tier of Government and the establishment of Local Enterprise Partnerships means that the Thames Gateway Kent Partnership also needs to forge new relationships within this landscape. We welcome the creation of the South East Local Enterprise Partnership and its decision to make the Thames Gateway one of its top priorities.
- 2.5 The Coalition Government is also introducing new funding arrangements to take forward economic development, such as through the Regional Growth Fund and the 'Growing Places' infrastructure fund. It is encouraging the development of new schemes through, for example, the retention of proceeds from business rate growth and tax increment financing schemes.
- 2.6 The Coalition Government's policies on localism, economic growth and on planning, combined with reductions in public expenditure, mean that the Partnership now needs to review its objectives and priorities to make sure they are fit for purpose if we are to meet our ambitions and priorities for Thames Gateway Kent.

### 3 Our Vision

- 3.1 Our Vision for North Kent was agreed by the Partnership on its formation in 2001 and remains as relevant today as it was then.

*North Kent will be recognised as:*

- *An area of exciting towns and cities complemented by an **outstanding natural environment**, providing an exemplar of urban regeneration;*
- *A thriving business centre **attracting leading investors and businesses** through its diverse and skilled workforce, high-quality commercial sites and local services, and accessibility to transport links and strategic routes to UK and continental markets.*
- *An area of strong, integrated communities with **harmony between new and existing business and residents** - where the benefits of development and investment are shared by the whole community*
- *A vibrant cultural hub with a **thriving social scene and civic pride** - attracting a growing student population, bringing youth and vigour to the community*

*These will all contribute to **making Thames Gateway Kent the 'place to be.'***

## 4 Our Economic Objectives

4.1 To achieve our vision the Partnership has set out 1065 long-term economic objectives for North Kent

<b>1. Raise Gross Value Added (GVA) productivity per head in North Kent to that of the average for the greater south east of England</b>
Our ambition to raise productivity in North Kent continues, but the benchmark for measuring progress on this indicator is changed from being the South East region to the wider Greater South East which includes London, Bedfordshire and Essex, as well as the traditional SE region. This is more appropriate following the abolition of the Government Office Region of the South East.
<b>2. Support the creation of at least 58,000 jobs between 2006 and 2026, particularly in high-value sectors</b>
This target arose from the analysis of the potential number of jobs that could be created in allocated employment sites <sup>2</sup> and was supported by employment projections based on growth trends between 1998 and 2006. Employment projections based on the longer time span from 1998 to 2010 now suggest that there could be only 223,300 jobs in Thames Gateway Kent by 2026 which are only 18,200 more jobs than in 2006. Nevertheless, there remains capacity for new employment sites to create an additional 58,000 jobs in Thames Gateway Kent. We have therefore retained the same jobs target, as our aspiration needs to recognise that there could be a resumption of the pace of employment growth, particularly if we successfully attract major inward investment.
<b>3. Attract and grow the number of knowledge-based companies in North Kent's economy</b>
This continues to be an aspiration for partners across North Kent. Attracting knowledge intensive employment will help the North Kent economy continue to flourish in the future as these industries have the greatest potential for productivity growth through their capacity to innovate and to create new products and markets.
<b>4. Improve the skills of North Kent's workforce and tackle unemployment</b>
The North Kent residents and workforce require skills to meet the needs of both existing and future employers in North Kent. High-level skills are particularly needed to successfully attract inward investment from Knowledge Intensive industries. This will bring growth to the North Kent economy and ensure that local residents benefit from the new job opportunities.
<b>5. Increase the rate of new business start-ups</b>
Increasing the rate of new business start-ups is an important component of economic growth and helps to create a diversified and sustainable economy.

<sup>2</sup> South East Plan - the Regional Spatial Strategy for the South East, May 2009

Establishing a new business can also offer opportunities for out of work residents to get back into labour market, improving their standards of living and contributing productively to the economy.

#### 6. Maximise the economic benefits of our universities by strengthening the links with industry and retaining more graduates in the area

There are four universities in Thames Gateway Kent whose research could benefit some of the businesses in North Kent. Strengthening the links between the universities and business is particularly important in Thames Gateway Kent where higher education has only recently expanded. This will benefit both businesses and the higher education institutions and help create more job opportunities to retain graduates in North Kent.

#### 7. Attract and retain investment in our priority employment locations, ensuring the development of new employment sites and provision of high-quality marketable business premises

Developing new employment and residential sites is crucial for achieving sustainable economic growth in North Kent. This remains a key priority for the Partnership, which is looking at new ways to bring forward sites by the private sector in view of the public sector funding constraints.

#### 8. Continue to lobby government for the necessary investment in transport and infrastructure to assist sustainable economic growth across North Kent

Investment in transport and infrastructure is key to unlocking the new employment and residential sites across Thames Gateway Kent. The recent government announcement of a £5bill 'Growing Places' infrastructure fund allocated to Local Enterprise Partnerships means that the Partnership needs to continue to lobby government for funding and also link directly into the South East Local Enterprise Partnership.

#### 9. Support the delivery of up to 52,000 new homes between 2006 and 2026

Delivering new homes, as well as new jobs, continues to be important for achieving sustainable economic growth across North Kent. Although this target was based on the South East Plan, this will continue to be our ambition until it needs to be amended in light of 'bottom-up' changes agreed by the local authorities.

In 2006 the number of dwellings in North Kent stood at 240,200 and there have been 11,210 additional dwellings since then, averaging 2,240 homes a year. If the target is to be achieved the annual rate of increase will need to rise to 2,720 dwellings up to 2026

10. Ensure that all new development is of the highest possible quality

As a growth area it is important for new housing and employment provision to be of the highest possible quality if we are to successfully attract new people and high-value business to North Kent.

## 5 Achieving our Economic Objectives

5.1 Attracting new businesses and helping existing businesses to grow and prosper in North Kent is crucial to the future growth of the Thames Gateway. Our economic priorities for achieving our vision and objectives are set out below.

### Supporting Key Industry Sectors

5.2 Our approach is to balance support for all economic sectors, which will encourage economic diversification, with sector-specific interventions to encourage greater specialisation. Competitive economies tend to be those with clearly identifiable specialisms or clusters of activities that stimulate productivity growth through collaboration and competition. However, while specialisms can provide a competitive advantage, it is also important to reduce the vulnerability of a local economy by combining specialisation with diversity.

5.3 Our sector focus originated from a sector study commissioned by the Thames Gateway Kent Partnership in 2008, which concluded that there was limited evidence of sector specialisation in Thames Gateway Kent and that there was relatively little employment in higher value knowledge intensive industries.

5.4 The sectors identified as having the greatest potential for growth across North Kent, fall into three categories - those where North Kent has *existing sector strengths*, those where there are particular *growth opportunities* due to location advantages in North Kent and those *driven by population growth*.

### Existing Strong Sectors

- **Ports and Logistics** - North Kent's close proximity to London and its strategic location in the Thames Estuary make it a prime location for logistics and port-related activity. The area has excellent connectivity to the rest of the Greater South East and Europe via road, rail and sea. This sector will be further encouraged by further improvements to infrastructure and local connectivity, through ensuring the availability of employment land around ports and investing in training. Building a reputation of the Thames Gateway as an internationally significant port cluster will also encourage this sector to develop.

- **Advanced Manufacturing** - Parts of North Kent have some competitive advantage in more specialist manufacturing activities, such as in pharmaceuticals, food technology and engineering. However, there is evidence that these sectors are evolving and their needs changing. For example, there has been a shift in the

domination of large multinational companies in the pharmaceutical sector, traditionally located in a 'pharmaceutical corridor between Dartford and Medway, to growth of smaller SMEs. This is changing both the nature of the type of workspace required, as well as the importance of closer links to research and development with higher education institutions.

- **Sustainable Construction** - as a growth area, Thames Gateway Kent has a well-established construction sector, which has been particularly badly hit by the poor economic climate over recent years. Nevertheless, there remain key opportunities for the sustainable construction sector, creating more energy efficient buildings and retrofitting existing homes. The challenge is to ensure that the sector has the necessary skills and the development of SusCon - the centre for sustainable construction at the Bridge, Dartford, provides North Kent with a unique opportunity to provide training opportunities to help up skill construction companies across North Kent.

### Sectors with Growth Opportunities

- **Environmental Technologies** – North Kent has genuine locational advantages for the environmental technologies sector, with large tracts of available land on sites that are easily accessible by road and well served by ports. The establishment of the Institute for Sustainability in the Thames Gateway, which aims to drive forward the environmental agenda, will add to the potential to develop this industry across North Kent. The announcement by Vestas in Summer 2011 of their intention to develop an offshore manufacturing hub at Sheerness Port on the Isle of Sheppey, with the potential to create 2,000 new direct jobs, is testament to the potential North Kent has to attract businesses this sector.

- **Business and Financial Services** - although this sector has seen considerable turmoil over the last few years and considerable job losses across North Kent, there continues to be opportunities to attract and support this sector. Ebbsfleet Valley adjacent to Ebbsfleet International Station with its High-speed links to London and Europe, offers a primary opportunity for large-scale growth in this sector. Key to the success of attracting business and financial services is the provision of high-quality office accommodation.

- **Creative Industries** - while this sector is not well represented in Thames Gateway Kent at present, the drive to improve the quality of life to attract new people and businesses to this growth area will provide opportunities to develop this sector. The presence of four universities, including the University of the Creative Arts at Medway, offers opportunities to forge stronger links and develop this sector, as does the provision of workspace at the Joiners Shop developed specifically to accommodate businesses in the creative industries sector.

- **Tourism and Leisure** - North Kent has many tourism and leisure assets upon which to build to encourage growth in this sector. The rich cultural heritage of the area, mostly related to its location on the River Thames can be used to promote it as a tourist destination, while the development of local leisure infrastructure to meet the needs of the population to enhance their quality of life will also act as a stimulus for growth in this sector too.

### Population Driven Sectors

- **Public Sector and Higher Education** - population growth in North Kent will fuel growth of public sector services, including health and education. These are important for also attracting people and businesses to the area by ensuring that there is a high-quality of life in North Kent. There is a need to up-skill many of the existing residents in Thames Gateway Kent and to equip them with the skills and training necessary for the new jobs we hope to attract to North Kent. This in turn will stimulate growth in the education sector to meet these needs.

## **Increasing Innovation, Enterprise and Creativity**

- 5.5 Supporting businesses and helping them to exploit new ideas through innovation and creativity is critical for economic growth. During challenging economic times we need to ensure that viable businesses continue to thrive and take opportunities to expand their operations where they can in North Kent. More companies need to embed innovation and creativity into their everyday business activities to raise productivity. Exploiting new ideas through innovation and creativity is a critical driver for economic growth.
- 5.6 The key activities identified in the Economic Development Strategy to encourage this are:
- Streamlining businesses' access to financial support to grow
  - Fostering an entrepreneurial culture amongst the population and organisations
  - Strengthening links between the business community and higher education institutions to exploit and embed research, innovation and creativity
- 5.7 In addition, taking forward the concept of a Kent Innovation Corridor, which includes facilities at Kent Science Park in Swale, the Joiners' Shop at Chatham Historic Dockyard, the Innovation Centre Medway, the Base at Dartford and The Nucleus at The Bridge, Dartford, to maximise the benefits of this network of new innovation centres is also important.
- 5.8 Since the publication of the Economic Development Strategy there have been enormous changes to the provision of business support and access to finance. In March 2011 the Government announced a new 'Solutions for Business' portfolio - its package of publicly funded business support products and services designed to help businesses start, grow and succeed. This portfolio contained 13 products focused on helping businesses to meet their aspirations to grow and improve business performance. While many of these products will be targeted at certain specific business sectors, the universal offer at national level will provide information advice and guidance to business online, supported by telephone advice from a National Business Link Contact Centre that opened in September 2011. The availability of face-to-face support is to be limited to businesses with the greatest potential to grow and drive economic recovery.
- 5.9 These changes, together with the recent economic climate, have impacted on business's access to finance in terms of type, availability and means of access. For example, the government recently announced that £1.4 billion from the Regional Growth Fund will be made available as grants to small firms to help them access loans from a number of banks. Similarly there have been changes to the ways in which existing funds are to be administered, such as the Regional Venture Capital Loan Funds. This is now being administered by Capital for Enterprise Ltd on behalf of the government.
- 5.10 Ensuring that the new systems are working effectively for businesses in North Kent is a key concern of the Partnership.

## **Attracting and Retaining Investment**

- 5.11 Our employment growth targets will not be delivered from growth in existing businesses alone. Attracting inward investment is key to achieving our ambitions for North Kent. Such investment will require:
- Effective promotion of the Thames Gateway
  - Access to high-quality employment and housing sites
  - The necessary infrastructure and transport routes to unlock key employment sites and markets

## **Improving Skills and Employability**

5.12 Workforce skills are a key driver of productivity and competitiveness and are vital to achieve sustainable economic growth. The skills across North Kent's workforce need to be optimised to ensure that employers remain competitive and local workers can successfully fill the newly created higher value knowledge-based jobs.

5.13 To achieve this skills provision must:

- Meet the skills needs of existing and future employers
- Improve skills and support skills progression for residents in work or education.
- Reduce unemployment and economic inactivity through provision of training opportunities to residents

5.14 Since the Coalition Government came to power in 2010 there have been many changes to the way in training is delivered. Ensuring that these changes are effective in meeting the needs of employers and result in improvements to the skills of residents and workers alike in North Kent is an important facet to the work of the Partnership.

## **Enhancing Connectivity**

5.15 Efficient connectivity that enables the free flow of goods, information, services and people is essential for sustainable economic growth. The infrastructure necessary to unlock key employment sites is a prerequisite for bringing forward development and this includes both physical infrastructure - road and rail - as well as digital infrastructure for high-speed broadband, to enable businesses to be highly competitive.

5.16 North Kent already benefits from a number of valuable transport assets, including the new Ebbsfleet International station and High Speed 1 services to North Kent stations, and its various seaports. Capitalising on these existing resources is vital to help attract high-value businesses to the area.

5.17 To improve connectivity further in North Kent we need to:

- Strengthen the area's transport links across the south east, to London and the rest of the UK and to Europe

- Relieve congestion on local routes
- Invest in the area's physical and digital infrastructure

5.18 In October 2011 the Government announced a 'Growing Places' infrastructure fund to promote the delivery of the key infrastructure to unlock development and help generate the jobs and homes communities need. Local Enterprise Partnerships were invited to submit proposals for these funds, which will operate on a revolving basis to maximise their economic impact. Four of 12 schemes approved so far by the South East LEP are in North Kent and these total £11.81 mill. The schemes are at Ebbsfleet Valley, Dartford town centre, Dartford Northern Gateway and Rochester Riverside.

5.19 The Autumn 2011 Chancellor of the Exchequer Statement also has significant implications for Thames Gateway Kent. The Chancellor announced his intention to 'explore all the options for maintaining the UK's aviation hub status, with the exception of a third runway at Heathrow'.

5.20 The Government also announced a commitment to build a second Lower Thames Crossing and has identified three possible locations in North Kent. The Partnership is a member of the Stakeholder Advisory Panel and will ensure that the interests of North Kent partners are taken fully into account in any government decision.

### **Improving Quality of Life**

5.21 Improving the quality of life in North Kent is a key part of our vision. Creating a high-quality buildings, good schools and health services, access to cultural facilities and enhancing the natural landscape is vital if we are to successfully attract new people to the area and improve the lives of existing residents.

5.22 Any investment in North Kent should therefore:

- Encourage high-quality developments in sustainable communities
- Provide high-quality cultural facilities, including theatres and museums
- Provide high-quality public services.
- Ensure that development enhances the quality of the natural environment

5.23 In times of economic hardship investment in improving our environment and quality of life sometimes become less of a priority. However, the regeneration of the Thames Gateway has always been a long-term programme and it is crucial that for this to be a success we must not let these aspirations slip. It is the role of the Partnership to help ensure that these issues remain high on the agenda, so that we deliver a 'quality of place' that is attractive to new businesses and residents alike.

## 6 Achievements to Date

6.1 The last twenty years have seen enormous change and much has already been achieved across North Kent.

- **Ebbsfleet International station** opened in November 2007, with **domestic high-speed rail services** to North Kent stations commencing in December 2009. This high-speed link has brought journey times from Ebbsfleet to central London down to only 17 minutes and those to Paris to just over two hours.
- The first residents moved into their new homes at **Springhead Park** in Ebbsfleet Valley in June 2008, which heralded the start of the realisation of this world-class development.
- The reinstatement of the rail freight link at Northfleet was completed in 2011/12, being jointly funded by Crossrail, Network Rail and Lafarge at a total cost of around £13million.
- **Chatham Maritime** has been transformed from a defunct naval dockyard to a thriving business, education, leisure and residential community. It is now one of the top three business locations in Kent, with 120,000m<sup>2</sup> of office space providing over 3,500 jobs. It is home to a community of around 7,000 residents on **St. Mary's Island**, in an award winning residential scheme.
- Chatham Maritime is also home to the new campus of the **Universities at Medway** with around 10,000 students at the universities of Greenwich, Kent and Canterbury Christ Church and MidKent College. The new North West Kent College campus at Gravesend; enhanced facilities at the Dartford campus; and SusCon, the new sustainable construction centre at The Bridge, Dartford, contribute further to the dramatic improvements elsewhere in North Kent.
- A number of business parks have already been developed across North Kent, including **Crossways** bringing 6,500 jobs. Investments have also been made to Sittingbourne's **Kent Science Park**, where additional commercial space is expected to bring another 400 jobs to the area by 2014, and to the **Eurolink Business Park** which provides 6,000 jobs and has further future development potential.
- A variety of new centres for innovative businesses have also emerged, including **The Nucleus** and **The Base** in Dartford, **Innovation Centre Medway** at Chatham and **The Joiner's Shop** for creative industries in Chatham's Historic Dockyard.
- A number of major transport infrastructure improvements have been completed, contributing to a vast increase in the area's transport capacity. These include: the **Sheppey Crossing**, which opened in July 2006; the development of the Dartford and Gravesham **Fastrack** rapid transit system; **M2 and A2 improvements** in Dartford and Gravesham; and the recently completed next phases of **Sittingbourne Northern Relief road** and the **Rushenden Relief road** in Swale.

- North Kent has seen major investment in its sports and leisure facilities, including: Dartford's new **Princes Park** football stadium; the new **Cyclo Park** at Gravesend; and the introduction of an 800 hectare green space development around **Cobham Park**.
- 6.2 Although much has already been achieved, further investment is required if we are to achieve our vision for North Kent.

## 7 Attracting Investment

7.1 Over recent years the UK has seen enormous economic change and North Kent is no exception. Along with the rest of the UK, North Kent has been affected by the slow down in the economy. However, there have been a number of positives that points to a healthy future:

- Although there have been job losses in North Kent since 2007, many sectors of the economy have grown, particularly the higher-value knowledge-based industries. Their greater capacity to increase productivity, through knowledge and innovation, is anticipated to help the North Kent economy grow in the future.
- Productivity, as measured by GVA per head of population, has increased across North Kent, particularly in Dartford where it has outpaced regional and national growth.
- Residents in work in all four local authority areas have seen their average earnings increase by more than that experienced across Kent or the UK.
- Although the proportion of people employed in Managerial and Professional occupations remains low in North Kent, there has been an increase in those in Associate Professional & Technical occupations and a decrease in those in the lowest-skilled occupations.
- While workers with high-level skills or qualified to degree level remain under-represented in North Kent, but these numbers are increasing proportionately faster than regionally and nationally, suggesting that the gap is closing.
- North Kent has seen the rate of business start-ups increase more than the regional or national average.

7.2 Wider economic changes across North Kent are analysed in the accompanying Technical Annex and summarised in the box below.

### Employment

- After growing strongly in the early part of the decade, employment has decreased in Thames Gateway Kent since 2006 by 2.5%. The number of jobs now stands at 200,000 jobs in 2010 - similar to the level in 2001. This decrease has been greater than nationally (-1%) and is counter to slight growth in the Greater South East<sup>3</sup> (+1.5%) as a whole.

<sup>3</sup> Greater South East area is the old 'SERPLAN' area including the SE and London Regions plus the counties of Hertfordshire, Bedfordshire and Essex.

- Over recent years<sup>4</sup> the Manufacturing sector has continued to shed jobs (-2.4%) in Thames Gateway Kent, but both the Construction and Services sectors have also declined since 2008 too, with 2,300 jobs lost in Construction (-14.9%) and 3,600 lost in Services (-2.2%). The greatest number of Service sector jobs losses were in Financial & insurance services which decreased by more than one third. However, jobs in some service industries have grown, such as Real estate, renting and business services (+6.7%), Professional, scientific & technical activities (+20.4%), Public administration and defence (+15.1%) and Human health & social work (+11.4%).
- Knowledge Intensive jobs are relatively under-represented in North Kent compared to the regional and national position. However, the growth in these jobs since 2007 has outpaced growth nationally which suggests that more of the growth seen in North Kent has been in higher value sectors. Dartford, in particular, has had considerable growth in Knowledge Intensive jobs, although Medway and Swale continue to have the highest proportions of Knowledge Intensive jobs across North Kent

### **GVA Productivity**

- GVA data available since 2005 suggests that GVA per head in Kent County and Medway remains below the South East and national average, but while the gap has remained relatively stable for Kent County, it has widened for Medway, which has had lower growth.
- GVA per head estimates in 2009 suggest that all four local authority areas in North Kent have seen growth in GVA since 2005, but it has only been in Dartford that the increase has been above the Kent & Medway average

### **Earnings**

- Earnings data in 2011 show that while earnings for both residents and workers have generally increased in North Kent since 2007, they remain substantially higher in Dartford and Gravesham compared to in Medway and Swale.
- Workplace earnings have increased since 2007 in all North Kent local authority areas except Swale (-4.9%), although these have been below the increase regionally (+9.6%) and nationally (+9.4%) with the exception of Gravesham (+14.35%)
- Resident's earnings increased across all the local authority areas in North Kent since 2007 and these have outpaced both the regional (+10.4%) and national (+9.4%) growth. Gravesham (+13.6%) and Swale (+13.5%) had the highest rates of growth followed by Medway (+12.7%) and Dartford (+12.1%)

### **Occupations**

- The occupational structure of residents in employment in North Kent has changed little since 2007, with those in Managerial and Professional occupations continuing to be under-represented and those in Administrative & secretarial, Sales & customer services and Elementary occupations over represented compared to the Greater South East and to the national average.
- Similarly, amongst the occupational structure of the workforce in Thames Gateway Kent fewer are in Managerial and Professional occupations and more are in Skilled trades, Personal services, Sales and customer services and Elementary occupations.
- The most notable changes since 2007 have been an increase in the proportion of the workforce in Associate professional and technical occupations, with the percentage now standing on a par with the national average, and a decrease in the percentage in Elementary occupations.

### **Unemployment**

- The overall unemployment rate has risen considerably between 2007 and 2011 in Thames Gateway Kent from 7% to 10.9%, which is considerably higher than the Greater South East rate (7.5%) and the national rate (8.0%).
- The latest Job Seekers Allowance figures for March 2012 show that claimants have more than doubled since 2007 in North Kent to around 16,300 - 4.3% of the working age population. This claimant rate is higher than for the Greater South East (3.5%) and Great Britain (4.1%). Amongst the local authority districts in North Kent, the JSA claimant rate remains lowest in Dartford and highest in Gravesham.

<sup>4</sup> Sectoral analysis is limited to 2008-2010 due to incompatibilities between the BRES and ABI.

### **Business Start-ups**

- Business VAT registration data for 2007 show that business start-ups remained relatively low at 47 per 10,000 working age residents in Thames Gateway Kent, compared to the Great Britain and Greater South East averages of 55 and 70 per 10,000 working aged residents respectively.
- However, the trend since 1998 indicates that the number of start-ups has increased considerably more in Thames Gateway Kent (+14.3%) than in the Greater South East (+9.9%) and Great Britain (+13.7%) as a whole.

### **Qualification and Skills**

- The latest data for 2010 show that there have been little change to the overall qualification profile of residents, although gaps with the regional and national level have closed for some qualification levels.
- The percentage of residents of working age qualified to at least NVQ Level 4 (26%) in Thames Gateway Kent remains well below both the Greater South East (36%) and national average (31%) in 2010. However, since 2007 the percentage point increase (+6.2 pp) has been double that at the national (+2.8pp) and Greater South East level (+3.7 pp), suggesting that the gap is closing.
- Across Thames Gateway Kent, Dartford has the highest proportion of residents qualified at Level 4+ and Medway has the lowest. However, this variation should be treated with caution as it could be due to sampling error.
- There has been a slight fall in the proportion of residents without qualifications in Thames Gateway Kent (-0.9 pp) since 2007, but this decrease has been lower than at the national (-2.0pp) and Greater South East (-2.2pp) levels.

### **Housing**

- Between March 2006 and 2011 the number of dwellings increased by 4.7% in Thames Gateway Kent, which was more than the growth in the South East<sup>5</sup> region (+4.3%) and nationally (+3.9%). Some 11,210 houses were brought into residential use over this period, averaging 2,240 homes a year.
- Across North Kent the greatest increase in dwellings was in Dartford (+6.7%), followed by Swale (+5.8%), with Gravesham and Medway seeing lower increases of 3.8% and 3.6% respectively.

## **8 Key Investment Opportunities**

- 8.1 Being part of the wider Thames Gateway, North Kent presents huge opportunities to local businesses and investors, supporting the growth of London and the greater south east. Unlocking these opportunities through the development of key sites is already underway, with some being taken forward by the private sector and others expecting some level of public sector intervention.
- 8.2 The North Kent Local Investment Plan published in 2010 identified our key investment priorities for public sector investment to unlock these opportunities. However, with reduced public sector resources we are looking at new ways to encourage the private sector to take these forward.
- 8.3 It will be through the development of these key sites that our targets for new jobs and new homes and economic growth will be delivered.

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<sup>5</sup> Data only available for South East region and not the Greater South East

**Ebbsfleet Valley**- comprises a 260 hectare site between Ebbsfleet International station and Bluewater Shopping Centre. There is scope for up to 7,750 new homes and a 150 hectare site, which could deliver around 800,000m<sup>2</sup> of mixed-use development, including around 3,000 new homes and commercial/retail development that could create up to 20,000 new jobs.

**Dartford Northern Gateway** - this mixed-use development will deliver up to 2,000 new homes, 1,200 new jobs and a range of supporting facilities, including a primary school and a dedicated Fastrack rapid bus transit route.

**Dartford Town Centre** - up to 1,000 new homes and 300 new jobs are to be created in this town centre scheme, which includes the redevelopment of Dartford station.

**Gravesend Town Centre** - over 1,000 new homes will be developed in and around the Gravesend Town Centre, capitalising on the 22 minute high-speed train service direct to London.

**Northfleet Embankment** - comprises two sites totalling around 70 hectares on the eastern edge of Gravesend town centre close to Ebbsfleet International and has extensive river frontage with deep-water access to the Thames.

The Lafarge-owned Northfleet Embankment West site has the potential to deliver around 500 houses and 1,500 new jobs through a mixed-use scheme, while the HCA-owned Northfleet Embankment East site, with its proximity to Ebbsfleet International and its extensive river frontage with deep-water access to the Thames, makes it a potential location for quality commercial development, such as cruise liner facilities and wind energy manufacturing at Imperial Wharf.

**Chatham Centre** - 2,000 new homes and 2,700 new jobs will be created around the prospective world heritage site, and waterfront centre - in addition to significant retail and leisure opportunities.

**Rochester Riverside** - this site has the benefit of outline planning permission and is ready for development. Phase 1a is underway and the site will ultimately accommodate 2,000 new homes and more than 45,000m<sup>2</sup> of mixed commercial space.

**Chatham Maritime** - to complete the regeneration of Chatham Maritime there remains two outstanding development opportunities on this well established and prestigious development. St Mary's Island and the area between Chatham Maritime and Chatham Historic Dockyard, will deliver a further 1,400 new homes and around 4,500m<sup>2</sup> of commercial space.

**Strood Town Centre** - this extensive waterfront area extends from the M2, through Temple Waterfront and Strood town centre, to Strood Riverside adjoining Strood station. It includes a number of distinct mixed-use development opportunities that will be complemented by infrastructure improvements in the centre and the refurbishment of the station that already offers access to HS1 services. In total these opportunities are expected to result in over 2,000 new homes and around 2,800 new jobs.

**Lodge Hill, Chattenden** - this is the only proposed freestanding new settlement in the Thames Gateway, and occupies an exceptional site on the Hoo Peninsula. The first of around 5,000 new homes and the same number of new jobs are expected in 2014 and associated health, education, retail, hotel and other facilities are also planned. A planning

application was submitted by Land Securities for this scheme in November 2011.

**Rochester Airport** - situated close to the M2 and including a major BAE Systems complex, this strategic location is to be developed as a technology and knowledge-based cluster. Rationalisation of the existing airport is planned, creating capacity for more than 45,000m<sup>2</sup> of high-quality commercial space.

**Chatham Waters** - still at planning stage, Peel Land & Property are proposing to invest £650million to transform a 10.5 hectare brownfield site adjacent to Chatham Maritime. The proposed mixed-use scheme comprises more than 175,000m<sup>2</sup> of commercial and education space with potential to create 3,500 jobs. The developer submitted a planning application in November 2011.

**Sittingbourne Town Centre** - there are a number of developments proposed for the town centre. These include the redevelopment of the Bell Centre Arcade, the Essential Land redevelopment of the 19 acre Sittingbourne Mill site for a mixed-use development including 150 homes and a new Morrison's superstore (development has commenced), the town centre redevelopment proposed by the Spirit of Sittingbourne consortium and proposals by Tesco for a major new superstore north of the town centre.

**Queenborough and Rushenden** - this site located off the A249 on the Isle of Sheppey will deliver up to 2,000 new homes within a historic existing community, alongside approximately 350,000m<sup>2</sup> of commercial space at Neats Court, which could create up to 4,600 jobs.

**Port of Sheerness** - North Kent can become a major manufacturing hub for the offshore industry, with the potential to create 2,000 new jobs directly at the plant. Vestas have agreed a land options deal with Peel Ports at Sheerness Port, with a view to being operational by 2015. This forms part of the wider Medway Superhub concept - a major opportunity for development in the offshore wind energy sector.

8.4 It will be through the development of these key sites that our targets for new jobs and new homes in North Kent will be delivered. Their development is key to bringing economic growth and a step change to the economy of Thames Gateway Kent.

## 9 Delivering our Priorities

9.1 The work of Thames Gateway Kent Partnership is coordinated through an Officers Group and through the Partnership Board itself. The Officers Group is chaired by the Chief Executive of Medway Council and is attended by the Chief Executives of Dartford, Gravesham and Swale borough councils, the Director for Regeneration at Kent County Council and senior officers from education and other government agencies including Homes and Communities Agency, Department of Business, Innovation and Skills, the Skills Funding Agency, the Environment Agency and Job Centre Plus.

9.2 The work programme and activities that are being taken forward by the Partnership over the next year to support the economic priorities are:

<b>Supporting Key Industry Sectors</b>
Develop and implement measures to support the key growth industry sectors in North Kent.
Maximise the opportunities for the environmental technologies sector - building on proposals for wind turbine manufacture in Sheerness and the training provision offered in North Kent.
Develop and implement proposals for effective engagement with businesses in North Kent.
<b>Increasing Innovation, Enterprise and Creativity</b>
Continue to strengthen and market the concept of the Kent Innovation Corridor, to maximise the benefit offered by the network of excellent new innovation centres across North and East Kent.
Work with local universities and businesses to strengthen existing relationships and build new links.
<b>Attracting and Retaining Investment</b>
Work with partners in Essex and London, through the Thames Gateway Strategic Group (TGSG), to promote and market the Thames Gateway.
Work with the TGSG and Locate in Kent to promote and co-ordinate inward investment opportunities.
Develop innovative mechanisms to fund infrastructure improvements, making use of new government incentives and support.
Assist HCA in the stewardship arrangements for ex-SEEDA land and property assets, ensuring full coordination with investment priorities across North Kent.
<b>Improving Skills and Employability</b>
Develop an effective means of engaging with local businesses on employment and skills needs.
Develop a more integrated and effective employment and skills offer for North Kent residents and businesses.
<b>Enhancing Connectivity</b>
Working with the South East Local Enterprise Partnership (SELEP) to ensure that North Kent development sites benefit from government funding programmes such as the Growing Places Fund and Regional Growth Fund.
Ensure that Thames Gateway Kent's needs for investment in transport infrastructure, to unlock jobs and homes, are reflected in the SELEP's transport prioritisation exercise.
Respond to the Government's consultation on airport capacity.
Ensure that the views of North Kent partners and businesses are taken into account in the appraisal of options for a future Lower Thames Crossing
Participate in the consultation on the new integrated rail franchise for Kent, in order to ensure the most economically advantageous service for North Kent.
Respond to Kent County Council's Make Kent Quicker campaign, ensuring that North Kent's business and community needs for broadband investment are properly understood.
<b>Improving Quality of Life</b>
Ensure that development reflects community needs and complements the natural environment
Support initiatives designed to enhance the natural environment, such as those utilised within the Greater Thames Nature Improvement Area.
Develop and support initiatives to promote high-quality building design and public realm development.