

2. A WIDER SOUTH EAST CONTEXT

Strategically, the County's position as the main international gateway from the UK into Europe, and adjacent to London, inevitably means it plays a major role in the national economy. It also means that the Kent and Medway economy is sensitive to external demographic, political and economic influences. This section identifies the external factors, parties influencing the County and opportunities for collaboration that will affect the growth challenge in Kent and Medway.

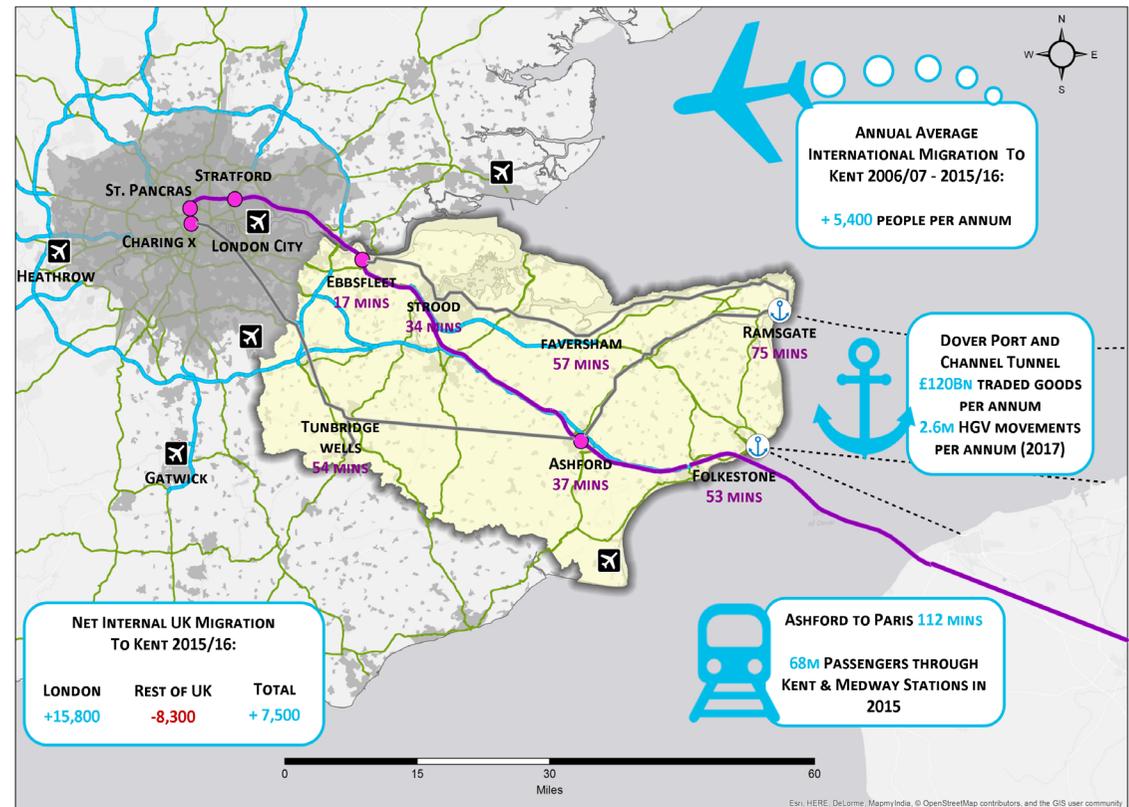


Figure 2.1: Kent in the wider South East

2.1 LONDON

The impact of London's growth on Kent and Medway will influence migration in and out of the County, as well as business relocation. These trends could lead to growing pressures on areas that surround London, and a potential pressure to absorb some of the capital's growth¹. London is under intense pressure to address the acceleration in housing need, which in turn could affect the supply of suitable office space². The residual housing demand and the growing crisis in office and employment space will necessarily put additional pressure onto economies across the wider South East - all of which are facing their own growth in demand.

It will be crucial to continue engaging proactively with the Greater London Authority (GLA) as the London Plan progresses to ensure that the County's growth is supported by all the necessary infrastructure and services. Kent and Medway are represented on the Wider South East Political Steering Group, which meets to initiate, steer and agree strategic collaboration activities across the wider South East - covering common strategic planning and economic growth issues, alongside the preparation of the 2016 London Plan.

Kent and Medway are also actively involved with, and represented by, South East England Council (SEEC) which looks to ensure that the South East has opportunities to influence London's housing and strategic infrastructure plans.

2.2 WIDER CROSS-COUNTY PARTNERS

Thames Gateway Kent Partnership

The wider Thames Gateway/Estuary is a key regeneration area that stretches north of the Thames from Canary Wharf to Southend, and south of the Thames from Deptford to the Medway and Swale, Canterbury and Thanet. Regeneration of the Thames Gateway has been underway since the 1990s, in which Thames Gateway Kent has an important role and vision to enable North Kent to prosper and grow.

The Thames Gateway Kent Partnership (TGKP) champions sustainable economic growth across North Kent (aligning with the original geography of the Gateway) and seeks to create the best conditions possible to attract investment and deliver sustainable, private sector-led economic growth across North Kent, promote and enable collaboration to achieve growth and ensure that the Thames Gateway remains a key priority for Government. The Thames Estuary 2050 Growth Commission, now chaired by Sir John Armitt, has announced its priorities, which include equipping people with the right skills and providing high-quality housing. The

Commission's final report, which will lay out recommendations to Government, will be published in spring 2018.

SEEC

SEEC has identified an infrastructure funding gap of £15.4bn over the next 15 years, holding back South East and national business success³. The South East's changing fortunes are due to a growing gap in per capita public spending, including in areas such as transport and enterprise investment⁴. Kent and Medway are represented by SEEC and work with a number of partners in ensuring growth priorities are delivered across the South East.

SELEP

The South East Local Enterprise Partnership (SELEP) is tasked with supporting local growth and helping deliver a stronger economy that covers East Sussex, Essex, Kent, Medway, Southend and Thurrock.

SELEP is business-led and brings together the public and private sectors to drive local economic growth, build new homes and create sustainable communities by delivering jobs and tackling skills and training issues.

SELEP is currently refreshing its South East Strategic Economic Plan (SEP) to make sure it builds on progress to date, supports local priorities, unlocks funding and is responsive to the changing macro-economic environment and national agenda. The SEP will support forthcoming economic development strategies, infrastructure planning and housing policy, as well as improving overall productivity.

Transport for the South East (TfSE)

In May 2017, leaders from across the South East launched a partnership as a single voice with the ability to directly influence the area's transport priorities. The partnership brings together the area's sixteen transport authorities and five Local Enterprise Partnerships to work directly with the Department for Transport

(DfT). It also involves road and rail providers, such as Highways England and Network Rail, and other providers such as ports and airports. The major benefits of the partnership include:

- Setting spending priorities to improve the transport network for all travellers and businesses;
- Ensuring the South East economy remains a driver of national prosperity;
- Directly influencing the decisions of national and regional infrastructure providers and operators.

The creation of sub-national transport bodies, such as TfSE, allows decisions on strategic transport investment to move from national to area level. The Government's Industrial Strategy and its devolution agenda also support the principle of allowing places to build on their strengths and remove obstacles to further growth. TfSE intends to move to full operation, with Government backing, in 2020/21 and produce a transport strategy for the South East.

KEY FACTS AND FIGURES

- In 2015/16, the South East delivered an additional 34,900 homes - the most across all regions in England.
- Its economic output (GVA) is the second highest in England, at £249 billion.
- At 9.1 million (in 2017), it has the UK's largest population.
- It has an estimated £15.4 billion infrastructure investment gap (by 2030)⁵.
- The current Further Alterations to London Plan (2015) sets a ten-year housing target of 49,000 houses per year.
- The London Strategic Housing Market Assessment (SHMA) is indicating a housing target of 65,000 a year, with a need for 66,000 homes per year. The Greater London Authority will be looking beyond London to explore if there is potential to accommodate more growth in sustainable locations outside the capital.

¹London Office Policy Review 2017 - Greater London Authority; ²London Industrial Land Demand (June 2017) - GLA; ³South East England Councils' response to Government's Industrial Strategy Green Paper 2017;

⁴SEEC, South East MP Briefing; Maximising Economic Potential, 2017; ⁵ <http://www.seecouncils.gov.uk/wp-content/uploads/2012/04/SEEC-Dashboard-SUMMARY-2-SIDES-SUMMER2017.pdf>