03

UNDERSTANDING KENT AND MEDWAY'S GROWTH REQUIREMENTS

THIS SECTION AIMS TO SUMMARISE THE KEY ISSUES IN PLANNING FOR GROWTH IN KENT AND MEDWAY TO 2031.

As highlighted in the previous section, growth in Kent and Medway is planned for through the Local Plan process on an authority-by-authority basis. This section seeks to set the context for County-wide growth requirements and current planned growth areas as established within the Local Plans.

It comprises:

POPULATION GROWTH REQUIREMENTS

- Population modelling and growth assumptions to 2031
- A social portrait summarising current socio-demographic issues and trends likely to impact on growth and infrastructure provision.
- an understanding of housing growth requirements and locations

ECONOMIC GROWTH REQUIREMENTS

- An economic portrait summarising current economic issues and trends
- an understanding of employment requirements and locations

This growth context is then used as the basis for examining infrastructure requirements. in the remainder of this Framework

POPULATION PROJECTIONS

THERE ARE 2 DIFFERENT POPULATION PROJECTIONS WHICH NEED TO BE TAKEN INTO ACCOUNT:

1. 2012 Based Subnational Population Forecasts produced by the ONS

- Based on ONS census results, natural change and migration trends. These are unconstrained projections.
- Provided at the Local Authority Level
- Used by Central Government departments and agencies for local authority funding
- Used by DCLG to produce the latest household forecasts which inform Strategic Housing Market Area Assessments (SHMAAs)
- The ONS projection assumes a 2011 population of **1,731,400** for Kent and Medway (1,466,500 for Kent only)
- It projects a 2031 population of **2,035,900** - an increase of **304,500, equivalent to 18%** (255,300 for kent only)

2. Kent & Medway Growth and Infrastructure Framework Scenario Forecast (KMGIF forecast)

- A bespoke population forecast produced by KCC specifically for this framework to establish a population forecast directly linked (and constrained) by the planned housing identified for this study.
- Based on ONS census results, natural change but constrained to the housing trajectories of planned growth for each of the Local Authorities

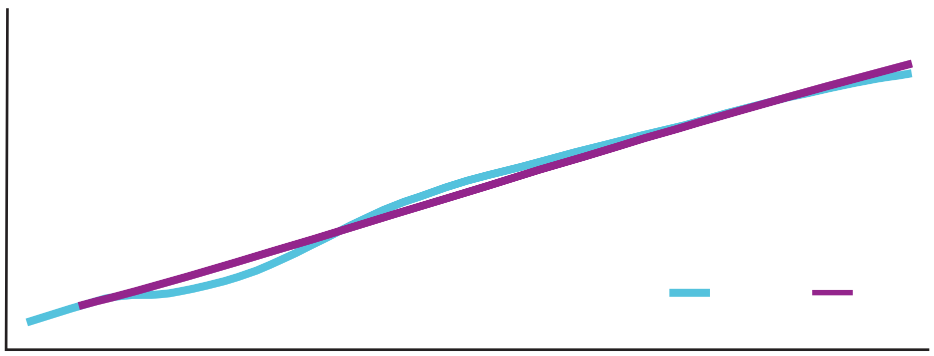


FIGURE 3.1 -2031 POPULATION FORECASTS USED FOR GROWTH AND INFRASTRUCTURE PLANNING IN KENT & MEDWAY

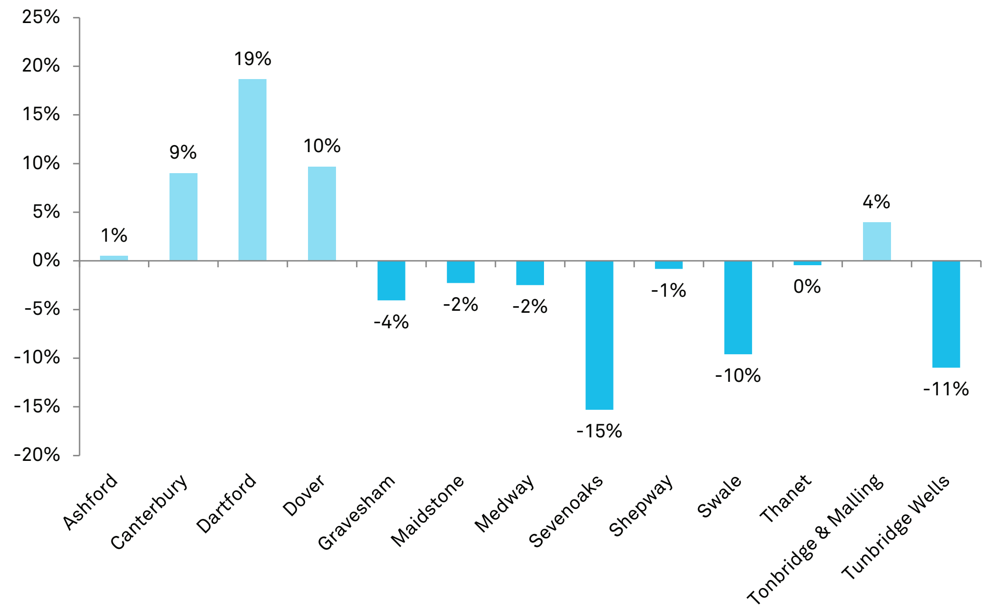


FIGURE 3.2 - KMGIF FORECASTS VARIATION FROM TREND BASED ONS POPULATION FORECASTS

- Local Authority level data provided to KCC in May 2015
- This KMGIF Forecast assumes a 2011 base population of **1,731,400** for Kent and Medway
- The KMGIF Forecast projects a 2031 population of **2,024,700** - an increase of **293,300,** equivalent to 17% (250,700 for kent only)

Note - All population figures presented within the report from this point refer to the KMGIF forecasts and not the ONS forecasts.

HOW THE POPULATION FORECAST VARY BY DISTRICT

Whilst the housing trajectory based KMGIF forecasts and trend based ONS forecasts portray a similar total population change across Kent and Medway as a whole between 2011 and 2031 this masks some significant variations between the Districts.

As shown in figure 3.2 the population forecasts which have been driven by the current housing trajectory's are considerably higher in Canterbury, Dartford and Dover where delivery is above demographic need as opposed to the same forecast showing considerably less delivery in Sevenoaks, Swale and Tunbridge Wells compared to need.

It should be noted that some districts have been planning according to housing need figures based on data released prior to the 2012 based household projections which have changed considerably in areas.

WHERE WE ARE NOW 2014/15

The Growth and Infrastructure Framework presents the housing and population change to 2031 from 2011 due to the availability of demographic, economic and local planning data. This report does acknowledge that we are now in 2015 and as such highlights the current population for Kent and Medway as 1,768,700 and the remaining level of population growth from this point as 262,700 people. This effectively suggest that 12% of the 20 year population growth presented in this report has occurred already. It is important to note that all costs and funding analysis presented in the topic specific and District chapters is from today onwards and does not include historic costs and funding pre 2014/15.

3.1 SOCIAL PORTRAIT

THE FOLLOWING HEADLINES SUMMARISE KEY SOCIO-DEMOGRAPHIC TRENDS AND PROJECTIONS THAT WILL AFFECT THE DISTRIBUTION OF GROWTH AND PLANNING FOR SUPPORTING INFRASTRUCTURE TO 2031.

Kent + Medway will grow by at least 293,000 people (17% increase) by 2031

This growth will put the greatest pressure for new infrastructure between 2011-2021 as Kent + Medway grows by 167,000

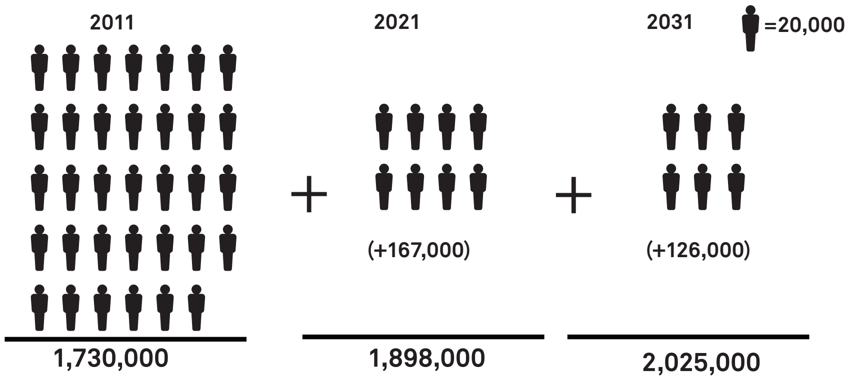


FIGURE 3.3

However, this growth varies significantly within Kent + Medway, with the greatest increases currently projected in Medway, Dartford, and Canterbury

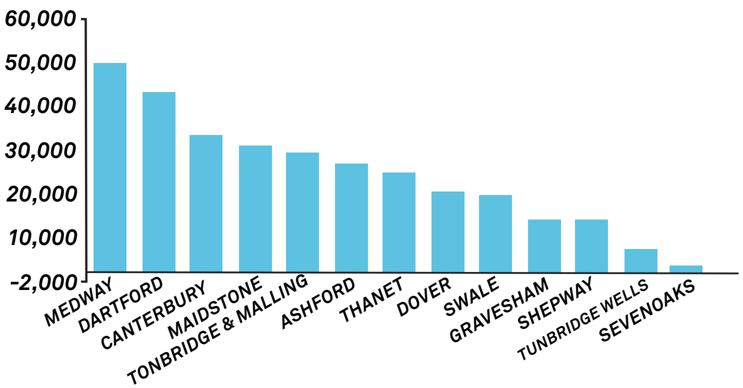


FIGURE 3.4

In 2011/12 the natural increase of Kent + Medway was 4,398 people (+0.25%)

BIRTHS **20,458**

DEATHS **16,060**

NATURAL CHANGE **4,398**

In 2011/12 there was net international migration of 2,600 people into kent (+0.18%)

IN-IMMIGRANTS **8,600**

OUT-IMMIGRANTS **6,000**

NET IMMIGRANTS **2,600**

Canterbury saw the biggest net-increase of 1,600 people (reflecting its University status) Tonbridge and Malling, Tunbridge Wells saw net loss through internal migration.

In 2011/12 there was net internal migration (within UK) of 6,500 people into Kent (0.44%)

IN-MIGRANTS **51,900**

OUT-MIGRANTS **45,400**

NET MIGRANTS **6,500**

Migration between Kent and other parts of the UK 2002-11

Kent's future population growth will be driven by internal migration, which has recently been a major population driver. Kent experienced a net increase of 61,250 migrants between itself and the rest of England and Wales. However, this is skewed by Kent's relationship with London, in which Kent saw an overall net loss of 49,060 migrants from 2002-2011 to the rest of England and Wales.

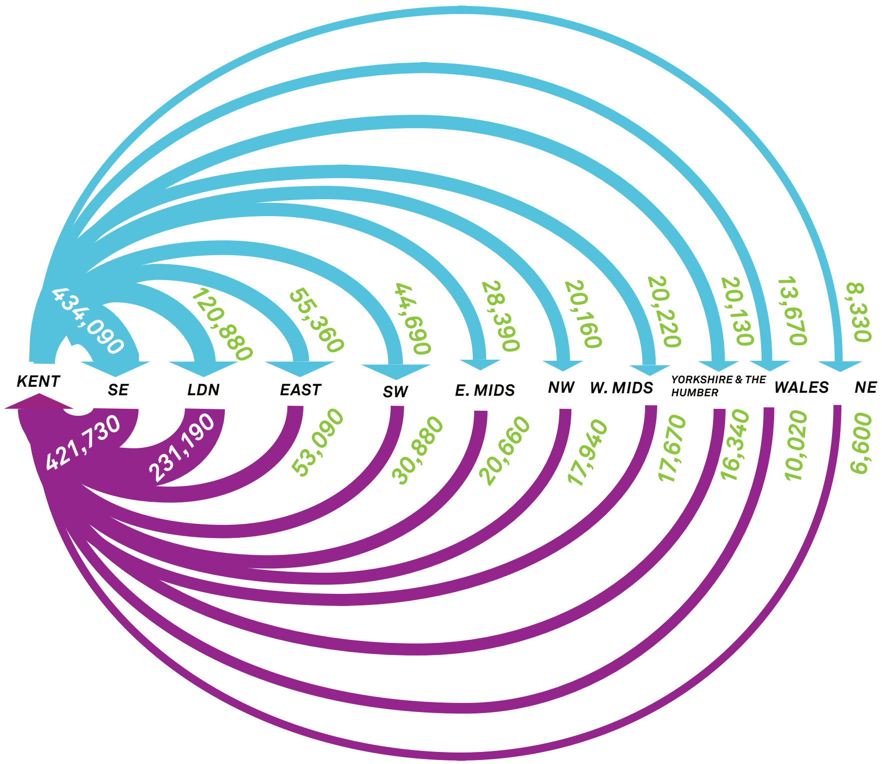


FIGURE 3.5 - INTERNAL MIGRATION BETWEEN LONDON AND KENT LOCAL AUTHORITIES (2002-2011) ONS

Migration between Kent and London 2002-11

London and Kent are increasing interconnected - the flow of migrants from London into Kent is nearly 2:1 from 2002 - 2011, in which Kent received a net increase of 110,310 people from London.

Medway received 14% of migrants while Sevenoaks, Dartford, and Canterbury all received 12%. Internal migration from London is heavily concentrated to the West of Kent.

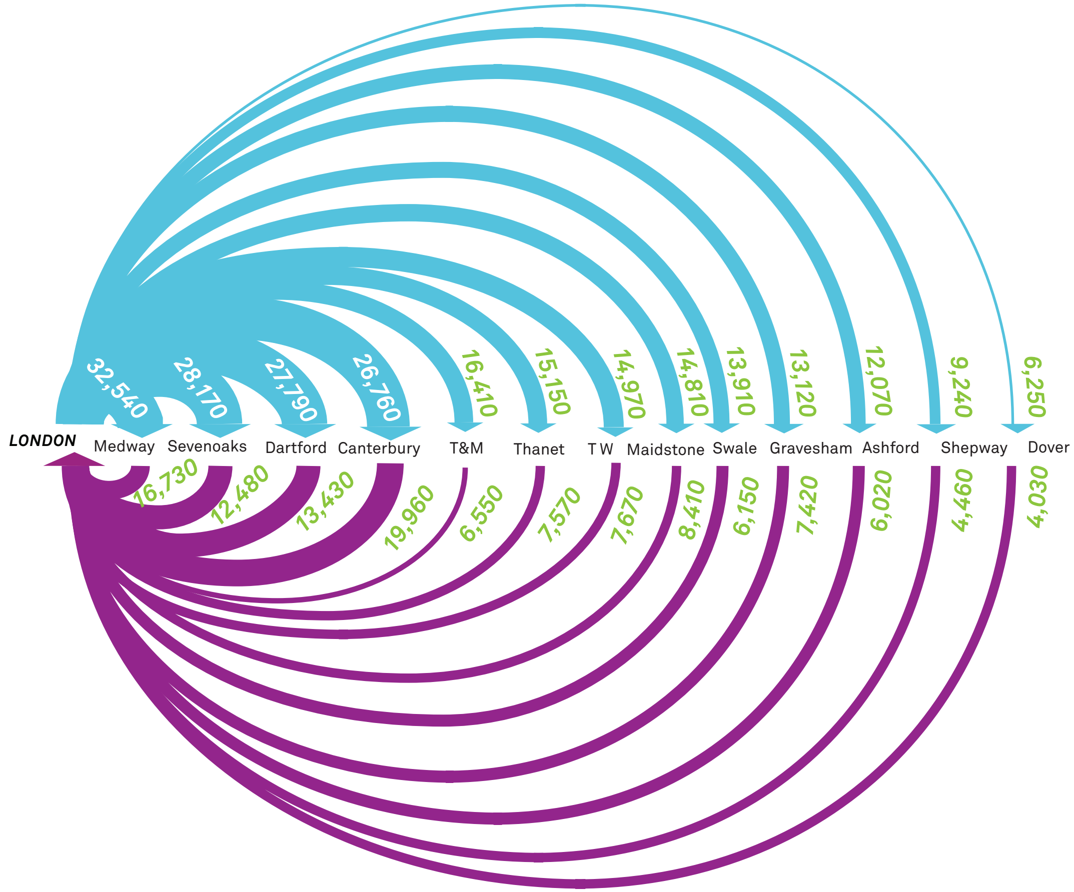


FIGURE 3.6 - INTERNAL MIGRATION BETWEEN LONDON AND KENT LOCAL AUTHORITIES (2002-2011) (ONS)

The population is ageing: the greatest increase in age categories will be those over 60, with the biggest increase in 85+

Forecast Change in Age Profile 2011 -2031

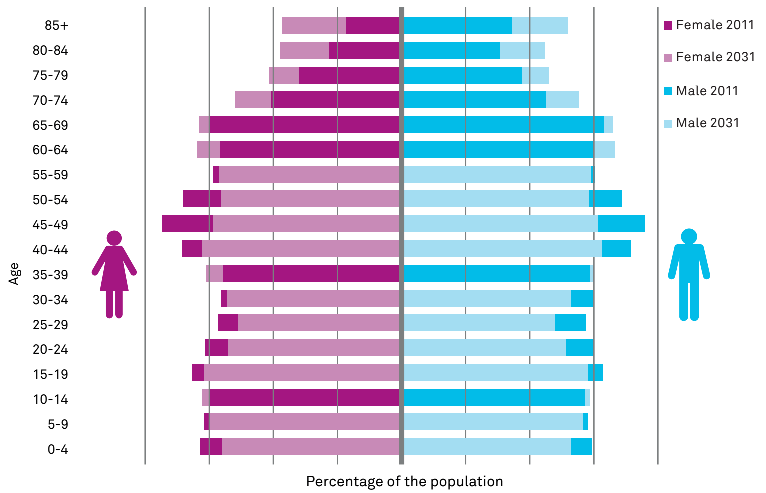


FIGURE 3.7

As the population ages, this will alter infrastructure demands in Kent and Medway. Changing requirements for housing typologies, to increasing needs for healthcare and accessible infrastructure will likely rise as those over the age of 60 increase quicker in real terms

New Persons by Age Bracket

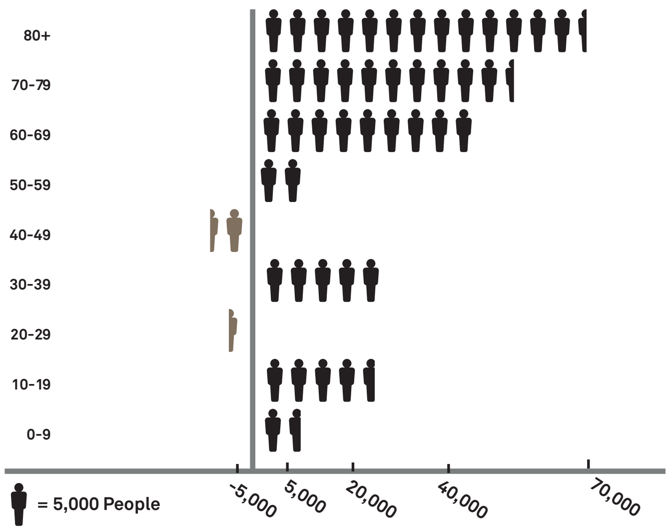


FIGURE 3.8

As the population gets older, working age residents will decline by 4% in their total share of the population by 2031, whereas elderly will increase their share by 5% of the population

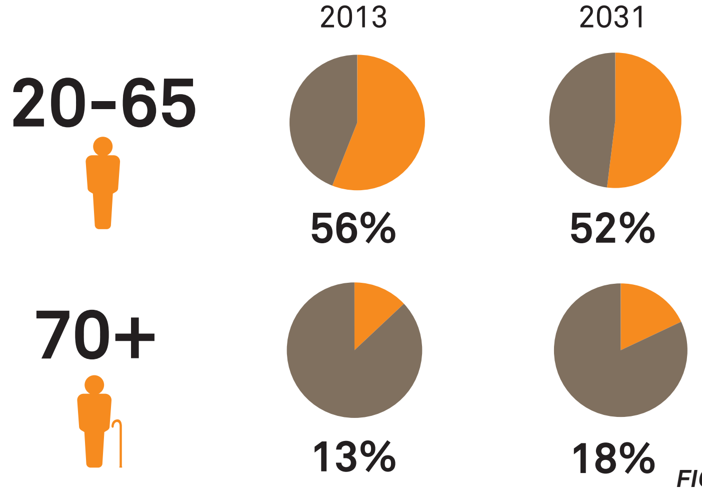


FIGURE 3.9

Traditional housing characteristics dominate in Kent & Medway

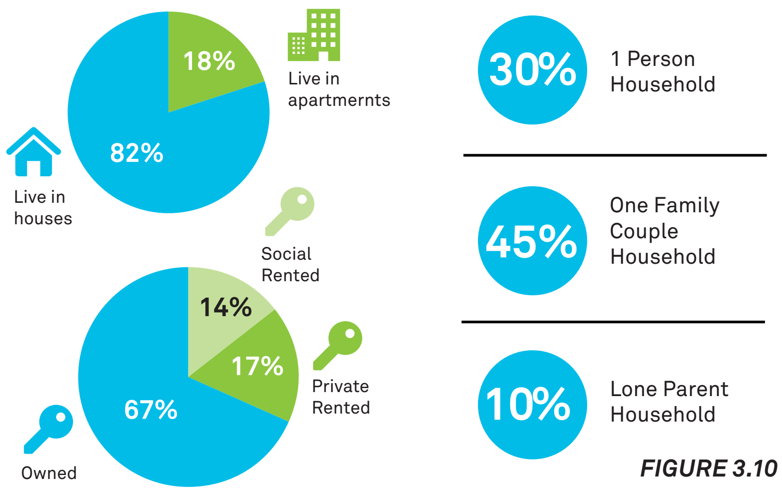


FIGURE 3.10

As the elderly population increases this will likely create greater demand for 1 person households, as well as apartments. kent's current housing characteristics have not adapted to the changing demographic profiles

Quality of life is generally high across Kent & Medway however this masks an east/west variation

However, there are clear pockets of deprivation in certain urban areas such as Chatham, Gillingham, Gravesend, Folkestone and Dover as well as peripheral coastal and estuarial areas including the Isle of Sheppey and parts of Thanet.

These pockets are emphasised when looking at claimant rates where 12% of working age residents in Kent are currently claiming a benefit.

Thanet (20%), Shepway (15%), Swale (15%), Dover (14%) have the highest portion of working age residents claiming a benefit, reflecting the IMD map levels of deprivation (2010).

The are variations in the causes of deprivation across Kent. While some areas may be affected by issues such as access to health care and skills training, others are affected by poor access to potential job markets.

2% of working age residents in Kent are currently claiming Job Seekers Allowance (JSA).

Thanet has the highest portion of its working age resident population claiming at 4.2%, followed by Medway (2.6%), and Dover (2.5%). However, Claimant rates are declining across Kent, suggesting an improving economic situation:

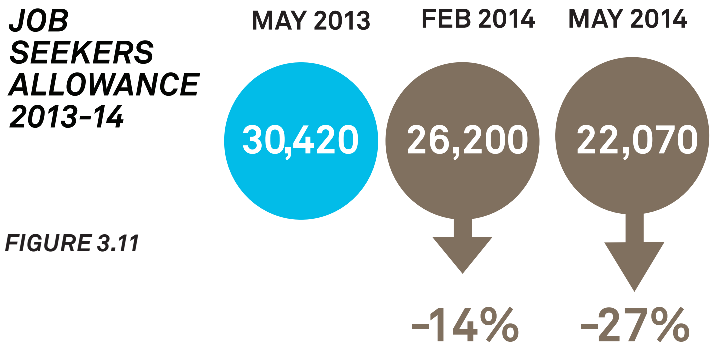


FIGURE 3.11

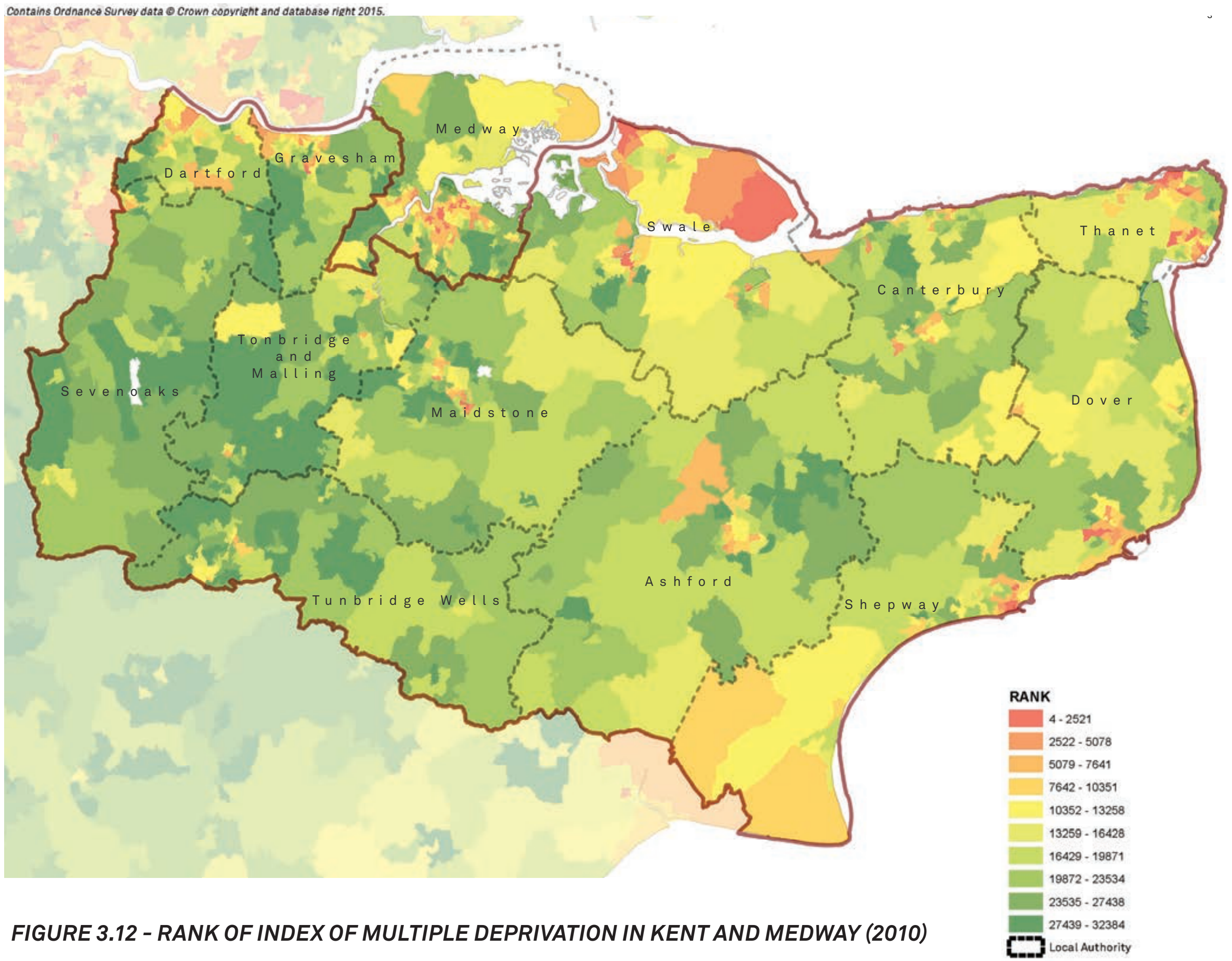


FIGURE 3.12 - RANK OF INDEX OF MULTIPLE DEPRIVATION IN KENT AND MEDWAY (2010)

3.2 HOUSING A GROWING POPULATION

There are approximately 750,000 housing units existing across Kent Local Authorities. Local Plans seek to respond to issues set out in the social and demographic portraits in the previous section.

To accommodate the forecast increase in population, local authority housing trajectories indicated that some 158,500 housing units are planned across Kent and Medway between 2011 and 2031 (136,400 for Kent only). The number of units planned varies across local authority area as illustrated in Figure 3.13.

HOUSING TRAJECTORIES

The scale of development varies across Local Authorities. Figure 3.15 shows the distribution of housing sites in Kent compared against ward-level population projections to 2031. Figure 3.14 summarises the number of larger housing schemes (100 units +) forecast for each Local Authority, based upon Local Authority Housing Trajectories (correct at May 2015).

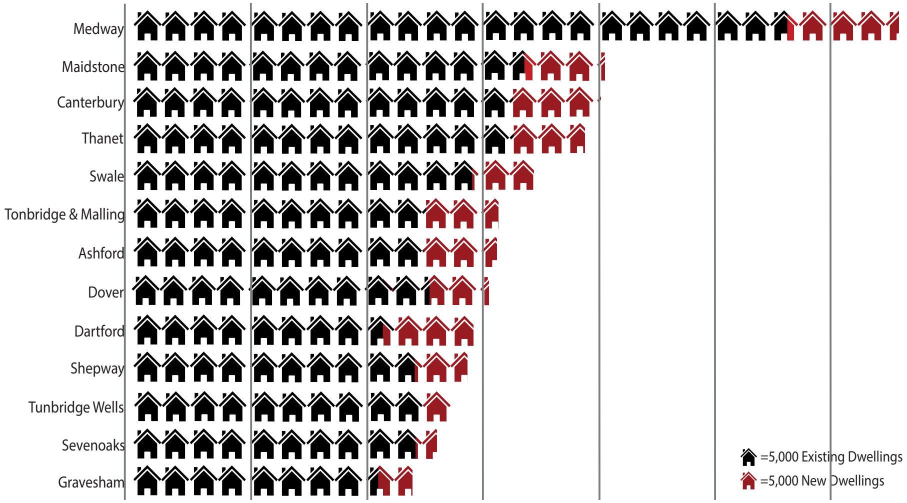


FIGURE 3.13 - EXISTING AND PROPOSED HOUSING

FIGURE 3.14 - NUMBER OF HOUSING SCHEMES (100+ UNITS) FORECAST FOR EACH LOCAL AUTHORITY

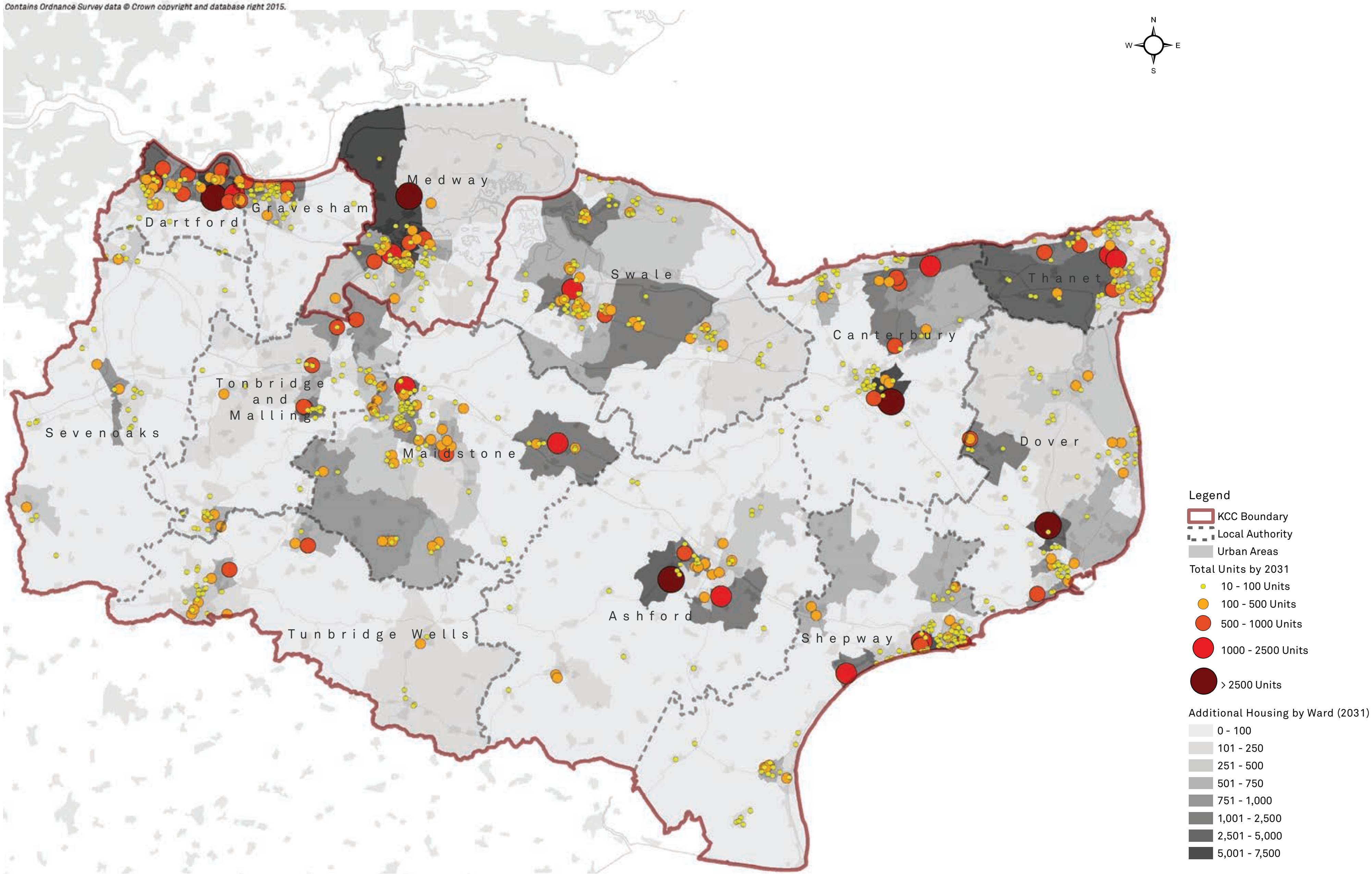


FIGURE 3.15 - MAJOR HOUSING SITES AND POPULATION GROWTH BY WARD IN KENT AND MEDWAY TO 2031

PHASING

Figure 3.16 presents the recorded completions of net new dwellings over the period 2010/11 to 2013/14. Figure 3.17 and 3.18 demonstrate current anticipated phasing of housing sites in the total period from 2011 to 2031.

The phasing has been recorded alongside the trajectories at a site specific level allowing the growth in housing to be illustrated using GIS, as well as phased over time. The phasing is broken down into the following periods:

- 2011-2016;
- 2017-2021;
- 2022-2026;
- 2027-2031.

The housing trajectories show the following:

- Greatest portion of houses will come forward between 2017-2021, in which 55,100 houses are proposed. This accounts for 35% of the housing across Kent & Medway;
- This is followed by 2022-2026, in which 39,900 homes are proposed (25%);
- Housing trajectories are lower in the long term as less sites have been identified for development;
- In total, by 2031 just over 158,000 new homes are forecast to be completed across Kent and Medway.

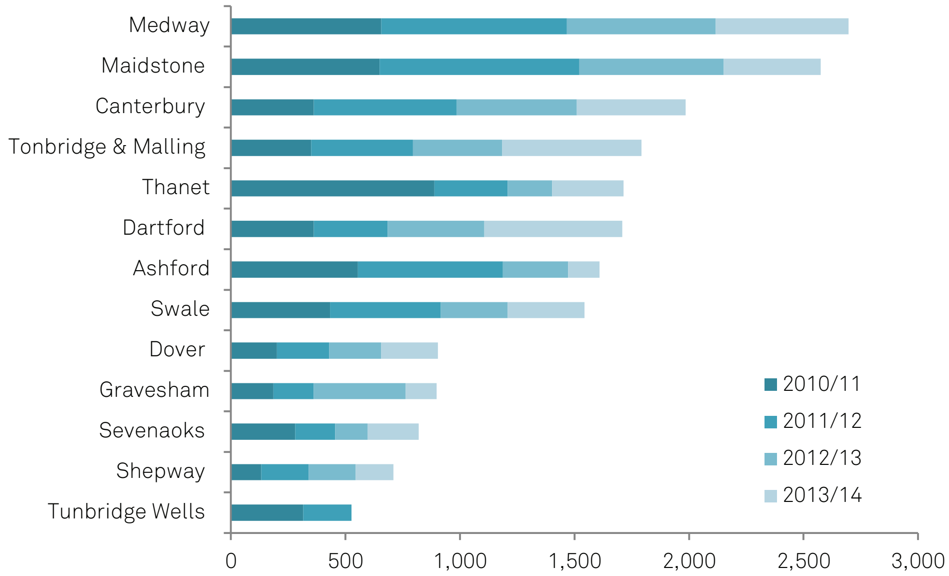


FIGURE 3.16 - RECENT HOUSING COMPLETIONS 2010/11 - 2013/14

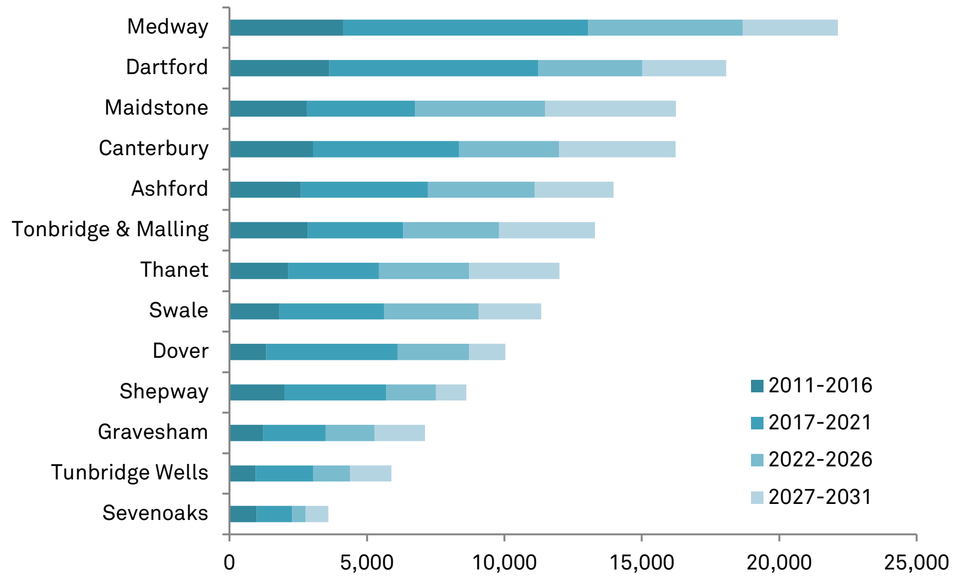


FIGURE 3.17 - PROPOSED HOUSING TRAJECTORIES PHASED OVER 20 YEARS

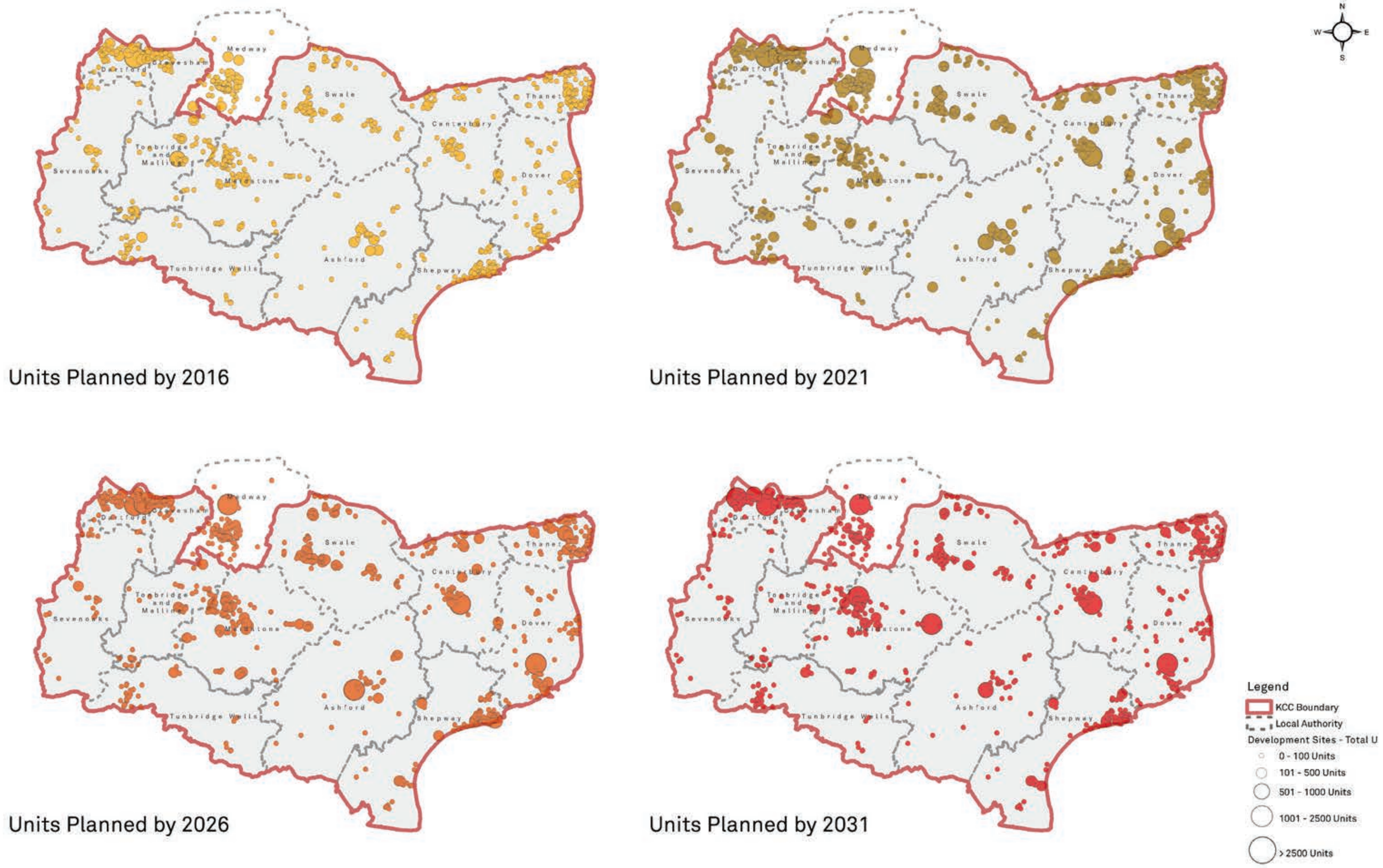


FIGURE 3.18 - CUMULATIVE PHASING OF HOUSING SITES IN THE PERIOD TO 2031

3.3 ECONOMIC PORTRAIT

KENT AND MEDWAY'S ECONOMIC GROWTH IS DEPENDENT UPON ONGOING INVESTMENT IN INFRASTRUCTURE TO SUPPORT ECONOMIC ACTIVITIES, AND A WELL SERVICED HOUSING STOCK TO ENSURE A GROWING WORKFORCE CAN BE ACCOMMODATED. THIS SECTION SEEKS TO SET OUT THE CURRENT AND FUTURE ECONOMIC CONTEXT FOR KENT AND MEDWAY AND LIKELY IMPLICATIONS FOR INFRASTRUCTURE.

ECONOMIC CONTEXT

Economic growth in Kent and Medway varies across local authorities, with some areas performing well in many sectors, and others facing economic challenges.

On average Kent and Medway has seen strong economic growth. It is in close proximity to London and includes nationally significant port, road and rail infrastructure providing primary connections to Europe and the rest of the UK. In particular the only High Speed Line in the UK, which presents significant economic growth opportunities to 2031 (see Figure 3.19).

Economic activity in Kent and Medway is currently clustered around its main towns as shown in Figure 3.20. This has resulted in disparities between different parts of the County. Many of the County's economic challenges are a hang-over from its industrial heritage and past reliance on traditional industries, particularly in Coastal Kent, Medway and the Thames Gateway. This has seen a number of local authority areas lagging behind the rest of the South East. In particular, Gross Value Added (GVA) measurements remain low, employment is less 'knowledge intensive' than the national average, and workforce skill levels continue to lag.

However, Kent and Medway is witnessing changes to its economy with growing strengths in an number of exciting new sectors, such as life sciences, creative and media industries, and green technologies.

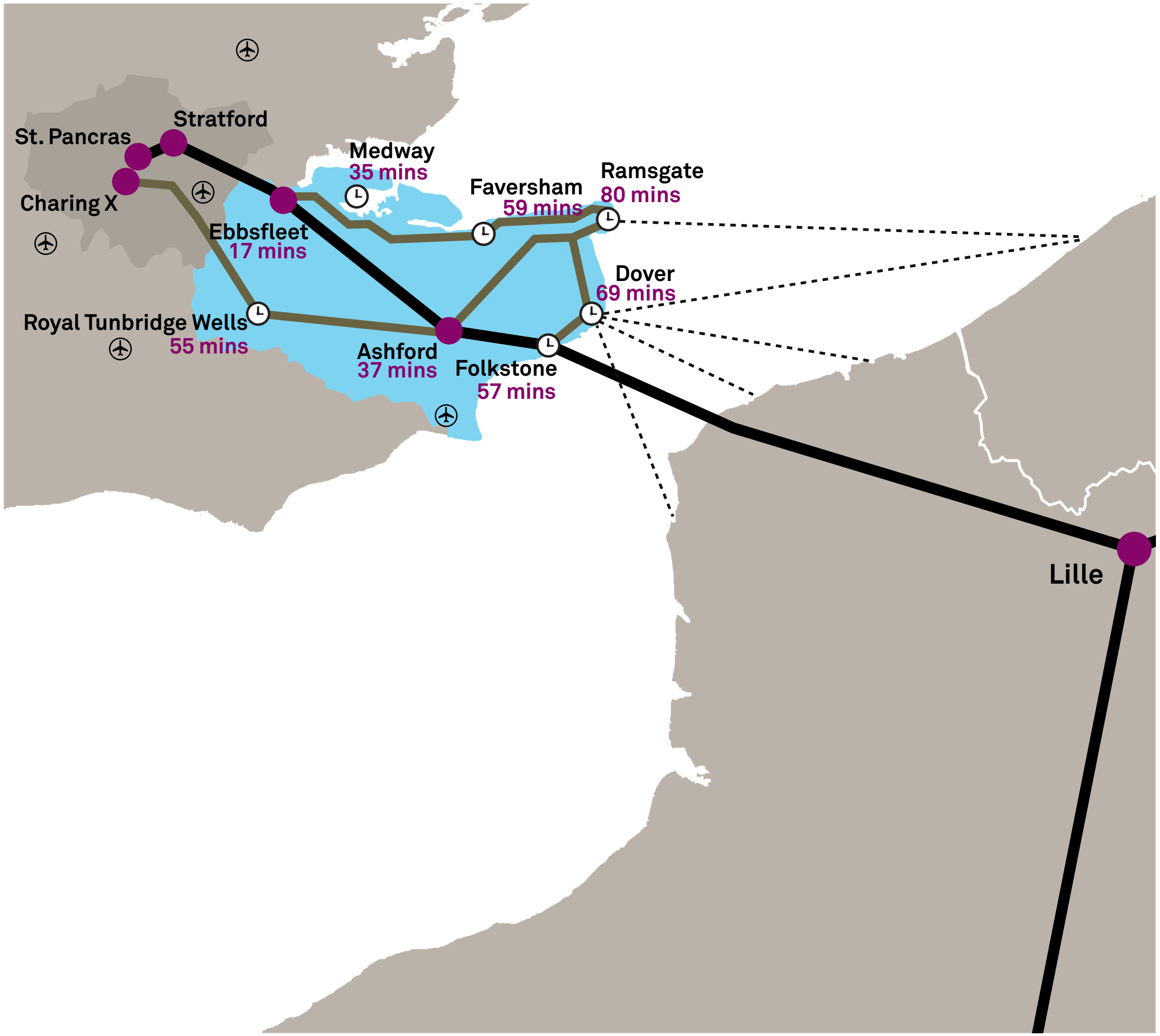


FIGURE 3.19 - STRATEGIC RAIL CONNECTIONS WITH EUROPE

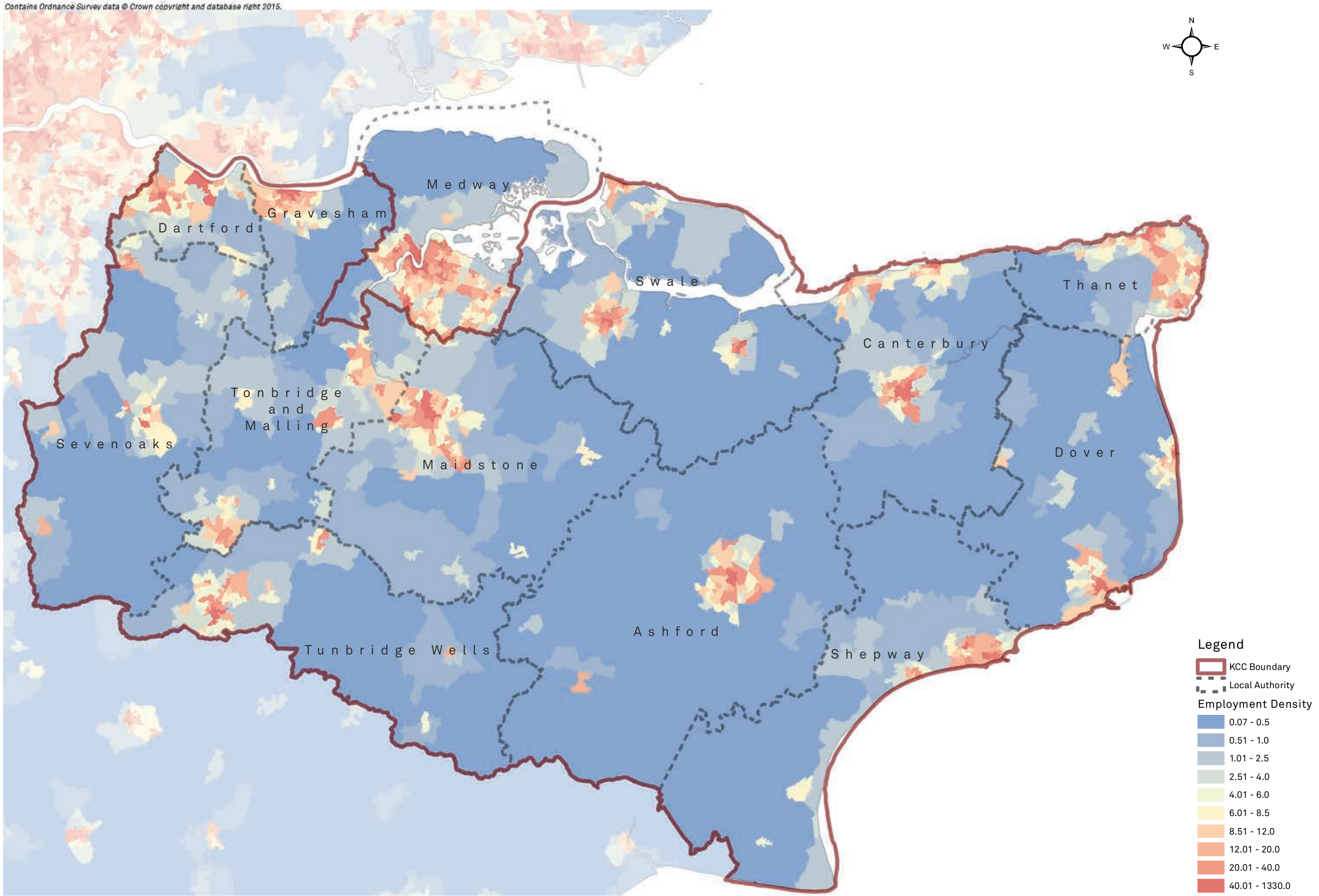
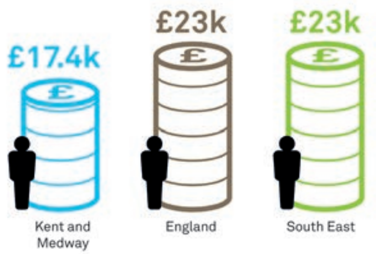


FIGURE 3.20 - CURRENT EMPLOYMENT DENSITY (NUMBER OF WORKERS PER HECTARE - ONS DATA)

Gross Value Added (GVA) per head
is low on average in Kent and Medway

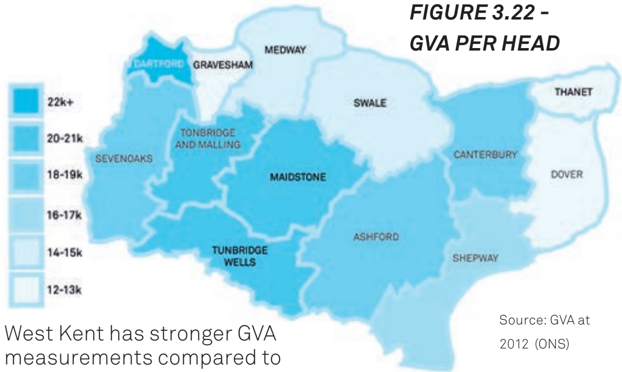


Source: GVA at 2012 (ONS)

FIGURE 3.21 - GVA PER HEAD

There is an imbalance between West Kent and North/East Kent

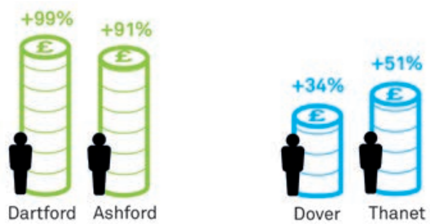
FIGURE 3.22 - GVA PER HEAD



West Kent has stronger GVA measurements compared to Coastal & Estuarial Kent

Source: GVA at 2012 (ONS)

This is also reflected in total GVA growth to 2031



Source: East of England Forecasting Model 2013, Oxford Economics

FIGURE 3.23 - TOTAL GVA GROWTH TO 2031

What does this mean?
Infrastructure investment required to support economic growth in more marginal areas and address imbalances across the County.

There is an under performing workforce skills profile on average

Source: Annual Population Survey (ONS). Data period: April 2013 - March 2014

FIGURE 3.24 - % WORKFORCE WITH NVQ4+

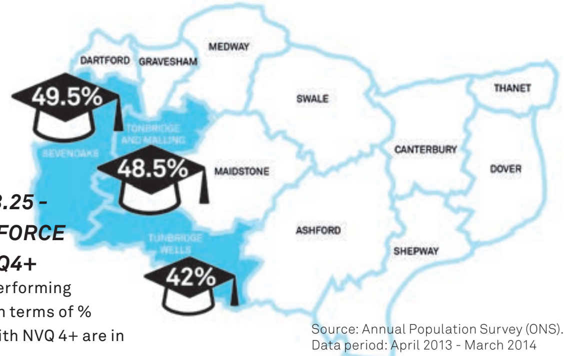


FIGURE 3.25 - % WORKFORCE WITH NVQ4+

The 3 best performing authorities in terms of % workforce with NVQ 4+ are in West Kent

Source: Annual Population Survey (ONS). Data period: April 2013 - March 2014

However,

highly skilled occupation
demand is increasing

in managers, directors and professionals in the last decade across Kent and Medway -

Source: ONS

FIGURE 3.26 - OCCUPATIONAL CHANGE 2004-14

What does this mean?
Infrastructure investment required to support the development of a highly skilled, highly qualified workforce, particularly in more marginal areas in Coastal Kent and Thames Gateway.

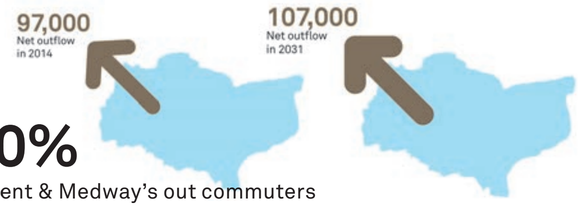
Median Salary levels
are higher in Kent & Medway than the English average

Source: ONS

FIGURE 3.27 - KENT AND MEDWAY EARNINGS (2014)

This highlights Kent & Medway as a

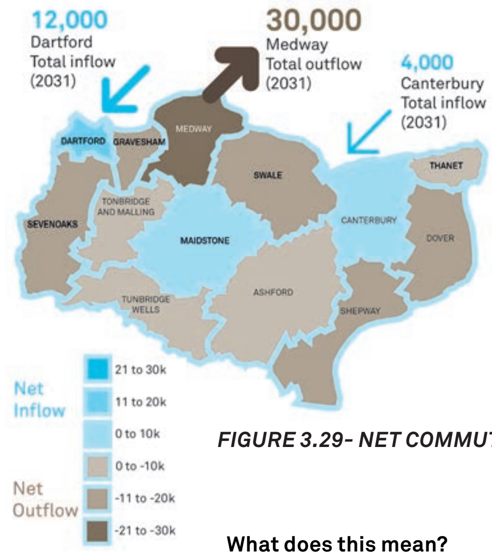
net exporter of labour
which can impact negatively on GVA figures



80%
of Kent & Medway's out commuters head for London

Source: ONS

FIGURE 3.28 - EXISTING COMMUTER PATTERNS



Dartford, Maidstone & Canterbury are the only 3 districts to see an increasing commuter

6 districts will see an outflow of **over 12,000** commuters in 2031

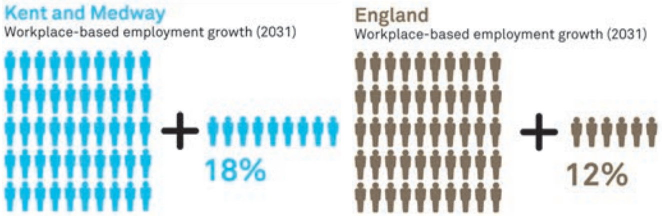
Source: East of England Forecasting Model 2013, Oxford Economics

FIGURE 3.29- NET COMMUTING IN 2031

What does this mean?
Investment required to support economic growth in more marginal areas and general work mobility patterns to reduce out-commuting in the longer term.

Above average

job growth forecast to 2031



135,000

new jobs in Kent & Medway to 2031

Source: East of England Forecasting Model 2013, Oxford Economics

FIGURE 3.30 - JOB GROWTH FORECAST TO 2031

There are clear local disparities

in forecast workplace-based employment - low growth forecast in more peripheral areas

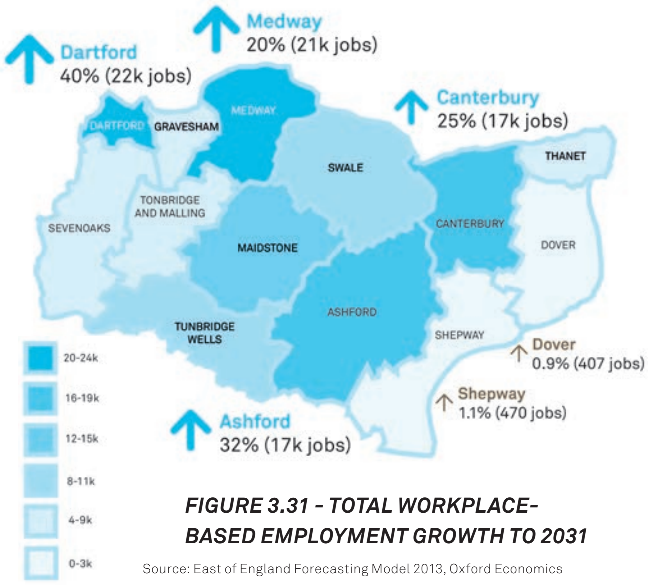


FIGURE 3.31 - TOTAL WORKPLACE-BASED EMPLOYMENT GROWTH TO 2031

Source: East of England Forecasting Model 2013, Oxford Economics

What does this mean?
Infrastructure investment required to support job growth in more marginal areas and address imbalances across the County.

The largest concentration of jobs is in wholesale, retail & public services

in line with the rest of the country

Source: KCC Business Intelligence Research & Evaluation - BRES (2013)

FIGURE 3.32 - LARGEST EMPLOYMENT SECTORS IN KENT AND MEDWAY

Employment Growth in the following sub-sectors:

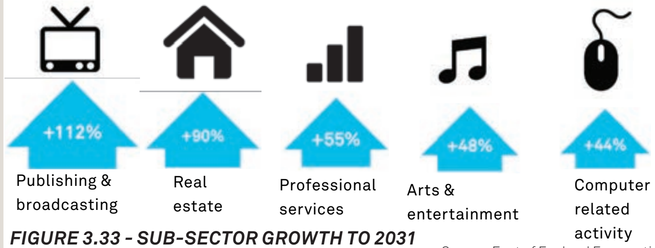
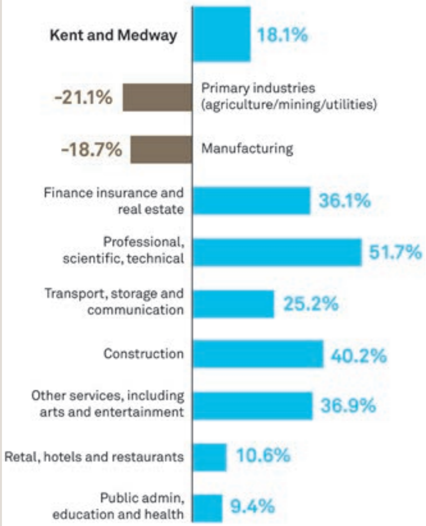


FIGURE 3.33 - SUB-SECTOR GROWTH TO 2031

Source: East of England Forecasting Model 2013, Oxford Economics



Source: East of England Forecasting Model 2013, Oxford Economics

FIGURE 3.35 - SECTOR CHANGE TO 2031

However, the following sectors are expected to decline:

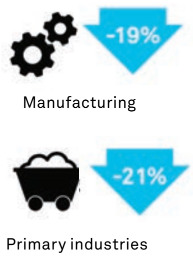


FIGURE 3.34 - SUB-SECTOR DECLINE TO 2031

What does this mean?
Infrastructure investment required to support growth opportunities in emerging sectors.

On average, Kent & Medway has an under-representation in the knowledge economy

ce: Data on employees from the ness Register and Employment ey (BRES) who are engaged in ities related to the Knowledge omy. (Original Source: ONS)

This reflects low levels of GVA and past reliance on low-value activities.

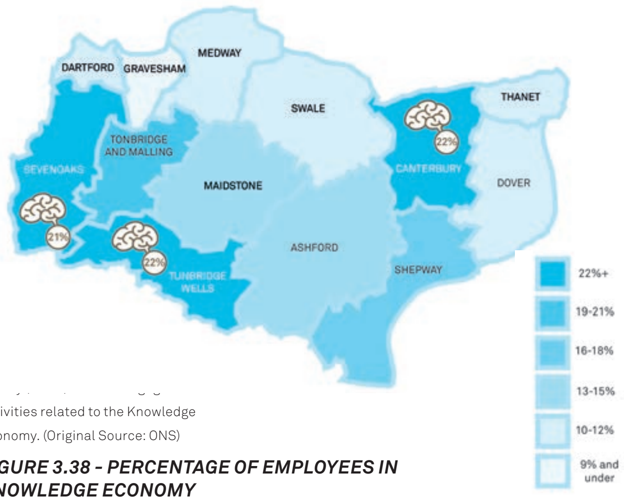
FIGURE 3.36 - % OF EMPLOYEES IN THE KNOWLEDGE ECONOMY

However, there is recent growth...

Source: Data on employees from the Business Register and Employment Survey (BRES) who are engaged in activities related to the Knowledge Economy. (Original Source: ONS)

FIGURE 3.37 - GROWTH IN KNOWLEDGE ECONOMY EMPLOYEES (2008-12)

The knowledge economy is strongest in Canterbury, Tunbridge Wells and Sevenoaks where higher value jobs are located:



Sou
Bus
Sur
activities related to the Knowledge Economy. (Original Source: ONS)

FIGURE 3.38 - PERCENTAGE OF EMPLOYEES IN KNOWLEDGE ECONOMY

What does this mean?
Infrastructure investment is required to support growth in the knowledge economy. This should include attention to softer skills infrastructure provision.

3.4 SITES TO SUPPORT ECONOMIC GROWTH

In order to ensure ongoing economic growth, a number of key employment sites exist across local authorities in Kent and Medway.

Planning permissions, Local Plan employment allocations and existing employment sites with identified capacity have been recorded and those sites with over 1,000 sq.m of additional floorspace have been notes in Tables 3.1 and illustrated in Figure 3.39 and Figure 3.40.

The data presented here does not represent the net position on employment space (including the loss of employment space over the plan periods as well) but instead highlights significant new sites and capacity.

As illustrated, Kent and Medway will continue to provide a wide range and quantum of commercial accommodation over the coming years and these employment sites will create additional requirements on the local and strategic infrastructure network, in particular the transport network and utility services.

It should be noted that Kent, and West Kent in particular, accommodates a significant number of smaller businesses and employment sites below the 1,000 sq.m threshold included here. These smaller premises play an important role in accomodating high value employment in growing sectors including the creative & media sector.

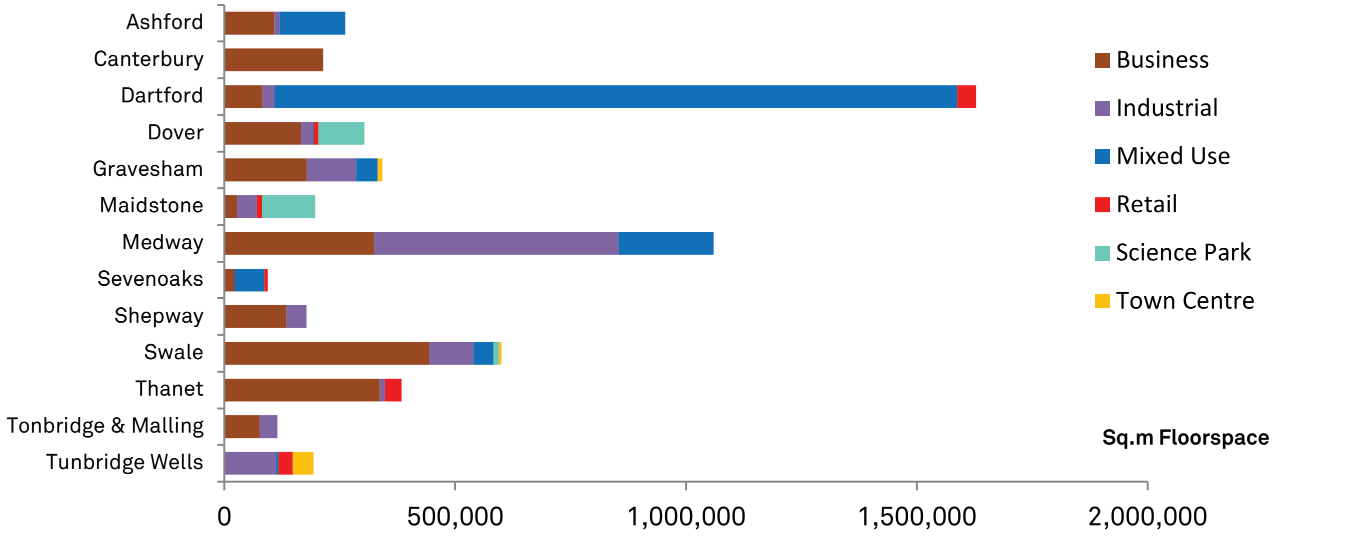


FIGURE 3.39 - QUANTUM OF FUTURE FLOORSPACE (SQ.M) IDENTIFIED FROM KEY SITES IN TABLE 3.1 & FIGURE 3.39

	BUSINESS	INDUSTRIAL	MIXED USE	RETAIL	SCIENCE PARK	TOWN CENTRE	TOTAL
Ashford	3	1	4				8
Canterbury	14						14
Dartford	2	1	3	2			8
Dover	5	2	1	1	1		10
Gravesham	5	3	1			1	10
Maidstone	4	5		2	1		12
Sevenoaks	2		5	1			8
Shepway	5	3					8
Swale	12	1	1		1	1	16
Thanet	4	1		1			6
Tonbridge & Malling	2	2					4
Tunbridge Wells		6	1	3		1	7
KENT	**58**	**25**	**16**	**10**	**3**	**3**	**111**
Medway	6	6	2				14
KENT & MEDWAY	**64**	**31**	**18**	**10**	**3**	**3**	**125**

TABLE 3.1 - KEY EMPLOYMENT SITES IDENTIFIED OVER 1,000 SQ.M - PERMISSIONS, ALLOCATIONS AND EXISTING SITES WITH CAPACITY

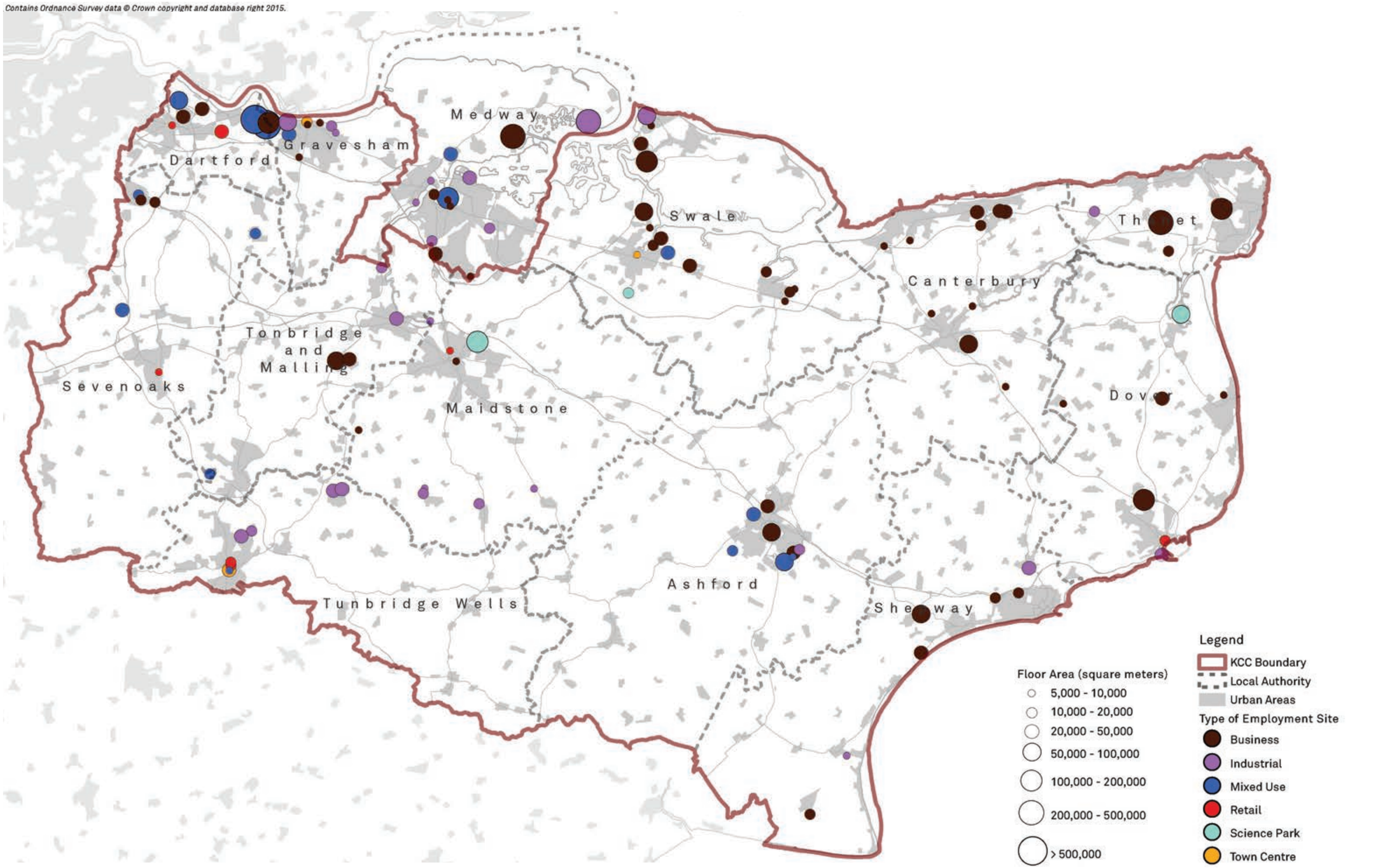


FIGURE 3.40 - KEY EMPLOYMENT SITES IN KENT AND MEDWAY