

Autumn Statement Implications for North Kent

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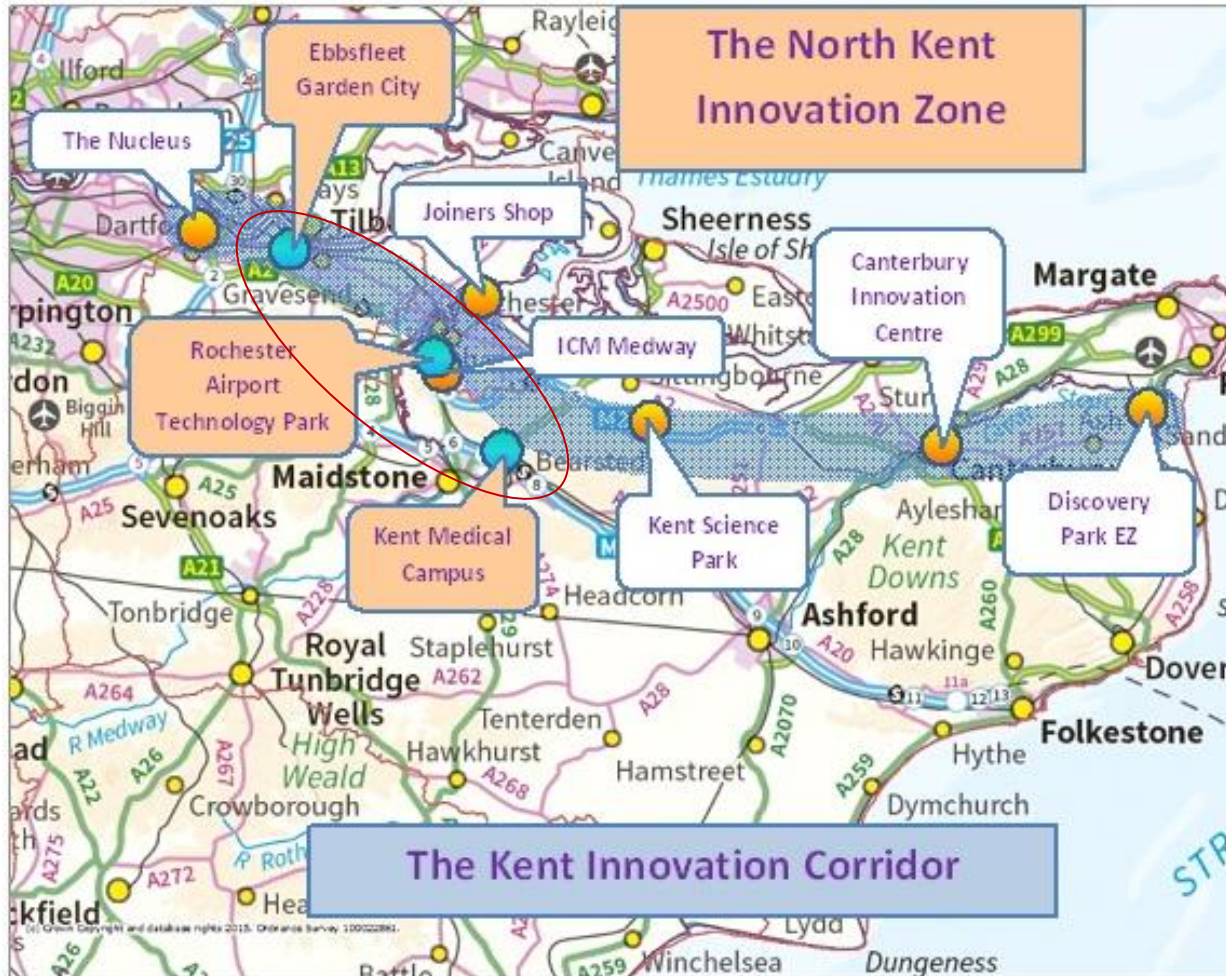
TGKP

8th December 2015

Positive news for Kent and Medway

- £250m permanent lorry park to replace Operation Stack
- £310m to support the delivery of Ebbsfleet Garden City
 - £110m more than announced in 2014
 - Government expects 75% repaid by mid-2020s
 - Utilities (e.g. sewerage and broadband) and infrastructure (e.g. Springhead Bridge)
 - Unlocks 11,000 homes: need to deliver 4,000 more.
- Approval of Enterprise Zone proposal in North Kent

North Kent Innovation Zone

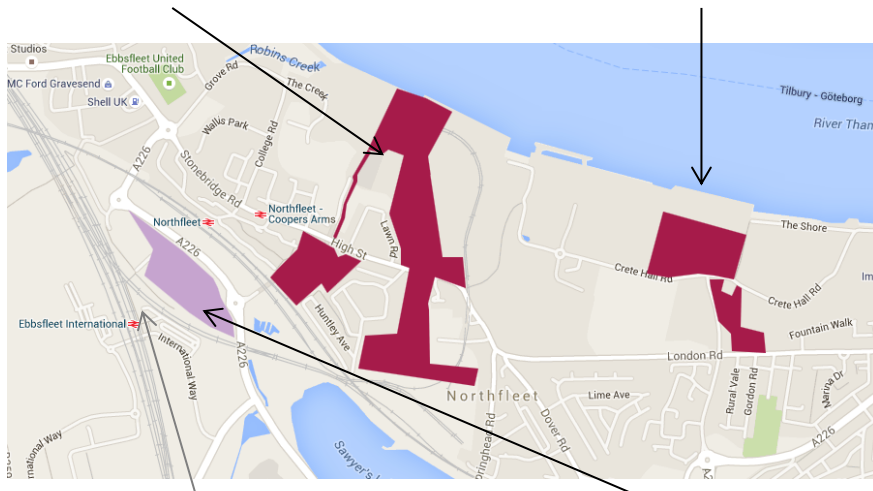


NKIZ Sites

- Strengthening the Kent Innovation Corridor
- Multi-site scheme:
 - Ebbsfleet Garden City
 - Kent Medical Campus
 - Rochester Airport Technology Park
- Total 64 hectares
- 230,000m² new development floorspace for start-ups and SME expansion
- Extending the sector specialisms in North Kent: life-sciences, advanced manufacturing and engineering, plus new opportunities in shaping a 21st century 'smart city'.

1 Ebbsfleet Garden City

Northfleet Embankment
West East

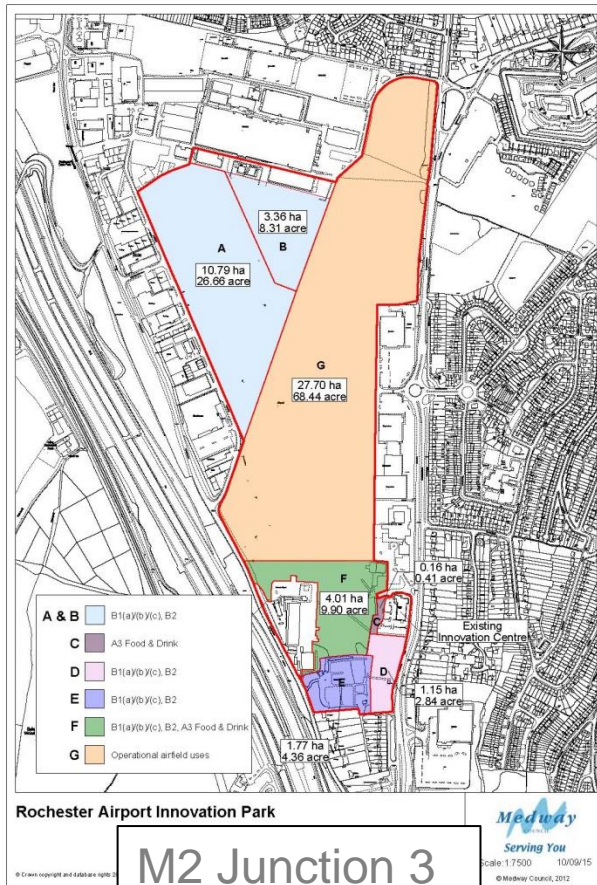


Ebbsfleet
International
Station

Ebbsfleet
Valley North
East

- Northfleet Embankment
 - 22.37 hectares, 54,000m²
 - Construction technologies and advanced manufacturing including modular housing
 - Innovative space / workshops
- EV North East
 - 4.08 hectares, 30,000m²
 - Professional services, creative industries
 - Links to delivery of EGC and HE specialisms

3 Rochester Airport Technology Park



- 21.24 hectares, 48,000m²
- Advanced manufacturing and engineering, R&D and prototyping (e.g. automotive, aerospace, medtech, robotics)
- Re-configuration and rebuild of the operational airport
- Innovation ‘campus’ extending from ICM

Benefits of the NKIZ

- Business Rates discount for occupiers for 5 years
- Harness innovatory businesses, skills and training provision in key specialisms
- Kick-start commercial and business presence at Ebbsfleet Garden City
- Enhance innovation corridor and synergy with other sites (e.g. Discovery Park, Kent Science Park)
- Over next 25 years:
 - £230m in business rates retained for investment back into each EZ area and support for enterprise and growth
 - Business rate savings to businesses of £34.6m
 - £443.5m GVA added to Kent & Medway economy
- 9,900 jobs created (by 2027)
- Higher value jobs attracting and retaining better skilled workforce
- Priority: **delivery!**

Local Growth Fund

- Confirms commitment to full £12 billion
 - Includes indicative allocations already made.
- Formally un-ringfenced
 - But incorporates specific budget lines (e.g. Local Sustainable Transport Fund): Departments will want to see their objectives delivered
- No commitment to a third round of LGF funding
- Strong emphasis on the Northern Powerhouse
 - Competition for allocations through LEPs will be fierce
 - Links to devolution agenda

Transport

- Significant cuts in DfT's revenue budget
- Capital investment will increase:
 - £15 billion committed to the Roads Investment Strategy
 - Includes funding commitments to **A2 Bean and Ebbsfleet junctions, M2 Junction 5** and M20 Junction 10a (partly funded through LGF)
- Second Roads Investment Strategy promised before 2020.

Housing growth

- Housing & Planning Bill currently in Parliament
- Doubling of housing budget from 2018/19
- Extension of Help to Buy equity loan scheme and Builders' Finance Fund to 2021
- Emphasis on low cost home ownership including starter homes
 - Diminishing proportion of social/affordable rented property
- RTB2 pilot with five housing associations
 - Detail awaited on funding mechanism
- Higher rates of stamp duty on 2nd homes and buy to let properties

Planning

- 'Delivery test' on local authorities to ensure delivery against Local Plan numbers
- Standardised viability model
- Period for s.106 appeals against non-viability extended to 2018
- Re-designation of commercial and retail land for starter homes
- Brownfield sites in Green Belts for starter homes
- **Squeeze on:**
 - commercial sites
 - funding infrastructure

Skills

- Strategy: transfer greater share of workforce training costs onto employers
- Apprenticeship Levy
 - Paid by larger employers; Gov't support for smaller employers.
- Doubling (in cash terms) of apprenticeship spending by 2019/20
- Protection for FE funding in cash terms
- Schools budget protected in real terms
 - Per pupil funding formula being revised
- 6th form colleges able to become academies and recover VAT

Business growth

- No reference to any future round of Regional Growth Fund, or similar
- Focus on easing burden of regulation and taxation (e.g. extension of the doubling of Small Business Rate Relief)
- Direct support oriented to science-based and innovative companies
- Closure of National Business Growth Service
- Some additional support for local Growth Hubs