



8<sup>th</sup> March 2018

Sir John Armitt  
Chairman  
Thames Estuary 2050 Growth Commission  
c/o Catherine Pert - EA to Sir John Armitt  
City & Guilds Group  
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**Rob Bennett**  
**Chairman**

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Dear Sir John

**Follow-up to the Thames Gateway Kent Partnership board meeting, 20<sup>th</sup> February 2018**

Thank you for coming to the Thames Gateway Kent Partnership Board meeting on 20<sup>th</sup> February to discuss the Thames Estuary 2050 Growth Commission's ongoing work and to hear perspectives from public and private sector partners in North Kent.

I appreciate that your approach was intended as a constructive and, by your own admission, occasionally provocative challenge intended to tease out how the Commission could help increase economic productivity and growth. Rather than focusing too heavily on achievements to date, the work of individual partners or the partnership's current work programme, we wanted to highlight a small number of challenges – beyond our immediate control – where we thought the Commission could make a realistic, practical and significant impact. To that end, we welcomed your interest in:

- Crossrail to Ebbsfleet (C2E);
- the future management of freight; and
- the Thames Estuary Production Corridor.

I thought it might be helpful to share with you our own summary of key points raised in the discussion. I would highlight seven issues:

- **Housing:** you will have been left in no doubt about the strength of feeling on this issue. Government pressure to deliver large volumes of housing has taken precedence over investment in necessary economic, social and physical infrastructure, at the expense of quality and community-building. We have argued before that this needs to be redressed, through a greater focus on creating employment and by an approach to local planning that supports rather than punishes local authorities. We would welcome the Commission's intervention in highlighting the weaknesses of the present numbers-led orthodoxy to government.
- **Commercial property:** you acknowledged that our commercial property market is not working. Supply is not meeting demand, and amongst a number of other factors, land values are loaded in favour of residential rather than commercial development, particularly on a

speculative basis, and inward investment and business growth are being frustrated as a consequence.

- **Infrastructure, infrastructure, infrastructure:** you will have heard similar pleas for investment many times before across the UK. But North Kent is a unique case: our roads and rail serve two distinct, critical purposes: i) they are the arterial link between the whole of the UK and Europe; and ii) they are the network that supports Kent's economy and its residential community. Decision making and funding allocations from government rarely take account of these two distinct roles, which means that nationally-critical infrastructure is under extreme and unsustainable pressure. The near daily disruption on Kent's roads has both a national and a local impact, and is frustrating our attempts to deliver economic growth. As the gateway to continental Europe, what is damaging for Kent and Medway is also damaging for the UK. As we said at the board meeting, 70% of cross-Channel lorry traffic is simply passing through North Kent on its way elsewhere. London, the Northern Powerhouse and the Midlands Engine all depend on this infrastructure, but this is an inconvenient fact scarcely acknowledged.
- **Skills:** to create high value, knowledge-intensive jobs we know we need to improve the education, skills and innovation of our resident workforce and to attract and retain talent from elsewhere. The current system is unnecessarily complex, centrally directed and inflexible. A locally-determined approach which is tailored to specific circumstances would give us a much better chance of raising our local skills base and attracting talent.
- **Higher education:** the strength of our university sector – which we see as a critical asset for North Kent, raising skills and generating valuable R&D – is a significant source of innovation for existing businesses and start-ups. Our universities inject vitality, energy and ambition into our people, our places and our businesses. This presents us with a huge opportunity to build on, with higher education working hand in hand with businesses at all levels, putting enterprise and entrepreneurship at the heart of our efforts. The Arts and Humanities Research Council has already recognised that we have rapidly growing clusters of innovative enterprises and we would welcome the Commission's acknowledgement to help push this forward.
- **The Thames Estuary Production Corridor:** we would challenge your assertion that – in your words – creative industries are unlikely to deliver significant or transformational GVA uplift or significant jobs. From our perspective we have two critical responses to this view.
  - Firstly – the creative economy is about far more than just arts and culture. The exceptionally broad range of applications that flow from the range of “creative” sub-sectors over the last few years is helping to transform our more traditional industries– e.g. smart technology, software applications, AI, robotics, virtual reality and simulation. The Production Corridor has the potential to accelerate this development.
  - Secondly – the more traditionally defined creative economy sector is growing strongly in North Kent, where the jobs are both high-value and resistant to automation (such as graphic design, architecture and software development). As

London's global reputation and skills base come under increased demand, it is unable to respond because of high costs and a lack of space. North Kent is perfectly placed to help. The GLA has committed to the Production Corridor, politically and financially, and we are working to establish a similar critical mass in Kent and Essex, which – with the growing benefits of new infrastructure – makes perfect geographic sense.

- **Governance and delivery architecture:** we appreciated your candour about what it would be most politic to recommend to government in your report. North Kent is open to a serious conversation about stronger governance arrangements to help to deliver employment-led growth in high-value sectors, but these arrangements should build on what we have achieved so far, rather than being radically different and externally determined. Government for its part needs to be prepared to have a serious conversation about all forms of devolution without being wedded to prescriptive governance models.

The Thames Gateway in Kent has abundant potential to be a compelling investment proposition, but we cannot do it alone. We acknowledge that business will have to take more of a lead role than it has previously and we are working to take our well-established public-private partnership to this next level.

North Kent is within easy reach of London (just 17 minutes from St Pancras and 10 minutes from Stratford and to the rich connections to business, research and development that this brings) and uniquely close to continental Europe . It boasts an outstanding natural environment, heritage and culture. We have innovative, leading-edge industry, supported by a rapidly growing higher and further education sectors which give us an advantage over most of the south-east.

We have done everything that government has asked of us to date in terms of housing growth. But... acting as the gateway between the UK and continental Europe is placing an untenable burden on our road and rail infrastructure – one that is beyond our control to remedy. In highlighting this to government and recommending how to fix it, the Commission can make the most significant contribution possible to promoting and encouraging growth in North Kent.

We look forward to continuing the conversation with the Commission as you develop your draft report – and to engaging with Arup as they continue their work. If there is anything else we could do to assist the Commission over this period, please do not hesitate to approach us.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rob Bennett', with a stylized flourish at the end.

**Rob Bennett, Chairman, Thames Gateway Kent Partnership**