

12th February 2018



Sir John Armitt
Chairman
Thames Estuary 2050 Growth Commission
c/o Catherine Pert - EA to Sir John Armitt
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Dear Sir John,

Board meeting of the Thames Gateway Kent Partnership

Ahead of the Board meeting of the Thames Gateway Kent Partnership at 4.30pm on Tuesday 20th February, which you and Professor Sadie Morgan will be attending, I thought it would be useful to build on the themes I raised in my letter to you last year, and outline those issues which we, as a partnership, would like to discuss with you.

Employment

I am conscious that when your appointment was first announced in the Autumn Budget, the Commission was described as having been asked “to explore options for ambitious housing deals”. I am heartened to see that – from the press statement you made in December – you view the Commission as having a wider and more balanced set of priorities. As I said in my earlier letter to you, any approach to the Thames Estuary in Kent needs to have the creation of employment at its heart.

That does not mean that North Kent is resistant to housing growth. Since this Partnership was created in 2001, an extra 34,000 homes have already been delivered in Thames Gateway Kent. We know that continued household growth is both essential and inevitable, and we are planning positively for it. However, we also know that infrastructure in North Kent cannot currently cope with existing demand, let alone future demand arising from additional housing. The existing Growth and Infrastructure Framework for Kent and Medway makes that very clear, and the revised version due to be published soon shows no abatement in the infrastructure challenge. We are also keen that government’s response to housing should address all dimensions of the problem and not just target local authorities: landbanking, slow build rates and difficulty accessing funding are all frustrating growth in North Kent. Any future approach in North Kent needs to encourage sustainable “enterprise communities” where more residents work closer to home, allowing better management of the significant pressure on our road and rail networks. North Kent is well served with brownfield sites for potential development, but some of these need more help than others to make them financially viable.

We are also ambitious for more high-quality jobs in North Kent to draw investment into the area, rather than simply exporting talent to London. This is the right moment to take advantage of changes to the patterns and nature of work, the impact of new technology, and a growing sense from business that not everything needs to be based in the centre of London. North Kent already has strong foundations to capitalise on: excellent connectivity with the capital, a strong higher education sector, innovative businesses and a wider, co-ordinated focus on regeneration across the whole of the Estuary.

Commission priorities

Much activity is already underway in North Kent, with ambitious, long-term plans to realise growth across Dartford, Gravesham, Medway and Swale. Housing Infrastructure Fund bids have been made to unlock development in Swale and on the Hoo Peninsula in Medway – and with more support these schemes could go even further. We appreciate, however, that the Commission cannot focus on every initiative across the Estuary, and that it will have the greatest value if it lends its influence and weight to a small number of issues that are absolutely fundamental to unlocking the Estuary's potential. We have discussed where we think the Commission can make the most significant difference, with colleagues in Essex and in London, and also at our Board. We feel that the Commission can make a real, lasting impact on three areas:

- Extending Crossrail to Ebbsfleet
- Managing and mitigating the impact of freight
- Expanding the scope of the Thames Estuary Production Corridor

Extending Crossrail to Ebbsfleet

Crossrail to Ebbsfleet (C2E) is a high-impact infrastructure scheme that would realise the full value of Crossrail One. It would see the Elizabeth Line extended eastwards from Abbey Wood to Ebbsfleet Garden City, completing the original vision of Crossrail as a corridor reaching across London and into three surrounding counties: Berkshire, Essex and Kent. It is a comparatively modest intervention in infrastructure terms, but its benefits would be substantial, widely felt, and many would be realised ahead of the railway's completion.

In Kent, C2E would establish a strategic interchange between High Speed One and Crossrail, creating a new regional transport hub outside the M25 and providing a major economic stimulus for Dartford, Gravesend and the new garden city at Ebbsfleet. In doing so, C2E would also substantially improve access to Heathrow and London City airports, and - alongside HS2 – would deliver additional connectivity between the South East, the Midlands and the North.

When we met in December you acknowledged that the potential economic benefits of the Lower Thames Crossing were likely to be greater for Essex than for Kent. C2E would provide a comparable impact in terms of unlocking growth south of the Thames. Already, with the work done to date, the project is an excellent example of the London Mayor, London local government and Kent local government working effectively together. The Commission can help the Government to see the range of benefits the project would deliver, and encourage consideration of new and innovative ways of funding it.

One of the priorities of this partnership is to maximise the economic development potential of major infrastructure provision and we are taking every opportunity to do so across North Kent. C2E would help to accelerate growth around Ebbsfleet and sites further afield, where progress has not been as rapid as we hoped. Equally, we want to maximise the benefits of the Lower

Thames Crossing across North Kent and we would welcome the Commission's support to secure early and timely delivery of both the crossing and the associated network improvements needed to realise its potential. There are sensitive, challenging issues to be overcome in its construction, but, equally, we want to look carefully at the significant opportunities that the crossing will create and see a good share of the economic dividend coming to North Kent.

Freight

When we met in December, we discussed the importance of freight to the Estuary. This is both a threat and an opportunity. The Estuary area is hugely important for freight handling, logistics and distribution. London and the rest of the UK depend on freight from continental Europe – particularly lorry-based freight. The massive investments in London Gateway Port (DP World) and Tilbury naturally attract attention, offering both economic benefits and employment, but also adding to pressure on strained infrastructure.

However, freight is not just an issue for Essex, its impact is felt very significantly in North Kent. For instance, each year there are 4.5m lorry movements into and out of the Channel ports – almost all passing through the strategic road network in North Kent. 67% of Roll-On-Roll-Off traffic leaving the UK uses the Dover Straits ports. The Medway Ports handle the greatest tonnage of general cargo out of 53 UK ports and there is scope for these ports (including Sheerness in Swale), to make a bigger contribution to national freight movements. Optimising how road and rail infrastructure are used for the movement of freight is a critical issue across the Estuary.

The road network in North Kent should therefore be viewed as having two distinct roles: one that supports the local economy and one on which the whole of the UK depends – as the Gateway to continental Europe. Government struggles to see this – either considering projects in isolation, unconnected from the rest of the network (such as the Lower Thames Crossing) or as projects seen solely as serving the local economy (as has been the experience of proposals to improve junction 5 on the M2).

As a partnership, we are thinking proactively about how to harness the benefits of innovation and new technology in freight movements and are working closely with Essex on this. We are already considering the future of freight in this part of the Estuary, but we think that the Commission can help the Government to understand fully the impact of freight on North Kent. The Commission could also help to unlock the wider opportunities that appropriate investments in road and rail could deliver, in terms of more sustainable freight movements, increasing the number of viable freight routes into the UK, and helping to address the environmental challenges associated with such high volumes of HGV traffic. We hope that you can incorporate this into the national study on the future of freight that you have been asked to lead at the National Infrastructure Commission.

Thames Estuary Production Corridor

In a short space of time, the Production Corridor has demonstrated the importance of examining the benefits of collaboration and networking across the Estuary, by bringing together central and local government, business sector leaders, education providers and other stakeholders to promote the growth of the “creative” economy across the Estuary.

Given the blurring of boundaries between traditional sectors, we think that there is real potential to widen the approach of the Production Corridor strategy to examine how the skills

and technology within the creative sector are driving development within some of our other key industries (e.g. the engineering, automotive and construction sectors).

This will have a major impact through the encouraging of R&D, wider networks, higher levels of connectivity (particularly through our university and research sectors) and more effective supply chains. Our objectives are to ensure that our businesses are able to grow and prosper by capitalising on the opportunities presented by new technology and to maximise the benefits that proximity to London can bring.

We are looking to broaden the production corridor approach in order to achieve these objectives, and any support which the Commission can give in this respect would be extremely helpful.

A word on governance

When we met in early December last year, you suggested that you would be minded to make quite radical proposals about governance structures for the Estuary in the Commission's final report. We do not think a wide-ranging urban development corporation is the solution: the Estuary area is too big and too diverse, and the programme of potential activity too long-term. As David Lock wrote in January 2017: "UDCs and MDCs are designed for tighter and shorter-life projects, primarily urban regeneration schemes." The potential of the Estuary – and the ambition of Estuary partners – is bigger than this. There are instead strong existing partnerships across the Estuary on which tailored delivery arrangements could be built. The Thames Gateway Kent Partnership is a well-established, representative and effective partnership which enables North Kent to speak with one voice, to agree priorities jointly and to co-ordinate activity across the area. These arrangements are firm foundations on which to build something more delivery-focused in the Estuary in Kent.

The Thames Gateway Strategic Group (TGSG) is already thinking about the Estuary at a "macro" level, considering those issues that need a wider, regional consensus. TGSG could play an important role in the governance of specific pieces of work that it is appropriate to co-ordinate at an Estuary-level. Nonetheless, the majority of activity across the area should be led at a more local level (for example, the need to address a market failure that is limiting the provision of good quality commercial development in North Kent).

Understanding "what works" is paramount. Whatever the Commission recommends should take account of current arrangements, the history and the scope of future plans for the Estuary. Effective partnerships have delivered much over the last ten to fifteen years and we should build on what has been effective in the past.

The Thames Gateway Kent Partnership looks forward to meeting you and Professor Morgan on 20th February and to continuing the discussion.

Yours faithfully

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

Rob Bennett, Chairman, Thames Gateway Kent Partnership