South East LEP Local Industrial Strategy

Building New Communities for the Future

Thematic Workshop

5 November 2019

Agenda

09:45 – 10:15	Registration & Coffee
10:15 – 10:30	Welcome, introductions and context
10.30 - 11.00	Introduction to LIS and key findings from the Evidence Base
11.00 – 11.15	Coffee
11.15 – 12.15	Determining the strategic opportunities and solutions
12.15 – 12.45	Prioritisation for the LIS
12.45 - 1:00	Final remarks and next steps

Welcome, introductions and aims

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Introduction to the LIS and
key findings from the Evidence Base

What is a LIS?

- Local development and ownership, jointly agreed with government

- Take a long term view (2030)

- Supported by robust and open evidence

- Align to national industrial strategy

  - Actively apply 5 foundations of productivity

  - Think about 'Grand Challenges' where relevant

- Must be actionable to mobilise resource

- Guide future government funding streams and local investment

"Local Industrial Strategies should set out clearly defined objectives to increase the productivity of the local economy"

What is a LIS?

✔

- A future looking local strategy, feeding into the government's Industrial Strategy

- An evidence-led strategy highlighting specific strengths and opportunities that could achieve greater productivity impact

- Support and underpin the allocation of future government growth funding

- A mechanism through which private, public and other partners agree productivity-generating, long term ambitions for the area

✖

- An economic plan for SELEP, including lists of potential projects

- Replacement for other local economic policy or plans, but better coordinating and aligning them at a LEP level for greater gains

- A bidding document in itself

- An exclusively public sector strategy for growth

The five foundations of productivity

5 foundations of productivity

Ideas — the world's most innovative economy

People — good jobs and greater earning power for all

Infrastructure — a major upgrade to the UK's infrastructure

Business environment — the best place to start and grow a business

Places — prosperous communities across the UK

Grand Challenges

- Anticipating future economic trends and opportunities

- How can SELEP exploit opportunities presented through the Grand Challenges?

- Does the local economy already offer, or could credibly generate, opportunities for local experimentation and innovation?

- Do local conditions present a strong case for national investment?
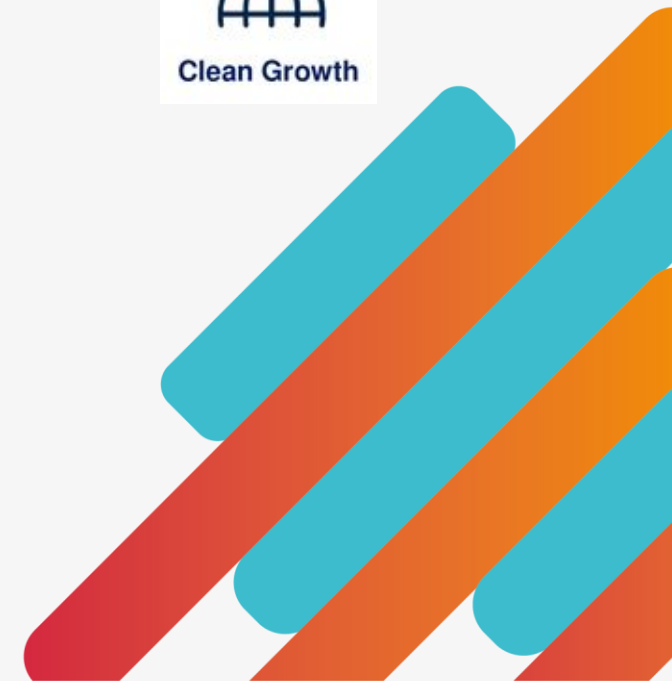
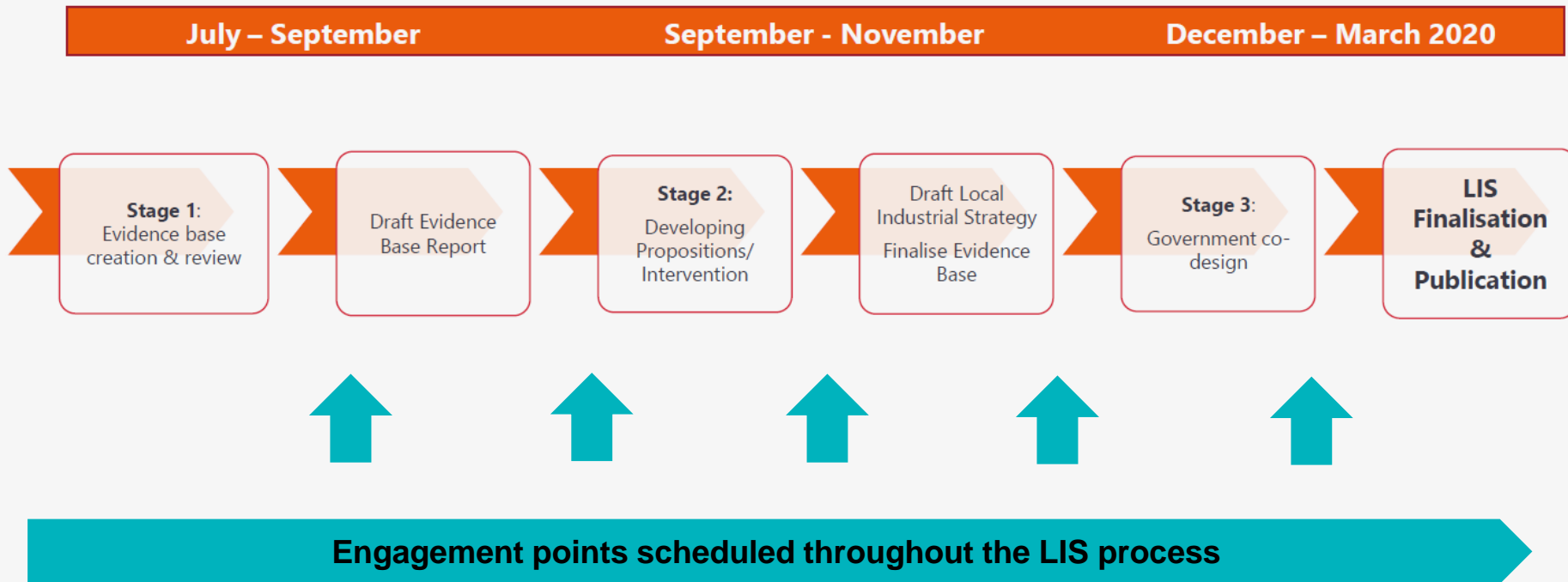**Future of Mobility**

Ageing Society

Artificial Intelligence

Clean Growth

Emerging cross-cutting themes

![South East Local Enterprise Partnership logo]

Emerging themes for SELEP LIS

1. Building new communities for the future

2. Modelling future connectivity

3. Accelerating business productivity and growth

4. Maximising natural assets

Why this theme?

- Housing quality and affordability are key factors in attracting and retaining skilled workers to drive productivity growth

- Quality/affordability/availability of staff and business premises, fundamental to inward investment proposition

- Access to the right commercial premises in the right location can help to support the growth of existing local businesses

- New communities provide opportunities to embed more sustainable lifestyles:

  - Alleviate pressure on infrastructure

  - Embed clean growth principles

  - Support wellbeing and healthy living
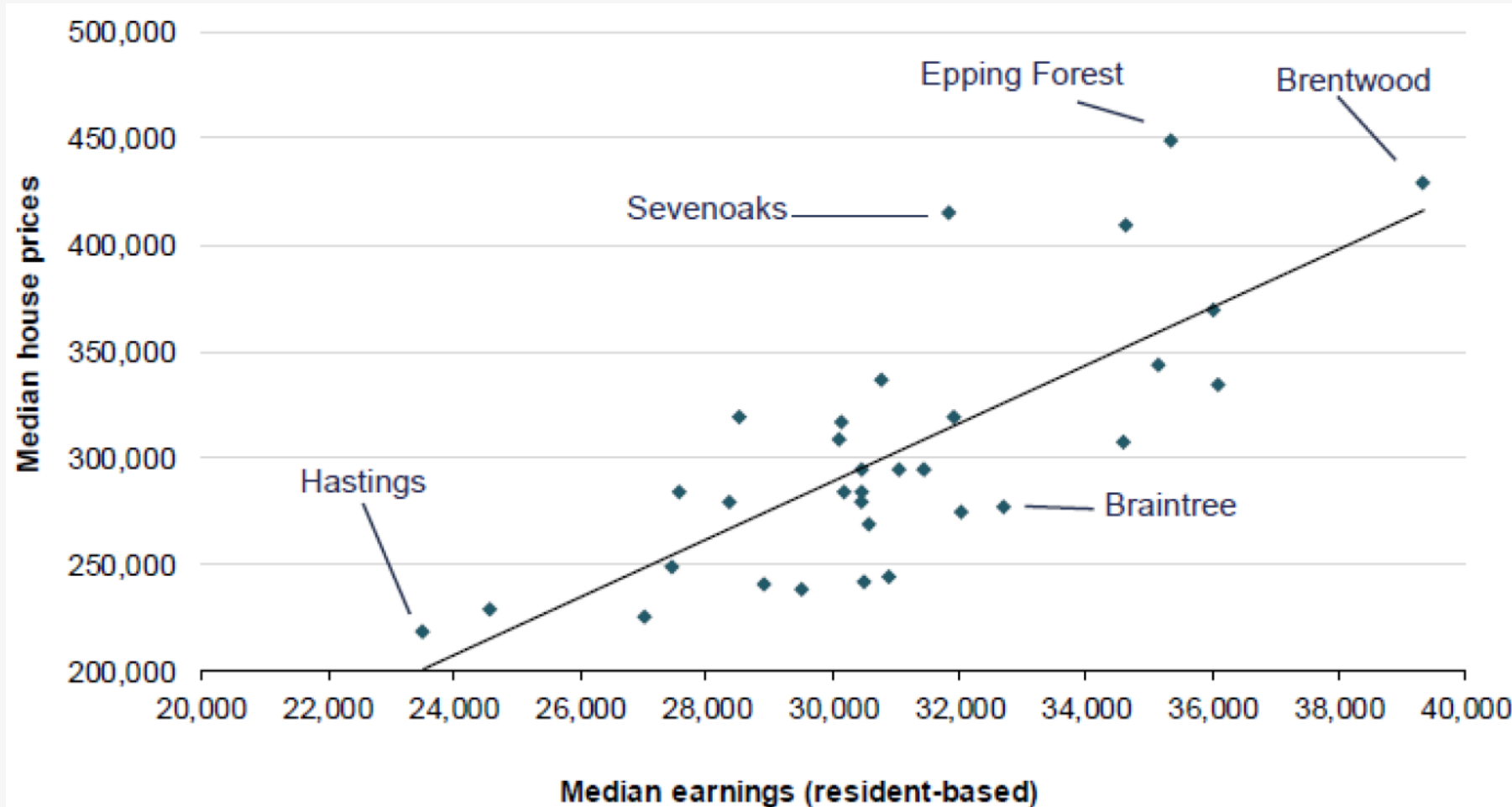
Points for exploration

1. How building new communities for the future provides an opportunity to drive innovation and secure new investment, and help shape places that are attractive to live and work

2. How planned garden communities can pioneer new technologies and promote wellbeing, and promote adaption and upgrading of existing housing stock

3. The opportunities to develop our skills and workforce capabilities, promote clean growth and support inclusive communities

Housing affordability is a major challenge
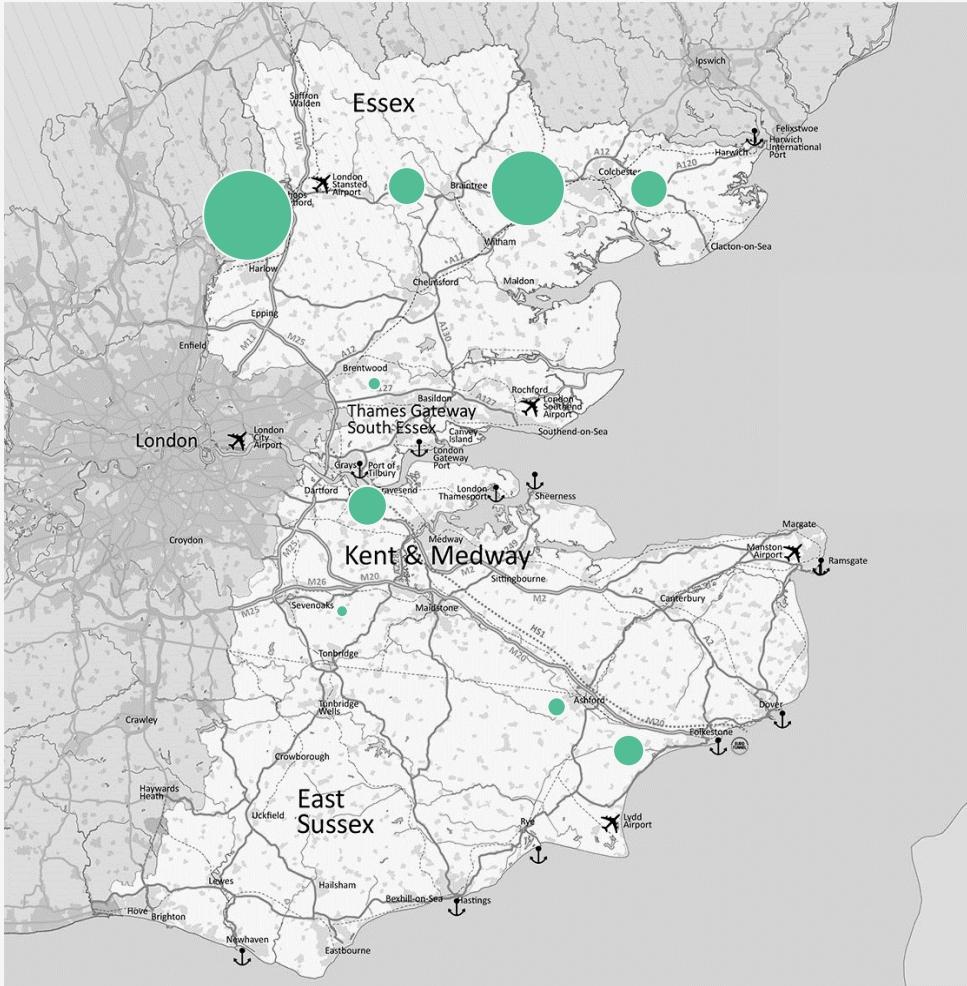
Planned garden communities

- 8 of 49 Garden Communities designated by Government are in SELEP area, accounting for 118k (29%) of the 402k homes being delivered through the programme.

- c90 hectares of employment land, alongside 27 primary and 9 secondary schools already committed in these projects.
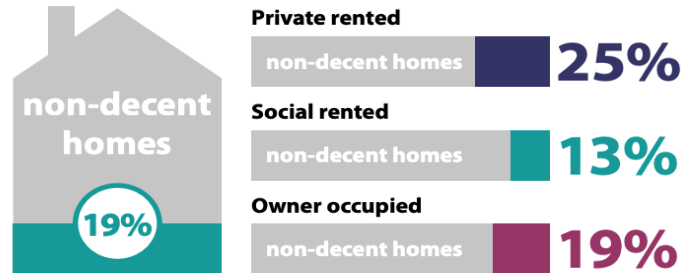
Planned garden communities

- North Essex (Colchester, Braintree, Tendring) – 43k– emerging allocation

- Harlow & Gilston (Harlow, Epping Forest and East Hertfordshire)– 24k – emerging allocation

- Ebbsfleet (Gravesham, Dartford) – 15k – c1,500 homes completed already

- Otterpool Park (Folkestone & Hythe)– 12k – outline application submitted March 2019

- North East Chelmsford (Chelmsford) – 10k – c1,000 homes completed

- Chilmington Green (Ashford) – 7k – c1,500 homes with outline permission already

- Dunton Hills (Brentwood)– 3.5k – emerging allocation

- Borough Green Gardens (Tonbridge and Malling) – 3k – emerging allocation

Improving standard of housing

4.5 million homes do not meet the Decent Homes Standard.

non-decent homes

19%

Private rented
non-decent homes
25%

Social rented
non-decent homes
13%

Owner occupied
non-decent homes
19%

See English Housing Survey *Stock Profile report, 2017* **for more information.**

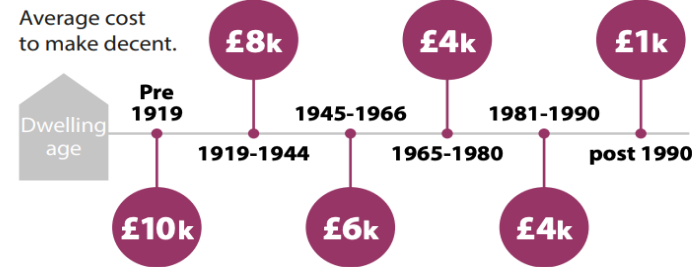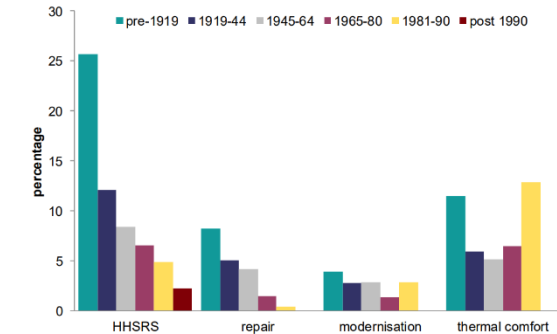**Newer dwellings are cheaper to bring up to the Decent Homes Standard.**

Average cost to make decent.

Dwelling age

£8k
£4k
£1k
£10k
£6k
£4k

Pre 1919
1919-1944
1945-1966
1965-1980
1981-1990
post 1990

Figure 2.3: Reason for failing the Decent Homes Standard, by dwelling age, 2017

pre-1919 | 1919-44 | 1945-64 | 1965-80 | 1981-90 | post 1990
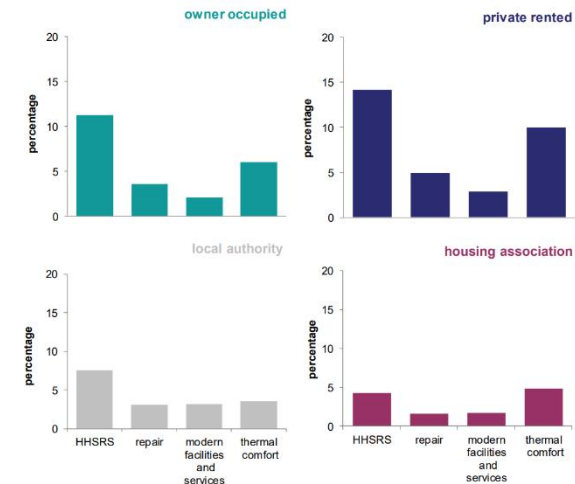
Base: all dwellings
Notes:
1) uses 15-hazard HHSRS model
2) underlying data are presented in Live Table DA3201
3) the data for post 1990 repair, modernisation and thermal comfort have been presented as zero due to small sample sizes
Source: English Housing Survey, dwelling sample

Figure 2.1: Reasons for failing the Decent Homes Standard, by tenure, 2017

owner occupied

private rented

local authority

housing association

HHSRS | repair | modern facilities and services | thermal comfort
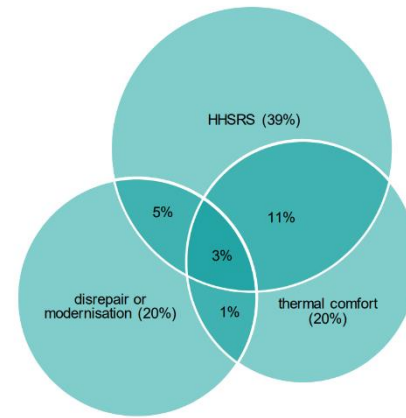
Base: all dwellings
Note: underlying data are presented in Live Table DA3201
Source: English Housing Survey, dwelling sample

Figure 2.2: Non-decent homes, by Decent Homes Standard criteria failed, 2017

HHSRS (39%)

5%
11%
3%
1%

disrepair or modernisation (20%)

thermal comfort (20%)

Base: all non-decent dwellings
Notes:
1) underlying data are presented in Annex Table 2.2.
2) for ease of analysis, modernisation and disrepair criteria have been combined to form a single criterion. For this reason, the figures for 'fails all criteria' will not match that for fails all four criteria as given in Annex Table 2.4
Source: English Housing Survey, dwelling sample

Housing Delivery

Annual Requirement **SELEP** in Local Plans:

Kent	**8,900**
Essex	**8,980**
East Sussex	**1,570**
	19,450

(UK Target **300,000** homes pa)

SELEP Housing Starts and Completions

2013-2014
SELEP Starts **8,710**   Completions **7,230**

2018-2019
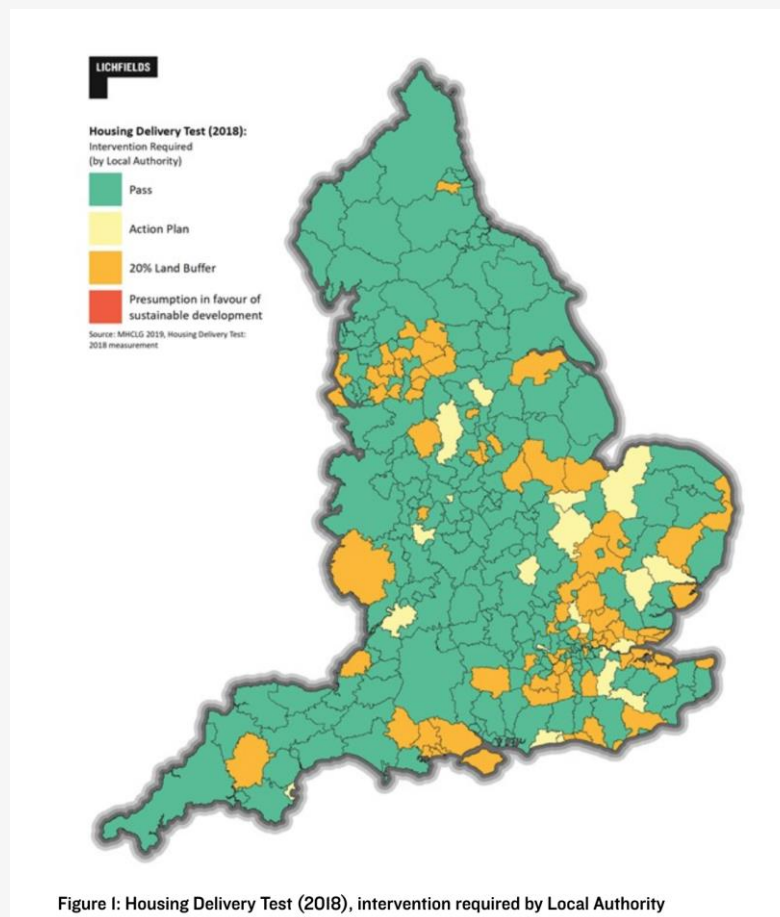SELEP Starts **12,200**   Completions **11,790**

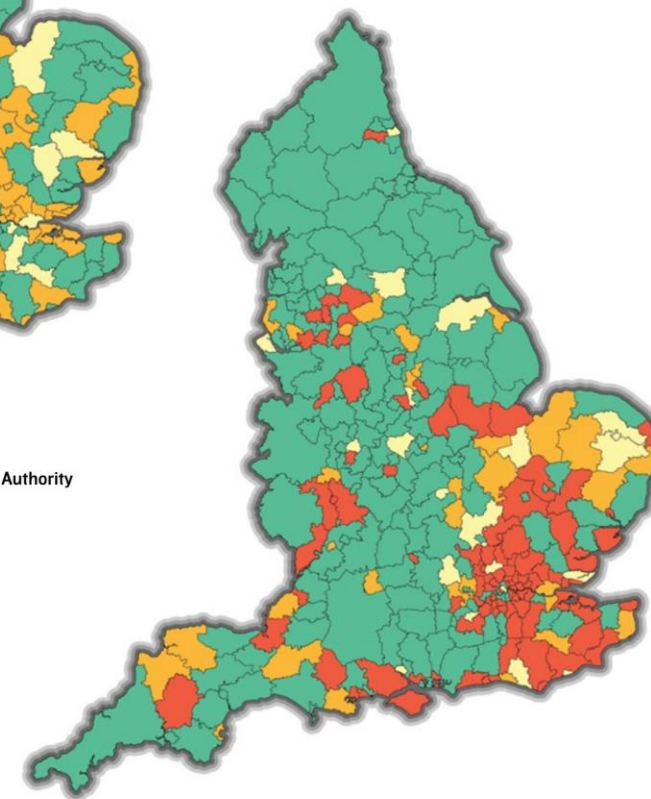Figure I: Housing Delivery Test (2018), intervention required by Local Authority

Figure 2: Housing Delivery Test (2020) - Lichfields estimate, intervention required by Local Authority

Opportunity
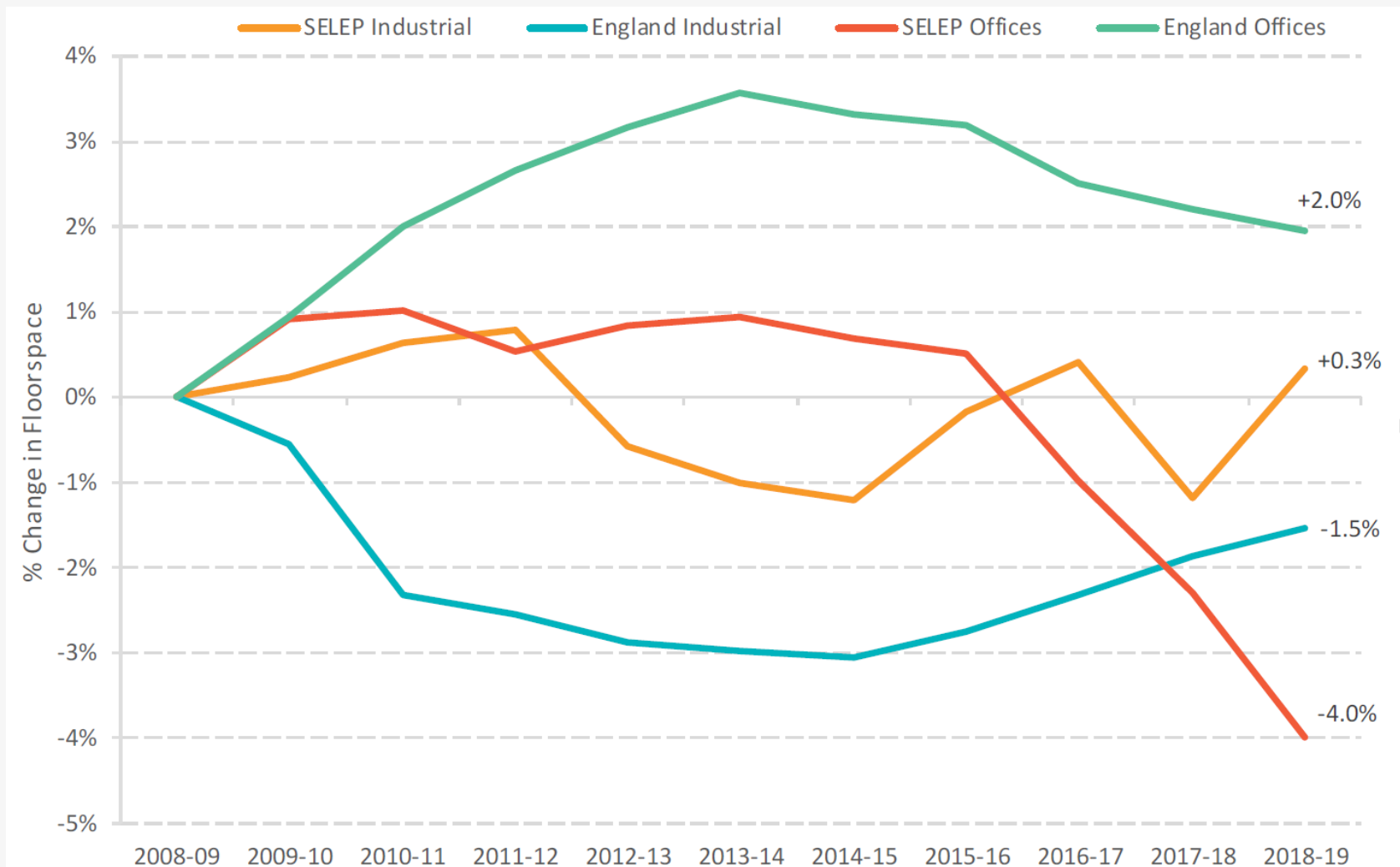
- Housing Delivery

- Community

- Place Making

- Wellbeing

- Mobility

- Skills

- Future Proof

- Shared Learning

- R&D - Innovation

SMART COMMUNITIES

Changes in stock of commercial space

Industrial

Offices
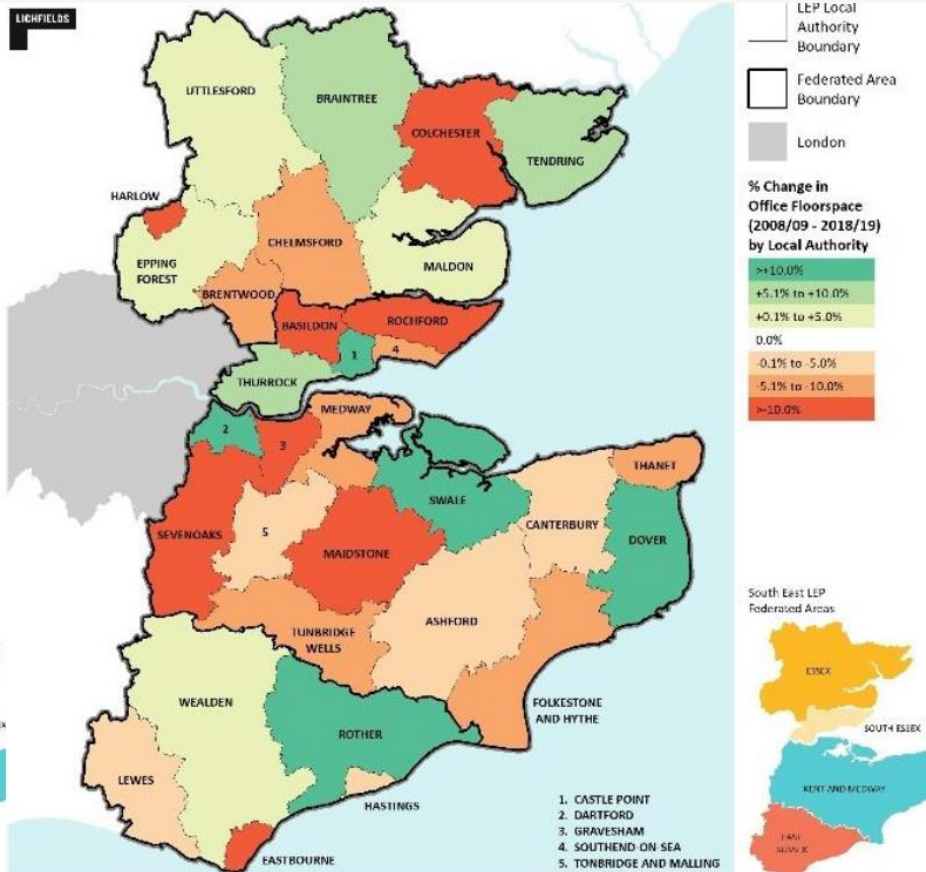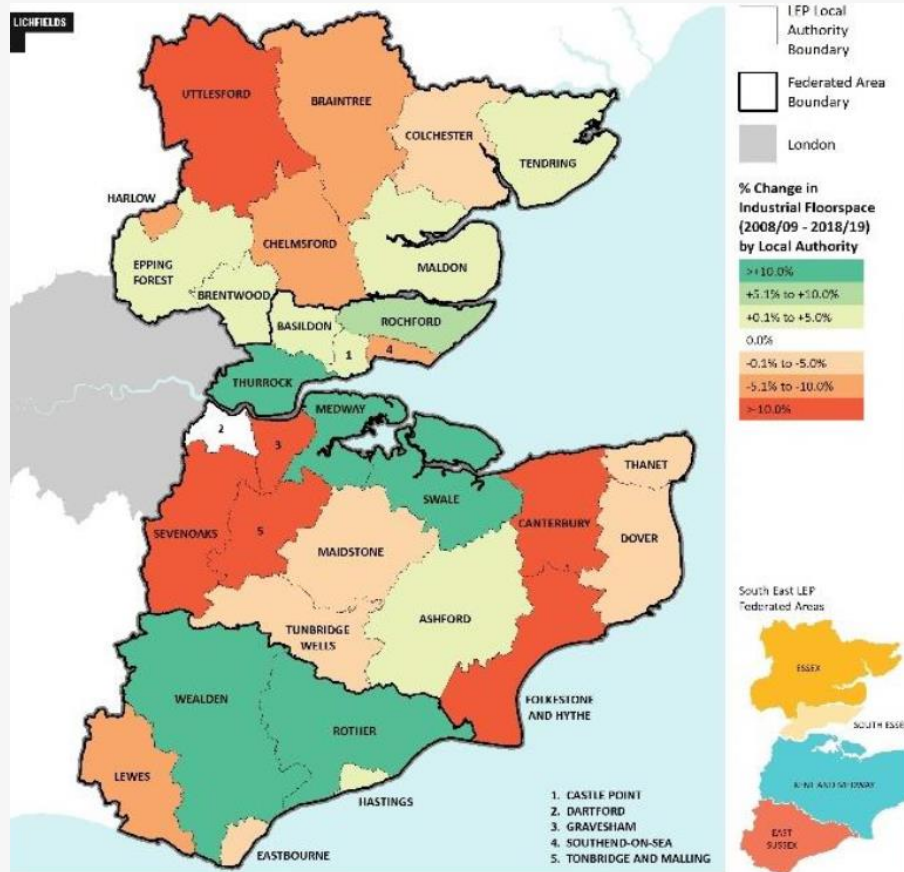
Demography and people
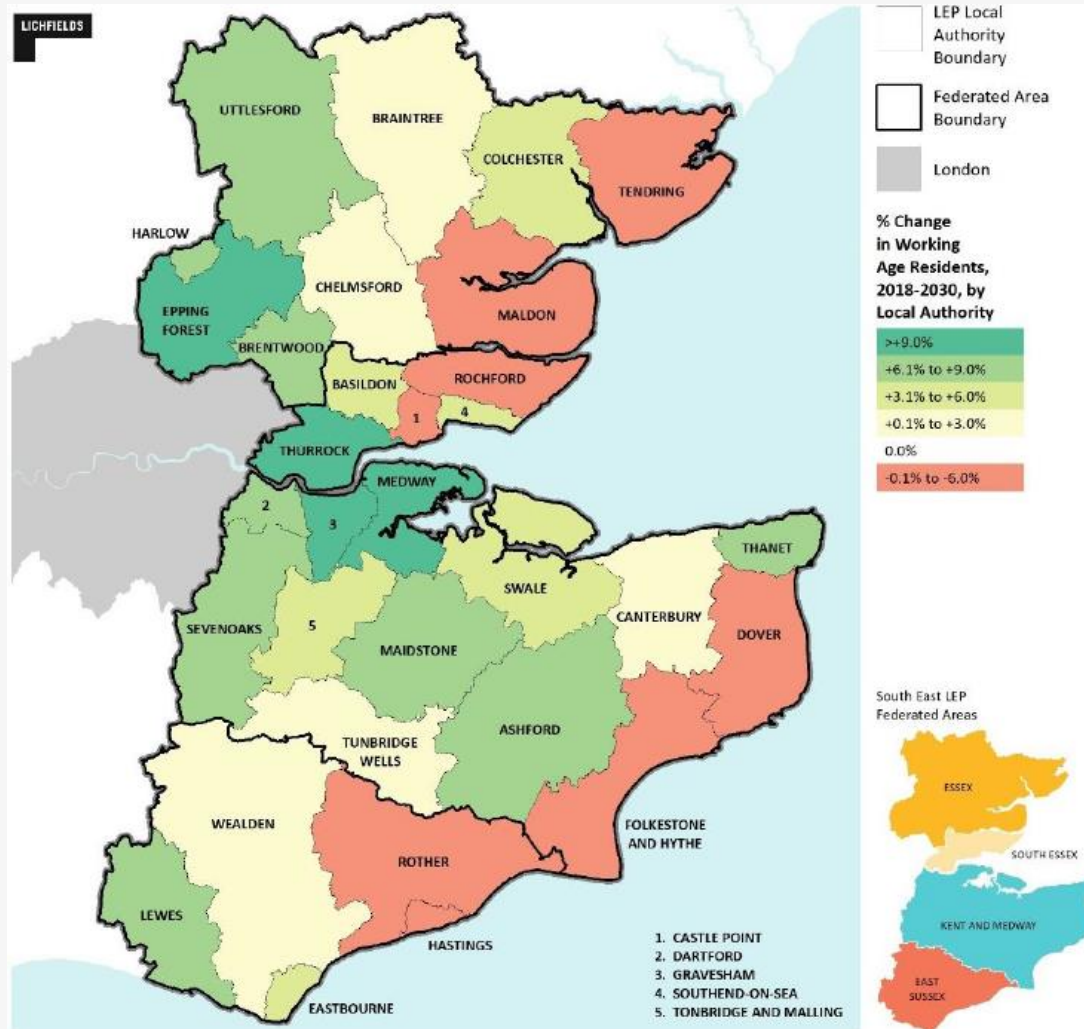
- Young people & families – retaining skilled people & young families to live and work in the area, supporting space for growing industries for them to work in

- Ageing population – adaptive living, leisure & cultural activities

Clean growth principles

- South East faces a number of identified challenges from climate change:

  - Increased flooding events which disrupt communities and economic infrastructure

  - Loss of productivity due to extreme weather events/seasons

  - Particular challenges facing coastal communities

- South East ranks third in England for the amount of electricity generated from renewable sources, but energy 'gap' that needs to be addressed through clean sources if current trajectory is to be maintained

- New approaches (and therefore economic opportunities) associated with climate change adaptation and renewable energy need to be considered through sustainable methods of construction and design.

Potential proposition

"**SELEP will lead the country in building communities for the future, spearheading innovation and investment in creating communities where people not only want to live but do business and spend time.**"

Grand Challenges:

Clean Growth
Future of Mobility
Ageing Society

Productivity Foundations:

Place
Ideas
Infrastructure
Business Environment
People

SELEP USPs:

New Garden Communities & scale of housing development – capacity for growth and innovation

Potential ideas and solutions

1. **Build capacity for growth by coordinating strategic workforce planning, scope of future skills needs and labour supply**

   - Drive delivery of major projects through a major projects group or equivalent

   - Review criteria for future funding to ensure alignment with the ambitions of the LIS to support strong business cases and funding decisions linked to delivery

   - Proactive engagement with range of developers including SME's on a range of delivery factors, including support for supply chain development

   - Facilitate understanding of connectivity across SELEP, with the current and future look against the scale of developments; communities and other major projects (linked to connectivity and infrastructure theme)

   - Understanding future population, employment and workspace needs to underpin successful new community development

2. Creating testbeds for new technologies and methods of housing construction and healthy and sustainable communities

- Identify priority initiatives that support ageing society needs, healthy living, green mobility and sustainable energy sourcing

- Explore potential for ongoing research and 'Living Labs' within community development

- Link industry, FE/HE and public sector agencies/government departments to establish focal points for innovation and routes to commercialisation

- Facilitating dialogue with funding bodies (e.g. Innovate UK), venture capital and other sources to improve access to seed capital in support of early-stage development

- Distribution of best practice in place shaping to deliver healthy, sustainable and inclusive communities across SELEP

Developing our solutions

Key tests:

- Clearly linked to improving the **productivity** and growth potential of the region

- Offer **distinctive** solutions that respond to our particular strengths and opportunities

- **Realistic** and deliverable, with clear implementation plan

Developing our solutions

1. Are the ideas and solutions the right ones, are there others?

2. What ideas and solutions do we want to focus on for the LIS in order to drive productivity growth?

3. Have we addressed skills and workforce capabilities, promotion of clean growth and support for inclusive communities?

Next steps

- Ongoing stakeholder engagement and discussion

- Refine and supplement the evidence base

- Work up the priorities, propositions and proposed interventions

- Drafting LIS strategy and co-design with government