

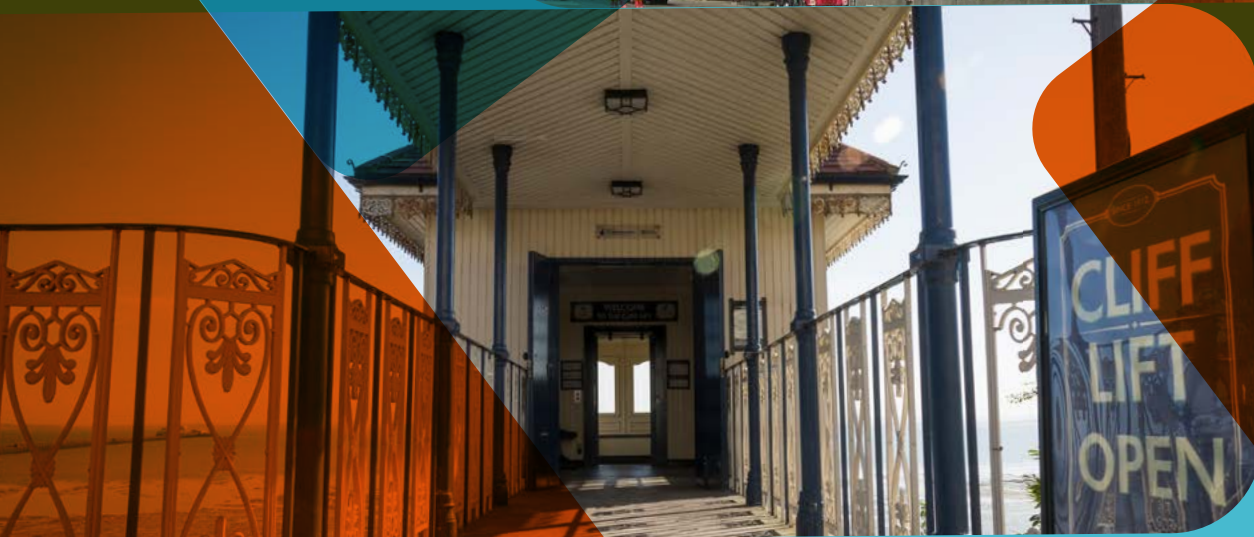
BOOSTING COASTAL PRODUCTIVITY



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP



AN ECONOMIC
PROSPECTUS
FOR THE SOUTH
EAST COAST





THE COASTAL COMMUNITIES GROUP

have a long history of working closely together to deliver improvements to the South East Coast.

South East Local Enterprise Partnership
Environment Agency
Natural England
Canterbury City Council
Colchester Borough Council
Dover District Council
Eastbourne Borough Council
East Sussex County Council
Essex County Council
Folkestone & Hythe District Council
Hastings Borough Council
Kent County Council
Kent and Medway Economic Partnership
Lewes District Council
Maldon District Council
Medway Council
Rochford District Council
Rother District Council
Shepway District Council
Southend Borough Council
Swale Borough Council
Tendring District Council
Thanet District Council
Wealden District Council

THE COASTAL PARTNERSHIP

came together to produce the Prospectus. Throughout the document the collective group is described as 'we'.

1. Castle Point Borough Council
2. Colchester Borough Council
3. Dover District Council
4. Eastbourne Borough Council
5. East Sussex County Council
6. Essex County Council
7. Hastings Borough Council
8. Lewes District Council
9. Maldon District Council
10. Rochford District Council
11. Rother District Council
12. Southend Borough Council
13. Tendring District Council
14. Thanet District Council
15. Wealden District Council

FOREWORD

Imagine an area of attractive coastline and countryside with great weather, superb cultural opportunities, comparatively cheap housing with close links to London and Europe. It exists and stands ready to deliver on its enormous potential for residents, the region and the wider UK. Welcome to the South East Coast.

The communities of the coast have huge development and investment opportunities. In the South East Local Enterprise Partnership area we are determined to take a positive approach that builds on closing the gap in economic performance and inclusion that exists with the rest of the region. This Prospectus is not aiming to address granular detail, but to strategically address key coastal themes. No single magic bullet exists but broadly:

- The coast's housing embraces the potential for both new build, and also developing the programmes which improve the Victorian housing stock, with opportunity to develop large scale approaches to tackle climate change and fuel poverty
- As the gateway to Europe, our ports and airports need to be properly connected to markets through good transport links and developed as centres of trade and employment
- Sun, sea and wind are here in abundance together with a willingness to play a leading role in the generation of energy that will meet emerging climate emergency targets

- The coast is an attractive place to live and work. However, imbalance in the housing market and actions taken by inland local authorities mean that local housing markets are sometimes distorted by inward migration of people who face economic, health or other problems. The coast needs to attract a balanced migration capable of powering its future sustainability
- Improving social mobility is critical if the region is to have a workforce capable of taking new opportunities. This needs sustained effort to close gaps in education and skills performance if generational unemployment is to be addressed and prosperity shared
- Coastal towns are often the centres for wider sub-regions; the benefits will ripple and be reflected back
- We will improve our physical, cultural and economic offer to attract the jobs the people need.

Coastal towns are seen as great places to live, with accessibility to the sea and countryside, character housing and leisure and health benefits. The public realm and seaside environment play a pivotal role in mental and physical well-being.

The coast is already delivering across a range of ambitious strategies to ensure a prosperous future for the district and our people. The Prospectus recognises the opportunities and the challenges faced by the South East coastal area. With support and investment we are ready to deliver on our vision.



Our vision encompasses our ambitions which in turn have defined the opportunities we wish to seize.

Investment in infrastructure is critical – often the cost against return presents a difficult challenge for the coast in competition with inland areas. The unique nature of business, with a proliferation of smaller businesses, presents a specific challenge, as do 180° markets. The coast will be a priority for better communication to link it into the region and beyond – improved opportunity is the surest way to enable coastal communities to help themselves.

Culture and tourism presents ever more potential and we will take steps to increase its value by encouraging investment in accommodation, attractions and skills to ensure this vibrant sector continues to attract new markets. Here there are very significant links to the rural and seafaring economies and the creation of a single food, viticulture, culture and “authentic” experience sought by many visitors.

Businesses and communities in coastal communities need much greater involvement with higher education to stimulate innovation and encourage local people to grow. This Prospectus seeks the commitment of higher education to develop this dialogue and for the reinforcement of the further education skills agenda to overcome considerable additional barriers to employment that significant proportions of coastal residents face.

We will work together around the South East Local Enterprise Partnership area and also develop the expertise to help other areas facing coastal challenges in England and Wales. This resonates closely with the new government’s commitment to helping those communities most left behind.

The Prospectus is intended to both influence the Local Industrial Strategy and also to lay the basis for ongoing co-operation between communities. The next stage is to develop the programme that will deliver the overarching objective of celebrating our wonderful coastal area and seizing the opportunities it offers to improve the prosperity and wellbeing of its residents.

To achieve this we must begin by closing the gap in investment, performance and contribution between the coast and region.



The Economic Prospectus builds upon the work of the Government and the House of Lords enquiry into the Future of Seaside Towns in 2018. We have reviewed the recommendations to the enquiry, and based on the evidence available, have identified how we can improve our economic performance. Our analysis is underpinned by the **Data Pack** of the South East Coast, available online.

We want to act quickly to move the Economic Prospectus into delivery phase. Full details of the long term strategy to improve the economic performance and productivity of the South East Coast are set out in this document.

Our key asks are to establish a new Coastal Economic Programme, to build new partnerships, networks and develop business cases which will attract new investment from both public and private sectors to meet the ambitions we have set out.

Like the North and Midlands the South East Coast is hungry for growth, inclusion and change. Its people need the chance to contribute to a better future.

Achieving this would be a profound change for the better and we are committed to it.

Christian Brodie, Chair of the South East Local Enterprise Partnership



EXECUTIVE SUMMARY

The South East Local Enterprise Partnership (SELEP) coast has huge potential.

Nowhere else in the UK can provide an equal seedbed for economic growth alongside the opportunity to quash inequality at scale. This prospectus details the potential and provides options for how to realise the latent economic benefit available.

The scale of the opportunity is simple: the GVA performance of the SELEP coastal area is 10% below the South East average. Closing this gap will improve the lives of millions of hard-working residents and add billions of pounds to the UK exchequer.

However, it won't be easy.

Achieving real change for the SELEP coastal area will require the support and focus of a broad collective of stakeholders and an unwavering commitment to the "levelling up" investment policy currently advocated by central government.

We'll need to be brave and bold on behalf of residents and businesses.

A detailed action plan will follow the adoption of this prospectus; the SELEP Coastal Partnership will develop and deliver it.

National Support

Although coastal deprivation has been documented for many years, the UK is yet to see an effective approach to addressing fundamental coastal issues.

Effective change will require a paradigm shift in approach.

UK Government needs to revisit its definition of 'successful investment': away from city-centric, house-price driven, connection-biased decision making, towards an: economic potential, well-being based, geography-conscious model that utilises poverty reduction to generate economic growth and promote equality.

We need government to develop a 'long-term' relationship with the coast. Not just across Whitehall, but also across the wider government estate and its various branches, including: Local Authorities, NHS England, Arts Council England, Homes England, National Lottery Heritage Fund and others. Better strategic partnerships with these organisations and a commitment to focus their resources will increase investor confidence and enable the sea-change in economic fortune desperately needed in coastal areas.

UK Government should openly commit to closing economic performance gaps for SELEP coastal towns alongside its plans for the Midlands and the North. The Town Deal Programme offers an exciting chance to do this; an opportunity that would be foolish to miss.

We think that coastal residents and businesses deserve better. For this to happen sectors that are significant on the coast need positive support to grow.

First steps to driving economic growth against the five foundations of productivity

People

We need to address the disparity in social mobility between SELEP coastal towns and the wider region. Residents of towns like Margate, Ramsgate, Folkestone, Hastings, Newhaven, Clacton and Canvey Island are frequently deprived of access to good educational provision simply by virtue of their location. The best talent invariably leaves and when positive initiatives arrive from outside they often fail to take root due to critical infrastructure deficiencies. Some initiatives, such as the Opportunity Area Programme in Hastings, have begun to raise achievement, but even then, a lack of long-term commitment can easily undermine the incremental gains.

Place

We want our coastal towns to be the first choice for housing and energy investment. Coastal geography and erosion can make the same towns susceptible to

The delivery of many of these proposals is dependent upon the identification of additional future funding from sources beyond the coastal partnership.

People proposal

Proposal	Desired Outcome	Partners	Initial Target
To roll out an Opportunity Area Programme to areas of underperformance in schools and where children face poor social mobility	<p>To develop and sustain performance from primary school to 18 years old through targeted, industry-focussed interventions</p> <p>To develop the processes and partnerships which enable this to be provided over a 'long-term' for each of the federated areas</p>	DFE, Schools Commissioner, education authorities, FE colleges, academy trusts, employers	To bring forward proposals by December 2020

Place proposal

Proposal	Desired Outcome	Partners	Initial Target
To develop a programme of retrofitting and other energy efficiency interventions in partnership with the private rented sector to improve energy efficiency and improve housing stock	<p>To improve the energy efficiency of a number of properties</p> <p>To develop a package of technical, legal and enforcement tools for national use to deliver both climate change and housing targets</p>	Local authorities, Homes England, National Landlords Association, Energy Industry, University sector in terms of research and assessment and colleges leading delivery of skills programme	<p>Pilot proposed by March 2021 with funding package to support first steps</p> <p>Management structure set up between lead partners.</p> <p>Legal structure identified if appropriate</p>
To develop an economic and social response to the impact of global warming	That the coastal communities can integrate mitigation (budget) with economic, transport and social planning	SELEP, climate groups, Coastal Communities Group	Initial steps drafted by March 2021
<p>To create the conditions where public realm investment is encouraged, particularly where planning will not provide this</p> <p>Very close links with transport and access initiatives</p>	<p>A public realm partnership to support the development and funding of public realm schemes</p> <p>UK Shared Prosperity Fund bid to support public realm investment where market failure means it cannot be obtained elsewhere</p> <p>Measurable increases in jobs and wealth creation in seaside communities stimulated by initial investment</p> <p>Drawing together of transport, cultural/heritage and infrastructure funds to stimulate investment in commercial and housing development</p>	Local Authorities (both tiers), Homes England, MHLG, SELEP, Academy of Urbanism, Developer(s), ACE, NLHF, Historic England	<p>Plan to stimulate public realm and infrastructure improvement in coastal towns</p> <p>Bid to Shared Prosperity Fund to kick start public realm investment in coastal communities</p>

the negative effects of climate change. In parallel, the coast offers a unique opportunity to make structural improvements to the private rented sector housing market. Many seaside towns are rich in energy inefficient properties, with high levels of fuel poverty. Switching these properties from gas to alternative heat sources will require a comprehensive package of measures, including: retrofit, the use of enforcement powers, and new partnerships.

As European funding streams come to an end, our coastal towns will work with SELEP to convene a Place Shaping Board, involving partners from Arts Council England, National Lottery Heritage Fund and Historic England. This board will help to focus and coordinate key support services to effectively plan how we improve our seafronts and town centres.

Infrastructure

Coastal towns often suffer from 180° catchment areas and poor connectivity; resulting in low business productivity and skills gaps. Accordingly, the SELEP coastal towns should be the priority locations for investment in new digital and transport infrastructure. This priority status will provide coastal towns with a competitive edge, 'level the playing field' with other city regions, and attract the most exciting and innovative investors.

Similarly, many coastal towns have become the 'end of the line' for transport connectivity and energy transmission. Conversely, their natural assets, topography and sector specialism make them an ideal location for energy generation.

Infrastructure proposal

Proposal	Desired Outcome	Partners	Initial Target
Coastal Digital Investment Plan	Business and housing investment is stimulated by the most attractive digital offer in the South East	Planning Authorities, DCMS, Virgin Media, BT Broadband, CityFibre	Digital targets for the coast identified by March 2021
To develop coastal energy projects as opportunities of climate plans Transmission coast to coast	Develop a single vehicle for coastal power generation SELEP Coast is perceived as clean, green and environmentally responsible High level of investment in energy-based projects Coastal town transport shifted from car	BEIS, SELEP, UK Infrastructure Commission, Planning Authorities	Initial steps drafted by March 2021
To bring coastal towns into the regional economy by providing good connection to London, UK and European transport links	Priority status given to train lines such as HS1 and the development of coastal trunk roads, seaports and coastal airports Dedicated investment programme to bring forward priority status projects	DFT, County Councils, business groups, rail groups, network operator	Initial targets and key projects identified by March 2021

Ideas

It is evident that coastal businesses have received far less research and development funding than their mainland counterparts. It is critical that this changes in what is often a low wage, low skill economy. Our higher education and further education partners can support the development of programmes that encourage innovation, productivity improvements and entrepreneurialism for coastal businesses.

Business

Business support is too often structured around the gravity of city centres. This re-enforces an un-level playing field for business growth. Resources to support coastal small and medium businesses need to be deployed to equalise business growth rates. We also need place-based markets and support models that fit local, potential and prospective businesses.

Ideas proposal

Proposal	Desired Outcome	Partners	Initial Target
To encourage HE to direct more R&D investment to coast businesses	Initial project funded by enterprise areas and universities to help SMEs afford the costs of R&D partnership	SELEP, Growth Hubs, Town Deal, Local Authorities, U9 university group, FE sector, Innovate UK	Project designed and funded on pilot basis by September 2021
To develop commitment of U9 university group to research and development in the SELEP coastal area	Commitment to share plans as part of U9, business and social commitments, to gain a clear understanding of how other partners can support this and integrate it strategically	Universities, SELEP, Town Deal Boards, Local Authorities	U9 “committed to the coast” as part of both business and diversity models

Business proposal

Proposal	Desired Outcome	Partners	Initial Target
To encourage investment which will close GVA and job density gaps by providing extra incentive to invest and grow coastal businesses	Prioritisation of cultural and creative business right around the coast. Specific programme to encourage investment in tourism infrastructure	Growth Hubs, BEIS, DWP, Job Centre Plus, FSB, Chambers of Commerce, Institute of Directors, MHCLG	Support programme drafted by March 2021

INTRODUCTION TO THE COASTAL COMMUNITIES

This Coastal Economic Prospectus sets out significant opportunities that the coast has before it. These opportunities will help drive the success of the coast. With the right investment the South East Coast will be able to enhance its economic performance and provide a high quality of life for residents and visitors.

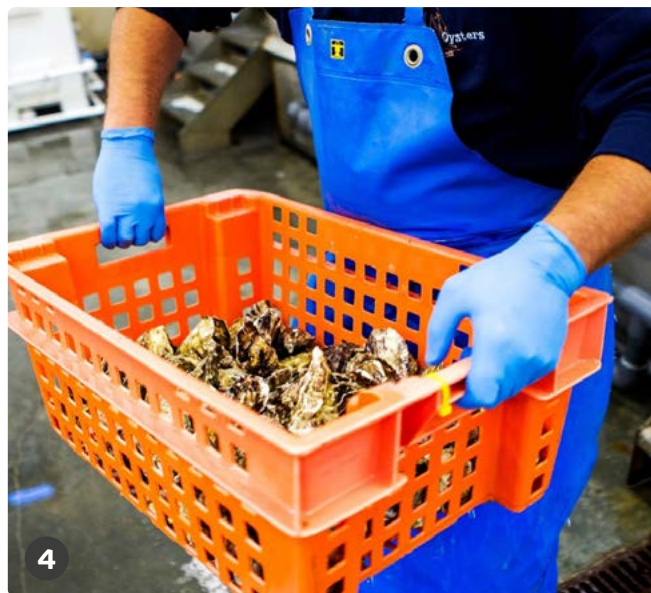
Our towns are the South East's "crown jewels", boasting a wealth of natural capital, history, heritage, relaxed atmosphere and fresh air. Our towns offer a high quality of life and are seen as attractive places to live and work.

We need to continue to deliver economic growth in order to offer our residents new opportunities and strengthen our business environment for the private sector. Our towns have a number of significant opportunities across a number of sectors, including Creative and Culture, Energy, Maritime and Marine Engineering and Healthcare.

The Economic Prospectus has identified priority activities that will drive economic growth around the coast against the five foundations that have been identified within the National Industrial Strategy (People, Place, Infrastructure, Ideas and Business).



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We believe that the coast can make a significant contribution to both the Clean Energy and Ageing Societal Grand Challenges. However, more needs to be achieved, including developing our workforce, addressing housing conditions and supporting our businesses. If we are able to address these issues, we will be able to improve coastal economic performance.

The Economic Prospectus also informs the SELEP Local Industrial Strategy and identifies how the current gap in economic performance between the coast and the rest of the region and national level can be reduced. The Prospectus therefore seeks to:

- Demonstrate our ambition to identify the priorities we intend to focus on
- Articulate the support we need to grow our economies
- Identify how the coast can make a greater contribution to UK PLC.

Our Vision

Our vision is to:

Improve the economic performance of the coast in absolute and relative terms to grow our economy and narrow the gap with the wider SELEP region.

Ensure our residents and communities benefit from inclusive regeneration and through improved skills and workforce development.

OUR AMBITIONS SEEK TO IMPROVE THE ECONOMIC PERFORMANCE OF THE COAST:

- Improve connectivity in order to improve mobility and attract new investment and business
- Work alongside the Clean Growth Group to ensure the coast is at the forefront in delivering programmes that address the climate emergency
- Provide our residents and communities with improved skills and workforce development
- Work with SELEP/Government to make policy and programmes “coast friendly”
- Attract and retain business investment and government interest in supporting growth in economic productivity
- Improve the environmental fabric of the coast including housing, seafronts and town centres
- Build on existing relationships including with our Clinical Commissioning Groups and health partners to address long term health issues which impact our communities and economies.



Our Ambition

Economic opportunities for the coast:

- Our natural environment forms a large part of the South East's attractiveness, and it embodies some of our biggest opportunities and challenges. We want to generate, use and recycle clean energy. A strong energy sector will present new employment, establish supply chains for local businesses and drive productivity.
- Culture and Creativity has been key to our improvement over recent years in a number of our towns. The sector supports our economic performance, and our ability to attract new visitors and residents. Growth in the sector has reinforced our positive reputation as economic locations to grow businesses in. We want the sector to continue to grow, supported by technology and the availability of high quality workspace.
- We are keen to support the evolution of the visitor economy into a higher value, all year proposition by helping to drive up skills and move away from low value seasonal work.
- The Maritime and Marine Engineering sector offers significant economic growth opportunities which will provide a real stimulus to the coastal and regional economy. The sector offers real potential as the region builds its reputation as a global gateway, identified as a key role for the South East in the South East Local Industrial Strategy.
- Our demographic profile reveals that we have an older community when compared to the rest of the South East. This presents an opportunity to support the Ageing Society Grand Challenge by being a location to test and embed Artificial Intelligence (AI) technology developed through the AI Grand Challenge to support our elderly community.

Overcoming these issues represents the South East Coast's biggest opportunity for sustainable regeneration and growth.



THE COASTAL ECONOMY

Our economy is largely built upon micro and Small and Medium Enterprise (SME) businesses, with many based within declining traditional industries, which are low skilled and seasonal by nature. The origins of our relatively weak economy and poor wellbeing indicators lie in the decline of our traditional industries. The persistence of these problems, despite the area's natural advantages, can be identified by the low levels of business innovation and our low productivity levels.

- The South East coastal economy currently contributes over £36bn (1.3% of UK output) per annum to the UK economy
- The coast is home to over 2m people, with anticipated future growth averaging 7.5% per annum over the next decade. Our population growth will partly consist of elderly and unskilled/unemployed inward migration which does not contribute to economy, while our economic performance is compounded by our skilled/younger people moving away from the coast. However, we have extremes, with Whitstable for example, attracting high earners who are making housing unaffordable for local people
- It is home to over 72,000 businesses registered for VAT and employs over 800,000 people
- The South East's Gross Value Added per head in 2017 was £28,683, while the coast averaged just £17,840 per head. The coastal average is close to the performance of Blackpool (£17,309), Lancaster and Wyre (£18,482), Middlesbrough (£18,540), Cornwall (£17,634) all of which are recognised as economies requiring significant investment
- Coastal economic performance rivals the most deprived communities in the north, even with further growth in the South East
- The house price to workplace-based earnings ratio for the coast reveals that prices are 13x earnings, compared to 10x earnings in the wider South East region, while some towns including Whitstable and Broadstairs are currently experiencing house prices 15x higher current average salary wages
- If the coast were able to match the predicted growth rate for the UK over the next decade the economy could grow by 15% to £43bn per annum creating a potential 48,000 additional jobs.

These indicators reveal a stark difference in economic performance of the coast to the wider region.

More needs to be done if we are to improve our economic performance and reduce the gap that exists to the South East regional economic average.



Our challenges are very real:

The challenges facing the coast are interlinked and manifest in a number of our communities. They are the result of a number of factors, including economic decline and the housing market being used to relocate communities who have health conditions, are vulnerable and lack both the ability to work and the skills our economies require. Our challenges are significant:

- The coast has significant numbers of Super Output Areas in the worst 10% nationally. This number has been increasing in the past decade and widening the gap in economic performance. Hastings (30%), Thanet (21%) and Swale (20%) stand out, as does Jaywick Sands in Tendring, which is the most deprived ward in the country
- Significant levels of deprivation exist around the coast, particularly in places like Eastbourne, Camber, Folkestone and Dover
- Our towns are amongst the most underperforming economies of the country. Our communities suffer from low productivity with coastal output levels currently 8% lower than the SELEP average
- Our productivity reflects the coast's reliance on traditional seaside industries which are low skill/low wage and have a high level of seasonality
- Our economy is dominated by SMEs based in traditional sectors which have been declining due to the collapse of the domestic holiday sector and reduction of port-related heavy industry
- Our average wage levels are lower than regional and national averages and our economies lack innovative businesses offering high value, high skilled employment opportunities
- Some coastal towns lack connection from the major road network and fast, reliable trains, which creates isolation, reduces mobility and restricts business growth and productivity
- House prices are between 9x and 13x local earnings levels around the coast
- Private rented housing numbers are double the national average in some communities and we are still experiencing rapid growth in the number of Houses of Multiple Occupation
- The private rented sector is over 30% of housing stock in a number of areas; this is over twice the national average; in our most deprived areas this figure is even higher. In some communities, such as Cliftonville, Thanet, this figure rises to over 70%. This exacerbates the problem coastal communities have with market failure and in tackling the impact of concentrated landlord ownership of properties
- We have become destinations for London Boroughs and the wider South East to relocate members of their community, including vulnerable groups
- We have a mental health crisis in our communities. NHS indicators reveal that the coastal population has the highest incidence of mental health issues in the country
- The health of the local population is poor, with indices for mental health, drug and alcohol abuse above the regional and national average. These conditions are a significant barrier for employment
- In the majority of towns, residents on incapacity and disability benefits are over 50% of those out of work
- Successive generations have never entered the employment market and our skills levels trail behind the regional average at every level. Our school's performance lags the regional average by 3%
- There is a lack of aspiration towards jobs and qualifications which serve as a fundamental barrier to people reaching their potential.



PEOPLE

We want to ensure that greater numbers of our residents are ready for work and address the current lack of social mobility and ensure that our businesses can access the skills they need.

We want to fundamentally tackle deprivation that has led to intergenerational worklessness and a benefit claimant culture which is linked to a high incidence of complex health issues.

We believe we can encourage more members of this community to make a contribution to the economy, using their skills and knowledge to support future generations. We wish to encourage flexible and agile working to ensure that work/life balance is beneficial to our communities.

Recent thinking has been a “rising tide lifts all ships”. On the coast some ships have risen. A sustained approach to inclusive regeneration will provide the buoyancy to lift far more.



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Skills levels within the coastal communities reveal real underperformance against their inland neighbours at all NVQ levels.

The greatest gap in performance compared to the rest of the SELEP area is at the lowest skills levels.



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Opportunity

We believe there are opportunities to strengthen existing support systems and networks further. Key areas that require additional resource and focus include:

- The national Opportunity Area Programme has demonstrated how a targeted programme can help raise aspirations, engage communities and tackle issues such as mental health
- Utilising retained Apprenticeship Levy funds that have accumulated to invest in our skills infrastructure
- Increased dialogue between young people and businesses through a long term programme
- Lifelong learning and reskilling older generations
- Develop further and higher education programmes to support our high growth sectors, such as Energy, Creative and Maritime
- Develop alternative curriculums to engage the most at risk in schools

We want to attract higher value jobs in order to begin to increase economic performance. The coast offers a high quality of life and a strong sense of community underpinned by cultural, sporting, religious and community groups. These are important in helping to retain people in smaller communities, which supports improvements to labour supply.

To realise our potential, we need to

Where appropriate funding and opportunity is identified, we want to develop a clear pathway between all levels of education, which continues to inspire, raise aspirations and retain young people, providing them with opportunities to stay on the coast in the long-term. We want to build on existing best practice by:

- Exploring with the Department for Education how the Opportunity Area Programme can be expanded to all coastal towns, building on the success of the national programme
- Developing a long term programme which increases the number of businesses supporting work in schools to inspire our young people. We also want to pilot new curriculum approaches with a vocational focus on our core sectors, including Creative, Energy and Maritime and Marine Engineering
- Developing pre-employment programmes that support our communities to become work ready and prepared for work, while also improving business skills for potential entrepreneurs
- Seeking greater control, joint ownership and targeting of the skills system by retaining funds that have been secured through the Apprenticeship Levy to enable investment in our skills infrastructure, which will deliver improved outcomes
- Working with our colleges and universities to develop a coastal programme which ensures that our residents and businesses can receive new skills and qualifications
- Working across the public and private sector and region's universities to develop AI to meet resident's needs.

We want to develop programmes which increase the employment rate of local residents and provide high quality workspace units to meet existing demand and provide space for residents to develop new business ideas. We also want to ensure our older residents have access to digital infrastructure to help improve economic activity and develop the use of new AI in supporting our residents.



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PLACE

Our unique coast includes our historic seafronts, maritime towns, stunning beaches and geographies. However, deprivation is significant in many of our towns and investment is needed if we are to improve our long term performance. Our restricted 180° geography limits our access to markets, land availability and connectivity. Our housing is largely Victorian and Edwardian in nature and we are restricted in the amount of land available for further growth.

Housing is an area where we want to make real changes. Significant numbers of our houses are empty or in poor condition while the private rental sector is most evident in coastal towns.

We have an important place-shaping role to ensure that our towns are vibrant and welcoming. Our high streets have been hit hard with recent changes in retail trends. While we also have an important role in delivering new Garden Communities at Otterpool Park, Folkestone and Tendring Colchester garden community.

The most acute concentrations of deprivation can be seen in and around Hastings, the Isle of Sheppey, Jaywick, Clacton-on-Sea and Margate. These areas together all fall within the 10% most deprived areas in the country.

Opportunity

The Coastal Space pilot project supported by SELEP in Hastings, Thanet & Tendring has demonstrated the benefits of capital investment in faltering or failing housing markets. Acquiring and renovating poorer quality housing to meet either market or affordable housing needs provides an opportunity to stabilise and strengthen those existing communities and achieves wider environmental, training and employment benefits. With progress being made with Modern Methods of Construction and Green Buildings, we want to explore how the coast may be an area that can benefit from new technology.

We want to take a strategic and evidence-based approach to the appropriate scale of population growth for each coastal community, in line with economic prospects. We would like to discuss with SELEP and government how we can develop a “coast friendly” funding framework and with policies which recognise the current uneven playing field in terms of land value, return on investment and addressing market failure.

The need for the development of homes is recognised by Local Plans, but in some coastal areas needs to be further stimulated and supported in a broader strategically planned way with investment levels and delivery on a major scale. As a consequence, much of the delivery of new homes has been carried out by SMEs rather than major builders. Without scale, cost efficiency and innovation there is a threat to viability and ultimately the prevention of development being realised.

We want to maximise opportunities from the Future High Street Fund and Town Deal initiatives. The Town Deals announced in Newhaven, Hastings, Margate and Colchester are a positive start, but we need to do more if we are to enhance our economies.



To realise our potential, we need to

Establish a Housing Acquisition Programme, which would be targeted at empty and run down property in areas of higher deprivation, lower values and historic under-investment; due to the low returns on investment. We will use the collective might of the coastal partnership to work with others in driving this forward.

The programme could also be extended to retrofitting homes on a larger scale and assist in meeting Climate Emergency targets.

Discuss new powers with government which would strengthen Selective Licensing Regulations, to ensure that landlords are committed to improving their stock to the Decent Homes Standard and supporting large scale regeneration.

Work with MHCLG and Homes England alongside Housebuilders to explore potential advantages of allowing a grant to be deployed on the S.106 affordable housing element of sites where this will increase viability and accelerate the delivery of homes on sites that would otherwise remain undeveloped.

Establish a Place Shaping Board for the coast which would enable partners such as the Arts Council, Historic England, National Lottery, SELEP and local authorities to work more closely and identify initiatives that will enhance place-making on high streets and employment areas and initiatives that lead to housing market renewal.

Town Deals and Future High Street Funds provide an opportunity to join up policy, particularly with an increased higher education presence. We want to explore new and best practice that is improving high streets and share our learning as it emerges.

INFRASTRUCTURE

The South East Coast is the UK's closest link to Europe. Post Brexit it will provide an enduring gateway for tourism and trade.

We are seeking support to improve our connectivity to key economic centres with further investment in place-based initiatives, on a long-term strategic basis. This is a key element required to raise productivity of the coast. Current assessment methodology is predicated on high job growth and value for money based on user numbers.

Improved infrastructure will help open up new markets and improve the movement of people to better employment and educational opportunities. The impact of this would increase our productivity and improve the social mobility of our communities.

We want to ensure that business demands for advanced technology can be met.

However, a number of our towns have evidence of technology not meeting business requirements. We need to ensure that we have infrastructure, both physical and digital to encourage more businesses to invest in the coast.

We want to create economic opportunities / mitigate economic risks around flooding, coastal erosion risk management and improve bathing water quality.

Opportunity

Improved transport routes will provide the coast with access to regional economy and new markets for our businesses, attract new inward investment and provide our communities with greater mobility and access to new employment opportunities.

A leading digital infrastructure would help our economies grow our creative sector further, supporting existing businesses to scale up and grow, and attract new talent to set up new business or relocate existing companies. A leading digital infrastructure coupled with our low operating costs would attract new investment. Some of our communities such as Rother have just 3% coverage for High Speed Digital infrastructure when compared to Cornwall (30%) and London (80%).

'Poor connectivity is seen to restrict opportunities within the coastal communities...it also reduces the size of workplace catchments from which individuals can seek employment'.

– Transport for the South East

To realise our potential, we need to

Establish how the current funding methodology can be updated to ensure that investment can benefit coastal areas. This is necessary if we are to change the performance of the coast. Investment is required in road, rail and digital infrastructure. Should requisite funding become available, our ambitions are clear.

We want to improve access to our major ports to deliver on the promise to be the national gateway to the continent.

We want to secure the extension of High Speed Rail (HSR) from Ashford to Hastings, Bexhill and Eastbourne. Work with partners to improve access for coastal residents and businesses to major employment, such as improvements to the branch line between Clacton-on-Sea and Colchester and continue to support Thanet Parkway, a connectivity and business development hub.

Ensure that the coast has access to a reliable high speed digital network which exceeds the requirements of business if we are to boost productivity. The coast needs to be a priority for future investment.

Continue to grow the work of the South East Creative Economy Network in supporting the Creative and Digital sector. We want to ensure that our towns provide the correct environment for the sector, with links to the Thames Estuary Production Corridor and working with creative partners from the Brighton region where this is mutually beneficial, to ensure that we can meet future demand that the creative sector has.

We want to ensure that investment in new technology, from whatever available funding source, is targeted towards delivery on the coast.

We want to effectively mitigate the economic impacts of flooding and coastal erosion risk. We also want to deliver initiatives which improve bathing water quality.



IDEAS

Our natural capital offers the opportunity for diversification of our economy, in providing new job opportunities. Research and Development (R&D) expenditure is however lower in coastal areas, as is the overall number of project applications submitted to Innovate UK.

We have high growth potential within our key economic sectors. We have three Coastal Enterprise Zones; Discovery Park, Sandwich, is home to globally focused businesses, while Rochester Airport and Newhaven Enterprise Zones are progressing well. All of our zones are providing opportunities to business and are beginning to have a positive impact on the coastal economy. Other key employment zones will play important roles in supporting business growth including Clacton, Harwich and Southend Airport Business Park.

The coast currently has limited connection with the region's higher education institutions and is therefore unable to exploit research and innovation opportunities.

With new partnerships, the coast could develop its innovation assets and strengthen its ability to attract investment in R&D and venture capital.

Innovate UK data reveals that the coastal communities receive only 10.4% of innovation and research funding accessed within the SELEP region.

Opportunity

Where we are enabled to do so through freedoms and funding routes, we want to address the low skill, low wage economy on the coast and replace it with a more technology driven economy providing high skilled opportunities. We want to work with our further education and higher education institutions to establish programmes that encourage entrepreneurialism on the coast.

We have an opportunity to drive the implementation of programmes to enable a coast-wide approach to innovation; with the coast serving as a testbed for AI technologies which could assist in addressing our challenges concerning our ageing community and limited social mobility.

The region has a strong university offer, however little of this reaches the coast. A focused long term programme would engage our residents and businesses in a more consistent and outcome focused way.

To realise our potential, we need to

Work with SELEP and its U9 group of universities and further education institutions to develop a coast-wide approach to innovation.

Develop a strategy that enables the coast to operate as a testbed for new AI technology that can help us address key challenges.

Work with partners to identify new opportunities that integrates coastal businesses into activity that boosts R&D spending, scale up innovation projects and share information between sectors, partners and universities more effectively and more systematically.

Work with all partners, including central government to develop and establish new set-piece funding processes and support structures which encourage collaborative, business-orientated innovation. This will support business growth and help tackle our current productivity deficit.



SOURCE  PARK

BUSINESS

The scale of the climate emergency has been widely recognised by our local authorities and business. We will take steps to address the short and long term impacts climate change will have on the coast. We want to work closely with the Clean Energy Working Group to identify programmes and actions that will help address the challenge and mitigate its impacts. A number of the actions will help tackle the climate emergency and provide economic opportunities to the coast.

The coast has a number of sectors which offer significant potential that we believe can deliver growth and address our productivity challenge and improve our GVA per head from amongst the lowest quartile in the UK.

The energy sector is a major opportunity with potential for both micro and macro energy schemes. We are committed to delivering a carbon neutral economy. We want to be clean users and generators of energy and drive our local agendas with our communities. The maritime sector is one that is currently under-developed on the South East Coast when compared to other UK regions.

We are seeking to develop a bespoke programme to support both the energy and maritime sectors and marine engineering in partnership with our businesses and stakeholders.

The wider UK coast is currently collaborating and co-developing a series of activities to mark 2021 as the Year of the English Coast. This work will help underpin further work with the tourism sector to increase the number of visitors and the length of stay in our towns.

Opportunity

We will champion a green and clean economy which is environmentally responsible, whilst looking for the economic opportunities within the sector which will help stimulate further growth.

We also want to raise the South Coast's visibility as a port and maritime driver and work with other maritime locations, both in the UK and internationally.

Although local authorities provide support to coastal SMEs, at present many continue to find it difficult to access the funds they require, principally as they do not have the time or resource to submit speculative applications. We will work to establish a way of providing capacity and signposting to businesses to help them benefit from any support that is available to them.

The creative sector is pivotal for the next phase of economic growth and productivity improvements along the coast. We welcome the Creative Open Workspace Masterplan and Prospectus and are keen to explore how we can ensure that workspace is available to businesses, such as the Thames Estuary Production Corridor.

We want to use opportunities such as the Year of the English Coast in 2021 to promote our towns and improve the economic productivity of the Tourism sector.



To realise our potential, we need to

Work with SELEP and the energy industry to develop a response to the Offshore Wind Sector Deal and develop the coast as a major energy generator. We want to support growth using our planning powers and regulatory functions to encourage large scale delivery of solar farms, wind turbines and tidal energy farms. We want to support the nuclear industry to be highly productive where growth plans are being implemented, such as at Bradwell B or as opportunities arise in the future, such as Dungeness. Investment in the nuclear sector will provide an economic boost for the coast. Stakeholders will need to support the sector if benefits are to be achieved.

Deliver a major retrofitting housing programme that takes advantage of the new energy being generated. Delivery of the programme will ensure new, highly skilled jobs for our residents and supply chain opportunities for our businesses.

Review the wider potential of the maritime sector to drive new economic opportunities and the role Freeports could play, particularly the importance of our port related activities in the post-Brexit economy. We want to work with the Thames Gateway and East Coast to explore best practice.

We want to address seasonality in our economies by creating new patterns of demand for tourism and promote unique selling points and distinctive market niches in the visitor economy. We want to benefit from the Tourism Sector Deal. Our proposals include establishing a grant fund that encourages new investment in accommodation provision and de-risking

the sector to encourage growth. We want to attract new visitor accommodation and explore how our communities can benefit from Government's ambition to become Europe's leading hub for hotel investment.

Examine and develop models to address SME financial exclusion and lack of lending including evaluating the impact of existing Community Banks and Social Impact Bonds that are in operation.

Establish an Economic Sustainability Leverage Fund which could be deployed when a strategic heritage or tourism asset is under commercial threat.

Ensure the continued success of the creative sector identifying where investment ensures that flexible workspace is available at a reasonable price. We want to benefit from the Creative Industries Sector Deal and create three Creative Enterprise Zones which would help deliver economic growth to the coast.

Gross Value Added per head across SELEP is currently £28,683, while the coast averages just £17,840. A stark difference in economic performance which we need to address.

The coastal average places us within the lowest quartile of locations in the UK.



HOW THE COAST WILL WORK TOGETHER

The South East coastal local authorities have a long history of working together and have robustly agreed during the development of the Economic Prospectus to drive the growth of the coastal economy across the South East region in order to improve our economic performance and productivity. Working together we will:

- Share best practice and learning on a more formal basis across our councils
- Build a joint programme with support from our business communities and residents that tackles the climate emergency and improves economic improvement around the South East Coast.

The Coastal Partnership will aim to achieve the following ambitions by 2039:

- The gap in GVA performance will have closed by 1% by 2025 and 3% by 2039 and by 2050 it will be eradicated
- We will grow the coastal economy by 15% to £43bn per annum and create an additional 48,000 jobs. With intermediary targets of 3% growth by 2025 and an additional 8,000 jobs
- We will have increased the employment rate in coastal areas to match the rest of the region
- We will have increased job density in each local authority to match the wider SELEP average.



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SELEP will be appointing a senior officer to help coordinate the programme of activity set out in this Prospectus. Additional support is crucial and would work closely with regional stakeholders. This would strengthen our partnership, and provide capacity to build key relationships which will help transform our economic performance and deliver the priorities set out in this Prospectus.

The senior officer will interact across all of the regional partnerships and submit proposals through appropriate SELEP structures.

We also believe our work can be a learning point for other parts of the country and position the South East as the UK's leading coastal area. We will proactively work with other coastal regions, sharing best practice and knowledge where this is appropriate.

The Economic Prospectus has been led by the coastal districts and boroughs who have a track record of cohesive partnership working and are well-placed to drive an economic renaissance around the South East Coast.

These authorities are well positioned to continue to deliver at the right level to make this step change.

DELIVERING THE COASTAL ECONOMIC PROSPECTUS

The Economic Prospectus sets out a long term strategy to improve the economic performance and productivity of the South East Coast. The programmes set out in this Prospectus need to be implemented if we are to be successful in raising the coast's performance from amongst the lowest GVA per head performance in the country. We want to act quickly to move the Economic Prospectus into its delivery phase.

Albeit contingent on the availability of funding from government and other sources, with the ongoing support of SELEP, we will be able to build new partnerships, networks and develop business cases which will attract new investment from both public and private sectors which will meet the ambition we have set out. Our priority actions that we are seeking to undertake in 2020 includes:

- Convening discussions with the energy sector to enable us to begin to scope activity that develops both micro and macro energy systems that will increase the productivity of the sector and help us outline a major retrofitting programme of our existing housing stock
- Rolling out the Opportunity Area Programme to other coastal towns over the course of 2020
- Working with the U9 group of universities in early 2020 to quickly develop a programme that connects coastal businesses and residents with higher education and explore with further education partners how we can engage residents more effectively and support local business needs
- Establish the Place Shaping Board which will oversee the development of our regeneration proposals including:
 - Outlining a new regeneration programme which will tackle our most deprived communities
 - Assist in creating a Housing Acquisition Programme
 - Economic Sustainability Leverage Fund
- Develop responses to the government's Sector Deals where they align with the Prospectus, including the Tourism Sector Deal, Off-shore Wind Deal and the Creative Industries Sector Deal
- We will bring stakeholders together to explore how we can develop a Maritime Sector Group that will develop a programme to support the sectors growth by 2021
- We want to initiate discussions with government to discuss new powers which would strengthen Selective Licensing Regulations and develop a dialogue with MHCLG and Homes England to explore potential advantages of allowing a grant to be deployed on the S.106 affordable housing element of sites
- We want to ensure that the coast is prioritised for investment in new technology such as 5G over the next two years. We will also continue to work with the South East Creative Economy Network in order to support the Creative and Digital sector
- We want to work with Transport for the South East to revisit the business case for transport improvements that underpin improvements to coastal economies and secure support for the business case that will lead to the implementation of new schemes.



PARTNERSHIP AND SUPPORT



Project Management Group: Tendring, Southend, Rother, Thanet, Hastings Councils and SELEP, in collaboration with Deyton Bell Limited, who also produced the supporting **Data Pack**. (www.hastings.gov.uk/content/regeneration/pdfs/coastal_prospectus_data_pack.pdf)

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IMAGE REFERENCES

Front cover

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