

Annex 1

Economic Regeneration Advisory Board

23 June 2015

Tonbridge & Malling Borough Council

**Economic Regeneration Strategy
Revised Draft for Approval**

2015/16 - 2018/19



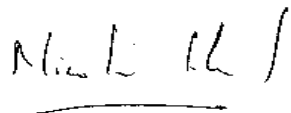
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Foreword - Economic Regeneration in Tonbridge and Malling: The Need for a Strategy

Economic regeneration was adopted as a new key priority for the Borough Council in 2012/13 as a response to the continued national and local economic challenges facing the Borough. Working with our partners across the County and in West Kent, a range of new, local initiatives to support business growth have been introduced since then. With the local economic recovery now firmly established, there is a need set out what how the Borough Council can help support the local economy over the next three years, to build on what has been achieved, and to focus our interventions to help achieve further growth and promote business competitiveness. The Strategy has six key objectives:

- It sets out clearly what actions and activities the Council plan to undertake across the Borough and ensures that these focus the support the Borough Council can give where it is most needed and is targeted at the local business sectors who would benefit from it.
- It sets out how the Borough Council will to work with, and engage, local partners to strengthen services and avoid any overlap in the provision of economic support services undertaken by other agencies.
- It reflects the results of consultation with our local business community and commits the Council to further, ongoing business engagement to identify local business priorities and needs.
- To commit the Borough Council to adopting an 'open for business' approach across all of our Council services.
- To focus on local job creation, training and apprenticeships, particularly aimed at helping those who are workless and in need of support to get back into the local job market and to meet the needs of our businesses who have unfilled vacancies and labour shortages
- To ensure the right support is provided and to work with partners to secure resources to enable planned local initiatives and projects to go ahead and deliver the outcomes we wish to see.

The strategy will therefore guide us in the economic initiatives we undertake as a Council and in our partnership working activities in West Kent and across the County. We will keep the strategy under close review and report on progress on the actions we set out on an annual basis.



Nicolas Heslop, Leader and Cabinet Member for Economic Regeneration

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1. Our Local Economy

To ensure we can provide the right support to local businesses most in need and to address any economic weaknesses, we need to understand the key components of the Borough's local economy. Analysis of the Borough's current economic profile highlights the following:

- There has been sustained local growth in employment in recent years. Between 2009 and 2011, the total number of employees in the Borough increased by 3% to a total of 57,400. Over this period, West Kent districts experienced overall growth in employment whereas North and East Kent suffered reductions. On this indicator, Tonbridge and Malling has the second biggest local economy in the County second only to Canterbury. Our current rate of unemployment is 1.2%, a 32.4% reduction from the previous year. This strong economic position indicates that there is considerable potential to achieve on-going future growth. The challenge will be, however, to identify and focus future business support on those parts of the local economy which might be under-performing relative to other areas in the County.
- Small businesses continue to form the backbone of the Borough's economic community. In 2014, over 75% of Tonbridge and Malling businesses had less than 5 employees and a further 12% had 5 -9 employees. Only 0.93% of local businesses employed more than 100 or more employees. There clearly needs to be a focus on supporting our entrepreneurs and our smaller businesses and helping them to develop and grow. The number of recorded new business registrations in 2013 in Tonbridge and Malling was significantly lower compared to both Sevenoaks and Tunbridge Wells. Although above the Kent average, new business survival rates for the Borough after 1 year and 3 years have been slightly lower for Tonbridge and Malling compared to the other West Kent districts in recent years, although figures for 2013 show improvement in this respect.
- Key sectors in Tonbridge and Malling include wholesale and retail, construction, health and social activities and education. The main key issue for our larger firms who employ 20 or more people is the lack of affordable business funding to aid expansion. Further support from the public sector to offer 0% interest financing to firms with growth potential is needed to sustain local employment and create new jobs.
- Compared to the Kent average, the Borough has a highly skilled workforce with 27% of the working-age resident population having qualifications at level 4 and above compared to 24% for the county as whole. There remains, however, 20% of the Borough's population who have no formal qualifications. To improve workforce skills and employability, further targeted support and training including work experience and formal apprenticeships needs to be given to those without qualifications. There are also lower levels of skills attainment within the Borough's more deprived communities.

- Along with West Kent generally, the Borough is an attractive location for business close to the M25 and London markets. The on-going success of Kings Hill is a good example of what the Borough is able offer those firms looking to relocate to Kent from elsewhere.
- Rural businesses, including farming and forestry enterprises, are also an important element of our local economy. Since 2009, we have been able to support many rural businesses and to help them expand and develop new products via the West Kent LEADER grant scheme which has been jointly funded by DEFRA and the EU. A new programme will start in 2015/16.
- The local tourism sector continues to be a major asset to our local economy. A recent impact study indicated that the total value of tourism to the Borough's economy was estimated to be £157,481,000.

Whilst our local economy has numerous strengths, and continues to be a key economic driver for the Kent economy as a whole, a recent economic report commissioned by the West Kent Partnership has made the case for additional investment to be made. The report has highlighted a number of key issues that need to be addressed including:

- The need to encourage additional inward investment and to market available vacant sites and business premises
- Addressing problems of local traffic congestion which affects local businesses in terms of delivery times and aid commuting
- A need to nurture high-value businesses linked to local research, technology development and further/higher education provision
- Investment to prevent local flooding which affects businesses in Tonbridge, East Peckham and the Medway Gap
- Continued support for new and small businesses to help them grow and expand
- The development of higher levels of skills within the local workforce focusing on meeting the employment needs of the Borough's key sectors
- Via the Local Plan process, identify sufficient new employment sites to help grow the local economy and provide for local businesses wishing to expand
- Further investment in our key retail areas to improve local access and bring forward additional retail and mixed use development
- Work with partners to secure additional external funding to support economic regeneration objectives and seek to demonstrate that investment in the West Kent economy would be to the benefit of the whole County
- Do more to engage local businesses and galvanise their support for local economic initiatives and future bids for funding.

There are also economic opportunities outside the Borough which will potentially provide new jobs and opportunities for local procurement. For example, the Paramount development at Ebbsfleet will generate significant employment opportunities and there is considerable potential for local firms, including those located in the Borough, to benefit from both construction and on-going operational contracts linked to the new theme park.

2. Working with Our Partners

The Borough Council has a key role to play in supporting the local economy, bringing forward employment-generating new development at the right locations, and addressing specific local issues, for example, in relation to the viability of its main town and local retail centres. Increasingly, however, achieving sustained economic regeneration will need to rely on joint working with partner organisations, particularly regarding the need to secure funding for locally delivered, key infrastructure and business support projects. We are therefore committed to working with a wide range of partners to achieve the actions set out in this Strategy. These include the following:

South East Local Enterprise Partnership and Kent and Medway Economic Board – Government is seeking to devolve responsibility for the funding of new infrastructure and business support initiatives to Local Enterprise Partnerships. Tonbridge and Malling is part of the South East LEP area which covers all of Kent and Medway, Essex and East Sussex. Operating under a federated model, the Borough's interests fall within the remit of the **Kent and Medway Economic Partnership**.

Kent County Council takes a lead on economic matters across the County and helps fund and deliver a number of wider business support programmes.

The West Kent Partnership is a private/public partnership covering Tonbridge and Malling, Sevenoaks District and the Borough or Royal Tunbridge Wells. Its remit is to focus on those key economic and transportation issues which affect West Kent as a whole. The Partnership has been successful in obtaining funding for a number of projects including the successful rural grant programme – LEADER. More recently, funding has also been secured from the Local Enterprise Partnership for a number of key infrastructure projects.

Business Support Partners – The Borough Council works with a range of partners who deliver support to the business community. **Locate in Kent** provides property information and advice for companies wishing to relocate to the County or existing Kent businesses who are looking for alternative premises. Local Chambers of Commerce, including the **Kent Invicta Chamber of Commerce and Industry** and the **West Kent Chamber of Commerce and Industry** provide a range of services to their members, organise business networking events and seminars and deliver support and advice services. A similar role is undertaken by the **Federation of Small Businesses** who work to promote the needs of, and act as an advocate for, this important sector. Other key partners include the **Centre for Micro Business**, currently providing specialist support to local businesses operating from home and mentoring for people currently out of work who are considering self-employment as an option, and local groups focusing on promoting retail vitality including the **Tonbridge Town Team**, and a wide range of **local Chambers and groups** for the Boroughs larger local centres.

Our **Town and Parish Councils** have a wealth of knowledge and expertise that can help in taking forward local economic initiatives, such as the grant scheme for local neighbourhood centres, as well as creating the right environment for sustainable economic development through the formulation of Neighbourhood Plans.

In addition to local schools, the Borough is home to **West Kent College** and **Hadlow College** (both now operated by the Hadlow Group) and **Mid Kent College** in Maidstone (which mainly serves the north of the Borough), who provide a range of courses and training up to degree level. In addition, East Malling Research also provides training opportunities for land-based disciplines and in horticultural research.

The Local Business Community in Tonbridge and Malling also plays a key role. Feedback from existing businesses and engagement both generally and on specific issues of concern such as the flooding problems in 2013/2014 will be an important element in shaping future service delivery.

3. Planning for Growth

The Borough Council's planning function and the delivery of local economic regeneration are inextricably linked.

In preparing a development plan for the area the Local Planning Authority has to set out a vision for future development looking 15 years ahead and be in accordance with the National Planning Policy Framework (NPPF). At its core, the NPPF has a presumption in favour of sustainable development and it sees the planning system as performing a number of key roles to achieve this. One of these roles is an economic one:

'contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure.' (NPPF - Paragraph 7).

One of the 12 core planning principles set out in the NPPF builds on this by stating: 'Planning should proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth.' (NPPF - Paragraph 17)

In responding to these, the forthcoming Tonbridge and Malling Local Plan will need to ensure sufficient new employment sites are identified to meet projected industrial and business needs over the plan period and to compensate for any existing employment land lost to other uses. Housing supply is also key to sustained economic growth. A sufficient amount and range of housing, including affordable housing and initiatives aimed at supporting local key workers, ensures an adequate source of local labour supply to meet the needs of local business. The new plan will also promote and support our town centres and the rural economy through policies that reflect the NPPF. An initial draft of the Local Plan will be available for consultation in late 2015.

The Borough Council is the first point of contact for businesses seeking planning permission, for example, to expand or redevelop their existing premises. The philosophy that underpins our general approach is to seek to facilitate economic development where this is appropriate. We adopt a corporate approach in assessing new development proposals involving joint working and information sharing between relevant Council services. This enables us to assess the acceptability of new development and then help negotiate solutions to any issues that may arise. We are also committed to ensuring that any additional consents and approvals for new business development, such as licensing controls and building regulations, are brought to the attention of applicants at an early stage to avoid future delays and to help businesses get up and running as soon as possible after planning permission has been granted.

4. Funding for Key Infrastructure

A successful local economy depends on effective local transport infrastructure to enable business to access markets, make timely deliveries to clients and for commuters to get to and from their place of work. Excessive road congestion, and cancellations and delays to public transport services can all have an adverse economic impact. The West Kent economy, although generally buoyant, does suffer from the impact of congestion on our motorway and A-road networks at major 'pinch points' in the system. The Borough Council therefore needs to work with partners to make the case for greater local investment to protect local jobs and create the right opportunities for businesses to expand and create additional employment.

A significant level of public sector funding for transport infrastructure is now being devolved to the South East Local Enterprise Partnership. The Borough Council, working with our West Kent Partners, needs to ensure that timely and persuasive bids are submitted when funding rounds are launched to maximise infrastructure investment in the West Kent area. For Tonbridge and Malling, we have already had some success with £2.19M allocated for much needed improvements to Junction 4 on the M20, £2.37M to improve Tonbridge High Street and a further £4.89M allocated to West Kent to fund sustainable transport projects.

Out future infrastructure funding priorities include the following:

- Investment of over £13M needed to improve the Leigh Flood Storage area to provide better flood protection to Tonbridge, Hildenborough, and East Peckham. During the floods in 2013/2014, over 100 local businesses were directly affected by the floods.
- A programme of improvements to the Borough's local stations including Snodland and Tonbridge to improve access and provide better facilities for users.
- Further improvements to the A21, south of Pembury, to improve journey times south towards Hastings.
- Improvements to existing motorway junctions on the M20 and M25 to relieve local congestion and address adverse environmental impacts.
- Investment to enhance and develop new research facilities and promote new bio-tech businesses at East Malling Research.
- M2 junction 3 improvements at Blue Bell Hill to increase capacity and support development outside the borough in Medway.

- Improvements to the A227, A228 and A229 in the Malling area contingent upon the construction of the new lower Thames Crossing.
- Support for improvements to Colts Hill to improve access between the A21 and the M20/M2.

5. Supporting Business

There is an extensive range of support already available to local businesses ranging from private sector professionals to on-line advice from national business portals. Larger businesses tend to use professional support whereas smaller businesses and those looking to set up in business for the first time seek free advice from various sources and public agencies. Businesses tell us that the number and range of those agencies can be confusing and often difficult to navigate.

The Borough Council has successfully delivered a range of free business support activities as part of the West Kent Partnership with funding support from Kent County Council. We need to continue to focus that support, given the limited resources available, to those areas of the local business community who would receive most benefit. Our future priorities will therefore be:

- Providing free one-to-one advice for start-up businesses and micro businesses. These form the major part of our local economy, they are the businesses who tend to rely most on free support and we need to ensure that their survival rates are improved to enable them to expand and grow. A particular sector which requires specialist advice and opportunities to network with others are businesses which are home-based.
- Our medium-sized firms employing between 10-50 people need less direct support but a key issue for those firms wishing to expand is the difficulty in accessing loan funding. We will therefore work with partners to build on, and extend, the highly successful ESCALATE programme which offers 0% interest business loans with funding from Government.
- Local businesses need to attract employees with the right skills and experience to enable them to be competitive. Currently, many highly skilled workers commute out of the Borough to outer London and the City. We need to work with local training providers, including Mid Kent, Hadlow and West Kent Colleges, to ensure young people undertake courses linked to the local skills needs of our businesses. More involvement from businesses in course design and business engagement with local schools is needed. We will also seek to promote the further development of local apprenticeships and expand local programmes to provide work experience opportunities to local school-leavers.
- Whilst levels of local unemployment are very low, there remains a need to address the needs of those residents who are not in work and remain benefit-dependent. We will work with partners to address these issues with a focus on supporting people to become more 'work-ready'. Support for those out of work wishing to explore self-employment as an option will also be provided.
- We will support the establishment of a new 5 year LEADER programme to provide grant support for local farmers, foresters and other rural-based businesses from 2015 that enables rural diversification and a strengthening of the rural economy.

6. Our Town and Local Retail Centres

We need to ensure that our town and local retail centres continue to be viable, generate sufficient trade and footfall, provide good access and car parking, ensure any vacant retail premises become quickly re-occupied and provide shoppers and tourists with a positive visitor experience.

Tonbridge is our key town centre and will continue to be a focus for our support. There remains considerable scope to enhance the retail appeal of the centre by attracting further investment to provide accommodation for additional retail development, local housing, leisure facilities and car parking provision. We will explore the potential scope for developing our own land holdings in partnership with others and seek the investment required to achieve this. Initially we will invest in townscape improvements to the lower High Street to create a more pedestrian-friendly environment and will encourage other landowners to invest where appropriate.

A suitable mix of different uses is a vital element of any successful town centre. In addition to attracting new retail outlets to Tonbridge, other uses such as additional restaurants, leisure facilities, for example, a cinema or bowling alley, and new visitor hotel accommodation will also need to be considered as part of any major new development. We also need to build on Tonbridge as a key tourist destination making more use of the existing attractions in the town including the River Medway, recreational facilities and Tonbridge Castle. Events can also attract new visitors to the town.

Engagement with retailers, other town centre businesses and with the Tonbridge Town Team will be a vital element in our future approach to the town centre. We need to ensure that all local retailers are engaged and involved in helping to develop future plans for the town and we will support initiatives and events that help promote trade and visitor awareness.

We are already working closely with the Federation of Small Businesses, local Chambers, traders' groups and Parish Councils to support and help fund initiatives that enhance our more major local retail centres across the Borough including larger centres such as West Malling, Snodland and Martin Square, Larkfield and also small neighbourhood centres including those at Ditton, Aylesford and East Malling. We will continue to engage with these groups and also wish to extend the initiative to our smaller neighbourhood centres.

A good example of joint working is the Safer Towns initiative in Tonbridge and local centres such as West Malling which is helping to make those centres safer. 46 local businesses are currently signed up to the scheme which provides a radio network for users to share information about potential shoplifters and other community safety issues. Further expansion of the scheme is being planned.

7. Tonbridge & Malling Borough Council - Open for Business

The Borough Council has a key role to play, individually and in partnership with others, to provide positive support and advice to the local business community. In addition to this, the Council also must, at the same time, undertake a number of regulatory functions some of which are relevant to, and will impact on, local businesses.

The Borough Council is committed to undertaking such regulation with regard to local businesses in a measured, consistent and constructive way and to seek to reduce the burden of regulation where possible. Where necessary regulation impacts adversely on a local business, we will take time to communicate clearly why this is necessary and explore what measures might be open to business to overcome any barriers or problems they face. Based on work already being undertaken by the Council's Food and Safety team, and adopting the Better Business for All model being promoted by Better Regulation Delivery Office, we will aim to adopt an 'open for business' approach across all council services in the form of a 'one stop shop' where contact between businesses and the Council is fully joined up regardless of whether that contact relates to regulation or offering support. We are committed to recognising the challenges which face businesses, particularly smaller businesses, and do as much as we can to assist them when some form of regulation is required.

As part of 'open for business' approach, we will:

- Do more to engage and consult positively with the local business community in the Borough to ensure it has a voice over Council matters and is able to influence our approach to business issues. We will make use of existing networks and organisations and hold specific engagement events to supplement these.
- Ensure local businesses are fully informed of any discounts or reliefs that may be available to them include business rates reliefs, and one-off support such as flooding relief funding
- Continue to hold free training events for local businesses to explain regulatory processes including, for example, food law, licensing regulations and planning matters.
- Ensure that local businesses have an equal opportunity to bid for Council contracts, working within the legal procurement framework set by the EU and the principles of the Public Services Social Value Act. This could be achieved by encouraging suppliers, particularly when new services are procured, to include local Social Enterprises within their supply chains.
- Help local businesses by promoting the Borough and supporting tourism and holding events which generate visitors to the Borough.

8. Action Plan

Action	Resources	Partners	Success Measure
Deliver free business advice and support focusing on the needs of entrepreneurs, micro businesses and home based businesses	Local Growth Fund Borough Council funding WK Partnership funding	WK Partnership Local Providers	The number of local businesses supported. Target: 75 per year
Secure additional 0% interest loan funding to support local businesses with growth potential	Local Growth Fund	South East LEP Kent County Council	New fund established. External funding successfully obtained by 10 local businesses successfully applying for funding per year.
Help broker engagement between local employers and local training providers across the West Kent area	-	WK Partnership Hadlow/West Kent Colleges, Local schools	Establishment of an active West Kent Business Skills Forum
Work with partners to promote greater work readiness via training, apprenticeships and support for self-employment	European Social Investment Fund	Job Centre Plus Community Partnerships Circle Russet Homes Local Providers	15% reduction in the number of ESA clients over the strategy period
Identify a pipeline of potential projects to support key transport infrastructure and business support needs including improvements to the Leigh Flood Storage Area, other local flooding issues and traffic pinch points.	Local Growth Fund European Social Investment Fund European Regional Development Fund	West Kent Partnership SELEP	2 priority schemes funded over the strategy period including improvements to the LFSA.
Bring forward further retail and mixed use developments and townscape improvements to strengthen the retail appeal of Tonbridge town centre	Regional Growth Fund Private investment Borough Council assets	Private investors	Planning permission in place by end of the strategy period
Engage effectively with town centre and local centre traders and extend support to neighbourhood centres	Innovation Grant monies	Town Team/ Local Chambers/Traders Groups/FSB/ Town and Parish Councils	Establish a town centre business forum Launch a grant scheme for neighbourhood centres
Promote the take up of LEADER grants by rural borough businesses	DEFRA TMBC/WK Partnership	LEADER Local Action Group	25 grants awarded to borough rural businesses.

Adopt a corporate 'open for business' approach across all council services	-	-	100% positive feedback from businesses engaging with the council.
Work with partners to secure high speed broadband services across the Borough to meet local business needs and to address local problems with mobile phone coverage.	-	TMBC/KCC/Town and Parish Councils/local service providers	90% coverage of the Borough by 2018/19.
Foster additional inward investment to the Borough via the promotion of vacant sites and existing premises	Locate in Kent	TMBC	20% increase in number of successful inward investment Borough projects handled by Locate In Kent
Support the development of the local tourism sector to increase local spend and promote employment	-	TMBC/Visit Kent/Local providers	10% increase in local spend by 2018/19.
Support the development of a new Tonbridge and Malling Local Plan, including the identification of new employment sites.	TMBC	TMBC/Adjoining Authorities/Specific Consultees/Town and Parish Councils	Adoption of the Local Plan in 2017.

9. Monitoring and Reviewing the Strategy

It will be important to ensure the Strategy is kept up to date and relevant to local business needs. We will therefore review progress on an annual basis both to note the progress being achieved with action plan and to adjust the plan to reflect any new economic issues arising.

In addition, set out below are a number of key economic indicators for the Borough which will also be reviewed on an annual basis (or otherwise when new data becomes available) to review the overall health of our local economy.

Economic Indicator	Previous Performance				Current Trend	Targets			
	2011	2012	2013	2014		2015	2016	2017	2018
VAT Registrations (Start-Ups)	550	545	675	NA		675	680	685	690
VAT De-registrations	450	515	510	NA		500	490	480	470
3 Year Survival Rates	65%	59%	77.6%	NA		80%	82%	84%	85%
Median Weekly Full-Time Earnings (Workplace Based)	£533.80	£491.90	£527.70	£529.20		£535	£545	£555	£565
Unemployment Rate (Claimant Count)	1.9%	2.1%	1.8%	1.2%		1.1%	1.0%	0.9%	0.8%
% 16-64 claiming out of work benefits	7.1%	7.4%	7.0%	NA		6.9%	6.8%	6.7%	6.6%