
Tonbridge & Malling Borough Council

Borough Economic Recovery Strategy

2021 - 2023



Images (from top) courtesy of NIAB EMR (Advanced Horticultural Technology Zone, East Malling); Pannatoni (Pannatoni Park Aylesford) and David Hodgkinson (Tonbridge High Street)

Foreword - Economic Recovery in Tonbridge and Malling

This Economic Recovery Strategy sets out Tonbridge & Malling's response to the economic crisis that has arisen from the Covid-19 pandemic. Combined with the health crisis, the economic crisis has impacted every sector, business and worker and together they present the greatest threats we have faced in generations.

In recent months, and in the face of considerable pressures, the Council has been working quickly and diligently to support our local businesses and residents. Over 1,500 local businesses have received grant support through via the Borough Council, amounting to an injection of over £20 million into the local economy. In addition, the Borough Council has:

- Set up and run a Community Hub for our most in need residents
- Part-funded the Kent-wide Covid-19 Business Helpline which has been used by over 750 local businesses
- Advised our High Street businesses and licensed premises in moving out of lockdown and adapting to Government guidance.
- Supported new work place opportunities for young people through the introduction of the West Kent Kickstart scheme.

As we continue to support our local businesses and residents through this crisis, it is essential that we look to the future and set out a framework detailing how we and our partners can facilitate a strong recovery and build back better. This document is our starting point and it is our intention to review it annually. We look forward to working with you to get our local economy back on track.



Nicolas Heslop, Leader and Cabinet Member for Economic Regeneration

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Introduction

Covid-19 has severely affected our communities and economy, forcing the Council to revisit its previous priorities and plan of action, set out in the *Economic Regeneration Strategy 2019-2023*. This Economic Recovery Strategy focuses on the short term and considers how the Council can respond to the current crisis and build back better. Whilst it is understandably focused on delivering results over the next few years, the Council will review the strategy on an annual basis and the current intention is that we will ultimately revert back to a five-year horizon once the hugely detrimental impact of the pandemic has started to subside.

The Council's approach to recovery revolves around working in partnerships with others to tackle the problems we face at present. Indeed, the Borough's recovery strategy reflects the Government's national recovery goals, the recovery framework outlined at County level and the local priorities of the West Kent Partnership and local residents and businesses. It is by aligning our efforts and resources that we will be able to get through the current crisis.

The recovery framework developed by Kent County Council (KCC) and the Kent and Medway Economic Partnership (KMEP) revolves around 5 channels of activity anchored by 3 key sustainable principles, which are set out in the 'Vision and Objectives' section of this strategy, and forms the basis for this document.

Despite moving to this new recovery strategy, there is a continuity with the former Economic Regeneration Strategy, and a number of previously trialled and envisaged projects are included in the revised **Action Plan**. However, all the actions set out in the strategy are focused on achieving a quick and sustainable recovery of the local economy. The adherence to a wider framework was adopted so as to ensure a seamless operation and integration of wider regional and national programmes, whilst also allowing for future revisions.

Working with Our Partners

The Borough Council recognises the key role it has to play in helping the local economy to recover, both in terms of setting a strategic framework for its approach as well as through the various initiatives it undertakes in order to contribute towards the creation of a better economy. However, our positive impact can only really be maximised by working with partners that also play an equally important role. As such, we are committed to working with a wide range of partners to achieve the actions set out in this strategy. The following are key strategic partnerships that the Borough Council engages with on a regular basis:

The South East Local Enterprise Partnership (SELEP): is one of 39 business-led public/private partnerships set up by government to make investments and deliver activities to drive growth and create local jobs. SELEP covers Kent, Essex, East Sussex, Medway, Thurrock and Southend and is the biggest Local Enterprise Partnership outside of London. Recent investments which have benefited from funding via the SELEP have included Tonbridge town centre improvements (Tonbridge High Street and River Walk) and Tonbridge Station. Funding has also been awarded to projects at East Malling Research Station and Leigh Flood Storage Area Expansion & Hildenborough Embankment.

Kent and Medway Economic Partnership (KMEP): is one of the four federated partnerships which comprises the SELEP. KMEP is focussed on driving forward economic growth and prosperity in Kent and Medway and is governed by a Board with membership drawn from business, local government and education establishments. KMEP delivers the objectives set out in Kent and Medway's Growth Plan.

West Kent Partnership (WKP): is the strategic economic partnership covering the local authority areas of Tonbridge and Malling, Sevenoaks and Tunbridge Wells. The three boroughs work closely together to make the most of the resources available to them in order to deliver more for our local businesses.

In addition, there are a number of key partners that the Borough Council works with directly to deliver initiatives or to support work in a specific area of the local economy. A list of these partners is provided in Appendix 1.

Policy Context

It is important to recognise that this Economic Recovery Strategy will be delivered within the context of a much wider policy framework, which at present is rapidly evolving. The table below provides a brief overview of the key national, regional, sub-regional and local strategies that look to address a range of issues affecting the economy:

	Policy Document	Organisation	Key Messages
National	National Industrial Strategy	HM Government	May be reviewed following the Covid-19 crisis. The Industrial Strategy has 5 foundations of productivity to achieve a transformed economy: 1. Ideas: the world's most innovative economy; 2. People: good jobs and greater earning power for all; 3. Infrastructure: a major upgrade to the UK's infrastructure; 4. Business environment: the best place to start and grow a business; and 5. Places: prosperous communities across the UK
Regional	Local Industrial Strategy	SELEP	Final production of this document is currently on hold whilst a response to the Covid-19 pandemic is considered. However, the LIS has two core aims - 1. To increase productivity & realise potential 2. Allow all communities to contribute to & benefit from economic prosperity.
Sub-Regional	Economic Renewal & Resilience Plan	KCC	Sets out 5 'channels' of activity - communications, confidence and trust; open for business; supporting business, people and investment, underpinned by three key principles - cleaner and greener; productive and open and better opportunities, fairer chances.

	West Kent Priorities for Growth	WKP	Amended in light of the pandemic. Aims to create <i>“a dynamic and well connected economy, a key location for business growth where businesses are supported to innovate and thrive and our local population has access to quality jobs and skills development”</i>
Local	Corporate Plan (with First Year Addendum)	TMBC	Aims to “continue to be a financially sustainable Council with strong leadership that delivers valued services, a commitment to delivering innovation and change to meet the needs of our Borough” and highlights the need for sustainable growth, regeneration and encouraging partnership working to support the local economy.
	Emerging Local Plan and Evidence Base	TMBC	Identifies a range of strategic sites and employment allocations to meet the needs of the borough up to 2031. The Local Plan is supported by the Infrastructure Delivery Plan, which sets out critical, essential and desirable infrastructure investments needed to enable growth and development.
	Digital Strategy	TMBC	Sets out a vision for TMBC to become an authority where the communities and businesses we serve are able to engage and transact with us responsively and seamlessly, irrespective of the services they access. It highlights economic growth and becoming a smart borough as key objectives.
	Climate Change Strategy	TMBC	Sets out a strategy to meet the aspiration of becoming carbon neutral by 2030 through a package of measures focussed on cutting the Council’s own carbon footprint and supporting residents and businesses in taking action across the borough.

The Impact of Covid-19 on our Local Economy

The effects of Covid-19 and measures to combat it have had a severe effect on business activity on both a national and local level.

On 23 March 2020, Central Government imposed a lockdown to contain the spread of the virus, which included the closure of all non-essential stores and destinations. This set of enforced closures impacted supply chains, reduced demand for non-essential goods and resulted in a large increase in unemployment. Through the Job Retention (Furlough) Scheme, along with introduction of loans and grants for businesses, the immediate impact was significantly reduced. Indeed, figures from the Bank of England and the Office for Budget Responsibility indicate a 12.4-13% drop in GDP in 2020 is now expected, which is smaller than previously forecast. However, there is much uncertainty regarding the impact resulting from the conclusion of the Job Retention (Furlough) Scheme and the introduction of the Job Support Scheme, the end of the Brexit transitional period as well as the extent of any further waves of the virus, and the resultant measures required to address them.

In Tonbridge and Malling, by the end of September 2020, the picture was as follows:

- 18,000 workers had been placed on the Job Retention (Furlough) Scheme, though this has reduced and is nearing completion.
- 5,300 self-employed people had accessed the Self-Employment Income Support Scheme
- Over 1,500 businesses had received a Small Business Grant or Retail, Hospitality and Leisure Grant
- A further 150 businesses had received a Discretionary Business Grant
- 3,630 people are currently unemployed (up from 1,260 in February 2020).

However, the realities of the situation have resulted in considerable negative and unforeseen impacts in many areas of the local economy. As set out in table 1, one of the clear impacts, beyond the overall increase in unemployment, is the impact on 18-24 year olds. In

September 2020, 8.4% of people in this age bracket were claiming unemployment benefits, a figure that has steadily increased since February 2020, whilst unemployment levels for over 24 year olds has to some extent plateaued since May 2020. This could be partly as a result of the higher percentage of young people that work in sectors that have been disproportionately hit by the virus, but it will also reflect the real difficulties in entering the jobs market at a time of severe economic downturn. Research on this issue by the Institute of Fiscal Studies found that the “pandemic has severely dented the career prospects of young people and threatens to have a prolonged negative economic impact on them as a result”. As such, efforts aimed at mitigating against further damage and providing opportunities and support to young people are a key component of our strategy.

	Number			Rate		
	18-24	25-49	50-64	18-24	25-49	50-64
February	265	665	330	2.9%	1.6%	1.3%
March	280	690	330	3.1%	1.7%	1.3%
April	480	1425	625	5.3%	3.5%	2.4%
May	705	2005	850	7.8%	4.9%	3.3%
June	705	1825	815	7.8%	4.5%	3.1%
July	720	1855	815	8.1%	4.5%	3.1%
August	730	1940	855	8.2%	4.7%	3.2%
September	755	1975	900	8.4%	4.8%	3.4%

KCC figures: Unemployment in Tonbridge & Malling 2020

The Government’s Business Impact Covid-19 Survey (BICS) illustrates some other key trends that are happening in the local economy (data relates to the end of September 2020):

- To date only a small number of businesses have ceased trading permanently - mostly in the Construction and Professional Services sectors. However, it is likely there will be further closures in the coming months.

- Most businesses are now trading, but the Arts, Entertainment and Recreation sector still has a high percentage of businesses that are temporarily closed (around 20%).
- The vast majority of businesses have at least 4 months of cash reserves in order to keep their operations going.

Analysis of the resilience of the local economy through the KCC Dashboard (2020) shows that pre-Covid-19, the local economy was performing well, however two key 'vulnerable' elements stand out as areas where the local economy might be disproportionately impacted:

- 18% of the workforce in the borough is self-employed (in comparison to 10% nationally) - whilst this demonstrates the local dynamism of our workforce and the ease of setting up a business in the local area, these workers are more vulnerable to a number of negative economic shocks associated with the pandemic.
- A high representation within the borough of businesses with specific sectors that are highly sensitive to the impact of the current crisis - namely, the motor trades industry, construction and to a lesser extent quarrying and utilities.

This information is constantly evolving and so close monitoring of the data will be undertaken on a regular basis in order to ensure the strategy is as relevant as possible, and will feed into the annual review of the strategy.

Key Issues

Despite having a comparatively resilient local economy, there are a number of challenges that the Covid-19 pandemic has exacerbated and is forcing the Borough to face, and which need to be addressed if the area is to create a better quality of life for its residents and businesses. These include:

- To help build confidence back into the local area, it is essential that the Borough Council helps to facilitate sustainable housing and commercial developments (such as the regeneration of the Former Aylesford Newsprint site and the East Malling Research Station), along with the **essential infrastructure** that is needed in order to create a more resilient transport (including walking and cycling) network, better flood defences and improved broadband provision (especially in rural areas) to ensure a high quality of life for both residents and businesses. Without this investment, our existing infrastructure will soon become insufficient to meet local needs.
- There is no question the labour market is tough at the moment. Even though Tonbridge & Malling fares better than most places in Kent, the impact on local businesses has been considerable, and it will be a while before many of them get back on an even keel. It is therefore essential that the Borough Council is supportive of sustainable development in the borough that creates new employment opportunities, and also supports initiatives that link local people to **job and upskilling opportunities**. There is a real risk that young people will miss out on entering the jobs market, gaining skills and building a platform for future success. The Council is proactively seeking to address this key issue through a number of initiatives, headlined by the West Kent Kickstart Scheme. Kickstart will see 18-24 year olds at risk of long-term unemployment offered 6 month placements in various industries to learn specialist skills and provide a vital source of income. Kickstart is operating in addition to other programmes with wider scope. The Council has also started initial discussions with the DWP to support their recently announced Sector Based Work Academies Programme and Job Finding Support assistance in the Borough.
- Although the Borough benefits from a dynamic and entrepreneurial local business identity - with high levels of self-employment - this is also potentially a vulnerability in a situation where the impacts of Covid-19 persist. In recent years, only around 60-65% of businesses in the borough last 3 years or more. Whilst this high business churn is likely created by a wide variety of different factors,

it does indicate that there could be a need for more targeted **information sharing, business support and advice, recruitment support and better access to suitable business premises.**

- Whilst our **town centres** have been evolving for a number of years, the Covid-19 crisis has greatly accelerated these transformative changes. With an increased number of transactions online, our High Streets are no longer just ‘retail centres’, but will need to evolve into destinations where people go to get an ‘experience’, be it going to a park, having a coffee, visiting the gym or enjoying a meal out. Whilst some of this change is happening organically, it is important that we continue to support our businesses through these changes by continuing to make our town centres attractive places to visit and to pilot innovative approaches.
- Whilst the borough has some great **tourism** assets, such as Ightham Mote, Tonbridge Castle, the Hop Farm and Buckmore Park; Tonbridge and Malling does not have a particularly high tourism profile, especially in comparison with other parts of Kent. With potentially greater numbers of people holidaying locally, there are opportunities to help our attractions and visitor accommodation providers to recover from closure and adapt to a new normal for the foreseeable future.
- Tonbridge & Malling comprises a relatively high coverage of rural land. This **rural identity** is reflected in the significant agricultural and large estate sector in the Borough. Local farmers and retailers of local goods were caught in the initial supply chain severances at the beginning of the crisis and while they have rebounded, questions over the availability of labour, grant funding and transport arrangements beyond 2020, leave the sector vulnerable and in need of assistance. To help combat the detrimental effects of the current crisis, the Council is lobbying Government to provide more clarity on the emerging UK Shared Prosperity Fund and wider support for our rural businesses.
- The **sustainability** of the initiatives and developments undertaken in the Borough is a critical concern for the Borough Council with our aspiration to be carbon neutral by 2030. With this aspiration encompassing all the Council’s sites, contracts and partner developments, the Council must be diligent and proactive in ensuring that this mission guides our response, as acting now will increase the long-term resilience and prospects of local businesses and residents.

Vision & Objectives

“Maximising the unique strengths of the local area to help create a resilient, dynamic and inclusive economy that fosters sustainable growth”

Our vision is to build upon the traditional strengths within the local economy, to help recover from the recent Covid-19 pandemic and to build resilience in order to put our businesses in as strong a position as possible in case of future, currently unforeseen, impacts.

Since the beginning of the crisis, the Borough Council has been closely engaged with colleagues at Kent County Council (which has overall responsibility for recovery) and other districts and boroughs through the Kent Economic Recovery Cell, which has been leading on the development of a Kent & Medway Economic Renewal & Resilience Plan. In order to ensure synergy, this Recovery Strategy will be using the same five ‘channels’ of activity in order to structure its approach:

- **Communications, Confidence and Trust** - providing better intelligence to inform our actions and ensuring collaboration and partnership to drive our activity
- **Open for Business** - taking action to build confidence and demonstrate that the Borough is open and accessible
- **Supporting Business** - supporting resilient and innovative businesses to drive future growth
- **People** - enabling people to access work and skills and reach their potential
- **Investment** - planning and investing now for a sustainable future.

Each of these five channels is broken down into sub-themes, which give this recovery plan a more local flavour.

In addition to the channels, the three key principles set out in the Kent & Medway Economic Renewal & Resilience Plan, which are, in effect, cross-cutting themes will be employed, not only to ensure synergy with the Kent-wide plan, but also to enable links to the Borough Council’s other key plans and strategies such as the Digital Strategy, Climate Change Strategy and new Local Plan. These three key principles are:

- **Cleaner and Greener** - contributing towards net zero and encouraging sustainable growth.

- **Productive and Open** - supporting productivity growth (through measures such as long-term skills development and technological innovation) and being open to new ideas, products and markets.
- **Better Opportunities, Fairer Chances** - addressing the uneven impacts of recession (such as youth unemployment) through an inclusive approach.

The Action Plan in the next section uses this framework as a means of highlighting how the individual activities and initiatives planned for the next few years will help to meet our vision and objectives.

Action Plan - Priority Actions

Five Channels	Sub-Themes	Possible Actions Could Include....	Key Principles		
			Cleaner and Greener	Productive and Open	Better Opportunities, Fairer Chances
Communications, Confidence and Trust		Build up subscription to the T&M Business Bulletin.	Y	Y	Y
		Use of new TMBC website and social media channels to ensure accessible and timely information is provided for local businesses.	Y	Y	Y
		Investigate use of technology to replace business networking events.	Y	Y	Y
Open for Business	Our Town Centres	Completion of Town and District and Local Shopfront Schemes.	Y	Y	
		Develop a new West Kent Retail Support Programme to support our High Streets		Y	Y
		Pilot a project to trial out a SMART places initiative within the borough.	Y	Y	Y
		Investigate role of the Council in encouraging vehicle charging points in key town centre locations across the Borough.	Y	Y	
		Set up a Town Centre Regeneration Fund to support investment that will help to stimulate confidence in our high streets.	Y		Y
	Tourism Promotion	Work with tourism partners and key attractions to promote the borough as a visitor destination	Y	Y	Y
Supporting Business	Business Finance	Promote and signpost external funding support for business (such as LoCASE, South East Business Boost, Kent and Medway Loan Fund, any other future Covid-19 related Government funding)	Y	Y	Y

		Set up a Green Business Grant Scheme to help existing green businesses and to improve energy efficiency of commercial premises in the Borough.	Y	Y	Y
	Business Support	Promote and refer businesses to the West Kent Business/Start-up Support Programme	Y	Y	Y
		Promote and refer to the Covid-19 recovery helpline/Kent & Medway Growth Hub	Y	Y	Y
People	Skills and Work-Readiness Events	Virtual Events to support people back into work or new training opportunities (Jobs Fairs, Skills events, webinars).	Y	Y	Y
	Initiatives to Tackle Youth Unemployment	Support apprenticeships and internships in the borough - through opportunities at the Council as well as establishing an apprenticeship fund to support opportunities in the local economy.		Y	Y
		Support the West Kent Enterprise Adviser Network in local secondary schools to ensure young people receive quality careers advice and guidance, and interactions with the workplace.		Y	Y
		Support the West Kent Kickstart Programme, providing 6 month placements for 18-24 year olds		Y	Y
Investment	Delivery of the Local Plan	Work towards the adoption of the Local Plan and the allocation of strategic sites and new employment allocations.	Y	Y	Y
	Strategic Commercial Projects	Continue to support to LEHES and Hildenborough Embankment Scheme	Y		
		Work with NIAB EMR on bringing forward proposals for East Malling Research Station	Y	Y	Y
		Review strategic asset base (especially with regards to Tonbridge Town Centre)	Y	Y	Y
		Work with Panattoni to deliver a high quality commercial development at the former Aylesford Newsprint site.	Y	Y	Y
		Support continued roll out of broadband infrastructure.	Y	Y	Y

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 as we all work together to create a better economy. In addition to this, the council also must, at the same time, undertake a number of regulatory functions which are relevant to, and will impact upon, local businesses.

The council is committed to undertaking such regulation with regard to local business 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 the 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. In this respect, we will use the 'Better Business for All' model across all council services where contact between businesses and the council is joined up regardless of whether that contact relates to regulation or offering support.

We are committed to recognising the challenges which businesses face, particularly smaller businesses, during the current time and will do as much as we can to assist. In order for businesses to get the maximum benefit from the activities set out in this strategy, there are a number of simple things they can do, such as:

- Sign up to the monthly business e-bulletin, which has information on new funding streams, advice and support and other business news.
- Get involved with the West Kent Kickstart Programme - www.kickstartwestkent.co.uk - and support a young person into the workplace.
- Engage with the West Kent Enterprise Advisor Network and help young people to work out their career opportunities
- Be aware of the potential to work with Jobcentre Plus and other agencies to help our workforce find employment.
- Follow the Borough Council on twitter - @TMBC_Kent - and Facebook
- Get in touch via economic.regeneration@tmbc.gov.uk with any query about the local economy or your business. We are always happy to answer questions!

Monitoring the Economy and Reviewing Progress

The data available is constantly being updated, but the following sets out the measures through which it is planned to track the recovery in the local economy:

Economic Indicator	Current Situation (most recent data as of Oct 2020)	Current Trend	Aspirations		
			2021	2022	2023
VAT Registrations (Start-Ups)	735 (2018)		720	730	740
VAT De-registrations	615 (2018)		600	580	570
3 Year Business Survival Rates (%)	59.4% (2018)		60%	62%	65%
Median Gross Weekly Workplace Earnings (£)	£552.7 (2019)		£560	£580	£600
Unemployment Rate (%)	4.4% (August 2020)		3.5%	2.2%	1.6%
18-24 year olds claiming out of work benefits (%)	8.2% (August 2020)		5.5%	4.0%	2.5%
National Vocational Qualification Level 3+ (%)	56.8% (December 2019)		60%	62%	64%
Happiness Score (out of 10)	7.8 (December 2019)		7.5	7.8	8.0

Appendix 1 - List of Key Partners

Action with Communities in Rural Kent	Kent Supported Employment
Better Business For All - Regulatory Services	Locate in Kent
Business Doctors	Mid Kent College
Clarion Housing	National Centre for Micro-Business
Department for International Trade (DIT)	Network Rail
Deskrenters (Castle Lodge)	NIAB East Malling Research
East Malling Trust	North Kent Enterprise Zone Steering Group - including Medway Council
Education Business Partnership Kent	Produced in Kent
Environment Agency	Royal British Legion Industries
Federation of Small Businesses	The National Trust (Ightham Mote)
Golding Homes	Tonbridge and Malling Businesses
Hadlow College	Tonbridge and Malling Local Strategic Partnership
Highways England	Tonbridge and Malling Schools
Homes England	Tonbridge Forum
JobCentre Plus	Tonbridge Town Team
Kent Apprenticeships	Town & Parish Councils
Kent County Council	Visit Kent
Kent Farmers Market Association	West Kent College
Kent International Business	West Kent Enterprise Adviser Network
Kent Invicta Chamber of Commerce	West Kent Partnership - including Sevenoaks DC & Tunbridge Wells BC