

**SUBMISSIONS TO THE EIP
FOR THE RSS FOR THE SOUTH EAST
ON BEHALF OF
HALLAM LAND MANAGEMENT LTD
SUB-MATTER 8Di**

OUR REF: RSS9 8Di

Prepared by

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8D EAST KENT AND ASHFORD

8Di Strategy and Economy

8Di.1 Does the proposed strategy appropriately identify and respond to the differing circumstances within this sub-region, within the context of its environmental attributes?

- 1.1 The differing circumstances of this sub region is that it is one of four growth areas which lie at the heart of the Governments "Sustainable Communities Plan" launched in 2003. The purpose of this series of Government statements as stated in the SCP (Section 3) was to tackle the challenge represented by the housing shortage, especially in London and the wider South East, by:
- creating conditions in which private house builders will build more homes of the right type in the right places;
 - addressing immediate and urgent needs for more affordable housing, both for key workers and those who would otherwise be homeless;
 - making best use of the existing housing stock.
- 1.2 Importantly it states that the Government wish to work towards a better balance in the housing market in the longer term but to do this in a way that ensures communities are sustainable, enhances the overall environment and protects the countryside.
- 1.3 In the longer term these objectives are to be achieved by ensuring a better balance between housing supply and demand through continuing to plan, monitor and manage housing provision. The Government goes on to say that it will continue to ensure that planned levels of housing provision are delivered in all regions.
- 1.4 In response to these issues identified in the SCP the Government recommended the provision for major growth in the four growth areas identified in regional planning guidance for London and the rest of the South East in 2000 (RPG9) including both the Thames Gateway and Ashford.
- 1.5 The Communities Plan describes Ashford as having a strategic location and role as a gateway to Europe and that the growth area study indicates substantial scope for further growth through diversifying its employment base, redeveloping its town centre and increasing the annual rate of new housing to provide at least 31,000 new homes and 28,000 new jobs by 2031. It reports that Ashford Borough Council and its partners believed (in 2003) that at least this level of growth is achievable with effective local delivery arrangements provided that the following are addressed:
- a new junction on the M20;
 - a funding package for town centre redevelopment and regeneration;
 - water supply and flood management;
 - education provision;
 - new social and community infrastructure.

1.6 Page 7 of the SCP for the South East states on page 7 that the Government intends to accelerate development of new communities in the Thames Gateway, Milton Keynes-South Midlands and Ashford growth areas (see below). The Government will make available up to

1.7

- £446m to develop the Thames Gateway and
 - £164m for Milton Keynes-South Midlands, Ashford and London-Stansted-Cambridge.

1.8 Ashford is benefiting from significant levels of Communities and Local Government funding. From the first round of the Growth Areas fund, around £11m for capital projects and £13m for land purchase was allocated to support packages of projects in the Ashford area. A further £21m has been allocated to assist projects in Ashford from the second Growth Areas Fund.

1.9 The Highways Agency has included the enhancement of the existing junctions and the provision of a new Junction on the M20 in their Targeted Programme of Improvements and Kent County Council, together with other partners are looking at possible improvements to the Ashford-Hastings Railway line.

1.10 Communities and Local Government has provided funding to facilitate several South East England Development Agency projects to kick-start the town centre regeneration, including:

- the purchase of the Elwick Road South and former Crouch's Garage site and
- the landmark International House

1.11 To further demonstrate the Government's commitment to growth in Ashford, from the first round of the Growth Areas Fund the DCLG has contributed over £1m to support the Delivery Co-ordination Team, and a further £2.4m for feasibility studies and capacity building.

1.12 These include:

- a study to establish an Integrated Water Management Strategy, covering water supply, waste water treatment and flood defence
- masterplanning for the long term growth of Ashford and developing the economic vision for the growth area

1.13 A Delivery Co-ordination Team has been set up as the permanent component of the local delivery vehicle known as "Ashford's Future". This is under the Delivery Board which is collectively responsible for overseeing and co-ordinating the delivery of growth in Ashford. Its purpose is to:

- ensure that the range of tasks needed to deliver growth are planned and carried out leads and supervises the work of the Delivery Co-ordination Team sets the

overall quality standards ensures that it represents best practice in terms of delivering sustainable development and

- ensure that innovative solutions are incorporated during all stages of planning and implementation.

1.14 The Team has the following main work areas:

- programme/budget management
- project delivery
- funding and investment
- promotion and marketing
- masterplanning
- transport planning
- servicing the Delivery Board
- partnering
- quality control and innovation and sustainability

1.15 In terms of Ashford itself there do not appear to be any environmental constraints that would restrict the provision of higher levels of growth.

8Di.2 Does draft RSS make appropriate provision for significant growth in economic activity (Policies EKA3-7, RE5)?

2.1 The RES highlights in its Key Actions the need to support the major growth area of Ashford as it is recognised at local, regional and national levels as major growth areas. The RES refers to the completion of major feasibility studies during Autumn 2002 setting a clear framework for the scale and broad direction of growth in each area. SEEDA are committed to working with Government, English Partnerships, the Regional Assembly and local authorities to progress implementation machinery in the context of the Communities Plan.

2.2 In SEERA's report "Spatial Requirements of Key Sectors in the South East" table S5 indicates Sector Priorities for the emerging RSS including encouraging economic diversification in Ashford East Kent. It goes on to state that it is appropriate for the Plan to identify key sectors which warrant active promotion in specific locations. In the case of East Kent, this is identified as including the promotion of the biotechnology/pharmaceutical, marine and logistics sectors. It further states that the planned growth of Ashford should include the facilitation of a diverse economic base although particular opportunities for logistics and business services should be promoted.

2.3 The Sustainable Communities Plan identifies Ashford as one of the growth points in the South East which will be central to the Government's response to the housing shortage in the South East it is clear however that this approach does not just require the provision of dwellings but also the provision of employment land to create sustainable communities. The SCP therefore proposed, in consultation with the LPA's, a figure of 28,000 new jobs for the Ashford Growth Area.

2.4 There are a variety of estimates of employment growth for the sub area. It is noted that the SPC suggests that there should be some 28,000 jobs in the period to 2031 for the Ashford Growth Area (this equates to just under 1,000 new jobs per year for the 30yr

period). The Growth Area is smaller than the Sub Area and as such this figure is not directly comparable to the following projections.

- 2.5 The additional evidence submitted by Kent CC (note to Panel) in annex 10 suggests an increase in jobs for the whole of Kent of over 110,000 (5,500 a year) which translates into almost 50,000 for the Ashford Sub Region (2,500 a year). This is supported by the forecast in table 2 of the annex on Employment Targets & Locations South East Plan: Employment, Housing and Infrastructure in Kent which suggests employment growth for the region as being between 30,200 and 33,200 jobs per year with the element attributed to Kent being between 3,900 and 5,700 jobs per year.
- 2.6 The new TEMPRO forecasts produced by Cambridge Econometrics for the Department of Transport also suggest a slightly lower level of job growth for the County and the Sub Region equating of 4,000 and 1,400 jobs per annum respectively.
- 2.7 The KCC forecasts are above past rates for the Sub Region while the most recent TEMPRO forecasts are below these rates which where about 5,200 for the county and 1900 for the Sub Region.
- 2.8 This compares with the forecasts in “Maintaining Economic Growth in a pressured Region” of 25,600 (2006 to 2016) for the County (Table 4.2) and 14,300 for the Sub Region (Table 4.3).
- 2.9 The annualised rate of job creation is summarised in the table below.

Annualised rate of job growth from various projections before the panel.

	Job Change 1981 to 2002 annual rate	SCP Annual rates*	TEMPRO annual rate	KCC Annual rates	MEGPR Annual rates
Kent	5,174		4,081	5,505	1,995
Ashford Sub Region	1,932	933	1,419	2,493	810

* This figure is for the Ashford Growth Area only

- 2.10 It is recognised that there are inherent problems in attempting to compare employment forecasts but given the approach the region has taken to jobs and housing alignment then it is considered appropriate to consider these issues.
- 2.11 In considering the differences between the KCC employment growth figures against the IER and the TEMPRO version 5 it can be seen that both forecasts are relatively similar for the period being considered 2006 to 2026. The District with the greatest discrepancy is Ashford as rate of job growth in the KCC projections are higher approaching that suggested in the SCP of 933 jobs a year. All of the Districts in the KCC evidence are forecast to grow at a higher rate that that suggested by TEMPRO and the IER projections.

Annualised rate of job growth form Sub Regions districts.

Jobs	TEMPRO annualized rates (2006 to 2026)	IER annualized rates (2006 to 2026)	KCC annualized rates (2001 to 2021)
KENT	4081		5505
ASHFORD	345	478	754
CANTERBURY	326	481	399
DOVER	277	240	408
SHEPWAY	230	237	380
THANET	241	210	552
Sub Region	1419	1646	2493

- 2.12 It is also noted that the forecasts in “Maintaining Economic Growth in a pressured Region” show an almost 50% reduction in the rate of job growth between 2006 to 2016 and the period 2016 to 2026. This is replicated by the TEMPRO model albeit with higher rates of growth.

Changes in Jobs (Tempro v5)

Changes in Jobs (Tempro v5)	Change 2006 to 2016 Jobs	Change 2016 to 2026 Jobs
KENT	54798	26831
ASHFORD	4459	2448
CANTERBURY	4431	2096
DOVER	3771	1770
SHEPWAY	3112	1481
THANET	3260	1561
Sub Area Districts	19033	9356

- 2.13 It is noted that in KCC response to the emerging plan they advised that the Assembly’s forecast of 37,000 jobs is similar to the increase in jobs achieved in the past 20 years (39,000) but did not reflect Ashford’s *Growth Area* status or the objectives for the regeneration of the coastal towns. KCC stated that a higher value is needed that takes into account the impact of the strategic sites and other potential for growth, and a total of 50,000 jobs over 20 years (or 2,500 jobs a year) would be a more suitable target.
- 2.14 The evidence base that the plan is now relying upon to meet the test of soundness “Maintaining Economic Growth in a pressured Region” includes employment forecasts for Kent that are half the rate of the TEMPRO forecast and less than 40% of the rate of growth in the past 20 years. It is also 60% lower than the level that the County have previously suggested is appropriate to meet the policy requirements of Sustainable Communities Plan and their aspirations for the economic regeneration of the Coastal Towns.
- 2.15 It would appear that the policies supporting economic growth in the Sub Region are in full accordance with the SCP and are capable of achieving the enhanced economic

growth to the benefit of the sub region. It is also suggested that the generous provision of land advocated in the draft RSS and changing status of Ashford will achieve higher rates of economic growth in the sub region that previously experienced or presently forecast.

- 2.16 While this approach is supported it is nevertheless important for the panel to understand that these policies and the result levels of employment growth are at variance with the evidence base forwarded to support the overall level of development within the region. The levels of employment growth set out in the evidence base for the draft RSS is that the sub area should experience employment growth at an average rate of 810 jobs a year. This of course is below the level of job growth set out in the SCP for Ashford itself and is substantially below that required to meet the Cambridge Econometrics forecast from the TEMPRO model.
- 2.17 If the panel are persuaded by the evidence in “Maintaining Economic Growth in a Pressured Region” as justifying the overall approach to employment and housing in the region then all of these policies need to be deleted and replaced with policies that reflect the much lower aspirations in terms of employment growth contained in that evidence.
- 2.18 It is our view that the alternative evidence relating to higher levels of employment growth are actually the most likely outcome and are in accordance with the guidance in the SCP. Furthermore it is considered that a positive approach is required to employment and housing growth in this area as it does have the ability to attract employment from other more restrained areas of the region.