

From: **David Wimble, Cabinet Member for Economic Development & Special Projects**

To: **Simon Jones, Corporate Director of Growth, Environment and Transport**

Subject: **Growth, Environment and Transport Cabinet Committee- 13 January 2026**

Classification: Unrestricted

Past Pathway of report: N/A

Future Pathway of report: N/A

Electoral Division: All KCC electoral divisions

Summary: This report provides an overview of the progress in implementing the Kent and Medway Economic Framework Ambition 1. It sets out the high-level key actions that have taken place recently and the future activity planned to support sustainable growth of Kent & Medway's economy, through to 2030. This is one of a regular series of updates on the Framework's five ambitions.

Recommendation: The Cabinet Committee is asked to note the report.

1. Background

- 1.1 In April 2024, the [Kent & Medway Economic Partnership](#)¹ (KMEP) approved the publication of the [Kent & Medway Economic Framework](#) (KMEF). This a medium-term strategy that looks to guide actions that support the growth and prosperity of the region (functional economic area) through to 2030.
- 1.2 The Framework focuses on three overarching objectives (Productivity, Sustainability and Inclusivity) which sit above five ambitions for delivery, these being:
 1. Enable innovative, productive and creative businesses
 2. Widen opportunities and unlock talent
 3. Secure resilient infrastructure for planned sustainable growth
 4. Place economic opportunity at the centre of community wellbeing and prosperity
 5. Create diverse, distinctive and vibrant places.

¹ KMEP is the local growth board for this area, and its membership includes the Political leadership of Kent County Council, Medway Council, all district councils, businesses, universities and colleges. Its website is www.kmep.org.uk

2. KMEF Implementation

2.1 Since publication, the KCC Economy Team (which acts as the KMEP Secretariat) has been working to implement the KMEF ambitions in partnership with the KMEP Board Members, the Kent & Medway Business Advisory Board (BAB), and a range of local partners and stakeholders.

2.2 For each of the five ambitions, a private sector board member and a local authority officer acts as a Thematic Lead for the ambition, helping to oversee the implementation of the KMEF and direct the team's activities.

2.3 The information below outlines the focus of the work to date against the ambition 1 of the KMEF: 'Widen opportunities and unlock talent'. The four action areas under this ambition are:

1. Developing an enhanced place-based innovation partnership
2. Focusing support to business on measures that will increase long-term productivity resilience and the adoption of new ideas
3. Attracting and welcoming investors to Kent and Medway
4. Supporting the conditions for growth

2.4 This paper provides updates on:

- The emerging Kent & Medway Innovation Partnership and Local Innovation Partnership Fund bid
- The Kent & Medway Growth Hub and local business support services
- The recent transition of the county's Inward Investment service
- The Kent & Medway Business Fund
- The emerging Kent & Medway Local Growth Plan
- Work to promote investment opportunities in the county

3. Action Area 1 - Developing an enhanced place-based Innovation Partnership:

3.1 KMEP is developing an enhanced place-based Innovation Partnership to tackle a long-standing challenge: historic low investment in research and development by Kent and Medway businesses, and the receipt of fewer national grants in our locality. The new Kent & Medway Innovation Partnership (KMIP) aims to break down barriers, encourage new technologies, and drive growth through innovation.

3.2 KMIP also builds on previous successes that have been developed jointly with KMEP and external stakeholders over the last six years. Initiatives like [Growing Kent & Medway](#) (led by Niab in East Malling), which started in 2019, have shown how collaboration between universities, councils, and businesses can deliver real benefits. Through a UK government investment of £3.6m per annum, the Growing Kent and Medway programme has:

- Connected to over 700 local businesses
- Supported 246 businesses (12 hours of financial support).
- Collaborated with 231 organisations
- Brought 51 new food and drink related products or processes to market.

- Achieved additional Intellectual Property outputs including patent applications, trademarks and a spin-out in process.
- Leveraged a total investment of £42m

By continuing with cluster development, KMIP will ensure these gains are not lost and will create a lasting framework for innovation.

- 3.3 Collaboration is at the heart of the KMIP, which, chaired by KCC, brings together universities' researchers and business schools, colleges, and industry partners to develop clusters in high-growth sectors, including in food, nutrition, health, energy, and digitalisation. These clusters will share knowledge, attract investment, and help smaller businesses access opportunities they might otherwise miss.
- 3.4 A specific funding opportunity was launched in October 2025 that KMIP is also seeking to secure. The Government's Industrial Strategy has concentrated most of its resources and policies on areas with mayoral authorities, large city regions, and major industrial clusters. Few funds announced could be accessed by Kent & Medway. A notable exception is the Local Innovation Partnership Fund (LIPF), which offers a significant opportunity for our region.
- 3.5 The LIPF is a UK-wide funding programme worth £500 million, managed by UK Research and Innovation (UKRI). Its aim is to help innovative clusters grow by turning research and development into real-world products and services, ultimately boosting economic growth and creating jobs. There is an opportunity for Kent & Medway to apply for funding under a competitive strand of up to £20m to be supported by up to £20m of private sector match investment.
- 3.6 Work is underway to submit a readiness check / expression of interest by 12 February. This submission will show alignment with the area's strategic vision, priority clusters, ecosystem maturity, governance, and track record. For Kent and Medway, the evidence base for the Local Growth Plan (see section 6 below) will demonstrate strategic alignment.
- 3.7 In order to develop the bid, KMIP has held workshops with industry representatives and although the exact nature of the content cannot be shared due to commercial sensitivity, more than 80 local businesses have shown interest in the LIPF cluster proposal so far.
- 3.8 The final decision on whether Kent and Medway are granted LIPF funding will rest with the DSIT (Department for Science, Innovation and Technology) Minister, based on recommendations from UKRI. Two key activities are planned to support the bid: using the national Sustainable Foods Conference to showcase Kent & Medway's existing work and sector strengths in agri-food to ministers, civil servants, and industry partners; and a briefing with Kent and Medway MPs to ensure that they are aware of the bid, and are in a briefed position to be supportive, before submission.

4. Action Area 2 - Focusing local business support:

- 4.1 This action area aims to ensure that support available for local businesses contributes to enhanced productivity, decarbonisation and innovation. A number of programmes are in place to support local businesses in Kent & Medway.
- 4.2 Kent County Council receives funding from the Department for Business & Trade (DBT) to oversee the [Kent & Medway Growth Hub](#) service. Growth Hubs are a national business support initiative designed to help businesses improve their performance, address barriers to and facilitate growth by providing tailored advice, resources, and access to funding. They serve as a central point of contact for businesses of all sizes and sectors, offering a range of services, such as networking and workshops and training. While KCC has overall responsibility for the service, it contracts an organisation called Smarter Society to run the local Growth Hub service. Previously KCC had contracted Kent Invicta Chamber of Commerce for this service, until July 2025.
- 4.3 Since 1 April 2025, the Kent & Medway Growth Hub has supported 997 individual businesses, with ambitions to grow and progress. Of those: 721 businesses received up to one hour of targeted support, 235 businesses accessed between one and 12 hours of support; and 41 business benefitted from over 12 hours of in-depth support. This year's activity includes a High Street programme that will provide mentoring sessions for 40 businesses, the creation of a high-performance digital gateway (and legacy platform), digital training workshops, and a business survey.
- 4.4 In addition to the above, Kent County Council, utilising South East Local Enterprise Partnership (SELEP) one-off ring-fenced residual funding, has commissioned Smarter Society to deliver an additional 30 structured mentoring assignments (six hours each) through a digitally delivered mentoring and engagement programme designed to support a diverse range of small and medium sized enterprises across Kent & Medway. The programme will launch in 2026.
- 4.5 The SELEP residual funding is also being used to support increased 1-2-1 hours with the Growth Hub's Business Investment Adviser for those businesses who require in depth support to develop a funding application to the Kent & Medway Business Fund (KMBF) – see paragraph 6.2 below. Since 1 April 2025, the Business Investment Adviser has supported seven businesses who have successfully secured KMBF loan funding to the total value of £538,400.
- 4.6 The KMBF and [Produced in Kent](#) (the county's food & drink promotion agency) have teamed up to ensure wrap around support via Produced in Kent membership is provided to those businesses within the food and drink sector who have recently been approved for or KMBF loan funding. Such support is designed to assist the businesses in showcasing their products and offer, opening additional routes to market, and scaling production. The costs associated with this project are being met from the South East Local Enterprise Partnership residual funding.

4.7 Made Smarter South East is a DBT-funded programme, managed by Surrey County Council, that aims to make it easier for makers, creators and manufacturers in the South East to innovate, upskill and grow their business by adopting industrial digital technologies. The programme helps with technical advice and support, upskilling and small grants. 30 Kent companies have registered interest in the programme which launched in April 2025, of which 14 are eligible for support. Further work is needed in 2026 to promote the programme to local firms to ensure that Kent companies have access to the practical and financial support available through the programme.

5. Action Area 3 – Attracting and welcoming investors to Kent & Medway

5.1 This action area was being delivered through the contractual arrangement for inward investment services previously delivered by Locate in Kent. The company, however, announced its intention to enter voluntary liquidation in September 2025. Prior to ceasing its activity, Locate in Kent reported an active pipeline of 204 investment projects i.e. companies wishing to establish a base in the county or expand their operations locally. Between April and August 2025, four new-to-county company projects completed, creating 54 jobs along with five grow-on space projects creating 236 jobs and retaining 456 jobs in the county.

5.2 In October 2025, following discussions with local stakeholders, Kent County Council and Medway Council started to make arrangements to bring the county's inward investment service in-house along with visitor economy services following Visit Kent's liquidation in September 2025. A new 'brand Kent' team was recruited and has been in place since November 2025 using residual funding that would have been spent on the two contracts.

5.3 The initial focus of the small team with regard to inward investment activity was to restore business critical functions while the core 'Invest Kent' service offer was developed to take into account feedback from local partners and stakeholders.

5.4 Since November, the focus of the team has included:

- (Re-)establishing contact with the pipeline of local, domestic and international investment leads to ensure that investor confidence was not lost and to provide ongoing support to live projects.
- Re-connecting with the DBT to ensure that the county's investment opportunities are on the national radar.
- Working to develop a network of local professional service companies and other contacts to form a soft landing service;
- Securing the county's commercial property database which provides real-time information about sites and premises available to potential investors, district councils and other partners.

5.5 In addition to these core activities, the team will also be working to support the development and promotion of the county's investable propositions which will feature in the forthcoming Local Growth Plan, building on Kent & Medway's high-growth sector opportunities.

5.6 KCC and Medway Council will also be presenting ideas and seeking additional financial contributions from local public and private sector organisations to support additional activities that would enhance the core service such as attendance at key, sector-focused trade shows to enable very targeted lead generation.

6. Action Area 4 – Supporting the conditions for Growth

6.1 This action area aims to unlock economic growth through ensuring that businesses in Kent & Medway:

- a) have their voice heard by national government while they create economic growth policies and
- b) have access to the right commercial space and finances including through the [Kent & Medway Business Fund](#).

Local Growth Plan

6.2 The [English Devolution White Paper](#), published in December 2024, set out central Government's plan for localism in England by devolving power and funding from central government to local leaders who know their area best. A key part of this rests on the development of ambitious Local Growth Plans by Mayoral Strategic Authorities.

6.3 Local Growth Plans provide a long-term 10-year strategic framework for economic growth in a region. They are normally produced and owned by Mayoral Strategic Authorities and should set out the priorities where the authority will focus its devolved powers and funding to drive productivity and growth.

6.4 Plans will also highlight the areas that will benefit from collaboration and joint working between Mayoral Strategic Authorities and central government, with the plans identifying "shared priorities" to underpin joint working. Plans will set out an economic vision for the region (in our case, Kent and Medway) and identify regional sector strengths, informed by the Industrial Strategy.

6.5 Despite Kent & Medway not being part of the Devolution Priority Programme, we are working proactively through KMEP to produce a Local Growth Plan for the whole region with a view to setting the county up for any potential future funding opportunities and further engagement with government.

6.6 An organisation called Metro Dynamics has been commissioned to produce an evidence base of our region's strengths against the high-growth sectors outlined in the Industrial Strategy. This evidence-base work will conclude at the end of January 2026, and then KMEP will liaise with local stakeholders to develop the broader Local Growth Plan priorities that sit alongside the evidence base.

6.7 The evidence-base has already identified Kent & Medway's unique economic strengths and why it is critical to the UK Government to support our region.

KMEP in November 2025 agreed these are the priority sectors for our area, which require a deep dive analysis:

- **Kent and Medway are critical to UK's trade security:** Our region is the UK's primary gateway to the EU for goods and services, hosting key ports such as the Port of Dover, Eurotunnel, Thamesport in Medway, Peel Ports at Sheerness, and the Port of Ramsgate. These facilities provide the UK's most efficient routes for roll-on/roll-off freight and passenger traffic. The Port of Dover alone handles £144 billion of trade in goods annually, accounting for 33% of UK-EU trade and welcomes around 1.3 million tourist vehicles each year.
- **Kent and Medway are critical to UK's energy security:** The Isle of Grain liquefied national gas (LNG) terminal is Europe's largest import facility and boasts a regasification capacity of up to 15 million tonnes per annum and storage of around 1 million cubic metres. At peak utilisation, it can supply up to 20% of the UK's gas demand. Its strategic importance is underscored by the fact that even remote Scottish communities rely on gas delivered via Medway; if the terminal were offline, these areas would lose access to the energy network despite being hundreds of miles away. In addition, Kent and Medway host multiple electricity interconnectors that link the UK to mainland Europe, including ElecLink (UK-France) at Folkestone, Nemo Link (UK-Belgium) near Sandwich, and NeuConnect (UK-Germany), currently under construction at the Isle of Grain. The region also contributes significantly to renewable energy generation, with assets such as Vattenfall's Kentish Flats offshore wind farm - a core component of the UK's energy infrastructure - providing clean, renewable power to thousands of homes and supporting national decarbonisation and energy security goals.
- **Kent and Medway are critical to the UK's food security.** The region contains some of the highest concentrations of Grade 1 arable land in the country, second only to Lincolnshire, and benefits from favourable weather conditions that boost crop yields. Although Kent and Medway account for just 3% of England's land mass, the area hosts 13% of England's horticultural land and produce around 40% of the nation's fruit and vegetables. The food and drink sector employs over 65,000 people across 4,500 companies. We are constantly hearing from businesses in the sector that devolution is required urgently to ensure a strong local voice in national forums - enabling them to drive international trade and expand exports to the EU.
- **Kent and Medway are pivotal to the UK's digital economy.** BAE Systems, a leading defence firm, operates in Medway, manufacturing advanced electronic instruments and appliances for measuring, testing, and navigation—employing over 1,500 people within the Government's Digital and Technology classification. The region also hosts nearly 7,000 creative and digital businesses, making it one of the UK's most dynamic creative hubs. These include digital start-ups, film and TV studios, gaming companies, and design agencies clustered in vibrant locations such as Folkestone Creative Quarter,

Maidstone TV Studios, and Chatham Historic Dockyard. Further strengthening this position is the £13.4m Docking Station project in Medway—a state-of-the-art digital creative hub opening in late 2026, which will feature immersive technology studios, training facilities, and start-up support, cementing Medway's role as a centre for digital innovation

- 6.8 Work to finalise the Kent & Medway Local Growth plan will continue over the coming months and this key document will set out the area's sector growth potential and investment opportunities.

Access to the right commercial space and finances

- 6.9 Since its relaunch in November 2023, the Kent and Medway Business Fund has approved 73 loans with a cumulative value of £8,693,881. 31 loans with a cumulative value of £3,890,154 are attributable to the current financial year 2025-26, up to 2 December 2025. Of the 31 businesses supported this year, 15 are in East Kent, eight in Mid/North Kent and eight in West Kent. The types of businesses supported are incredibly diverse, and many are representative of the county's priority sectors; namely, Agri-Tech / Food & Drink, Energy, Digital and Transport & Logistics. Loans have been provided to food and drink manufacturers, transport providers, heating specialists, innovative digital technology companies and hospitality and leisure businesses.
- 6.10 More [in-depth information about the KMBF](#) was reported to the Growth, Economic Development and Communities Cabinet Committee in September 2025.
- 6.11 KCC has also contributed to the creation of new workspace in the county through the No Use Empty Commercial scheme. As presented to [GEDCCC in September 2025](#), work is underway to use £6m of former Regional Growth Funding to launch a new round of No Use Empty Commercial in the coming months. The scheme will administer short-term interest-bearing loans secured as a first charge against a development for a maximum of three years to support specific commercial projects to deliver the creation of new business units/workspace, in Kent & Medway. A recent example would be the recent Tridax Business Park, Whitfield, Dover. These new projects will provide wider economic and employment opportunities. As the newly developed business units and workspaces reach a stage where they are ready for sale or lease, there will be an opportunity for businesses seeking to start up, expand, and create jobs to apply for loan funding through the main KMBF fund.
- 6.12 On 5 November 2025, KCC launched the latest edition of the Kent Property Market Report to a commercial audience of 250 developers and wider representatives at an event in Ashford, made possible thanks to sponsorship from a number of private sector partners. The 25/26 report highlighted the Kent property market's resilience, with science & innovation hubs, business parks and industrial sites continuing to perform well. High streets showed more mixed fortunes and general office rental rates continue to be depressed, with many older units being converted into residential properties. The report is in its 34th year and is co-produced with Caxtons Property Consultants. [The full report is available to view online.](#)

7. Next steps and Conclusions

7.1 This report has provided an overview of the progress in implementing Ambition 1 within the Kent and Medway Economic Framework. As can be seen above, significant work is underway with more future activity planned to support sustainable growth of Kent & Medway's economy, through to 2030.

Contact details:

<p>Report Authors: Steve Samson Job title: Head of Economy Telephone number: 03000 417167 Email address: steve.samson@kent.gov.uk</p> <p>Sarah Nurden Job title: Strategic Programme Manager (KMEP) Telephone number: 03000 416518 Email address: sarah.nurden@kent.gov.uk</p>	<p>Director: Stephanie Holt-Castle Job title: Director of Growth & Communities Telephone number: 03000 412064 Email address: stephanie.holt-castle@kent.gov.uk</p>
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