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Subject: KENT AND MEDWAY ECONOMIC STRATEGY

Classification: N/A

Summary

This report sets out the background to the development of a new Kent and Medway Economic Strategy, following earlier discussion with the Growth, Economic Development and Communities Cabinet Committee and consultation with the sub-county partnerships.

It presents a draft 'strategic framework' for discussion, setting out a series of proposed high-level ambitions for the Strategy, and outlines the next steps in taking the Strategy forward.

Cabinet is recommended to consider the draft Strategic Framework, provide comments on its content and consider how it may be translated into practical actions.

1. Introduction: the case for developing a new Economic Strategy

In autumn 2021, Kent and Medway Leaders agreed to progress a new Kent and Medway Economic Strategy. It was agreed that this would replace the *Economic Renewal and Resilience Plan*, adopted in 2020 to coordinate the county's response to the economic impact of the Covid-19 pandemic, and that the new strategy would take a longer-term view, looking forward to 2030.

The Strategy is intended to provide a basis for joint working between the Kent and Medway local authorities, as well as with the business community. It should also support the case for future Government and private investment, both at county-wide and local level. It is anticipated that it will be jointly owned by Kent and Medway Leaders and endorsed by Kent and Medway Economic Partnership.

2. The process so far

Since the autumn, work has taken place to assemble an evidence base to support the Strategy, which will be published as a separate *Kent and Medway Economic Review*.

A first round of consultation on the key issues for the county and potential areas of focus took place in February and March, via KMEP and its Business Advisory Board, and with the Kent Districts.

Subsequently, a draft ‘strategic framework’ was prepared, setting out a series of strategy themes. This was considered by the Growth, Economic Development and Communities Cabinet Committee on 10 May. Subsequently, it has also been considered by the three sub-county partnerships in East Kent, West Kent and Greater North Kent.

The Cabinet Committee was supportive of the direction of travel. However, it did request some further presentation of the evidence base to support the themes identified in the strategic framework. Members also suggested a greater emphasis on innovation, reference to ‘looking outwards’ (to the rest of the UK, Europe and wider export markets) and opportunities in the ‘green economy’.

3. The draft strategic framework

In the light of these comments, the draft strategic framework has been updated and is attached at Annex 1. It sets out a summary analysis of the strengths, weaknesses, opportunities and threats facing the county, in the context of the overall national approach to economic development reflected in the Government’s recent Levelling Up White Paper and existing national commitments (especially the drive to net zero by 2050). Based on this, it outlines three objectives for a more ‘productive, sustainable and inclusive’ economy, supporting five thematic ambitions:

Fig. 1: Summary of the draft strategic framework



Annex 1 provides further detail on the direction and potential content of each of these objectives and ambitions.

In preparing the Economic Strategy and identifying these objectives and ambitions, there is a balance to be struck between:

- Flexibility and specificity, setting out a 'direction of travel', while recognising that the economic and policy landscape will change over time
- Distinctiveness and 'universal' opportunities and challenges: within the 'SWOT' analysis, we have highlighted those opportunities and challenges that are distinctive to Kent and Medway and it will be important that the Strategy responds to them. But some of the issues we face are shared across the UK (for example, in relation to some of our workforce skills challenges), although still demand a local response
- County-wide coherence and local relevance: Kent and Medway has a large, complex and polycentric economy, and it is important that the Economic Strategy is relevant to, and can achieve consensus across, the whole.

These issues will need to be taken into account in the detailed drafting of the Strategy, and it will be important that the Strategy is 'brought to life' through case studies and examples that reflect the county's geography and diversity. It is anticipated that the final Economic Strategy output will be a concise (40-50 page) strategy document, supported by a supplementary Economic Review containing the evidence base.

Once drafted, the Strategy is likely to have several 'routes to implementation'. Within KCC, the Strategy should inform the Council's direct economic development activities. It may also support joint action plans (such as the Workforce Skills Evidence Base Action Plan recently developed under the direction of the Kent and Medway Employment Task Force), and it should be helpful in informing partners' strategies and providing a context and framework for investment proposals. It should also help to 'make the case' for joint priorities and joint working, including a 'county deal', if appropriate.

4. Next steps and key questions for discussion

Subject to discussion by Cabinet and revision as appropriate, the next step is to secure Kent and Medway Leaders' endorsement of the framework, ahead of a complete draft Strategy.

Within the strategic framework in Annex 1, a series of questions are highlighted:

- Do you agree with the overall SWOT assessment (in headline terms)? Is anything missing or over/ under-emphasised?
- What are your views on the overall suggested framework?
- Do the high-level objectives make sense? What should be added, if anything?
- Do the five 'Ambitions' capture the breadth of the agenda that the Economic Strategy should address? What else would you add?
- Do you agree that the Strategy should go beyond narrowly-defined 'economic development' actions and how best can these be achieved through the framework?
- How can we best ensure alignment with existing/ emerging strategy work in other fields of activity?
- What are your initial thoughts on priority areas for action?

5. Recommendations

Cabinet is recommended to consider the draft Strategic Framework, provide comments on its content and consider how it may be translated into practical actions.

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