Maidstone Economic Development Strategy

2015 - 2031

June 2015

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Executive Summary

Maidstone[1] today stands at a crossroads. The national economy is starting to grow after a long period of recession that affected Maidstone more adversely than its neighbours in some ways. Employment has declined with significant jobs losses in the public sector[2], output has grown more slowly than in Kent overall[3], and Maidstone town centre has slipped down the retail rankings[4]. –On the other hand the population has grown and is forecast to continue to grow[5], there has been recent private sector job growth[6], and more new businesses are being created and surviving than before[7]. Investors are coming forward with new proposals that could bring significant benefits for Maidstone.

As the economic recovery gathers momentum, Maidstone needs to be in a position to benefit from the emerging growth opportunities. Without concerted action by the council and partners, there is a risk that Maidstone's economy will continue to under perform.

The overall approach adopted in this strategy is about making the most of our many economic assets, while at the same time protecting those that make Maidstone a special place. We want to support our businesses to grow, creating jobs for all of our residents and ensuring they are equipped with the skills to maximise their potential. By 2031 our vision for Maidstone is:

> *"A model '21st century county town, a distinctive place, known for its blend of sustainable rural and urban living, dynamic service sector-based economy, excellence in public services, and above all, quality of life."*

This strategy sets out how we will achieve our vision and identifies a series of priority actions to capitalise on our assets and the opportunities we have to strengthen the economy and create the right conditions for economic growth. These five priorities are:

Retaining and attracting investment - We will support existing businesses to grow and also work to attract new employers to the borough, creating job opportunities for all residents across a range of sectors.

Stimulating entrepreneurship - We will create a more entrepreneurial and innovative economy, supporting new business start-ups and those with high growth potential to move up the value chain.

Enhancing Maidstone town centre - We will promote the regeneration of Maidstone town centre as a high quality retail and leisure destination, and as a place to live and work.

Meeting the skills needs – By working closely with our partners we will ensure that residents are equipped with skills for work and that the skills needs of businesses are being met. We will encourage better careers advice in schools and promote apprenticeships and work experience placements in the Council and with businesses. We will support the expansion of the Higher Education sector to increase the number of graduates in the workforce, supporting initiatives such

[1] All references to Maidstone" refer to the Borough unless suffixed with Town Centre.
[2] P13 Paragraph 3.10 of this Strategy
[3] P12 Paragraph 3.4 of this Strategy
[4] P29 Paragraph 5.33 of this Strategy
[5] P14 Paragraph 3.24 of this Strategy
[6] P13 Paragraph 3.9 of this Strategy
[7] P14 Paragraph 3.21 of this Strategy

as the Kent Institute of Medicine and Surgery (KIMS) and Kent Medical Campus (KMC)[8], as well as the University of the Creative Arts (UCA) expansion at Maidstone Studios.

Improving the infrastructure - We will invest in infrastructure by working closely with our partners, in particular Kent County Council; a priority being the need for digital accessibility and an adequate transport network across the Borough.

We recognise that there are many partners involved in taking forward the opportunities identified and there is a clear leadership role for Maidstone Borough Council to play in coordinating, promoting and actively working with the business community to achieve the economic vision.

[8] Maidstone Medical Campus was renamed Kent Medical Campus in April 2015

1 Introduction

1.1 At the time of writing Maidstone's last Economic Development Strategy in 2008 the economy was in a very different place, poised on the brink of an economic recession which has been one of the longest in our history. Now some six years on the economic recovery is starting to gain momentum and there are real signs of growth.

1.2 Like many other places across the UK, Maidstone has fared relatively well in some ways during the recession and badly in others. We have seen overall employment decline but at the same time there has been population growth. Maidstone now stands at a crossroads where the opportunities for economic growth can be seen all around us. However, some tough and bold decisions will be needed to capitalise on these opportunities for the benefit of residents and businesses.

1.3 This strategy sets out our ambitions for what we want to achieve by 2031, the opportunities and challenges facing the Maidstone economy and how we will achieve the strategy.

Developing the Strategy

1.4 The council commissioned Shared Intelligence (Si), who are experienced economic development professionals, to help prepare this economic development strategy. Their work included:

- reviewing the existing vision to ensure that this still meets current aspirations;
- an assessment of the current state of the Maidstone economy to identify the opportunities and challenges we face - the strengths, opportunities, weaknesses and threats;
- identifying priorities for how we will achieve our ambitions and the interventions to capitalise on Maidstone's economic assets; and
- formulating a programme of actions to take forward the journey to deliver our vision by 2031.

1.5 To inform the development of the strategy, an analysis of the broader national and local economic trends was undertaken to provide the evidence base. The findings of this work are set out in a separate State of the Maidstone Economy report, which sits alongside this strategy.

1.6 The views of the business community, key employers and stakeholders have also been considered in developing this strategy. Engagement has come via a number of different channels, including:

1. two workshops with the Maidstone Economic Business Partnership (MEBP) facilitated by Shared Intelligence held on 23rd May and 5th June 2014;
2. two workshops with Maidstone Borough Councillors - the Cabinet on 23rd July and the Overview and Scrutiny Committee on 29th July;
3. a programme of interviews conducted by Shared intelligence in May/June 2014 with 15 key businesses;
4. face-to-face and telephone interviews with 14 key stakeholders; and
5. the results of a business survey undertaken by Maidstone Borough Council in June 2014 with responses from 59 employers.

1.7 A consultation draft Strategy was published between the 15th December and the 23rd January. The consultation involved the following:

1. An online form, together with the relevant documents, was put on the consultation page of Maidstone Borough Council's website.
2. A press release was issued to the media and the KM newspaper ran a half page story on it. Social media was used to raise awareness of the consultation. The KM Paper also had a significant feature in their newspaper on the 19th December 2014.
3. The same on-line form was sent to around 1900 businesses across Maidstone borough and three prompts were sent to encourage their participation.
4. Two consultation events were also held, on 13 January 2015. A Parish and Communities event was attended by 33 people, and a business event was attended by 60 people. These events enabled attendees to ask direct questions of officers and members and to engage in a workshop style discussion to offer views and opinions on the Strategy and their own views on what needs to be done to make Maidstone more prosperous. All these views were captured and have been used to inform the final Economic Development Strategy.
5. A telephone survey was used to engage residents. This structured approach enabled the views of a large number of Maidstone residents to be gathered within a short timeframe – 1,518 interviews were conducted between January 5th and January 20th 2015 – and also allowed interviews to be targeted so the opinions of those participating would be as representative as possible across all residents in the Borough. Quotas were set to ensure fair representation by age, gender and employment status. To allow results to be analysed at a ward level, at least 50 interviews were undertaken in each ward, with larger wards receiving more interviews. The survey lasted 10 minutes on average and consisted of 19 questions, including both multiple choice/ scale questions and those allowing an open /free response.

1.8 The consultation process resulted in the following:

1. 25 submissions received from the online survey
2. 25 submissions received from the business survey
3. 60 people attended the business event
4. 33 people attended the Parish and Communities event
5. 14 detailed submissions received from residents, agents, developers and local businesses.

1.9 The findings of the consultation process were considered by the Council and informed the final version of this Strategy presented to Policy and Resources Committee on 24th June 2015.

1.10 This strategy is for the whole of the borough of Maidstone, although it is recognised that the economic needs and opportunities vary geographically. On the one hand the borough has a vibrant rural economy that needs to be supported and on the other, Maidstone is the largest urban area in Kent and the County Town. The strategy sits alongside and informs the emerging Local Plan. It sets out our ambitions and principles for supporting growth of the economy, but does not consider specific employment land allocations which are addressed in the Local Plan.

Maidstone in 2031

1.11 The council is committed to maximising the economic potential of Maidstone and enabling the creation of jobs for all residents of different backgrounds and skill levels. While growth is imperative, it needs to be achieved sustainably without sacrificing the environmental qualities that make Maidstone a special place.

1.12 **By 2031, we aim to:**

- **enable the creation of 14,400 jobs in a range of sectors and occupations**[9]
- **raise economic output (GVA) per head**[10] **to the level of the South East**
- **raise the skills profile of Maidstone to the South East average**

1.13 In 2008, together with stakeholders from education, the business community and the public sector, we developed a long term economic vision for Maidstone to become a 21st Century county town. The long term ambitions described in the vision remain largely the same today as six years ago. However, achieving them has been made all the more difficult by the recession, which has slowed the rate of growth, increased unemployment and stymied investment.

1.14 The recession has resulted in some fundamental structural shifts in the national economy. Whereas the public sector was a key driver of employment growth in the early part of the decade (which was to the benefit of Maidstone as a county town), efforts to reduce the national deficit and the knock-on effects on the budgets of public sector agencies, mean that these jobs can no longer be relied upon. Growth in private sector employment is now critical to Maidstone's future prosperity.

1.15 Moreover, the policy context is now significantly different from before. National economic policy is shaped by BIS's Industrial Strategy with its focus on sector partnerships and "eight great technologies". At the regional level, Regional Development Agencies have been replaced by Local Enterprise Partnerships and there are new Strategic Economic Plans which influence the funding opportunities available.

1.16 The vision and strategy builds from a body of evidence and academic thinking about what makes local economies successful. Successful towns and cities tend to be those that are competitive, productive and innovative. They have the ability to continually upgrade their business environment, skills base, physical, social and cultural infrastructures and to attract the most profitable firms and the most talented people.

1.17 The visioning work in 2008 has been updated to reflect the economic circumstances and policy environment today and is captured in our Vision Statement below.

Our 2013 Vision Statement

"In 2031, Maidstone is home to a model '21st century county town', a distinctive place, known for its blend of sustainable rural and urban living, vibrant service sector-based economy, excellence in public services, and high quality of life. Highly skilled and talented people continue to be attracted to the borough to live; while many commute out to work in London or elsewhere in Kent, more work inside the borough - in the town, in the surrounding rural centres, or from home. In the evenings and at weekends, residents choose to spend their money in Maidstone because of its unique, high quality retail and leisure offer.

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[9] The source of this figure is explained in paragraph 4.5 of this Strategy.

[10] GVA per head is a measure of the relative economic prosperity of an area, calculated by estimating the value of the economic output and dividing it by the population. If GVA per head in Maidstone were on a par with the South East it would mean that we have created more higher value, better paid jobs and our economic performance would be more in line with the rest of the South East.

Maidstone town centre is truly 'a great place to visit, a great place to shop'; people come to Maidstone for its attractive high street and high quality, broad range of independent shops and retail multiples. Maidstone could never be called a clone town with its boutiques, high fashion outlets, and choice of niche retailers. Maidstone has moved up the retail rankings and is seen as an attractive alternative to the many homogenous out-of-town malls. In the evenings the town centre comes alive; it is a safe place for families out for an evening at the theatre, at entertainment venues and cultural facilities or at the many restaurants. Young people from all over Kent come to Maidstone because of the famous nightlife.

A culture of lifelong learning has been embedded in Maidstone in recognition of the importance of education and skills. Young people leave school with the qualifications they need to succeed in life. The further and higher education sectors have expanded and there is a significant university presence in the town. Vocational and community-based learning opportunities are closely aligned with the needs of local employers.

Environmental sustainability and valuing our environment is very important to the people of Maidstone. More people choose to leave their cars at home taking public transport, or walking and cycling. Fast and frequent rail services to London provide an important economic stimulus and access to job opportunities for our residents who choose to commute.

As a 21st century county town, Maidstone remains a by-word for excellence in public services, home to the highly respected borough and county councils, leading schools, further and higher education providers, and first class health services.

Maidstone is an important driver of growth in the south east, recognised by the Local Enterprise Partnership and central government. There are more knowledge intensive businesses here than ever before. The expansion of the Kent Institute of Medicine and Surgery (KIMS) and Kent Medical Campus (KMC) have attracted skilled professionals to the area. Alongside this, our buoyant business and professional services sector goes from strength to strength, serving markets well beyond the immediate boundaries of Maidstone. The creative and media sector has grown rapidly in the last 20 years with the University College of the Creative Arts (UCA) and Maidstone Studios producing even more nationally acclaimed programmes. Graduates are leaving university and setting up their own businesses, taking advantage of the new incubation space, virtual offices, and other high tech facilities at the Enterprise Hub.

Our rural communities are important community and commercial centres in their own right. They are a major part of our tourism offer, which also includes Leeds Castle and the riverside in Maidstone town centre.

Maidstone has a clear and distinctive offer to investors; they know that for the cachet of being in a county town, good connectivity, a ready supply of high quality affordable workspace, a pool of skilled labour, and good work-life balance, then Maidstone is the place to be."

2 Strategic Context

2.1 This economic development strategy for Maidstone sits within a wider European, national, regional and local policy context. It is important that this strategy is aligned to these broader strategic plans so that funding opportunities can be maximised to deliver our economic growth aspirations for Maidstone. The Strategic context of this document will be kept under review and the monitoring indicators set out at the end of this Strategy will be used to inform when a review of the Strategy is required to meet the changing national economic picture.

The Plan for Growth and the UK Industrial Strategy

2.2 Upon election in 2010, the Government set out its strategy for promoting balanced and sustainable growth of the national economy in The Plan for Growth and the Growth Review[11]. A number of key themes were identified:

- **Providing stability for business**: Including a credible plan to reduce the deficit and for a stable financial system.
- **Making markets more dynamic**: Creating an open and competitive business environment to boost productivity.
- **Increasing trade and access to international markets:** With an emphasis on the importance of export growth for the recovery.
- **Access to finance:** Maintaining a flow of finance so businesses have the resources to invest and grow in the wake of the 'credit crunch'.
- **A planning regime which supports growth and sustainable development:** Including the introduction of the *National Planning Policy Framework* (NPPF) with its 'presumption in favour of sustainable development'.
- **Infrastructure:** Including the *National Infrastructure Plan* designed to set out a more coordinated investment plan nationally.
- **Labour market reform:** Including improved incentives to work through the Work Programme and removing barriers to job creation.

2.3 As the UK emerges from recession, these key themes continue to shape national economic policy and are therefore relevant context for developing Maidstone's economy.

2.4 Alongside the Growth Review, the Department for Business, Innovation and Skills (BIS) has continued to develop the national Industrial Strategy. This strategy focuses on developing sector partnerships and makes commitments to providing support for all sectors to improve global competitiveness, innovation and export potential.

2.5 Eleven sector strategies have been published so far alongside the national Industrial Strategy – those highlighted in bold are of most relevance in terms of Maidstone's economic profile: Aerospace, **Agricultural Technologies**, Automotive, **Construction**, **Information Economy**, International Education, Life Sciences, Nuclear, Offshore Wind, Oil and Gas, and **Professional and Business Services**. A strategy looking at the future of retail was published in October 2013 with the British Retail Consortium and a strategy for the **Creative Industries** has been launched in 2014.

2.6 In addition, the Industrial Strategy identifies four cross-cutting themes:

1. **Eight Great Technologies**: Big data; satellites and space technology; robotics and autonomous systems; life sciences, genomics and synthetic biology; regenerative medicine; agri-science; advanced materials and nano technology; and energy.
2. **Skills**: Working to deliver the skills that employers need, giving businesses more say over how government funding for skills is spent.
3. **Access to finance**: Helping businesses get the finance they need to invest in people and equipment and to grow.

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[11] HMT/BIS (November 2010) 'The path to strong, sustainable and balanced growth'

4. **Procurement**: Developing UK supply chains and creating a simpler and more transparent public sector procurement system.

2.7 The sector strategies and cross cutting themes in the Industrial Strategy have helped to inform our thinking in the Economic Development Strategy.

South East LEP Strategic Plan and the Growth Deal

2.8 The South East Local Enterprise Partnership (SE LEP) is a partnership of key leaders from business, local government and further and higher education across the South East. It covers the counties of Essex, Kent and East Sussex and the unitary authorities of Southend, Thurrock and Medway. Of the 39 Local Enterprise Partnerships set up by Government, SE LEP is the largest outside London, with a total population of 3.9 million, more than 130,000 businesses and 1.3 million jobs.

2.9 Government asked all LEPs to submit a Strategic Economic Plan (SEP) in March 2014, identifying the housing, transport, economic development and skills priorities of the area. Kent's priorities in the SEP were articulated in Unlocking the Potential: Going for Growth (see below).

2.10 SEPs were the mechanism by which LEPs bid for a share of the Local Growth Fund – a new £12 billion fund devolved from government departments. The first wave of the Growth Deals were announced on 7th July 2014 and SE LEP was awarded £442.1 million, with £64.6 million of new funding confirmed for 2015/16 and £143.6 million for 2016/17 to 2021. The deal included a provisional allocation of £8.9 million for an integrated transport package for Maidstone for 2016/17 onwards.

2.11 A key component of the Deal was the creation of SEFUND - a revolving investment fund for local authorities and partners to bid for in order to support projects in their area. Although this proposal did not receive a financial allocation in the Growth Deal, the SE LEP has been able to establish a SEFUND initially using recycled Growing Places Funding. It is important that the Maidstone Economic Development Strategy provides the foundation for Maidstone to secure its share of SEFUND and future rounds of LGF.

European Structural Investment Funds Strategy (ESIF)

2.12 In addition to resources secured through the Growth Deal, the SE LEP has access to European Structural Investment Funds for the period 2014-2020. These fund are available through both the European Regional Development Fund (ERDF) and European Social Fund (ESF) European Programmes. The SE LEP European Structural Investment Fund Strategy (ESIF) is aligned to the priorities of the SE LEP Strategic Economic Plan.

Unlocking the Potential: Going for Growth

2.13 The Growth Deal for Kent and Medway was based on the Kent and Medway Growth Plan - Unlocking the Potential: Going for Growth. It focuses on the key transport projects, housing and employment sites, skills capital projects, and other funding opportunities in the area.

2.14 The key locations for growth include Maidstone and the M20 corridor; Thames Gateway Kent – A2/M2 corridor; East Kent – the high speed one growth corridor; and West Kent – the A21 corridor and Medway Valley. Maidstone is identified as Kent's county town, with economic opportunities associated with its central location, established business services sector and developing media and health sectors. The M20 Junction 7 with Eclipse Business Park and the Kent Medical Campus, and

Maidstone town centre are identified as opportunities for growth. The relative weakness of rail connectivity and high levels of congestion around Maidstone town centre are identified as specific economic challenges.

2.15 Investment opportunities are identified at Kent Medical Campus, where funding opportunities could help to bring forward the development by supporting initial infrastructure costs. At the nearby Maidstone Studios the University of the Creative Arts are looking to develop their student facilities. In Maidstone town centre, redevelopment of the area surrounding Maidstone East Station is identified as an important regeneration site, replacing outdated office blocks and car parking with a new mixed-use extension of the town centre.

2.16 A number of transport projects identified for Maidstone in the SEP have received funding including:

- **Maidstone Gyratory Bypass.** This £5.7 million total cost scheme has been allocated £4.56 million Local Growth Funds and is due to start in 2015/16 with completion in 2016/17. It will deal with a congestion and air quality hotspot within Maidstone Town Centre, lying at the point where the A20, A26, A229 and A249 primary routes converge and cross the River Medway in Maidstone town centre. Two additional northbound lanes will be constructed to enable northbound traffic on the A229 to bypass the existing Gyratory system. This will reduce journey distances, travel time and congestion and enable the regeneration of the western riverside.
- **Sustainable Access to Maidstone Employment Areas**. At a total cost of £3 million, £2 million of Local Growth Funds have been allocated to this scheme which will start in 2015/16 and be completed in 2016/17. This scheme is a high quality dedicated cycle and pedestrian route from residential development sites on the outskirts of Maidstone’s urban areas into Maidstone Town Centre. It will encourage a modal shift to walking and cycling, reducing vehicle trips along main access routes into Maidstone; delivering decongestion benefits and improving journey time reliability.
- **West Kent LSTF (Local Sustainable Transport Fund).** This scheme includes local growth funding of £1 million for Maidstone East Rail Station improvements which is matched by £1 million from the national station improvement programme and is part of a larger schemes around the station which includes a retail element.

Tackling Disadvantage: Low Income Working Families

2.17 Kent County Council is leading the preparation of a strategy to support working families on low incomes. This is a particularly important issue in Maidstone where the weekly wages of workers are particularly low. ‘In-work poverty’ has become more of a concern nationally as inflation – including the cost of gas, electricity, food and other basics - has risen faster than wage growth, leading to a decline in real incomes. The work is looking into how local authorities in Kent can support people on low pay to: maintain good health; progress in their career to better paid jobs; navigate the complexities of the in-work benefits system; and how to incentivise employers to give workers a fair deal.

3 Maidstone Today: Challenges and Opportunities

3.1 This section sets out how Maidstone's economy has been performing over recent years and the challenges and opportunities it faces. The key points in this section are based on the findings set out in the State of the Maidstone Economy report and from the programme of engagement and workshops with the business community, stakeholders and councillors.

Maidstone has the biggest economy in Kent

3.2 Maidstone is the largest economy in Kent in terms of economic output, worth an estimated £3.3 billion per annum[12]. Total employment - including both employees and the self-employed - was 70,700 in 2012[13], 12.6% of total employment in Kent.

Recent economic performance has been poor

3.3 Over recent years Maidstone's economy has not fared well and for many economic indicators the downward trends have been worse than for neighbouring areas and comparator towns.

3.4 Maidstone's economic output, measured in terms of GVA, fell between 2007 and 2012 and as a result its contribution to the Kent economy decreased from 13.3% to 12.5%. Amongst the Kent districts, only Dover experienced a worse fall in output over this period. Over the longer term from 2002 to 2012, Maidstone's economic output performance has been below par - increasing by only 3.8% which was below the Kent (+4.2%) and national (+4.4%) rates. Nearby districts of Dover, Tunbridge Wells, Gravesham and Swale have all performed better.

3.5 Total employment in Maidstone fell from 72,600 in 2009 to 70,700 in 2012[14]. This 2.6% decrease was greater than the fall across Kent as a whole (-0.7%) and contrasts with a slight +0.7% increase nationally. Only Ashford (-2.9%) and Tonbridge & Malling (-3.1%) saw a decline greater than Maidstone amongst the Kent districts, with the others all doing better, particularly Dartford (+11.3%) and Sevenoaks (+5.1%).

3.6 Employment in Maidstone also fared worse than in comparator areas like Colchester, Chelmsford and Horsham, which saw either no change or an increase in employment over the same time period.

3.7 Over a longer time horizon from 2002 to 2012, employment in Maidstone increased by 3.8%, which was above the Kent average (+0.9%) but below the national growth rate (+5.8%). Four other districts in Kent saw greater growth and these were Dartford, Shepway, Canterbury and Ashford.

A service sector based economy

3.8 The focus of the Maidstone economy is towards the service sector with Health and Public Administration (largely public sector), Business Administration & Support, Financial and Insurance Services and Information & Communication all relatively significant.

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[12] All GVA estimates are from Kent County Council (2014) Business Intelligence Statistical Bulletin
[13] ONS (2013) Business Register and Employment Survey (BRES)
[14] ONS (2013) Business Register and Employment Survey (BRES) - includes employees and self-employed.

3.9 While public sector orientated service industries have performed badly in employment terms since 2009, private sector services have seen some growth. Employment in Business Administration & Support, Financial and Insurance services and Information & Communication increased between 2009 and 2012 and growth has been well above the national and Kent trends, with the exception of Business Administration & Support which grew more at the Kent level.

Public sector job losses

3.10 One of the main reasons why the Maidstone economy has performed poorly over recent years is the level of its reliance on the public sector for employment at a time when austerity has meant cuts to the public sector nationally. Some 1500 of the 1900 jobs lost in Maidstone between 2009 and 2012 were in the public sector[15].

3.11 Maidstone has the second highest dependency on public sector jobs in the South East (27.9% of the workforce)[16] and it is forecast to lose a further 2000 jobs by 2015 through a combination of direct (1490) and indirect (510) public sector job losses.

3.12 Private sector jobs have also been lost since 2009 in Maidstone, but to a lesser extent than in the public sector and there are more positive signs of growth over the last year.

3.13 The dominance of the public sector in the Maidstone economy continues to be a key issue for future prosperity. As the county town, we would expect the proportion of employment in the public sector to be high but some diversification is needed. In 2012, 11.3% of the employment in Maidstone was in Public Administration and Defence compared to only 4.4% in Kent as a whole. Signs are that the public sector is set to continue to shed further jobs over the next few years, so increasing private sector employment growth in Maidstone needs to be a priority.

Manufacturing is important

3.14 Although the manufacturing sector is relatively small in the borough, accounting for a relatively low proportion of jobs (5.6% of jobs compared to 6.9% in Kent and as whole and 8.9% nationally), it has performed relatively well. Manufacturing employment increased by almost 5.7% between 2009 and 2012, which contrasts with decline in Kent (-6.6%) and nationally (-3.5%)

3.15 The manufacturing industries which performed best in Maidstone were Pharmaceutical Products, Food Products, Rubber and Plastic Products and Computer, Electronic and Optical Products.

3.16 This growth has largely been around Marden, Headcorn, Staplehurst and in northern areas around the M20. However, some of these growing businesses wish to relocate to more accessible parts of the borough closer to the motorway network. It will be important that these growing manufacturing companies are nurtured to capitalise on the opportunities for economic growth they bring.

A small but growing knowledge economy

3.17 Overall Maidstone has a relatively low share of higher value 'knowledge intensive' employment (14.5% compared to 16.1% for Kent and 19.4% nationally); these are sectors such as ICT, financial and business services, and advanced manufacturing, which are driving national economic growth. While their share in Maidstone is relatively low, they are growing with strong jobs growth recorded since 2009 above that for Kent and England as a whole (+5.1% compared to +4.4% in Kent and +2.6%

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[15] ONS (2013) Business Register and Employment Survey (BRES)

[16] KCC Research & Intelligence (January 2011) 'Public Sector Dependency and an assessment of public sector jobs in Kent'

for England)[17] The knowledge economy industries that saw particularly significant growth in Maidstone are Architectural and Engineering Activities, Computer Programming, Consultancy and Related Activities and Publishing.

3.18 It is important that these high value jobs are encouraged as they are the growth industries of the future that will bring higher value, higher paid job opportunities to the borough.

An entrepreneurial economy

3.19 Maidstone is an entrepreneurial economy with the self employment rate (12.1%) above the Kent (11%) and national (9.9%) averages; the borough ranks fourth highest in Kent below Tunbridge Wells, Shepway and Dover[18].

3.20 Although the rate of business start-ups has fallen over recent years, from constituting 13.9% of businesses in 2004 to 11.2%, this is on a par with the average for Kent (11.1%) but above the national average (10.8%)[19].

3.21 Business survival rates generally deteriorated during the recession, but Maidstone performed relatively better, with business survival rates generally above the national average since 2011.

3.22 However, some of the reported specific and generic barriers facing new business start-ups and their survival in Maidstone include:

- inflexible lease terms for premises and comparatively high costs, particularly for those without start-up capital and recent graduates and residents starting in business from low income backgrounds;
- many micro businesses working in isolation with few opportunities to develop local supply chains;
- a lack of business skills and little awareness of what is available and a perception that engaging help will be costly; and
- business frustration that the business support landscape is too fragmented and/or irrelevant to their needs.

3.23 It is important that new business creation is encouraged and supported through the early stages of development. New firms and SMEs, particularly in the high value knowledge sector, are important drivers of innovation and higher productivity in the economy and this will help to diversify Maidstone's economy away from the predominance of the public sector.

A growing population

3.24 Maidstone had an estimated population of 157,300 in 2012 and is the largest district in Kent, with 10.6% of the county's population.[20] The population has grown faster than the national average in the last decade, with 17,000 more residents since 2002.

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[17] ONS (2013) Business Register and Employment Survey (BRES) based on KCC definition of the knowledge economy.

[18] ONS Annual Population Survey

[19] ONS Business Demography

[20] ONS Mid Year Population Estimates

3.25 This growth is set to continue, with future population growth for Maidstone forecast to be above the national and regional level to 2021. Both the working age (16-64) and retirement age (65+) population are expected to grow more than in Kent overall.

3.26 This growth offers opportunities to capitalise on the increased productive capacity of the local labour force to support business growth. If jobs growth does not materialise to meet these needs then commuting to neighbouring places will rise causing additional pressure on existing infrastructure and any additional business rates income that could be generated from new economic activity will be lost.

High rates of economic participation

3.27 Maidstone has a strong labour market with relatively high employment and economic participation rates and relatively low levels of unemployment. In 2013, 7.2% of economically active residents aged 16-64 were unemployed, compared to 7.6% for both Kent and England.[21] Unemployment increased as a result of the recession, from around 4.3% in 2008 to 8.2% in 2012, but fell in the last year. Thus, while the labour market has performed relatively well in difficult times, there is still some way to go for unemployment to return to pre-recession levels.

3.28 Maidstone's claimant count (the share of working age people claiming Jobseekers Allowance) shows a similar pattern to overall unemployment. The claimant count rate rose sharply in 2008, from 1.0% of 16-64 year olds in January 2008 to 2.7% in January 2012, but has come down in the last year. In April 2014, 1.7% of working age residents were claiming JSA, compared with 2.3% for Kent and 2.7% for England as a whole. Maidstone's claimant count rate was the fifth lowest in Kent in April 2014[22].

3.29 This relative tightness of the labour market is further supported from evidence of mismatch between the supply and demand for labour. There is greater demand for entry level and intermediate level jobs amongst JSA claimants, particularly in sales and customer service roles, than vacancies available, whereas for higher paid occupations, such as associate professionals, the opposite is true - there are more vacancies than claimants.

3.30 Anecdotal evidence from employers suggests that businesses are facing recruitment problems which are affecting the ability of some Maidstone businesses to grow. For example, a logistics company reported that it was struggling to recruit 40 drivers, a manufacturing company reported difficulties in recruiting engineers and a care provider is also having problems in recruiting for relatively low wage positions.

3.31 These indicators suggest that labour market conditions are tight and some businesses are facing recruitment problems across a spectrum of job types in Maidstone.

Low qualification levels

3.32 The qualifications profile is relatively low in Maidstone with less than one third (32.6%) of residents qualified at NVQ Level 4 or above. This is below the Kent (33.6%) and national (35%) averages. More

[21] ONS Annual Population Survey
[22] ONS claimant count

people in Maidstone are also qualified at below level 2[23] (18.5%) compared to Kent as a whole (16.5%)[24].

3.33 However, GSCE performance is good. In 2013 70.8% of Key Stage 4 pupils in Maidstone achieved 5+ A*-C GSCE grades (including English and mathematics) compared to only 63.1% across Kent and 59.2% nationally and at A level 87.8% of pupils achieved 3 or more A*-E Grades compared to 86.1% across Kent[25].

3.34 While there has been improvement over recent years both at the upper and lower ends of the qualifications profile - fewer people have no qualifications and more now have degrees - this improvement has been less than in Kent as a whole, so the gap has widened.

3.35 For Maidstone to attract high value jobs and for companies to innovate and become more productive in the future, there is a need to up skill the workforce and attract graduates to work in the Maidstone economy.

Residents earn more than workers

3.36 Average earnings of residents in Maidstone (£26,800) are above those of workers (£23,290)[26]. This gap between the wages of residents and workers reflects commuting patterns with out-commuters generally going to better paid occupations, and in-commuters coming to generally lower paid service sector jobs.

3.37 Historically, resident earnings in Maidstone have been above the Kent and national averages, However, latest figures suggest resident earnings in Maidstone fell between 2012 to 2013 from £28,700 to £26,800 and therefore are now below the Kent (£28,700) and national (£27,400) averages. These figures need to be treated with caution and monitored to test whether 2013 was a one off fall, an error in the data, or whether they are part of a more profound decline.

Maidstone is becoming less important as a place for jobs

3.38 Maidstone as a place for work for its residents has become less important over the last decade, moving from being a slight net importer of labour to a net exporter. The 2011 Census shows that some 1240 more people were leaving the borough for work than coming in.

3.39 Evidence suggests that in terms of jobs profiles, more out-commuters are working in managerial, professional, and technical occupations, while those commuting into Maidstone tend to be in skilled / semi-skilled occupations.[27]

3.40 The potential pool of more highly skilled labour that is currently commuting out of the borough offers potential opportunities to attract higher value businesses which can utilise these skills.

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[23] Level 2 is equivalent to 5 GCSEs Grade A* to C
[24] ONS Annual Population Survey
[25] Kent County Council.
[26] ONS Annual Survey of Hours and Earnings, 2013
[27] Administrative and secretarial; skilled trades; caring, leisure and other services; and, sales and customer service occupations

SWOT Analysis

3.41 Based on the analysis of recent economic trends and other analyses which are discussed later in the strategy, summarised below are the main strengthens, weaknesses, opportunities and threats facing the Maidstone economy.

Strengths	Weaknesses
• Good strategic transport links • Attractive business location opportunities around motorway junctions • High quality environment • Critical mass of employment draws workers to the area • Opportunities in the health and medical growth sectors • Part of a growing and dynamic market area • Significant proportions of economically active residents • High proportions of residents employed in technical and associate professional occupations • Growth in knowledge based economy sectors • Diverse and broad sectoral mix • High levels of entrepreneurship • Good school performance in GCSEs and A levels	• Poor rail connectivity to London compared to neighbouring towns • Relatively low levels of productivity • Gap between resident and workplace earnings • Low qualification profile and the gap widening with other places • High dependency on public sector employment • Low proportion of managerial level occupations • Lack of employment in key knowledge sectors • Loss of HE provision • Maidstone town centre is falling in the retail hierarchy. • Lack of suitable retail units that meet retailer requirements • An abundance of low quality secondary office space in Maidstone town centre and stagnant office market demand for secondary space • Low level of delivery of new high quality floorspace across all property types • Lack of available land close to the motorway corridor to meet the market demand for larger businesses premises in this location.

Opportunities	Threats
• The working age population is forecast to grow • Strong base of entrepreneurs to further develop • Out commuting of higher skilled workers provides future business growth opportunities • To build sector strengths based around the proposed expansion of KIMS and Kent Medical Campus • To build HE capacity with a focus on health-related opportunities relating to the Kent Medical Campus and the UCA provision at Maidstone Studios • Ability to utilise the M20 to attract regional and nationally focused activities • Availability of employment sites for development at Junction 7 • To increase the attractiveness of Maidstone town centre and enhance retail and leisure offer the through proposed developments • Use of new PDR (Permitted Development Rights) to convert low quality vacant offices to Maidstone town centre housing and thereby improve the vitality of the office market • Potential delivery of existing permissions if property market can be strengthened • Potential to exploit 'niche' opportunities in the sub-regional economy • Growth in neighbouring areas within the functional market area can grow 'market opportunities' for Maidstone businesses	• Decreasing proportion of the population in the 30-59 age band • Major growth proposals in neighbouring local authority areas • Competition from established locations for 'value added' sectors • Global competition • Dominance of Kings Hill in the regional office market • Competition from neighbouring centres for local business seeking to expand and inward investment opportunities • Proposals for out-of-town retail developments which could threaten Maidstone town centre if poorly planned. • Limited scale market • Use of new Permitted Development Rights to convert commercial premises to residential uses leading to uncertainty and displacement for businesses and loss of employment sites to residential through the planning process.

4 Maidstone's Growth Potential

4.1 Understanding the trajectory of the Maidstone economy, both in terms of the scale and type of economic growth that could occur is an important foundation for the economic development strategy. An informed judgement about the sectors that could grow (and decline) is needed to shape policy and investment decisions by the council and partners.

4.2 At the same time, we must acknowledge the inherent uncertainties when making these judgements. Anticipating external shocks such as the global credit crunch is almost impossible. Moreover, in the context of global and national structural macroeconomic changes, the council is limited in its ability to influence the performance of different sectors. Policy needs to be sufficiently flexible to adapt to the changing demands of the economy and to create the conditions for growth in a range of sectors. These sectors need to provide jobs in a range of different occupations at different skill levels and pay grades for all residents.

Employment Forecasts

4.3 In their report *Economic Sensitivity Testing and Employment Land Forecast*[28]*,* consultants Bilfinger GVA present a number of different forecasts of future employment growth in the Maidstone economy. A 'base' scenario is modelled from econometric forecasts by Experian. This effectively represents a 'business as usual' scenario, projecting forward largely based on historic trends. The base scenario is for employment growth of 7,800 jobs between 2011 and 2031 in Maidstone.

4.4 Building from the base scenario, Bilfinger GVA consider the locally relevant factors that could drive economic growth, considering where the base scenario under- or over-plays the potential for growth in some of Maidstone's existing key sectors. In addition, the consultants assess the potential for growth in new 'opportunity' sectors, reviewing some of the emerging technologies that could drive growth and how applicable they are to Maidstone's economy.

4.5 Based on this analysis, Bilfinger GVA conclude that it is reasonable to anticipate that employment growth will, in certain sectors, grow beyond what 'business as usual' or historic trends would suggest. To quantify the potential uplift, three sensitivity tests are applied. First, comparator areas are identified and their forecasts for sector growth compared with Maidstone. Second, the impact of proposed developments in Maidstone are considered, including KIMS/KMC and the Newnham Court Shopping Village. Third, the key elements of sensitivities 1 and 2 are integrated to arrive at an enhanced growth scenario of 14,400 jobs over the period 2011 to 2031.

4.6 Bilfinger GVA conclude that while there are risks, on balance it is appropriate to plan for growth in line with the enhanced growth scenario to maximise economic potential. The high growth scenario, which has been accepted by the council, will require a proactive approach to promoting economic growth, making land available in attractive locations for business, taking forward the regeneration of Maidstone town centre and implementing other actions outlined in this strategy. Maximising the potential of Kent Institute of Medicine and Surgery (KIMS) and the Kent Medical Campus proposal will be particularly important for achieving the employment forecast.

[28] Bilfinger GVA (2014) 'Economic Sensitivity Testing & Employment Land Forecast for Maidstone Borough Council'

Sectors

4.7 A breakdown by sector of the 14,400 jobs forecast in Maidstone over the next 20 years is provided by Bilfinger GVA in their report. As the forecasts are derived from standard industrial classifications, it is helpful to group some of these activities together for the purposes of strategy and policy making. The commentary below is focused on those sectors, and sub-sectors, with the largest growth potential in Maidstone. It is drawn from analysis by Shared Intelligence in the State of the Economy report and from the Bilfinger GVA report.[29]

Professional and Business Services

4.8 Employment in Maidstone, like the UK, is expected to continue its shift towards service sector-based activities with professional and business services the main engine of growth. While a renaissance in manufacturing has been touted since the financial crisis, it has so far failed to emerge to the extent that pre-recession trends have substantially changed. The professional services sector covers a wide variety of activity, from legal services through to scientific Research and Development (R&D). Growth of over 5200 jobs are forecast in this sector by 2031 making it the largest contributor to future growth in Maidstone. Business services such as architecture, marketing and management consultancies are driven to an extent by growth of the industries they serve. Demand in Maidstone is likely to be largely locally driven from SMEs serving local markets.

4.9 The R&D activities within this sector are of particular interest to Maidstone as they help to raise productivity, broaden the economic base, and offer well paid jobs. Some of the Kent Medical Campus jobs would fall into this category.

4.10 Other sectors expected to grow which fit under the broad category of Professional and Business Services include:

- ***Finance***: While the financial crisis, together with longer-term consolidation of activities within the sector, has meant a decline in employment nationally, Maidstone has seen recent job gains. Longer-term growth in the South East is anticipated and building on the existing strong base, it is reasonable to assume that Maidstone could capture a share of this growth. The sector is forecast to create almost 500 jobs in Maidstone by 2031.

- ***Computing and information services***: Information technologies permeate nearly all sectors of the economy and are a key driver of innovation and productivity gains. The IT services sector continues to evolve with cloud computing and the mobile App industry both recent drivers of growth alongside on-going demand for networking, hosting, and maintenance. As more and more business rely on information technologies to do business, employment will continue to grow. The relatively low start-up costs associated with setting up an online business, or launching a new App mean there are opportunities for micro enterprises and SMEs. The sector is forecast to create 600 jobs in Maidstone by 2031.

- ***Administrative and support services***: These services will continue to grow with the wider economy, as both the private and public sectors continue to outsource more of their administrative and support tasks in order to focus on core business. The sector is of particular interest in terms of the potential for remote working and start-up opportunities. Over 1600 jobs are forecast in Maidstone by 2031.

[29] Bilfinger GVA (2014) 'Economic Sensitivity Testing & Employment Land Forecast for Maidstone Borough Council'

Construction and Real Estate

4.11 Maidstone has a comparatively large construction sector, with some 30% more jobs than the national average. Reflecting the highly cyclical nature of employment, over 1500 jobs in construction were lost during the recession. As the property market recovers, there is good reason to believe employment in construction in Maidstone will recover and expand. The scale of housing growth in Maidstone, nearby parts of Kent and the South East should support long-term growth, as should the development of new employment sites, notably the proposal for the Paramount Theme Park in North Kent.

4.12 Three sectors in the forecast fall under the broad category of construction – civil engineering, construction of buildings, and specialised construction activities. Together, they are forecast to create nearly 800 jobs in Maidstone by 2031. Closely tied to Construction is the Real Estate sector where more than 600 jobs in Maidstone are forecast in activities such as including Real Estate Sales, Managing and Letting.

Health and Social Care

4.13 An ageing population and the rising proportion of national income being spent on health and social care will drive growth of this sector. More people are turning to private healthcare to supplement care provided by the state. An uplift to the base forecast for the health sector in Maidstone has been applied to account for investment taking place in KIMS and the Kent Medical Campus proposal. These developments will create highly skilled, well-paid jobs that will boost productivity and income in Maidstone. It is therefore important to support the development of KIMS and Kent Medical Campus to ensure that the opportunities it will bring to attract further inward investment are capitalised upon.

4.14 Over 1500 additional jobs are forecast in Maidstone in the health sector by 2031. Another 1500 jobs are forecast in Maidstone in Residential and Social Care. These sectors offer the potential to create jobs in a range of occupations and a variety of skill levels.

Manufacturing

4.15 The manufacturing sector has performed relatively strongly in Maidstone since 2009 - particularly in the rural areas, such as Marden and north of Maidstone. Maidstone has some locally significant and growing businesses in transport equipment manufacturing. Nurturing this sector and supporting manufacturing industries to continue to grow in the future will be important. Securing the future of our existing businesses is the best way of achieving economic growth rather than relying on new inward investment opportunities.

Creative and Media

4.16 The creative industries are increasingly recognised as one of the UK's competitive strengths in the global economy. There were over 2700 jobs in the broad creative industries sector in Maidstone in 2012, representing 3.8% of employment, which is above the Kent average (3.1%) but below the national average (4.3%).

4.17 Within this broad sector, Maidstone has a specialism in Media and Broadcasting in the form of Maidstone Studios, and also has close ties with the University of the Creative Arts. While London dominates the media industry, Maidstone Studios is a key asset locally that should be supported. New technologies including new online platforms are creating opportunities for entrepreneurs to enter the sector. While the quantum of forecast employment growth in media is modest (+80 jobs) by 2031, they are potentially high value jobs, and the figure should be seen as a minimum within the context of more significant growth of the wider creative sector.

Retail and Leisure

4.18 The retail sector continues to change significantly with the growth of online retail, the popularity of larger shopping malls and the recent decline in disposable income. High streets are being forced to reinvent themselves to survive in this highly competitive environment. Investment in Maidstone town centre is needed if it is to continue to be a popular retail and leisure destination. Population growth and growing consumer confidence should provide a much needed injection of demand and footfall in the short-medium term. The retail sector is forecast to create 600 jobs by 2031.

4.19 In terms of leisure, long-term growth in income has driven demand for recreation activities, tempered recently by the fall in real incomes following the recession. With the right offer, Maidstone has the potential to attract growth in the sector, drawing spend from relatively wealthy surrounding areas. The recreation sector is forecast to create 260 jobs in Maidstone.

Education

4.20 Nationally, the education sector is expanding, driven largely by population growth which is resulting in the need for more schools places, and in turn more teachers, teaching assistants, secretarial and consultancy support. Demand for further and higher education is also growing, with the latter one of the UK's most important exports in the form of international students. Population growth in Maidstone will mean at least two new primary schools within the town. There are also opportunities for expansion of higher education, linked to the media sector and health sectors. The education sector is forecast to create 1500 jobs in Maidstone by 2031.

Logistics and Distribution

4.21 The logistics and distribution sector has seen significant growth over the past decade proving to be resilient in the recession. Future growth in this sector is forecast to be strong. More and more goods are being transported across the country from business to business and business to consumer. In this sense, the logistics sector is an important enabling sector for the rest of the economy. The sector offers a range of employment opportunities at different occupational and skill levels. The industry is growing in terms of size and sophistication; Skills for Logistics – the sector skills agency forecasts the need for more than 900,000 workers over the next decade nationally, increasingly at managerial levels and also at machine operative and administrative levels.

4.22 Locations with good accessibility to ports, airports and freight hubs have been the main focus for operators and developers. Maidstone's location on the M20 means it fits many of these criteria and demand is expected to be strong along motorway junction locations. Nearly 700 more jobs are forecast in land transport and storage and a further 300 jobs in the wholesale sector in Maidstone by 2031.

The Visitor Economy

4.23 Tourism is an important sector in Maidstone; visitors come to the area for a variety of different reasons, both for leisure and business visits and from a variety of places, bringing an injection of expenditure which helps to raise income and employment both directly and through multiplier effects. Nationally, the tourism sector continues to expand; according to ONS figures 2013 was a record year for overseas visitor numbers to Maidstone with a large increase in the number of Chinese visitors.

4.24 Leeds Castle is the most high profile of Maidstone's tourist attractions with over 500,000 visitors per annum. Other key attractions include Kent Showground, Maidstone Museum & Bentlif Art Gallery, one of the most important regional museums in the South East, Kent Life – an open air visitor attraction about Kent's rural heritage, and the Hazlitt Theatre.

4.25 Many people visit Maidstone to enjoy its attractive rural villages and Kentish countryside. Parts of the borough are within the Kent Downs Area of Outstanding Natural Beauty (AONB). People visit to go walking, cycling, horse riding or to sample the local Kentish produce. The town centre attracts people during the day for the retail and leisure offer, as well as for the parks and riverside walks. In the evening, Maidstone's bars and club are popular with young people and contribute to an important evening economy. Maidstone town centre has also seen a growing restaurant, café and coffee shop offer from national chains and independents, many of which are clustered around Earl Street.

4.26 The parks and open spaces in Maidstone, especially Mote Park and Whatman Park, mean it is well placed to host major events and festivals, and has a track record of doing so. Large scale events at the Kent Showground, Leeds Castle, Brands Hatch, the Hop Farm and in the venues of the Medway towns, bring large numbers of staying visitors to Maidstone. Maidstone is also a popular location for conferences, with a number of different venues across the borough which are promoted by Kent Conference Bureau (KCB), a public/private sector run marketing consortium promoting Kent as a conference and event destination, that was originally established in Maidstone.

4.27 Analysis of the visitor economy in Maidstone has been undertaken using the industry-standard Cambridge model. The most recent assessment based on 2013 data found:

- *Spend* - around £186.8 million was spent on trips to Maidstone in 2013 by overnight and day visitors, down by 0.2% compared to 2011. It is estimated that a further £59 million was added through multiplier effects. Drawing together direct business turnover, supplier and income induced expenditure, and related expenditure, the total value of tourism activity is estimated to have been around £251.6million – an increase of 4% compared to 2011.
- *Trips* – an estimated 3.7 million tourism day trips were made to Maidstone in 2013, up 1% compared to 2011. In addition, around 367,000 overnight tourism trips were made.
- *Origin of spend and trips* – domestic visitors made up 80% of overnight trips (291,000) and overseas visitors made 20% of trips (66,000). By comparison, 21% of expenditure was made by domestic staying visitors; 14% by overseas staying visitors and 65% by day visitors.
- *Jobs* – an estimated 3,762 full-time equivalent jobs were created by the sector, or 5,190 including seasonal and part-time workers - around 8% of total employment.

4.28 The fundamental challenge for Maidstone is to capture a greater share of South East tourism and build on the borough's heritage, urban and rural strengths. Destinations that are well managed are more likely to excel in attracting new investment, talented workers and ultimately more visitors. The council has commissioned a Destination Management Plan - a shared statement of intent between public and private partners to manage, develop and promote Maidstone as a tourist destination with a publication date of July 2015.

4.29 Aligned to this work will be the production of a Cultural Strategy which will provide a shared direction and actions around the following themes:

- Cultural Heritage – understanding and interpreting Maidstone's past in order to shape its future
- Cultural Assets - maintenance, usage and development
- Festivals and Events – overview and opportunities for enhancement
- Supporting and Developing Maidstone's Creative Economy – artists, cultural organisations
- Creative Industries – fulfilling the growth potential
- Building Social Capital, Health and Wellbeing through Culture – encouraging and developing cultural participation
- Cultural Place Making: Maidstone town / rural areas; connectivity; twilight economy; future opportunities; identity.

The Rural Economy

4.30 A large part of the borough has a vibrant rural economy that also offers opportunities for growth, with its diverse range of industries including the land-based sector, such as farming and horticulture, rural tourism-based businesses and others in sectors including construction, manufacturing and distribution.

4.31 Many of the priorities identified in this strategy - retaining and attracting investment, stimulating enterprise, meeting the skills needs of employers and investing in infrastructure - apply as much to rural areas as they do to the urban economy. However, growth in rural areas needs to be planned sensitively and sustainably in order to retain the appeal of the countryside as a place to live, visit and do business. We recognise that there are some specific opportunities and challenges facing the rural economy and we will work with local communities, businesses and parishes to develop initiatives around the priorities in this Strategy .

Agriculture, Horticulture and Forestry

Agriculture and food manufacturing is an important part of the national economy recognised in the national Agri-Tech Strategy, not least for its role in feeding the rapidly expanding global population. The strategy puts considerable emphasis on research and development, innovation and skills that will be needed to raise productivity and support sustainable intensification of agriculture. More locally Kent has a proud history of producing some of the finest produce in England, which is promoted under the brand 'Produced in Kent'.

The Agri-tech sector has some potential for the Borough as identified by GVA in the Economic Sensitivity Testing report. There is still a significant land based sector in the Borough. Opportunities for businesses could present themselves in the form of adoption and development of new techniques and as a test centre. Hadlow College and East Malling Research Centres in neighbouring Boroughs could enable private sector/research collaborations and technology transfer. East Malling has recently benefited from Government funding through the Agri-tech Catalyst to established centres of agricultural innovation.

4.32 The land based sector shares many of the issues other industry sectors have including skills shortages, planning, access to markets, business support and broadband connectivity. Other issues are more specific around the way agriculture is funded and the countryside stewardship role they perform. The industry is represented on The Maidstone Economic Business Partnership and work is under way to identify how the Borough Council can add value and support the sector. Discussions are ongoing with farmers and the National Farmers Union (NFU). We need to continue to promote the development and diversification of agriculture and other land-based rural businesses in Maidstone and the growth opportunities that are emerging in this sector. The expansion of the Leader Rural Development Programme to all of rural Maidstone will provide grant finance to support diversification.

Home-working and home-based businesses

4.33 More businesses than ever are being started from home in home offices, studios or workshops, as technology has enabled entrepreneurs to reach a wide marketplace via the internet from anywhere in the world. Research by KCC suggests that Maidstone has one of the highest concentrations of home-based businesses in Kent.

4.34 The quality of life on offer in Maidstone is one of its key competitive advantages and attracts a talented pool of people to the area to live and work. In the modern economy, greater flexibility of working conditions means that an increasing number of people are able to work from home. This offers an opportunity for Maidstone to attract more people looking for a better work-life balance by setting up a home-based business or working from home. To support this growth, planning policies need to be sufficiently flexible to allow home working, and to permit workspace such as live-work units, to be built. Fast, reliable, telecommunications infrastructure is also a prerequisite for many home workers and home-based businesses.

ICT infrastructure

4.35 High-speed broadband is increasingly recognised as the ‘fourth utility’, being as important as gas, electricity and water to homes and businesses alike. Broadband and mobile telecommunications coverage in rural areas can be patchy and act as a barrier to businesses needing high bandwidth. “Making Kent Quicker” is a county-wide Kent County Council programme with BT and the government’s broadband agency, Broadband Delivery UK (BDUK), to bring better broadband to Kent. By the end of 2015, at least 95% of all properties in Kent will have access to higher-speed fibre-based broadband infrastructure and every property in the project area will be able to access a broadband service of at least 2Mbps. A minimum of 91% of premises will get superfast broadband of at least 24Mbps. We need to continue to support efforts to extend the reach of high speed broadband in Maidstone’s rural areas enabling more people to receive 24Mbps or higher.

Tourism-related businesses

4.36 The beautiful natural landscape of Maidstone's rural areas and its array of visitor attractions, such as Leeds Castle, offer potential for rural tourism-related business growth. The Destination Management Plan will be the vehicle through which the specific opportunities presented by Maidstone’s rural offer will be developed.

5 Strategy for Growth

What Makes a Successful Local Economy?

5.1 There is a long history of academic thinking in economic geography, regional economics and urban studies that has attempted to explain why some local economies perform better than others, and to identify the key success factors. The concept of 'agglomeration economies' has been popular in recent discourse and has informed latest government policy with respect to local economic growth.[30] Agglomeration theory suggests that concentrations of economic activity generate economic benefits for businesses located within them, including easier access to skilled labour, specialist inputs and suppliers, and the creation of knowledge spillovers. Agglomeration benefits are believed to raise productivity, income and living standards.

5.2 The concept of 'resilience' has also gained traction within the field following the recession. The Centre for Local Economic Strategies (CLES), and the Institute of Public Policy[31] (IPPR) have both emphasised the importance of local economies being able to adapt both to shocks and to long-term changes. The concept of resilience is tied to a broader debate about what constitutes 'good growth', placing greater emphasis on the importance of environmental sustainability, responsible business practices, engagement and accountability and a responsive public sector.

5.3 Some common threads emerge from these different theories. Successful towns and cities tend to be those that are competitive, productive and innovative. They have the ability to continually upgrade their business environment, skills base, and physical, social and cultural infrastructures, to attract the most profitable firms and the most talented people. Success factors include:

- **Innovation, creativity and enterprise** - entrepreneurial activity and the exploitation of new ideas through innovation are important drivers of economic growth. How easily new ideas are diffused between firms and sectors in a locality will influence their take-up and ultimately how productive the local economy will be.

- **Risk investment and capital** - investment and capital is required for businesses to develop new innovations and for investment in the place. Therefore, the ability of a place to attract this will influence its performance.

- **High quality labour** - the availability of human capital to turn ideas into new innovations worth funding with venture capital is important for achieving successful knowledge driven economies.

- **Exports** – successful local economies tend to be those that export goods and services beyond their immediate boundaries serving wider markets.

- **Connectivity** - having efficient transport, electronic telecommunications and business networks are critically important to how the economy of a place functions and good systems are needed to support successful economies.

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[30] BIS Economics Paper No.7 (2012) "Understanding Local Growth"

[31] IPPR (2014) "Building Economic Resilience".

- **Quality of life** - this is hard to define objectively and can relate to the social, environmental and place factors. Evidence suggests that a good quality of life is an indirect rather than a direct driver of urban economic competitiveness, but it is nevertheless important for attracting new investment**.**

- **Decision making** – strategic decision making by urban authorities is a key driver of competitiveness when effective governance arrangements are in place.

5.4 Maidstone has many features of a successful economy. Our aim is to build on these strengths through this economic development strategy to ensure that a sufficient diverse range of jobs are available to our residents now and for future generations with the benefits of growth and prosperity shared by all.

5.5 Towards a more successful economy

5.6 Turning our economic vision into a reality for Maidstone and achieving our growth ambitions, requires a clear strategy and set of actions to deliver the strategic objectives and create the right conditions for economic growth. We will achieve this through focusing on the following five priorities and the actions required to deliver them.

A. Retaining and Attracting Investment

B. Stimulating Entrepreneurship

C. Enhancing Maidstone Town Centre

D. Meeting the Skills Needs

E. Improving the Infrastructure

5.7 This strategy needs to be taken forward by all partners involved in delivering the economic agenda in Maidstone. This includes the borough and county councils, agencies such as Job Centre Plus, the schools, colleges and universities and, most importantly, the business community. It is our businesses that will ultimately deliver economic growth and it is our role to support them by creating the right conditions for them to flourish.

5.8 The business community in Maidstone is developing a strong voice through the Maidstone Economic Business Partnership (MEBP). This is an industry led business partnership facilitated by Maidstone Borough Council. There is a clear desire from MEBP members to make things happen and demonstrate that Maidstone is “open for business”. The potential for Maidstone to benefit from the recent upturn in the economy is clearly recognised by businesses who are advocating that Maidstone Borough Council takes an active role in promoting economic growth.

A.Retaining and Attracting Investment

5.9 **We will support existing businesses to develop and grow and also work to attract new employers to the borough, creating job opportunities for all residents in a range of sectors,** with special regard to those that are high growth, growing the economy through exports, and in the knowledge economy. The work set out in Section 4 Maidstone’s Growth Potential regarding the Visitor Economy, Destination Management Plan and Cultural Strategy will be important factors in achieving this priority.

5.10 Global competition and competition from neighbouring towns will increase in the years to come. Ashford Borough Council and the local authorities in Thames Gateway Kent have put forward ambitious growth plans, with many new homes and jobs planned. We need to continue to invest in infrastructure, skills and business support in Maidstone to provide an attractive offer to new and existing businesses.

5.11 An important part of this is ensuring that the planning framework enables a pipeline of quality office, industrial and warehousing accommodation to come forward in locations that are attractive to modern business. This includes sites in Maidstone town centre, on the edge of town adjacent to the motorway and in rural service centres. (See Section 6 Locations for Growth).

Business Retention

5.12 The growth Maidstone has seen over recent years has been largely due to the expansion of existing businesses, rather than new inward investment from outside of Kent. Supporting existing local businesses to grow is therefore critical for delivering the job growth we want for the future.

5.13 There is a need to support existing businesses through working with partners and other agencies with funding to support their growth. Through the European Structural Investment Funds Programme, the South East Local Enterprise Partnership has allocated resource to the government's Growth Accelerator programme (now part of the national Business Growth Service) to enable greater provision of this service across the area. It is important that partners work together across the borough to ensure that the potential of both of these programmes achieves maximum impact.

5.14 As the recovery of the national economy continues to gather momentum, business sentiment in Maidstone is also improving. Around half of the 59 businesses responding to a recent the Maidstone Borough Council survey[32] said they were planning to take on more staff in the next 12 months and nearly three quarters were either 'very confident' or 'somewhat confident' about the prospects for growth in turnover over the next five years. This view was echoed at the first MEBP workshop (23rd May 2014) and is reflected in the Federation of Small Business' own survey of business sentiment undertaken on a six- monthly basis. We need to work with businesses to encourage them to invest and grow in Maidstone.

5.15 A key reason for overall employment decline in Maidstone over recent years has been the predominance of the public sector which has seen significant job losses during this period of austerity and public spending cuts. Our strategy therefore needs to focus on encouraging growth in private sector businesses to help diversify the local economy away from too much reliance on the public sector.

5.16 Recent commuting patterns suggest that Maidstone has become less important over the last decade as a place of work for its residents, moving from being a marginal importer of labour in 2001 to being a net exporter in 2011. In 2011, approximately 1,240 more people were commuting out of the borough to work than commuting in and the percentage of Maidstone residents working and living in the borough fell from 60% in 2001 to 50% in 2011.

[32] Maidstone Borough Council (April 2014) 'Business Survey'

5.17 Maximising the productive contribution of our residents for the benefit of the Maidstone economy may mean that additional employment land needs to be identified so that more jobs can be created for the growing working age population, if net out-commuting is to be reversed and potential business rate income in the borough is to be maximised.

5.18 Businesses which are identified with potential to grow will be targeted to receive support through the Government's Business Growth Service to help ensure that they deliver the level of job growth forecast.

5.19 There is still under-representation of knowledge-based industries in the Maidstone economy despite improvements over recent years. This is reflected in the relatively low proportion of residents with high level qualifications and a reason why more working residents in higher paid occupations commute out of the borough to work elsewhere. Attracting more knowledge-based businesses and supporting our existing ones to grow is therefore important for the future.

5.20 Our pool of residents in managerial and professional occupations, high levels of educational achievement, good strategic transport links and high quality environment are all key assets of the local economy. They provide the foundation to attract more knowledge-based businesses to Maidstone in the future.

5.21 As well as having some specific sector specialisms with potential for job growth in Maidstone in the future, we also have a broad economic base. This diversity together with its economic assets make Maidstone attractive to many other sectors as well. To ensure that opportunities unforeseen at the moment can be capitalised upon, we need to ensure that employment land allocations are sufficiently flexible so that these potential opportunities are not lost to competing places in the future.

Inward Investment

5.22 Maidstone is an attractive business location; a recent business survey[33] found that the most appealing features are its strategic location, the high quality of life, the transport infrastructure (good access to the motorway network) and a committed workforce.

5.23 This view of Maidstone as a good business location is also supported by a recent Locate in Kent survey of 314 key business figures in the South East. This indicates that knowledge of Maidstone as a business location is relatively high - Maidstone and Ashford together were the places that most respondents had a great deal or a fair amount of information about. More now cite Maidstone and Ashford as the most favourable business location in Kent compared to a similar survey in 2010. The only other place viewed more favourably as a business location in Kent was Thames Gateway Kent. In terms of a specific preferred location, Maidstone was the second most favoured place in Kent to Ashford, although this was a reversal of the position in 2010 when Maidstone was the most favoured business location.

5.24 This is another indicator that Maidstone stands at a crossroads, with signs that neighbouring places, such as Ashford and Medway, are starting to gain greater economic growth momentum than Maidstone. Both of these towns have considerably better High Speed rail links to the capital and

[33] Maidstone Borough Council, Business Survey, April 2014

ambitious growth plans. If Maidstone doesn't act quickly to regain ground that it has lost, it risks being left behind. Positive action is needed now to alter this trajectory.

5.25 Anecdotal evidence suggests that most inward investment to Maidstone over recent years has generally been from businesses moving within the Kent area, rather than from further afield. We therefore need to do more to promote the benefits of locating in Maidstone to a wider business audience, particularly businesses that would benefit from close proximity to the national motorway network.

Retaining and Attracting Investment - Actions

A1. Implement the Council's new Business Customer Relationship Management system. The information held on each business enables relevant targeted information to be sent to them on subjects such as available finance, export support, innovation initiatives etc. The objective is to hold a single business database of all registered businesses in the Borough, available corporately within MBC but also with our external partners. Local businesses will be targeted to receive support that enables them to grow. This will be done in partnership with others such as Manufacturing Advisory Services (now part of the national Business Growth Service), UKTI, Kent International Business etc..

A2. Work with Kent Medical Campus to ensure that the investment goes ahead, including investigating using direct council intervention (powers/Investment) if necessary.

A3. Ensure that employment land allocated through the planning system is suitable for the needs of new and expanding employers and that planning policies are flexible enough to achieve the right balance between realising potential growth opportunities and not sacrificing the environment which is in itself an asset.

A4. Deliver and support business events focused on supporting existing business competitiveness and driving business growth.

A5. Effectively engage with employers to raise awareness of available programmes and support to increase take up and participation to improve business competitiveness. Consider the use of the Business Rates Pool to target certain businesses with rates relief as an incentive to invest and grow.

A6. Investigate a new master plan for employment at Eclipse Business Park (Junction 7 M20).

A7. Commission and deliver a Destination Management Plan.

A8. Commission and deliver a Cultural Strategy.

A9 Through discussions with the land based sector, identify and deliver actions to support investment, diversification, skills development, and the take up of technological advancements.

B. Stimulating Entrepreneurship

We will create a more entrepreneurial and innovative economy, supporting new business start-ups and those with high growth potential to move up the value chain.

5.26 Maidstone is an entrepreneurial place; the economy is dominated by small and medium sized enterprises (SMEs) and there are a large number of businesses per head of population and a high self employment rate.

5.27 A key priority for the future is to continue to diversify the Maidstone economy away from over reliance on the public sector by encouraging new private sector businesses to start up and to support the existing ones to grow. New businesses are also important vehicles for driving forward innovation within an economy and there is a close association between companies that are innovative and those that are high growth. This innovation can happen across all sectors and the key to nurturing this is being able to identify companies looking to innovate and engage with them to determine what support is needed to help them realise their growth potential.

5.28 Maidstone Borough Council has been providing business start-up support through Kent Invicta Chamber. There has been a good level of take-up for these services with Kent Invicta Chamber reporting higher than expected demand across a broad range of sectors. In 2012-13 there was a 20% increase in take up and interest in the "Starting in business" workshops and 1-1 advice sessions. There was also an increasing number of referrals from Job Centre Plus, with 351 clients referred in the 12 months to March 2014 through the Enterprise Club. This was in addition to clients referred to private sector providers of the Work Programme.

5.29 As a response to this demand, Maidstone has strengthened its business support Service Level Agreement with the Chamber to increase delivery capacity and it has also sponsored an enhanced delivery programme for 2013-14 with grant funding from Kent County Council (KCC). This includes more start-up workshops, one-to-one advice, sector specific business planning workshops and private sector engagement by creating local business networks. Through this enhanced programme, support will be provided for around 800 individuals.

5.30 According to research undertaken by KCC in 2010, Maidstone has one of the highest concentrations of home-based businesses in Kent[34] and these are located in both the urban and rural parts of the borough. Many of these businesses reportedly suffer from isolation, a lack of networking opportunities, professional services and meeting rooms. All of these factors conspire to stifle growth and survival.

5.31 Supporting these businesses to grow, as well as encouraging more residents who are perhaps currently commuting out of the borough to work in London to consider setting up their own businesses locally, offers potential for the future. Not only would it maximise the economic contributions of these residents, it would also build on one of Maidstone's strengths - the work-life balance on offer, to attract high skilled and high earning entrepreneurs, or home workers to the area.

5.32 Encouraging new business start-ups will require the necessary infrastructure to be put in place to support their growth. The council has embarked on a major new initiative to deliver and operate an

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[34] Live/Work Network (December 2010) 'Understanding Kent's Home-Based Business Sector'

affordable business workspace which will be called "The Business Terrace" to provide a highly supportive environment for new start-ups and existing micro businesses to grow. A range of supportive initiatives are proposed, including flexible time-based and virtual memberships, peer-to-peer business support, and high quality, bespoke mentoring, events, seminars and workshops. This is an important priority for the council to encourage new business creation and investment in Maidstone.

5.33 Ensuring that high speed broadband infrastructure is in place across the borough is also critical for encouraging growth of home-working and new business start-ups. This will be particularly important in rural areas where these types of businesses will not threaten the high quality of the environment, whilst offering real potential for economic growth in some of the most isolated parts of the borough.

5.34 In recognising the potential that new business start-ups can bring to our local economy, there is also a need to ensure a consistency with other policies adopted by the Council, such as flexible planning policies which permit the use of residential properties for home-working.

B. Stimulating Entrepreneurship - Actions

B1. Deliver a new, business start-up programme for the Borough,

B2. Deliver a pilot Enterprise Hub called "The Business Terrace" for Maidstone.

B3. Work with Kent County Council to ensure the roll out of high speed broadband across rural communities.

B4. Investigate and deliver specific actions that the Council could undertake to support the creation of small businesses in rural areas.

C. Enhancing Maidstone Town Centre

We will promote the regeneration of Maidstone town centre as a high quality retail and leisure destination, and as a place to live and work.

5.35 The town centre is very important to the borough as both a means of attracting expenditure and as a source of employment. Some two thirds of all jobs in the borough are in the town centre itself and even more (71%) of the service sector jobs are there. The town centre is also an important asset as a retail and leisure destination serving a wide catchment area.

Importance of Office Jobs

5.36 The predominance of the service sector in Maidstone town centre is reflected in its importance as the main location for office accommodation in the borough. Over recent years there has been significant growth of an edge of town office market with the development of schemes such as Eclipse Park at Junction 7 of the M20, and out of town schemes such as Kings Hill in the neighbouring district of Tonbridge and Malling.

5.37 One of the key challenges facing Maidstone is addressing the diminishing stock of quality office space in the town centre and the increase in secondary poor quality offices that do not meet the needs of modern employers. Vacancy rates in this secondary stock have risen substantially, and much of the office space currently available in the borough is in the town centre[35].

5.38 The relatively large amount of vacant ageing low quality office stock is depressing the buoyancy of the overall town centre office market and the large number of 'For Let' signs has a negative effect on perceptions of the town centre. However, where office accommodation is of high quality, demand is relatively strong, particularly for smaller office units.

5.39 A number of conversions from offices to residential are already underway in the town centre following the government's introduction of Permitted Development Rights (PDR). Some conversions under PDR or otherwise, will be advantageous in helping to manage down the excess supply of secondary stock, potentially raising values and rejuvenating the market for high quality office development in the future. However it is also desirable to retain the better quality office space to maintain the town centre’s status as a key employment location for office occupiers. It will be important to ensure that this conversion is monitored and that where possible planning policies are put in place to try to achieve the right balance.

Retail and Leisure Destination

5.40 As a retail location Maidstone has recently slipped down the national hierarchy of retail centres.[36] Nevertheless, the town performs relatively well and successfully competes with nearby Ashford, Chatham and Dartford.[37] National trends in retailing include:

•The reduction in multiple retailer representation across the UK, with a focus by brands on a smaller number of larger locations. Tied into this is the growth of internet shopping.
•The increased importance of restaurants/ eateries and leisure uses in terms of anchoring town centres and major new shopping centres.
•Changing store formats such as the growth in “pop up” stores.
•The importance of providing a high quality of experience (through the quality of the retail and leisure offer through to the quality of environment and accessibility) to shoppers in order to attract and retain their custom.
•The importance of achieving an appropriate balance between independent and multiple retailers.

5.41 The impact of these trends on Maidstone Town Centre needs to be properly understood and action taken to ensure its vitality and viability.

5.42 Maidstone has good multiple retail representation, particularly in the prime retail areas of Fremlin Walk, where the House of Fraser department store provides a high quality anchor. This is complemented by a strong independent offer and an outdoor market.

5.43 However, The Mall lacks a high quality anchor[38] and there is a sense that the town centre could offer a lot more from a retail perspective. There is a notable lack of large, modern and well-located shop units to attract those major 'anchor' retailers not currently represented in Maidstone town centre, such as Debenhams and John Lewis. Considerable expenditure is lost to Bluewater, particularly from the more affluent residents who tend to shop there.

[35] Bilfinger GVA (August 2014) 'Qualitative Employment Site Assessment, Maidstone Borough Council', Draft Final Report
[36] 2013 Venuescore Ranking Index
[37] DTZ (August 2013) 'Maidstone Town Centre Assessment'
[38] DTZ (August 2013) 'Maidstone Town Centre Assessment', p.47

5.44 Maidstone town centre also has many positives as a leisure and cultural destination, with restaurants, the museum, the Hazlitt theatre, a cinema and nightlife for young people. However, feedback from consultations with Councillors and businesses suggests there is a need to encourage more cultural and leisure activities to attract greater numbers of people into town. Suggestions made to improve the town centre at a recent workshop included:

- attracting higher quality retailers and another department store;
- making more of the historic buildings and the river;
- creating a stronger sense of identity and a 'brand' to distinguish Maidstone from other places;
- managing down the stock of redundant office space in the town centre; and
- investing in transport infrastructure and improving access by public transport.

5.45 Ensuring the vitality and viability of Maidstone town centre has been and continues to be a key priority for the Council's economic development activities. The council is responsible for many of the major improvements to the town centre over the last 15 years. This includes using its compulsory purchase order powers to bring about the £100 million redevelopment of the former brewery site to create Fremlin Walk - the 350,000 sq ft retail centre in the heart of the town centre. The council's focus on good design and the integration of old and new, resulted in a Gold Award in the British Council of Shopping Centres Awards in 2005.

5.46 A programme of improvement schemes to upgrade the town centre environment has commenced. Starting with High Street, Bank Street, Middle Row and parts of King Street, some £4 million has been spent transforming the area with high quality granite stone, seating, lighting and planting. New open spaces have been created to hold events to attract and retain shoppers and visitors, and encourage people to stay longer in the town centre. Mott Macdonald has been commissioned to evaluate the economic impact of the public realm works including impact on shop vacancies, job creation, visitor perception, consumer expenditure and property prices. In November 2014 the scheme was Highly Commended in the Kent Design and Development Awards.

5.47 The council is currently considering a further phase of public realm improvements which includes proposals for Gabriel's Hill, Earl Street and the north end of Week Street. Public consultation has taken place on draft designs for all three areas.

5.48 The council established a Town Team in partnership with Town Centre Management to capture the enthusiasm and commitment from businesses, residents, voluntary and community organisations, and faith based groups to reinvigorate the town centre. This followed the Mary Portas Review of High Streets. Sub groups focus on projects under the headings of regeneration, marketing and events. Partners work together to ensure the town centre is safe, clean and attractive to shoppers and visitors, which reflects the Town's Purple Flag award. The structure and activities of the Town Team were recently commended by a Peer Review of the council.

5.49 The council has also been working with the owners of The Mall shopping centre, Capital and Regional, over the past 18 months to encourage both short and long term investment. These discussions have culminated in an initial £4 million refurbishment starting in 2015. Phased redevelopment and expansion of The Mall will include more retail and leisure uses with investment estimated at £100 million.

5.50 The council has also been working with Solum Regeneration (a joint venture between Network Rail and Kier Group) to bring about the comprehensive redevelopment of Maidstone East Station and the adjacent Royal Mail Sorting Office. This important gateway into Maidstone town centre suffers from partial dereliction and poor quality buildings. Discussions have been taking place over 18 months, covering issues of land assembly, land uses, design, public realm and town centre connectivity.

5.51 These two sites present a major opportunity to strengthen the town centre retail offer at the north end of Week Street, improve the railway station and connectivity with the town centre and create a better setting around Kent County Council's Sessions House and County Hall. Both The Mall and Maidstone East Station are identified in the Local Plan Regulation 18 Consultation Draft for future retail uses.

5.52 A planning application by Land Securities for an out of town retail scheme at Newnham Court was recently rejected on the grounds that it would prejudice the council's preferred strategy (as set out in the draft Local Plan) for the delivery of new comparison and convenience goods floor space on the sequentially preferable sites of Maidstone East/former Royal Mail site and the Mall within the town centre. The council's retail advisors DTZ also considered that the Land Securities proposal "would have a serious adverse impact on existing and planned investment in the town centre; which would be severe enough to preclude any significant new town centre retail development for many years."

5.53 The council supports the redevelopment and expansion of Newnham Court Shopping Village but with a focus on complementary rather than competing High Street uses as set out in paragraph 7.8 of the draft Local Plan regulation 18 consultation. Retail employment is sought after by many residents in Maidstone and a range of jobs and skills are needed to ensure prosperity for all. Retail employment offers progression in to higher paid occupations in the sector and enables employees to develop transferable customer service skills.

5.54 We want to attract new retail investment to Maidstone in the future and there is a need to capitalise on the opportunities that are now presenting themselves to improve the town centre. The council needs to work closely with developers and investors to ensure that the impact of new schemes is maximised in terms of the retail, leisure, employment and housing opportunities they can bring to Maidstone town centre.

C. Enhancing Maidstone Town Centre - Actions

C1. To develop a vision for the town centre and translate this into a spatial land use plan "masterplan" for the future development of the town, with a programme of activity to deliver short, medium and long term actions.

C2. Consider current office accommodation uses in the town centre and determine how best to ensure the development of fit for purpose prime office space for business.

C3. Consider how the public sector can work together to help stimulate the development of new office accommodation and further investment in Maidstone town centre

D. Meeting the Skills Needs

By working closely with our partners we will ensure that residents are equipped with the skills for work and that skills needs of business are being met. We will encourage better

careers advice in schools and promote apprenticeships and work experience placements in the Council and with businesses.

We will support the expansion of the Higher Education sector to increase the number of graduates in the workforce, supporting initiatives such as KIMS and Kent Medical Campus initiative, as well as the UCA expansion at Maidstone Studios.

5.55 Ensuring that businesses have the skilled workforce they need to grow and that residents have the skills to take advantage of new job opportunities will be a key to future economic success. Maidstone fares well in terms of overall educational attainment at level 2 and level 3 and has many high quality schools in the borough. There is a wide range of academic pathways at level 3 and a high proportion of young people go on to higher education.

5.56 Work is ongoing to improve pupils understanding of the career opportunities available to them, the skills required by employers and the different pathways they could take to meet their aspirations. Ofsted's report 'Going in the right direction?', published in September 2013, found that the majority of schools across the country needed to do more to ensure that all of their pupils had information on the full range of training and education options and career pathways to help them make informed choices about their future so that they could reach their potential. Encouraging employer engagement with schools, such as initiatives like "Inspiring the Future," which links business people and schools together to give career insight talks to young people, and arranging work experience which highlight employability skills is a key action in this Strategy.

Further Education

5.57 Maidstone is well served by the Further Education sector with Mid Kent College having a strong offer and close links with businesses and private sector training provision. However, the provision of apprenticeships and skills training for school leavers that do not want to go to college is limited, with no private sector training providers providing work-related and apprenticeship training in sectors such as construction; one of the sectors forecast for employment growth.

5.58 Mid Kent College is the main further education provider in Maidstone, and has just completed a multi-million refurbishment of its Oakwood Campus. The college is currently expanding its provision on the former UCA campus and received funding for 2015/16 from round 4 of the Skills Funding Agency's College Capital Investment Fund. It is proposing to transform and equip these buildings into state of the art facilities for a higher skills centre where it will offer HE courses, including foundation degrees and Higher National Diplomas in subjects ranging from Business and Engineering to Health and Social Care. Business incubation units will also be part of the scheme, serving to encourage students to establish new businesses and also to attract smaller employers that could benefit from closer collaboration with the college.

5.59 Mid Kent College is working closely with both the business community and with Maidstone Borough Council through the College's Advisory Committee, and other channels, to ensure that its skills and training provision is meeting the needs of local employers. Maidstone Borough Council activity encourages expanding and new businesses to consider working with the College to offer Traineeships, Apprenticeships and work experience placements. The Council participates and encourages other businesses to undertake Work Ready Interviews with students to help develop their employability skills. Businesses are also encouraged to validate course curriculum. During the course of the refurbishment at the Oakwood Campus, the council agreed to temporarily house the college's skills unit so that an even closer working relationship can be forged, with both parties learning from each other.

Meeting Employer Skills Needs

5.60 A number of sectors are reportedly facing skills challenges in Maidstone at present and some companies are adapting their recruitment policies to address this situation. Examples of these include:

- An accountancy firm that has recently shifted its recruitment focus towards workers in London seeking a lifestyle change and to school leavers who are offered training to become qualified accountants on the job.
- An aerospace engineering company has a higher proportion of staff approaching retirement age and are anticipating problems filling the positions. Although apprentices are being trained, this takes time to get them to the required skills level.
- A manufacturing company claims only to have a small pool of engineers to recruit from locally and that they would like to see more done to promote the sector in Maidstone.
- Two solicitor firms need to recruit to respond to the upturn in the market but are having difficulties.
- A logistics company is looking to recruit 40 drivers but is struggling to recruit even six.
- A care provider is facing difficulties recruiting owing to only being able to offer low wages due to government cuts and lack of funding.

5.61 While there is considerable work going on to achieve closer links between Mid Kent College and local employers, links between the public sector, training providers and local businesses could be better. The introduction of the Maidstone Economic Business Partnership is a step in the right direction. However, if employment recruitment shortages and the future skills needs of businesses are to be addressed, more needs to be done to better understand the skills and training needs of employers across the borough and to encourage greater numbers of businesses to take on apprenticeships.

Higher Education

5.62 To be successful in attracting higher value jobs in growth sectors in the future, the workforce needs to be suitably qualified. The evidence shows that while the qualification profile of Maidstone's population has improved over recent years, with more people now qualified at level 4 and above, this is still below the national average and there has been greater improvement elsewhere in Kent.

5.63 Attainment at level 2 and level 3 is high in Maidstone and many young people leave the borough for a university education. This presents an opportunity to keep these young people in Maidstone in the first place, perhaps by catering for their higher education needs locally, or to attract them back after graduation.

5.64 Maidstone lacks a significant university campus. The University of the Creative Arts withdrew from the Oakwood campus a few years ago, although it has still retained a presence at Maidstone Studios where it offers courses in Media Production, Media Business and Media Interactive Production. Teaching these courses at the studios enables students to develop strong links with the creative/production companies that are based there or others that use the facilities. This provides students with more hands on experience of working in the industry and is a major attraction for the courses offered there. However, with the closure of the Oakwood Park campus there is a lack of ancillary facilities, such as a library and social space, to enhance the student experience and they currently need to travel to the campus at Rochester for these facilities. UCA is trying to address this through further development proposed on the Maidstone Studios site.

5.65 In April this year KIMS opened on a site near to Maidstone Studios close to junction 7. This £95 million state-of-the-art hospital is set within a seven-acre development and will be a centre of clinical excellence with both academic and teaching facilities. KIMS is a hospital run by clinicians where consultants manage their patients' treatment pathway from referral through diagnosis to treatment and discharge. KIMS is the catalyst for a larger development on adjacent land, Kent Medical Campus. This 18 hectare site will incorporate a Neuro Village, Medical School and Research and Development occupiers focused on life sciences situated in high quality landscaped grounds.

5.66 Discussions are underway to explore opportunities to further develop the medical-related training offer at the Kent Medical Campus with other universities that are already providing medical and health-related HE training. A close relationship is developing with Canterbury Christ Church University which has an Institute of Medical Science that provides an umbrella for all the medical and health-related courses offered by the university. Post graduate medical courses are offered at Canterbury Christ Church University at the Universities of Medway campus in Chatham in the areas of urology, orthopaedics, general surgery, obstetrics and gynaecology and ear nose and throat. Undergraduate degrees in ancillary medical or health-related subjects, such as physiotherapy, midwifery, speech therapy and social care, are also provided in the Faculty of Health and Well Being.

5.67 It is clear that there is scope for building upon the offer currently proposed for Kent Medical Campus through links to other universities, both in Kent and the wider area. This is an important area to be taken forward in the future to ensure that opportunities are maximised around this cluster for Maidstone.

5.68 The close proximity of KIMS and the KMC to Maidstone Studios, where UCA is currently running courses and has ambitions to provide more facilities for students, offers opportunities for synergies to be developed and could potentially be the start of a 'Universities at Maidstone'.

5.69 University investment should be encouraged to attract higher value research-based employment into the borough, and to give more residents the opportunity to gain degree level qualifications. This has been successful in Medway where the 'Universities at Medway' campus has been developed at Chatham Maritime. The proposed Kent Medical Campus, together with UCA at Maidstone Studios and Mid Kent College's Higher Skills centre at Oakwood Park, could well be the starting point of something transformational. Achieving this is a priority for Maidstone and it is important that partners work together to make it happen.

D. Meeting the Skills Needs - Actions

D1. Work closely with Mid Kent College and other relevant education and training providers to forge closer links with business to help ensure that the skills needs of employers are met.

D2. Increase the number of businesses in Maidstone that take on traineeships and apprenticeships at Levels 2 and 3 and reduce the levels of young people Not in Education, Employment or Training (NEETs).

D3. Increase awareness of the sector growth opportunities in Maidstone to training providers so that they can gear their provision to meet the future needs of employers.

D4 Work with schools and businesses to improve careers advice and work experience opportunities.

D5. Support KIMS in their discussions with universities to expand the Higher Education (HE) offer on the KMC site

D6. Support discussions between UCA and KIMS on looking to enhance the overall student experience for HE students at Maidstone Studios and at Kent Medical Campus.

D7. Work with UCA to further develop the business case for their proposed new facilities at Maidstone Studio

E. Improving the Infrastructure

We will invest in infrastructure by working closely with our partners, in particular Kent County Council. A priority being the need for digital accessibility and an adequate transport network across the Borough.

5.70 In the recent local business survey[39] businesses rank 'investment in infrastructure' as the number one priority for action for the council, with 'tackling congestion' ranked second. The importance of tackling infrastructure issues was also a common theme raised at the Maidstone Economic Business Partnership workshops and also from business interviews.

Road Transport Links

5.71 Maidstone has good strategic road transport links provided by the M20 which runs to the north of Maidstone town centre. The three motorway junctions within the borough are key assets for the local economy, although the proximity of junction 8 to the North Downs AONB means that this is a sensitive area for development.

5.72 The main transport issues relate to the infrastructure in the south of the borough, where all road links to the motorway in the north of the borough need to go through Maidstone town centre. The congestion on these routes causes delays which in turn increases both travel time and affects reliability.

5.73 Recently, road weight restrictions have been imposed on some of the secondary roads around Marden to the south of Maidstone town centre, where manufacturing companies are located in industrial parks on the edge of the town. This is impacting on the businesses that need to use vehicles to transport goods and supplies along these roads to access the national motorway network. This calls into question the suitability of these places as employment locations for businesses in sectors that need good road access to the motorway network.

Maidstone Town Centre

5.74 Access is also a recognised barrier to growth in the town centre with both parking and public transport improvements identified by businesses as needing attention.

[39] Maidstone Borough Council (April 2014) 'Business Survey'

5.75 Maidstone Borough Council has been working with Kent County Council and the SE LEP to seek LGF funding to address some of the transport issues in Maidstone. The council was successful in securing £16.5 million from 2015/16 for four schemes at a total cost of £28.5 million. These schemes are:

- Maidstone Gyratory Bypass - two additional northbound lanes to enable northbound traffic on the A229 to bypass the existing town centre Gyratory system.
- Sustainable Access to Maidstone Employment Areas - a high quality dedicated cycle and pedestrian route from residential development sites on the outskirts of Maidstone's urban areas into the Town Centre.
- Maidstone Integrated transport package - key junction and road capacity improvements and enhanced public transport.
- West Kent LSTF - funding contribution towards Maidstone East Rail Station improvements as part of the larger scheme around the station.

5.76 While this investment will help to address some of the transport issues facing Maidstone, other solutions also need to be considered, including a coordinated programme to deal with issues around Maidstone town centre that includes park and ride, public transport and car parking, as well as roads.

Broadband

5.77 Digital infrastructure is also identified by businesses as a barrier to growth in Maidstone. Interviews reveal that businesses are concerned about the availability and speed of broadband, especially in rural areas. In partnership with Broadband Delivery UKl (BDUK), Kent County Council is aiming to bring broadband to every property in Kent and Medway, and super fast broadband to more than 90% of households and businesses by 2015. Kent County Council has also been successful in their bid to the Government to extend the reach of super fast broadband services across Kent, under their 'Super fast Extension Programme'. It is hoped that the new funding will ensure that 95% of homes across the Country will get super fast broadband by the end of 2017. However this will mean that 5% of homes will only receive 2 mgbts and this will need to be monitored and action taken if some communities and businesses are disadvantaged at the end of this process.

Housing

5.78 A shortage of housing and high house prices are an issue of concern to the business community who see this as potential barrier to growth. Some employers, particularly those with workers in lower paid occupations, see this as an impediment to being able to recruit workers locally. There is concern that if more houses are not built in the next 12-18 months, then both house prices and market rents will increase even further, compounding the existing problem.

5.79 This is clearly not just a planning issue as there is planning permission in place for over 3000 residential units in the Borough and the Local Plan is making provision to 2031. The availability of affordable mortgages, developer finance, wage levels, commuting patterns, and the capacity of the market to build and sell homes each year are also significant factors.

E Improving the Infrastructure - Actions
E1. Take forward the schemes for which Local Growth Fund grants have been allocated.

E2. Develop and implement a campaign calling for faster train services to London

E3. Work closely with KCC and other stakeholders to agree and deliver the Integrated Transport Strategy

E4. Work closely with KCC to consider and implement ways to increase the speed, reliability and coverage of broadband across Maidstone, especially in rural areas.

6 Locations for Growth

6.1 This strategy recognises that both the economic needs and opportunities for growth vary across the borough.

The Existing Portfolio of Sites

6.2 The Maidstone urban area provides the majority of employment in a range of occupations including retail, leisure and recreation, professional services and most office based businesses, and industrial and warehouse units. It will remain the main employment location within the Borough with the future success of the Town Centre identified as a critical priority for this Strategy.

6.3 There are 27 existing office, warehouse and industrial sites across the Borough providing a range of unit types, sizes and quality (and hence price) in a choice of locations for business. Many of these sites are within Maidstone’s urban area including Parkwood and Turkey Mill. 20/20 Business Park is located just off Junction 5 M20 and at Junction 6 Brooklyn Park is now occupied by Scania. Eclipse Business Park, Newnham Court Shopping Centre, KIMS and Kent Medical Centre are all served from Junction 7.

6.4 Significant business and industrial parks are located in the Rural Service Centres of Harrietsham, Headcorn, Lenham, Marden and Staplehurst. There are many smaller office and industrial/warehouse locations too, adding to the choice of sites available for businesses.

6.5 The majority of all of these sites are well occupied and broadly fit for purpose. An important role for the emerging Local Plan is to protect the existing stock of industrial and employment sites to secure them from alternative, higher value uses so they can continue to be an important part of the Borough’s employment land supply.

New Locations for Growth

6.6 The amount of additional employment land needed for the full Local Plan period (the ‘demand’) was determined in the ‘Economic Sensitivity Testing and Employment Forecast’ of January 2014.

6.7 To assess the qualitative demand for employment floorspace, and thereby to complete the evidence base for this aspect of the Local Plan, a ‘Qualitative Employment Site Assessment’ (‘the Assessment’) was carried out, also by Bilfinger GVA. This assessed whether there are gaps in the property portfolio which, if not addressed, could constrain the growth of the economy . This assesses whether current land allocations will meet the qualitative needs, as well as the quantitative land requirements, to accommodate the type of employment growth forecast to 2031.

6.8 The Assessment considered the nature of the office and industrial property markets in the borough. Their findings indicate that Maidstone's position, in terms of both the office and industrial market in Kent, has been changing and that it’s pre-eminence has slipped. This is consistent with the findings of Shared Intelligence's analysis of recent economic trends which also demonstrates that Maidstone has performed relatively poorly in economic terms over recent years, especially compared to some of our neighbouring boroughs.

6.9 The key findings of the Assessment, which are of particular relevance to the economic development strategy are summarised below:

6.10 **Offices**: the market has shifted from large scale premises to smaller units and/or multi-tenant purpose built stock due to a concentration of smaller businesses in the borough, often professional services type firms and lack of interest in the borough as a 'back office' location for major banks/insurance companies etc. The qualitative need is therefore likely to be met though new units up to 500sqm and not through the larger, older buildings which are particularly concentrated in the town centre. Indeed it is estimated that some 25,000sqm of the poorer quality town centre office stock could be lost and not replaced without compromising the economy. Some such rationalisation is likely to be a precursor to a reinvigoration of the town centre office market. The Assessment notes that in- and out-of centre locations appeal to different types of firms and that offering a choice of locations would better provide for occupier needs.

6.11 **Industrial**: The Assessment concludes that demand for industrial/manufacturing floorspace is most likely to result from relocation of firms from the local/sub-regional area rather than from a major inward investment opportunity. Development is more likely to be built for a specific end user rather than as a speculative enterprise. The demand will generally be for smaller (<200sqm) and medium sized (1,000-1,500sqm) units.

6.12 **Warehousing**: It is concluded that the borough is neither far enough from the ports or central enough to serve a UK distribution market or even SE regional market. The demand for warehousing space is most likely to be to serve sub-regional markets for example on-line retail demand, discount retailers with tight supply chains and local distribution hubs for logistics firms. The demand is most likely to be for units up to 5,000sqm.

6.13 Overall, and significantly, there is also an identified lack of employment land supply in the locations most likely to be attractive to the type of occupiers economic growth will attract. The key characteristics of these locations include being highly accessible with good support amenities and optimum physical and digital infrastructure. It is recognised that the prime locations for business sectors that need good access to the national road network for transporting goods and services are around the M20 motorway junctions. Some of these potential employment sites are also close to some of the highest quality environments, so there needs to be a balanced approach to ensure that achieving economic growth does not come at the expense of the environmental assets which make the borough special.

6.14 There has been high demand for new development at the M20 motorway junctions. Feedback from the business community suggests that a more concentrated pattern of future employment land allocations might be more appropriate to meet business demand, rather than the dispersed pattern outlined in the Regulation 18 Local Draft Consultation Plan issued for consultation in July 2014.

6.15 The existing capacity for industrial and warehousing use is all in the south of the borough where the road links are the weakest and where weight restrictions have been placed on some secondary rural roads making these sites less attractive for some larger scale manufacturing and logistics operations. The Assessment states "whilst this does not make these sites redundant, it does potentially limit their future attractiveness to businesses and could restrict the role they play in accommodating employment growth."

6.16 The lack of available sites along the motorway corridor has been highlighted by the market with the submission of two planning applications at Junction 8 one called Waterside Park and the other "Woodcut Farm".

6.17 The Assessment finds that there is both quantitative and qualitative need for additional employment land. New site/s should focus on a 'new', diversified offer in preference to replicating the characteristics of the existing portfolio. This points towards:

a. A range of flexible, small scale, good quality office space

b. Capacity for 'design and build' bespoke industrial space

c. Small-medium warehouse/distribution units

d. Location/s with good strategic road access to markets

e. Location/s with minimal development constraints

f. Location/s with ICT connectivity

g. Creation of a distinct new employment location

6.18 The Assessment concludes that "there is likely to be demand for a new high quality, well serviced mixed use employment development area that accommodates small business orientated space, standalone industrial and manufacturing provision (albeit likely to be a design and build demand) and smaller scale distribution and ancillary workspace and office space".

6.19 Additionally the Assessment recommends that plan policies are sufficiently flexible to enable a mix of office, industrial and warehousing uses on sites.

6.20 This economic development strategy does not identify specific sites for future employment growth across the borough (for office, warehousing and industry) - that is the role of the Local Plan. However a report by the Head of Planning to the Planning, Transport and Development Overview and Scrutiny Committee 21 October 2014 highlighted the findings of the Qualitative Employment Site Assessment and its implications for employment policies in the draft Local Plan. The report stated that the selection of sites in the Regulation 18 version of the Local Plan 2014 would not meet the identified qualitative needs in a location well connected to the strategic road network. Based on the outcomes of the Strategic Economic Development Land Availability Assessment (SEDLAA) the only available, additional land at a motorway junction is at J8 of M20. Development in this location would better meet the gap identified through the evidential analysis in the Qualitative Employment Sites Assessment. It could also enable the quantitative demand for offices to be met which is not the case for the current selection of Regulation 18 sites.

6.21 The report went on to state that balanced against this economic case is the acknowledged sensitivity of the landscape in the J8 location and that that development at J8 would cause substantial landscape harm. The limitations of the location in terms of public transport connections and relative separation from the centres of population were also acknowledged. However with the NPPF direction to meet the needs of the economy in full it is officers' view that, with the completion of this qualitative assessment, the balance of planning and economic development considerations now weigh in favour of identifying land in the location of J8 in the emerging Local Plan. The Planning, Transport and Development Overview and Scrutiny Committee resolved to support development for employment use at Junction 8 of the M20 subject to the development of a planning policy by the Cabinet Member for Planning, Transport and Development to mitigate damage and to ensure appropriate constraints.

6.22 The strategic case for a new employment site at Junction 8 has been established and its development is critical to ensuring that the principle aim of the Strategy is achieved i.e. the creation of 14,400 jobs by 2031 in a range of sectors and occupations. With a growing population, the realisation of key employment opportunities including the Town Centre Masterplan, Eclipse Business Park, Kent Medical Campus and Junction 8 are essential if the Council and its partners are to minimise unsustainable out commuting and reduce the likelihood of Maidstone becoming a “dormitory town”.

6.23 The detail of a new planning policy, setting out the criteria in which development at Junction 8 will be acceptable, will be considered by Maidstone Borough Council’s Spatial Planning, Sustainability and Transport Committee in August 2015.

7 Making it Happen: The Action Plan

7.1 This strategy can only be delivered through working in partnership. There are many organisations and agencies that are working to achieve different elements of this strategy and there is a leadership role that Maidstone Borough Council needs to play to coordinate and ensure these culminate in achieving our ambitions for economic growth. The Action Plan sets out who the main leads and partners are for each action, and the implementation period: short (1-2 years) medium (3-5 years) or long term (5 year plus).

7.2 A key message from the business community is a desire for Maidstone Borough Council to show more leadership and take a more proactive approach towards economic growth and ensure that the right signals are given that Maidstone is 'open for business'. However, it is important that the right balance is struck between enabling economic growth and protecting the very assets that make Maidstone a special location to do business - its attractive environment particularly the North Downs AONB and Maidstone town centre.

7.3 It is important that the council works closely with developers; early pre application discussions with officers are strongly encouraged to reduce the chance of proposals coming forward which are unacceptable and incur unnecessary costs and delays for developments. Maintaining effective and transparent communication during the application process will help to reduce developer uncertainty and help ensure growth opportunities are realised.

7.4 There are a number of ways in which the Borough Council can help to achieve the economic vision through a leadership role. This might include leading partnership working, taking a financial stake in some developments, considering favourably proposals that will bring large numbers of jobs to the borough, and promoting Maidstone as a business location, to name but a few. It is important that the council considers these roles in the future to ensure that economic opportunities are maximised.

Economic Development Strategy – Action Plan

A) Retaining and Attracting Investment

		Action / Milestones	S / M / L	Resource	Lead	Partners
A1	A1. Implement the Council's new Business Customer Relationship Management system. The information held on each business enables relevant targeted information to be sent to them on subjects such as available finance, export support, innovation initiatives etc.. The objective is to hold a single business database of all registered businesses in the Borough, available corporately within MBC but also with our external partners. Local businesses will be targeted to receive support that enables them to grow. This will be done in partnership with others such as Manufacturing Advisory Services (now part of the national Business Growth Service), UKTI, Kent International Business etc..	Number of businesses categorised to assess growth potential / identify business lifecycle / export potential	Short	Existing MBC resource + partners SELEP Funding ERDF / ESF Funding	Coordinating Lead by MBC	Growth Accelerator Programme High Growth Kent (KCC) UKTI MAS University of Greenwich (Enterprise Europe Network) University of Kent Business School Kent Invicta Chamber of Commerce
		a. Number of 'deeper' appraisals	Short			
		b. Number of full diagnostic reviews of companies	Short - Medium			
		c. Number of growth action plans to be put in place to work over medium to long term	Short - Medium			

A2	Work with Kent Medical Campus to ensure that the investment goes ahead, including investigating using direct council intervention (powers/Investment) if necessary.	Enter into direct discussions with site owner/agent to take forward each element of KMC including medical school, Neurovillage and medical technologies. Explore opportunity to attract the Regenerative Medicine Catapult.	Medium	Existing MBC resources	MBC	KMC Ltd KCC SELEP
		Investigate joint promotional activities with the owner and agent.	Short	Current resources, networking and website		
		Consider barriers to delivering KMC and bid to SLGF.	Short	Existing MBC resources		
A3	Ensure that employment land allocated through the planning system is suitable for the needs of new and expanding employers and that planning policies are flexible enough to achieve the balance between realising potential growth opportunities and not sacrificing the environment which is in itself an asset.	Site allocation policies published	Short	Existing MBC resources	MBC	MBC KCC Business Community
		New site allocations made in the next draft of the Local Plan	Short	Existing MBC resources		
A4	Deliver and support business events focused on supporting existing business competitiveness and driving business growth	Development of a programme of 'finance ready' events with MD's and Senior Manager's attending Number of companies participating in finance ready programme Management Skills Workshops: Number of individuals attending	Medium	Existing MBC resources	MBC	TSB Enterprise Europe Network

		workshops ICT – Number of companies improving use of and access to ICT e.g. using new websites as a driver for growth Development of supply chain networks (sector approach)				
A5	Effectively engage with employers to raise awareness of available programmes and support, increase take up and participation to improve business competitiveness. Consider the use of the Business Rates Pool to target certain businesses with rates relief as an incentive to invest and grow.	Undertake a baseline survey of the business support available to them including relevance and quality to highlight duplication and gaps.	Short	Existing MBC resources	MBC	Kent Invicta Chamber of Commerce, the Federation of Small Businesses, Kent Institute of Directors, Lenham Valley Business Association, South Maidstone Business Association, Marden Business Forum, the Network of Rural Business Forums, Visit Kent and Produced in Kent.
		Work with business support organisations to use this intelligence to inform the KMEP Innovation and Growth Statement.	Short			
		Strengthen Maidstone Economic Business Partnership to become a strong voice for businesses in Maidstone.	Short			
		Programme of business engagement to raise awareness of available programmes and support and to encourage a greater take up of apprenticeships. - Number of Business Visits	Medium			
		Regular e-newsletters	Short			
		Sector specific briefing notes	Short			

		New business information website	Short			
A6	Investigate a new master plan for employment at Eclipse Business Park (Junction 7 M20).	Support the landowner to identify a new vision for Eclipse Business Park Ensure new policies for Eclipse Business Park are flexible enough to achieve this.	Medium	Existing MBC resources	Gallagher	MBC
A7	Commission and deliver the Destination Management Plan	Strategy published by July 2015	Short	Existing MBC resources Business rates pool	MBC	Visit Kent and all other stakeholders connected with the Visitor Economy
A8	Commission and deliver a Cultural Strategy	Strategy published by March 2016	Short	Existing MBC resources Business rates pool	MBC	All Stakeholders interested in the themes of the Cultural Strategy
A9	Through discussions with the land based sector, identify and deliver actions to support investment, diversification, skills development , and the take up of technological advancements.	Meet with Farmers and Horticulturalists and the National Farmers Union to identify issues and actions	Short	Existing MBC resources	MBC	Land based sector, Produced in Kent, NFU and KCC, Kent Wildlife Trust.

B) Stimulating More Entrepreneurship

		Action / Milestones	S / M / L	Resource	Lead	Partners
B1	Continue to provide funding for a business start-up programme.	Continue to deliver an enhanced programme of business support and explore innovative ways for local delivery with partners	Short	Existing MBC resources and bid for new funding	MBC	KICC
		Work with others to coordinate the plethora of business support initiatives to remove duplication and fill gaps in provision	Medium	SELEP	SELEP and KMEP	MBC KCC
B2	Deliver a pilot Enterprise Hub called "The Business Terrace" for Maidstone.	Deliver the pilot Hub with aim of being open by September 2015. The pilot Hub will test proof of concept as the Council retains its ambition to create a full Hub in the medium term.	Short	Existing MBC resources Business Rates pool	MBC	KICC Centre for Micro Businesses Kent Foundation for Young Entrepreneurs Princes Trust University of Kent University of Greenwich
B3	Work with Kent County Council to ensure the roll out of high speed broadband across rural communities.	Work with KCC on ensuring Maidstone Businesses benefit from the extended roll out programme.	Short	Existing MBC resources	KCC	MBC BT BDUK Parish Councils
		Encourage all new developments to provide the required infrastructure to enable fibre to all premises.	Medium			
B4	Investigate specific actions that the Council could undertake to support the creation of small businesses in	Capitalise on the enthusiasm shown by some parish councils and rural business networks to identify small businesses in rural areas.	Short	Existing MBC resources and bids to the SELEP / ERDF / ESF	MBC	Parish Councils Centre for Micro Businesses Produced in

	rural areas.	Investigate the parish level interventions required to support the small businesses identified	Medium			Kent Made in Kent Rural Networks NFU TSB
		Identify specific interventions to support the land based sector	Short			
		Investigate the use of rural libraries and other community facilities to deliver business support activities in rural areas.	Medium			

C) Enhancing the Town Centre

		Action / Milestones	S / M / L	Resource	Lead	Partners
C1	To develop a vision for the town centre and translate this into a spatial land use plan “masterplan” for the future development of the town, with a programme of activity to deliver short, medium and long term actions.	Agree with stakeholders a long term vision for the Town Centre	Short	Existing MBC resources Business Rates pool	MBC	Capital and Regional Solum KCC Private sector partners
		Develop and deliver a set of initiatives to make this vision a reality.	Medium			
		Ensure planning policies support the vision and delivery of actions	Medium			
C2	Consider current office accommodation uses in the town centre and determine how best to ensure the development of fit for purpose prime office space for business.	Consider use of direct intervention including purchase of sites to ensure quality office offer.	Medium	Existing MBC resources Business Rates pool Borrowing to resource purchases (considered alongside development appraisals) and private sector partners	MBC	KCC Private sector partners
		Monitor the situation with regards to Permitted Development Rights (PDR) and the loss of both primary and secondary office stock	Short			
		Ensure planning policies support the protection of the quality town centre office stock.	Medium			
C3	Consider how the public sector can work together to help stimulate investment in Maidstone town centre.	Explore options for the delivery of Phase 3 public realm works in Gabriels Hill, Earl Street and North End of Week Street including ensuring Planning Policy requires S106 contributions where appropriate.	Medium	Infrastructure Delivery Plan including S106 contributions	MBC	KCC Leisure Industry Private sector partners

		Work with MCL to develop events and activities within Maidstone Town Centre to enhance the Town Centre offer.	Short	MCL Business Plan		
		Consider direct intervention through the Council acting as an investment partner in key sites such as the Mall and Maidstone East	Medium	Existing MBC resources Business Rates pool Borrowing to resource purchases (considered alongside development appraisals) and private sector partners	MBC	Capital and Regional Solum KCC Private sector partners

D) Meeting Skills Needs

		Action / Milestones	S / M / L	Resource	Lead	Partners
D1	Work closely with Mid Kent College and other relevant education and training providers to forge closer links with business to help ensure that the skills needs of employers are met.	Engage with local businesses to gauge their awareness of the existing training provision available to them and the relevance and quality.	Short	Existing MBC resources	MBC	All training providers All businesses KCC Job Centre Plus
		Undertake a baseline survey to determine the skills needs of our local businesses.	Short	Existing MBC resources		
		Develop a comprehensive web based application incorporating the principles behind the big exchange, access to skills for young people, a business to business skills exchange portal and ability to aggregate business training needs.	Medium	Transforming Local Government Fund (secured £100k) and ESF bid		
D2	Increase the number of businesses in Maidstone that take on traineeships and apprenticeships at Levels 2 and 3 and reduce the levels of young people Not in Education, Employment or Training (NEETs).	Link with programme of business engagement see A5 and D1	Medium	Existing MBC resources Business Rates pool	MBC	KCC, Education Business Partnership, Schools, Mid Kent College All training providers All businesses Job Centre Plus
		Use social media, website, e-newsletters, editorial, case-studies and other to promote apprenticeship and traineeship opportunities to businesses.	Short	Existing MBC resources Business Rates pool		
		Identify support for pre-NEET and NEET young people, including work experience placements and apprenticeships	Short	New MBC staff resource required Business Rates		

				pool		
D3	Increase awareness of the sector growth opportunities in Maidstone to training providers so that they can gear their provision to meet the future needs of employers.	Provide regular briefing notes, information and newsletters to training providers to give them a wider understanding of the borough's business composition and likely trends to enable them to gear provision accordingly.	Short	Existing MBC resource Business Rates pool	MBC	KCC, Mid Kent College All training providers Job Centre Plus
D4	Work with schools and businesses to improve careers advice and work experience opportunities.	Identify willing businesses Develop placement processes with the Education Business Partnership	Medium	New MBC staff resource required	MBC	KCC, Education Business Partnership, Schools, Mid Kent College All training providers All businesses Job Centre Plus
D5	Support KIMS in their discussions with universities to expand the Higher Education (HE) offer on the KMC site.	Establish working group Identify drivers for HE investment Any barriers Consider funding options	Medium	To be determined	KIMS	MBC, Canterbury Christchurch University
D6	Support discussions between UCA and KIMS on looking to enhance the overall student experience for HE students at Maidstone Studios and at Kent Medical Campus.	Evolve the joint working group with KIMS to include UCA	Long	To be determined	MBC	UCA , KIMS, Maidstone Studios

D7	Work with UCA to further develop the business case for their proposed new facilities at Maidstone Studio.	Support the Studios bid to create a Media Village to SLGF	Long	Existing MBC resources	Maidstone Studios	UCA

E) Improving the Infrastructure

		Action / Milestones	S / M / L	Resource	Lead	Partners
E1	Take forward the schemes for which Local Growth Fund grants have been allocated.	Work with KCC and contribute to the Project Groups for Sustainable Access to Employment and Bridge Gyratory Bypass Project.	Short	SLGF Infrastructure Delivery Plan	KCC	MBC TMBC EA
		Work with partners within the project areas to increase ownership and funding opportunities.		Existing MBC resources	MBC	
E2	Develop and implement a campaign calling for faster train services to London.	Work with South Eastern to ensure the 2018 Thameslink from Maidstone East remains on-track, to deliver an extended peak period service to the City of London.	Medium	Existing MBC resources	South Eastern Rail	MBC KCC Medway Valley Line Network Rail
		Work with the Medway Valley Line and South Eastern to ensure High Speed Service from Maidstone West continues.	Medium	Existing MBC resources	KCC	MBC Govia
E3	Work closely with KCC and other stakeholders to agree the Integrated Transport Strategy	Deliver the transport proposals in the ITS.	Long	SLGF Infrastructure Delivery Plan Existing MBC resources	KCC MBC	Developers
E4	Work closely with KCC to consider ways to increase the rate of broadband roll out across Maidstone borough, especially in rural areas.	Help identify areas where poor broadband provision is hindering the development of business to help inform the areas of focus for the extension programme to the BDUK funding.	Medium	Existing MBC resources	KCC	BT Developers Parish Councils

		Help promote the uptake of upgraded services within areas of business / resident concentration to increase the potential coverage of the BDUK work.	Medium	Existing MBC resources	KCC	BT Developers

Maidstone Borough Council – Partnership Engagement and Demonstrating Leadership

	Action / Milestones	S / M / L	Resource	Lead	Partners
To publicise the positive things that the council is doing that demonstrate it is pro economic growth.	Produce a Business Charter setting out the role of every Council service in supporting businesses. Promote the work of the Council through the media. e.g. Down's Mail supplement. Attend and present to business networking and business support organisations.	Short	Existing MBC resources	Economic Development MBC	All Services in MBC All Businesses
To consider ways of effectively conveying to the Maidstone electorate the advantages that economic growth will bring.	Promote the benefits of growth through the media, case studies, press releases and direct to parishes.	Medium	Existing MBC resources	MBC	Design South East Media partners Parish Councils
To consider what the Council can do to convey the message to investors that Maidstone is 'open for business and for investing in growth'.	Redesign the Locate in Maidstone website Hold awareness raising events in London with private sector partners Create new marketing material	Medium	Existing MBC resources	MBC	Business networks
To examine ways in which more support can be given to planning applicants to increase the likelihood of a positive outcome.	Encourage pre-application advice with businesses Ensure Economic Development Officers attend pre-application meetings	Short	Existing MBC resources	MBC	Businesses

Monitoring Indicators

To measure progress towards the actions in the Economic Development Strategy action plan, each of the actions will be monitored against the agreed milestones and reported annually to the council and the Maidstone Economic Business Partnership.

In addition, the overall performance of the Maidstone economy will need to be monitored against a range of relevant datasets. This will provide an overall measure of the 'health' of the Maidstone economy and highlight where further action, or reprioritisation is required.

The indicators relating to the performance of the local economy are provided in the table below:

Indicator	Source	Current Figure - Maidstone (2015)	Current Figure - South East (2015)	Desired Direction of travel
GVA per head at current basic prices	KCC Research & Evaluation: ONS / District estimates, Research & Evaluation, Kent County Council	£ 22,439 (2013) - District estimates, Research & Evaluation, Kent County Council	£25,843 (2013) - KCC Research & Evaluation: ONS / District estimates	↑
Percentage of Job Seeker Allowance Claimants	NOMIS	1.2% (April 2015)	1.2% (April 2015)	↓
Unemployment rate (aged 16 and over – proportion of economically active, i.e employed and unemployed)	Nomis: ONS annual population survey	4.9%(Jan 2014-Dec 2014)	4.2 %(Jan 2015 –Mar 2015)	↓
Proportion of population qualified to at least level 2 or higher	Nomis: ONS annual population survey	74.4% (Jan 2014 – Dec 2014)	77.1% (Jan 2014 –Dec 2014)	↑
Proportion of population qualified to at least level 3 or higher	Nomis: ONS annual population survey	53.0% (Jan 2014 – Dec 2014)	60.5% (Jan 2014 –Dec 2014)	↑
Proportion of the population qualified to at least level 4 or higher	Nomis: ONS annual population survey	31.2% (Jan 2014 – Dec 2014)	39.1% (Jan 2014 –Dec 2014)	↑
Employment rate (aged 16-64)	Nomis: ONS annual population survey	76.8% (Jan 2014 – Dec 2014)	77.2% (Jan 2014 –Dec 2014)	↑

Percentage of people of Working age on Key out of work benefits[40]	Nomis: DWP benefit claimants - working age client group	6.8% (November 2014)	6.8% (November 2014)	
16-18 year olds who are not in education, employment or training (NEET)	KCC/Gov.uk	4.7% (February 2015)	4.2% (2014)	
Total gross weekly workplace wages (Full-time workers)	Nomis: ONS annual survey of hours and earnings - workplace analysis	£455.80 (2014)	£541.40 (2014)	
Total gross weekly residential wages (Full-time workers)	Nomis: ONS annual survey of hours and earnings - resident analysis	£515.40 (2014)	£567.00 (2014)	

[40] Key out-of-work benefits includes the groups: job seekers, Employment Support Allowance and incapacity benefits, lone parents and others on income related benefits. Note: % is a proportion of resident population aged 16-64

Employers and stakeholders approached to help inform the Economic Development Strategy and Action Plan
Handelsbanken
Brachers
DSH Accountants
Maidstone Studios
Logic PM
Leeds Castle
Amethyst Group
Scarabs
MEP
John Taylor
MCCH Society
Cllr David Burton
Gullands
DHA Planning
Lenham Storage
Pillory Barn
KIMS
Dempson Crooke
Locate in Kent
Kent County Council, Economic Development Team
NFU
UCA
Kent County Council
Federation of Small Businesses

Mid Kent College
Kent Invicta Chamber
Capital and Regional
Fremlin Walk
Chartway Group
MBC Cabinet
MBC Economic and Commercial Development Overview and Scrutiny Committee
Maidstone Economic Business Partnership

Appendix Glossary

Term	Definition
AONB	An Area of Outstanding Natural Beauty (AONB) is an area of countryside in England, Wales or Northern Ireland which has been designated for conservation due to its significant landscape value.
BDUK	Broadband Delivery UK (BDUK), part of the Government's programme to deliver super fast broadband and better mobile connectivity to the UK.
BIS	The Government department for Business, Innovation and Skills.
BRES	Business Register Employment Survey, BRES is the definitive source of official employee statistics and can be used to derive employment estimates at varying industrial and geographical levels
BT	British Telecom, BT Group plc, trading as BT, is a British multinational telecommunications services company.
CLES	Centre for Local Economic Strategies, is the UK's leading independent charitable research and member organisation, with a focus on economic development, regeneration and place-making.
KICC	The Kent Invicta Chamber of Commerce is a membership organisation which provides a full range of business support services, ranging from networking, international trade, and business support to representation and is a member of the British Chamber of Commerce accredited network of Chambers of Commerce across the United Kingdom.
EA	Environment Agency, a Government agency responsible for regulating major industry and waste, treatment of contaminated land, water quality and resources, fisheries, inland river, estuary and harbour navigations, conservation and ecology, managing the risk of flooding from main rivers, reservoirs, estuaries and the sea.
ERDF	European Regional Development Fund, is a fund allocated by the European Union (EU) the main objective of which is to financially aid projects and activities which reduce the economic disparity within the member states of the EU.
ESF	The European Social Fund (ESF) is the European Union's main financial instrument for supporting employment in the member states of the European Union as well as promoting economic and social cohesion.
ESIF	European Structural and Investment Funds is the new terminology for the EU programmes which are delivered directly by the EU Member States, including the: European Regional Development Fund, European Social Fund, European Agricultural Fund for Rural, Development, European Maritime and Fisheries Fund. During the 2014-2020 programming period these funds will be delivered in a more integrated manner.
GVA	Gross Value Added is a measure in economics of the value of goods and services produced in an area, industry or sector of an economy.
HMT	HM Treasury is the government's economic and finance ministry
IPPR	Institute of Public Policy is an independent registered charity whose purpose is to conduct and publish research into, and promote public education in, the economic, social and political sciences, and in science and technology; including the effect of moral, social, political and scientific factors on public policy and on the living standards of all sections of the community.

JSA	Job Seekers Allowance is a form of unemployment benefit paid by the Government to people who are unemployed and actively seeking work. It is part of the social security benefits system and is intended to cover living expenses while the claimant is out of work.
KCB	Kent Conference Bureau is a free venue finding service to help organisations locate a suitable venue for an event in Kent. It is currently part of Maidstone Borough Council but managed by an industry led Board.
KCC	Kent County Council is the county council that governs the non-metropolitan county of Kent in England. It provides the upper tier of elected local government, below which are 12 district councils, and around 300 town and parish councils.
KMEP	Kent and Medway Economic Partnership is chaired by the private sector and is made up of twenty one members, eleven business representatives, eight local authority leaders and one representative from higher and further education. The role of the KMEP is to approve, drive forward and monitor a strategic economic plan for Kent and Medway; Consider strategic economic investment priorities through funds such as the Single Local Growth Fund, European structural and investment funds and other public funding sources that may become available; Determine and monitor the use of all funding devolved from the South East Local Enterprise Partnership to Kent and Medway; Act as the commissioning body for projects and programmes in Kent and Medway funded through the Single Local Growth Fund and the European Structural and Investment Funds; Consider and develop responses to new economic opportunities and challenges in Kent and Medway; Ensure a strong voice for Kent and Medway business and government at national and regional level, including through the South East LEP.
LEP	Local Enterprise Partnerships are partnerships between local authorities and businesses, established by central Government. They decide what the priorities should be for investment in roads, buildings and facilities in the area. Maidstone falls within the South East Local Enterprise Partnership covering East Sussex, Essex, Kent, Medway, Southend and Thurrock.
LSTF	Local Sustainable Transport Fund is funding from the Department for Transport to support transport improvements that could cut carbon emissions and create local growth. £100 million capital funding from the fund has been made available through the Local Growth Fund for 2015 to 2016.
MAS	Manufacturing Advisory Service (now part of the Government's Business Growth Service) a government-backed service offering support to businesses with the potential to improve and grow. Funded by BIS, Business Growth Managers, with specific manufacturing expertise, work on the ground with management teams to plan long-term strategies, improve processes, bring new products to market and develop supply chains
MBC	Maidstone Borough Council
MCL	Maidstone Culture and Leisure, part of Maidstone Borough Council, MCL commissions and delivers cultural, parks and leisure and visitor economy services.
MEBP	Maidstone Economic Business Partnership, an industry led partnership, administered by MBC to ensure that the plans and strategies of Government reflect the needs of local businesses.
KMC	Maidstone Medical Campus is a development proposal, with outline planning permission, for a medical campus comprising up to 98,000sqm on land adjacent to the Newnham Court Shopping Village, Maidstone. The site covers an area of approximately 18.7ha. In April 2015 it was renamed Kent Medical Campus.

NFU	National Farmers Union, champions British farming and provides professional representation and services to its farmer and grower members.
NVQ	National Vocational Qualifications (NVQs) are work based awards in England, Wales and Northern Ireland that are achieved through assessment and training. To achieve an NVQ, candidates must prove that they have the ability (competence) to carry out their job to the required standard. There are five levels of NVQ ranging from Level 1, which focuses on basic work activities, to Level 5 for senior management. Level 2 is equivalent to one GCSE at A*-C.
ONS	Office for National Statistics, is the UK's largest independent producer of official statistics
SEFUND	South East Fund, a real estate investment fund for the South East LEP area of East Sussex, Essex, Kent, Medway, Southend and Thurrock
SEP	Strategic Economic Plan, each Local Enterprise Partnership is required to have a SEP. The Government will assess the distribution of Local Growth Funds based on the SEP for local growth and its use of all resources and levers.
SLGF	Single Local Growth Fund, funds from Central Government departments, brought together to allow the 39 Local Enterprise Partnerships to bid for funding from a "single pot".
SME	Small and Medium Sized Enterprise, is a category of micro, small and medium-sized enterprises (SMEs) which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro."
TMBC	Tonbridge and Malling Borough Council
TSB	Technology Strategy Board is now called Innovate UK, and is part of BIS , it funds, supports and connects innovative businesses to accelerate sustainable economic growth.
UCA	University for the Creative Arts is a specialist art and design university in the south of England
UKTI	UK Trade and Investment works with UK based businesses to ensure their success in international markets through exports.

Shared Intelligence

1 Naoroji Street, London WC1X 0GB
020 7756 7600

www.sharedintelligence.net
solutions@sharedintelligence.net