



Ministry of Housing,  
Communities &  
Local Government

# Government response to the Thames Estuary 2050 Growth Commission



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# Foreword

As an Essex boy, born in Southend, and having represented Old Bexley and Sidcup for nine years now, I well know the unique strengths of the Thames Estuary.

It is the UK's most important waterway with a rich cultural and economic heritage, outstanding natural landscapes and tremendous potential to power growth for the benefit for local communities and our entire country after Brexit.

Despite this, pockets of entrenched deprivation within the region have persisted and it has yet to realise its true promise.

That is why, at Autumn Budget 2016, the Government asked the Thames Estuary 2050 Growth Commission to develop an ambitious vision and delivery plan for north Kent, south Essex and east London.

In June 2018, the Commission reported their findings and set out an exciting vision that, by 2050, envisages the Estuary potentially creating 1.3 million new jobs, driving £190 billion additional gross value added and accommodating at least 1 million new homes.

This vision for growth and the work of the Commissioners; the expertise they've contributed and their engagement with local partners, is welcome. I want to thank everyone who has been involved for their dedication and ambition.

A bolder approach is needed to realise this vision and the potential of the region.

This response marks the first steps towards this; setting out the approach this Government is taking to support growth in the Estuary.

Local communities in the region will play a vital role in this endeavour.

As such, we are now looking to local partners; from local authorities, Local Enterprise Partnerships, universities, businesses and civil society, to realise this vision and see the Thames Estuary stepping up to deliver well-balanced, inclusive growth on a scale comparable to the Midlands Engine, Northern Powerhouse and Oxford-Cambridge Arc.

The people and the places that make it so special deserve no less.



The Rt Hon James Brokenshire MP, Secretary of State for Housing, Communities and Local Government

A handwritten signature in blue ink, reading 'James Brokenshire'.

# Executive summary

1. The Thames Estuary has a long history of previous efforts to drive economic growth and productivity. The Thames flows from one of the world's greatest cities through world-class wetlands and ports, yet, despite some serious efforts, it still does not fully deliver on its great potential. This cannot continue.
2. For this reason, this government is grateful to the Thames Estuary 2050 Growth Commission, under the leadership of Sir John Armitt, for providing a clear vision of a tapestry of productive places along a global river. The Commission set out that by 2050 the Estuary will generate an additional £190 billion Gross Value Added and 1.3 million new jobs, and at least 1 million new homes will be delivered to support this growth.
3. The Commission's vision for growth in the Estuary is welcome. We will support and deliver growth in the Estuary by working in partnership with local partners, including local government, South East Local Enterprise Partnership and London Economic Action Partnership, businesses and civil society.

## The case for investment

4. The Thames Estuary is an area in the South East of England, stretching from east London through north Kent and south Essex. The region boasts nine airports and seaports that connect it directly to mainland Europe and facilitate international trade; brownfield land suitable for much-needed new housing; and strong further education and research institutions, not to mention its outstanding natural beauty and wildlife. Moreover, it is home to 3.6 million people, with projections to reach 4.19 million by 2035.<sup>1</sup>
5. The Estuary's economic potential is significant, with its ports and logistics sector generating over £2.5 billion in private investment. Yet, although it has many natural advantages, including its proximity to London, the Estuary is underperforming across a range of economic and social indicators.<sup>2</sup>
6. The case for investment and collaborative working in the Estuary is clear. We look forward to continuing to work with local partners to deliver on the Estuary's growth

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<sup>1</sup><https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/householdprojectionsforengland>

<sup>2</sup> See introduction

potential, supporting the aims of the UK Industrial Strategy to boost the productivity and earning power of all.

## The challenges

7. To achieve the transformative economic growth envisaged by the Commission, significant economic challenges need to be overcome:
  - a. **Fragmented governance:** There are 18 local authorities alongside the Greater London Authority (GLA), Kent and Essex County Councils and two development corporations. There are also two Local Enterprise Partnerships, South East Local Enterprise Partnership and London Economic Action Partnership. Both of these Local Enterprise Partnerships cover geographies beyond the Thames Estuary. The Thames Gateway Strategic Group is making good progress, but this lack of coordinated governance structures has always made strategic planning more difficult.
  - b. **Scale of the area:** The size and diversity of the area mean that developing a singular, strategic vision is complex. The River Thames itself, in some ways a natural barrier across the area, offers significant opportunities for infrastructure, ecology and leisure, which have previously proved difficult to realise.
  - c. **Delivering homes:** Housing delivery is central to supporting growth in the Thames Estuary. We know that there are several challenging considerations, beyond need, which will need to be taken into account. These include constrained land, improving delivery rates and the provision of appropriate infrastructure. Housing cannot be delivered in isolation of economic development and infrastructure - joining up housing and infrastructure delivery in the Thames Estuary is a challenge for Homes England, local partners and the government.
  - d. **Low skills and entrenched deprivation:** There are significant pockets of deprivation across the region; 8.5% of 16-64-year olds have no qualifications, which is 1.7 percentage points higher than in London and 3.3 percentage points higher than in the South East as a whole. Lack of connectivity to employment centres and a generational shortfall of skills contribute to a 'low wage' economy and are also significant barriers to successful economic growth in the Estuary. The area needs to be a more attractive location for employers seeking skilled workers.
  - e. **Mobility and infrastructure:** Beyond the high-speed railway network, there is scope for improvement to affordability, quality and connectivity in local and regional transport infrastructure.

- f. **Risk of tidal flooding:** We have an opportunity to deliver environmental enhancements for future generations but there are challenges. Increasing pressures, including the impacts of climate change, have led to an estimate that sea levels will rise between 20cm and 90cm by 2100. The Thames Estuary 2100 Plan is the government's strategy to adapt to the challenges of future sea level rise. Interventions are also required to address poor air quality, particularly near congested river crossings. Growth in this region also brings opportunities to enhance the natural capital and deliver environmental net gain for future generations.
- g. **Future of work:** Technological changes, including automation and artificial intelligence, are acute in the Estuary, with administrative and retail occupations markedly at risk.

## Our commitments

- 8. Business as usual is not working and, as such, we are affirming our commitment to growth in the Estuary by:
  - a. **Strengthening governance:** Creating a new £1 million strategic board, chaired by an independent Thames Estuary Envoy, which will support delivery of the vision and champion the Thames Estuary with key stakeholders, including local and central government.
  - b. **Strengthening ministerial advocacy:** Creating a new Cabinet-level ministerial champion for the Thames Estuary who will act as an advocate and critical friend for the Thames Estuary within government.
  - c. **Delivering homes:** Exploring ambitious housing and infrastructure deals with authorities in the Estuary, and committing to exploring the potential for at least two new locally-led development corporations. We will work collaboratively with places to create thriving communities where people want to live and work, to deliver high-quality, popular and well-designed places to live.
  - d. **Improving mobility and infrastructure:** Continuing to progress at pace with transport infrastructure investment in the Estuary, including investing around £200 million of Local Growth Fund, £125 million on improvements to the strategic road network at Bean and Ebbsfleet, and multi-billion-pound investments in the Lower Thames Crossing and the Elizabeth Line. We will launch an officer-led, cross-government group to realise the wider benefits of the Lower Thames Crossing, as well as supporting local partners in enhancing transport links from Abbey Wood to Ebbsfleet in Kent.

- e. **Promoting the Thames Estuary:** We will launch a strategic communications campaign to promote the Thames Estuary as a great place to work, live and do business, supported by a 'Year of the Thames' cultural programme. We are working with local partners to promote inward investment opportunities in the Estuary.
  - f. **Agreeing Local Industrial Strategies:** Ensuring places across the Thames Estuary have fully-evidenced Local Industrial Strategies, aligned to the UK Industrial Strategy, to increase productivity, so it is clear how all communities across the Estuary can contribute to, and benefit from, economic prosperity.
  - g. **Addressing the low skills challenge:** We are funding regional labour market analysis into the Estuary to inform both national and local policy objectives for skills in relation to labour markets; we will also seek to support and enhance existing local arrangements for raising skills levels through our nationwide reforms.
  - h. **Providing £4.3 million of funding for the Thames Estuary creative production corridor:** We are funding this collaboration between local partners across the Estuary to cement the Estuary as a world-leader for cultural and creative industries.
  - i. **Great Thames Park:** At Budget 2018, we announced support for a study to develop options and consult the community on the benefits of a Great Thames Park and increase general understanding of the natural capital opportunities for the Estuary.
  - j. **Environmental:** To bring together relevant authorities to collaborate on the Thames Estuary 2100 Plan actions required to make sure that growth in the Estuary is sustainable and resilient.
9. Our response to the Commission is an important milestone for the Estuary. The Commission's independent challenge, scrutiny and expertise over the past two years has been crucial for the area.
10. The Commission's task to develop a vision for the Estuary is now complete but this is by no means the end of the story. Instead, we want to continue this vital conversation with local partners in the Thames Estuary as we work together to deliver on the Estuary's growth potential.



# Introduction

1. Despite its strengths, the Thames Estuary faces many challenges, including significant pockets of deprivation, and has been consistently unable to deliver the same level of economic growth as other parts of the UK for the last few decades. This is why in 2016, the Thames Estuary 2050 Growth Commission was formed and tasked with developing an ambitious vision and delivery plan for north Kent, south Essex and east London. The Commission published their 2050 Vision report in June 2018.<sup>3</sup>
2. This paper is the government's response to the Commission's report. What makes the Commission's 2050 Vision report stand out from previous assessments is viewing the Estuary as not one but a series of interconnected places. This represents a conscious shift away from grand visions to a focus on empowering local partners to deliver, with support from central government. The report focuses on the diversity of places across the Thames Estuary area, recognising that it will be most successful when viewed as a series of functional economic areas, places (for both people and wildlife), and communities. It stresses that those places need to take concerted and coordinated action together to create positive change in the Thames Estuary.
3. The 2050 Growth Commission was made up of external experts from the fields of engineering, architecture and academia. Engaging communities across the Estuary was a top priority for the Commission. A call for ideas was held during summer 2016 receiving over 100 responses. This scoping phase drew on previous studies, many of which have called for more access to and better use of the riverside, parklands and other natural assets for the benefit of local communities. Local authorities also shaped the Commission's work, including through the dedicated efforts of the Thames Gateway Strategic Group.
4. We believe that sustainable, inclusive growth is key for Thames Estuary, and that a strong focus on more comprehensive placemaking, which involves cultural and environmental initiatives along with housing and infrastructure, is needed to make the Estuary a truly desirable place to work, live and do business. Comparable to the Midlands Engine, Northern Powerhouse and Oxford-Cambridge Arc, this area of the country has the potential to deliver growth to support the success of the whole of the UK economy. We can do more to harness the potential for this region to help deliver the future we want for our country after we have left the European Union.
5. This response addresses four key themes, some of which are relevant to more than one place within the Thames Estuary: governance and delivery; sector growth and skills; placemaking and the environment; and housing and transport.

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<sup>3</sup> <https://www.gov.uk/government/publications/thames-estuary-2050-growth-commission-report>

# Governance and delivery

## Our commitments to the Estuary

- Government to provide £1 million of funding to support the establishment and operation of a Thames Estuary Growth Board
- Government to appoint an independent Estuary Envoy to chair the Thames Estuary Growth Board
- Government to designate a new Cabinet-level ministerial champion for the Thames Estuary

1. Realising the ambitions set out in the Thames Estuary 2050 Growth Commission's Report will require a coordinated delivery plan and stronger, more streamlined governance. We support the Commission's recommendation that governance reform is required to drive growth in the Estuary; and we are grateful for the work of the Thames Gateway Strategic Group's proposal for a new strategic board, following a locally-led review of governance arrangements. We support their recommendation that we create a single voice for the Thames Estuary that can engage with government on strategic, Estuary-wide issues.

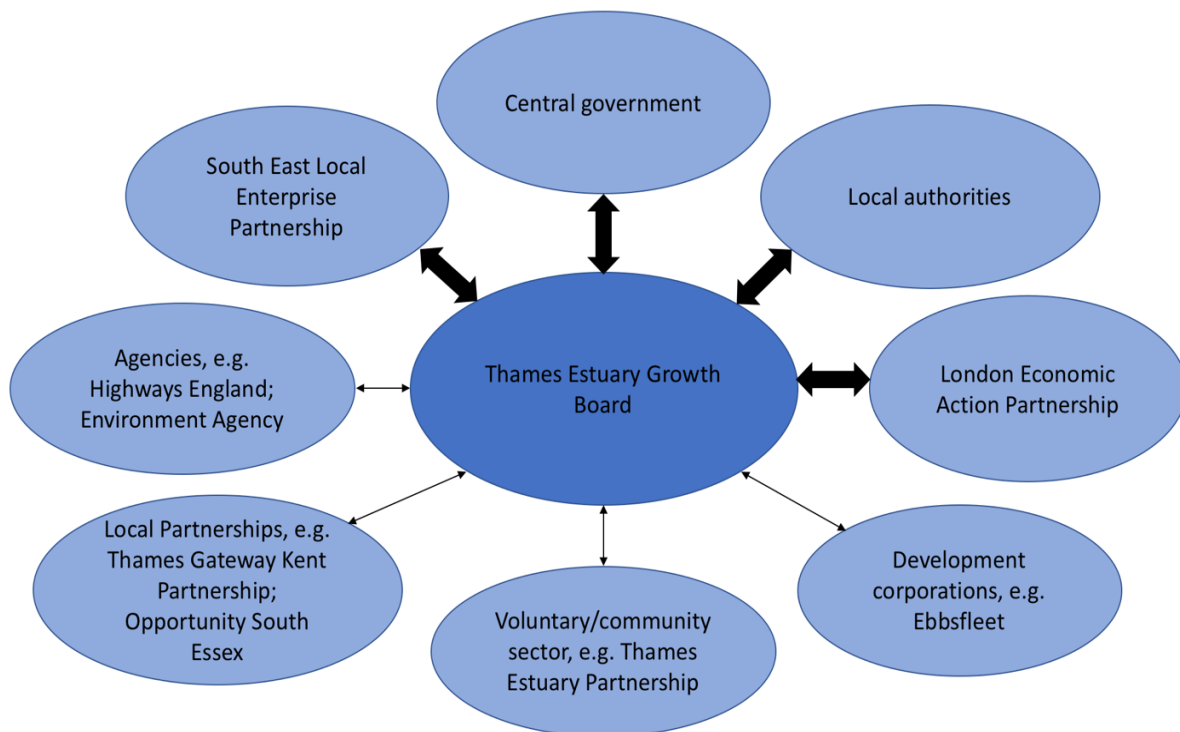


Figure 1 Thames Estuary Growth Board

2. The government will provide £1 million to support the establishment of a new strategic board: the Thames Estuary Growth Board. The Board's purpose will be to help stimulate growth in the economy across the Estuary by: championing and shaping the vision for the region with key stakeholders; acting as a critical friend to local and central government on delivery; and driving specific Thames Estuary priorities including, but not limited to, an inward investment campaign and the Great Thames Park.
3. It will be a voluntary partnership between local authorities, Local Enterprise Partnerships, universities, businesses and civil society. We want it to reflect the businesses and communities it will serve.
4. Government is committed to empowering local places to have a meaningful say in deciding their own priorities. We believe that the right local solutions, which best address local circumstances, should be sought through consulting the local communities.<sup>4</sup> In line with this view, we would like to see representation from the local, voluntary and community sectors on the Thames Estuary Growth Board.
5. The Ministry of Housing, Communities and Local Government and the Department of Business, Energy and Industrial Strategy, through the Cities and Local Growth Unit, will sponsor the Partnership by providing capacity funding and supporting the appointment of an independent Estuary Envoy.
6. The strategic priorities of the Board will be agreed with the Estuary Envoy but are likely to include:
  - a. Driving delivery of the Commission's vision and holding the government and local partners to account on commitments set out in relevant economic growth strategies, including this response and forthcoming Local Industrial Strategies. There will be a focus on: housing delivery; transport and connectivity investment; and the environment.
  - b. Launching a regional inward investment campaign, working closely with Department for International Trade
  - c. Ensuring Thames Estuary growth is supported by Local Industrial Strategies for both the London Economic Action Partnership and the South East Local Enterprise Partnership
  - d. Driving the development of a 'Great Thames Park', increasing our understanding of the benefits of the Estuary's natural capital, and maximising opportunities such as the forthcoming Festival of Great Britain and Northern Ireland.
  - e. Launching a strategic communication campaign which promotes the Thames Estuary as an outstanding place to live, work and do business.
  - f. Leading the year of the Thames, bringing to life the role the Thames Estuary has always played and will continue to play as a gateway to the rest of the world.

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<sup>4</sup> <https://www.gov.uk/government/speeches/county-councils-network-keynote-speech>

7. The activities which the Thames Estuary Growth Board will undertake in respect of the Thames Estuary area will be agreed with the Estuary Envoy but are likely to include convening local stakeholders in order to champion the vision for the Estuary. Activities are also likely to include seeking new ideas which will help create strong, well-integrated communities where people want to live, work and do business. It should also include supporting Local Enterprise Partnerships in developing Local Industrial Strategies which will serve the Thames Estuary well and reflect the contribution the Estuary can make to their delivery. There would also be an opportunity to lead research and analysis on, and enable delivery of, projects and policies related to placemaking and inclusive growth objectives.
8. In relation to governance, we would expect the Thames Estuary Growth Board to seek guidance from recent reviews of Local Enterprise Partnerships. Principles regarding transparent decision-making and well-balanced representation of the Board are particularly relevant. The Board should aspire for a majority of their representation to be from the private sector, as well as strive for a balance of gender and those with protected characteristics.<sup>5</sup> The new Board should also have voluntary and community sector representation to include these key stakeholders in delivering growth for the Estuary.
9. The Board will pursue activities which add value and those which do not duplicate the work of the members of the partnership or the roles of other organisations with similar aims. Local government and Local Enterprise Partnership stakeholders will support the appointment of an independent private sector Estuary Envoy.
10. The new Board's performance measures will be co-developed with the independent Estuary Envoy and regularly reviewed. Key drivers as set out in the vision include generating an additional £190 billion Gross Value Added and 1.3 million new jobs by 2050.
11. The government will also designate a Cabinet-level ministerial champion for the Thames Estuary. The Thames Estuary champion will work with local partners to build the profile of the Estuary and be an advocate to help the area to realise its full potential. The Thames Estuary champion will work with the Estuary Envoy to drive growth and opportunity across the Estuary.

### **Supporting delivery through dedicated bodies**

12. The government has committed to continuing its support for the delivery of 15,000 homes at Ebbsfleet Garden City through an urban development corporation. We also believe that locally-led development corporations can play an important role in

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<sup>5</sup> <https://www.gov.uk/government/publications/strengthened-local-enterprise-partnerships>

delivering major housing and regeneration projects and so have legislated to enable the creation of locally-led new town development corporations. The government is open to discussions with ambitious local authorities in the Estuary who are interested in the potential to establish such bodies.

13. We are publicly committing to exploring the potential for at least two new locally-led development corporations in the Thames Estuary. We will work collaboratively with places to create thriving communities where people want to live and work, to deliver high-quality, popular and well-designed places to live.
14. We announced at Budget 2018 that we will be consulting on the legal framework for development corporations to ensure they have the powers they need to deliver. We also announced £10 million to support local areas that are delivering transformational housing and regeneration projects through innovative delivery vehicles such as development corporations.<sup>6</sup>

### **Strengthened Local Enterprise Partnerships**

15. The Thames Estuary is well served by the London Economic Action Partnership and the South East Local Enterprise Partnership, the two biggest Local Enterprise Partnerships in the country. It has, for example, received over 40% of the South East Local Enterprise Partnership's Local Growth Funding, and in London Boroughs, over £3 million was spent in 2017/18 on Local Growth Funding. Both the South East Local Enterprise Partnership and the London Economic Action Partnership work closely together given their shared borders. We expect this collaboration to continue as the South East Local Enterprise Partnership and London Economic Action Partnership develop their respective, and closely related, Local Industrial Strategies.
16. In July 2018 we published our policy document on the government's approach to strengthening Local Enterprise Partnerships.<sup>7</sup> In this document, we invited all Local Enterprise Partnerships and other local stakeholders to come forward with considered proposals on geographies which best reflect real functional economic areas, remove overlaps, and, where appropriate, propose wider changes such as mergers. The geography of both Local Enterprise Partnerships in the Thames Estuary is now settled.
17. Well-performing Local Enterprise Partnerships are critical to creating successful local economies and ensuring that effective investments are made across areas in priority projects for growth. Reformed and stronger Local Enterprise Partnerships will adopt a single mission: to promote productivity by delivering Local Industrial Strategies.

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<sup>6</sup> <https://www.gov.uk/government/publications/budget-2018-documents/budget-2018>

<sup>7</sup> <https://www.gov.uk/government/publications/strengthened-local-enterprise-partnerships>

# Sector growth and skills

## **Our commitments to the Estuary**

- Government to award £4.3 million from the Cultural Development Fund to support the Thames Estuary Production Corridor
- Government to work with the South East Local Enterprise Partnership to establish a Local Digital Skills Partnership
- Government to award over £1 million to the London Economic Action Partnership over 2018/19 and 2019/20, and £1.3 million to the South East Local Enterprise Partnership over 2018/19 and 2019/20, for the provision of their Growth Hubs
- Government to support the South East Local Enterprise Partnership and the London Economic Action Partnership to produce Local Industrial Strategies
- Government to continue to work with local partners to promote inward investment in the Estuary
- Government to launch a strategic communications campaign promoting the Thames Estuary as an outstanding place to live, work and do business
- Government to support creation of masterplans and feasibility studies of key sites of the Thames Estuary creative production corridor
- Government to provide funding for a regional labour market analysis, covering the whole of the Estuary
- Government to work with the South East Local Enterprise Partnership and the Greater London Authority to establish Skills Advisory Panels
- Government has made an additional 1,500 medical students places available through the nation's largest ever medical training expansion, enabling Canterbury Christ Church University and the University of Kent to open a new Kent and Medway Medical School
- Government to create the UK Shared Prosperity Fund following our departure from the European Union and European Union Structural Funds

1. The Commission highlighted the sizeable economic power of the Thames Estuary. Commissioners were clear about the Estuary's strengths, including international trade via the Estuary's ports. We want the Estuary to make the most of these existing sector strengths. Moreover, we want to see an effective skills base across the Estuary, so that communities can continue to drive growth in the future.

# Sector growth

## Local Industrial Strategies

2. The Industrial Strategy sets out a long-term plan to boost the productivity and earning power of people throughout the UK. Local Enterprise Partnerships across the country, including in the Thames Estuary, are developing Local Industrial Strategies.<sup>8</sup> These strategies will deliver on economic opportunities and build on local strengths.<sup>9</sup>
3. There are two Local Enterprise Partnerships in the Thames Estuary: the South East Local Enterprise Partnership and the London Economic Action Partnership. Each will be developing a Local Industrial Strategy. Both of these bodies' geographies extend beyond the Thames Estuary. We encourage both Local Enterprise Partnerships to work together to develop a shared approach towards growth in the Thames Estuary. This will be an important step in implementing and delivering the Commission's priorities on skills, small business support, and sectoral growth.
4. While working collaboratively will enable both Local Enterprise Partnerships to see a strategic picture for the Estuary, it is essential to fully consider the uniqueness of the vastly diverse functional economic areas in the region. To capitalise on the strengths and address the challenges in every part of the Estuary, Local Enterprise Partnerships should build on the Commission's work to engage the local community as they begin to produce their Local Industrial Strategies.
5. We also encourage both Local Enterprise Partnerships to use the extensive analysis carried out by the Commission to contribute to their emerging evidence base for their Local Industrial Strategies. We are committed to developing this evidence base in partnership with the Thames Estuary, including by establishing an evidence panel across government departments. Government will work with Local Enterprise Partnerships and others over the coming months to help support locally-led work, discuss the policy principles in more detail, and ensure the sharing of best practice within the Estuary, and beyond.
6. The Commission identified a number of local strengths in the various functional economic areas of the Thames Estuary, spanning ports and logistics, advanced manufacturing and construction. Local Industrial Strategies offer an opportunity to harness these specific sectoral strengths towards government priorities and, where appropriate, help deliver the national Industrial Strategy Grand Challenges.

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<sup>8</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/664563/industrial-strategy-white-paper-web-ready-version.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664563/industrial-strategy-white-paper-web-ready-version.pdf)

<sup>9</sup><https://www.gov.uk/government/publications/local-industrial-strategies-policy-prospectus>

## Emerging sectors

7. The Commission highlighted a number of emerging and high-priority sectors as the Thames Estuary begins to diversify its economic base. This includes the life sciences and medical sector, and the creative and cultural industries. The Thames Estuary Production Corridor is part of this creative and cultural offer.

### ***Thames Estuary Production Corridor***

Both the South East Local Economic Partnership and the Greater London Authority have identified the Thames Estuary as a creative industries Production Corridor, envisioning it to become a world class centre for production with focus on the creative and cultural industries. A number of centres of excellence already exist across the Estuary. We have invested nearly £80 million to support the creation of five new National Colleges, including the National College for the Creative and Cultural Industries at High House Production Park, home to the Royal Opera House Bob and Tamar Manoukian Production Workshop and Costume Centre. The South East Creative Economy Network is working with the National Academy for Skills and Training for the UK's creative and cultural industries to ensure that training matches the skills gaps in the industry and to address the need for arts and other creative subjects to be encouraged at school.

As part of its Creative Industries Sector Deal, the government has committed £20 million through a Cultural Development Fund to help drive local economic growth through investment in culture, heritage and the creative industries.

We are pleased that Kent and Essex are one of five locations across England that will receive a share of the £20 million. They area will be awarded £4.3 million to kickstart the development of the Thames Estuary Production Corridor. Led by the University of Kent in partnership with South East Creative Economy Network, the funding will be used to launch the first phase of their plans to turn north Kent and south Essex into a world-leader for the cultural and creative industries.

The investment will deliver Estuary 2020, an international arts festival which will reach audiences both locally and internationally. It will also create approximately 500 creative industry jobs, new workspaces in creative clusters such as Medway, and skills training for more than 200 people. 60 new apprenticeships will also be opened to young people from disadvantaged backgrounds.

We are also pleased to announce £350,000 to support the creation of masterplans and feasibility studies of key sites of the Thames Estuary Production Corridor for creative industries. This will develop the evidence base and rationale for future development in this corridor to reinforce and future proof the existing cross-boundary partnership.

The Creative Industries Sector Deal also includes a commitment to increase the number of apprenticeships across the country. **£39 million** will also be invested from the



Industrial Strategy Challenge Fund to bring together top universities and business in a series of research and development partnerships in the Creative Industries Clusters Programme, to ultimately cultivate existing clusters within the creative industries.<sup>10</sup>

8. The Commission also recommends establishing a Health Corridor that would further capitalise on the emerging health sector that is supported by the Estuary's cluster of universities.

### ***World-class Health Corridor from London to Canterbury***

We welcome the Commission's vision for an emerging Health Corridor along the Estuary.

In March 2018, the Department of Health and Social Care announced one of the nation's largest ever medical training expansions, making an additional 1,500 medical student places available. This is directly benefitting the Estuary. Canterbury Christ Church University and the University of Kent have already formed a partnership and are on track to open a new Kent and Medway Medical School. Following their bid to the Higher Education Funding Council for England and Health Education England, the Kent and Medway Medical School have been allocated 100 student medical places per year, starting from September 2020. We are endorsing this partnership between these two institutions. Both are capitalising on existing infrastructure to make medical education available to higher number of talented individuals.

In addition, Ebbsfleet Garden City is the leading pilot of the Healthy New Towns initiative, which is led by the NHS. Establishing a new medical campus at Ebbsfleet, in line with the Commission's recommendation, would lead to an increase in education and employment opportunities, and promote health and well-being to communities by re-thinking ways of delivering health and care services more effectively.

The Workforce Implementation Plan, which is currently being developed as a next step to the NHS Long-Term Plan, will consider proposals to grow the workforce and the potential further expansion of medical school places.

### **Investing for the future**

9. Building on Local Industrial Strategies, the government has announced that it will be creating the UK Shared Prosperity Fund, a programme of investment to tackle inequalities between communities by raising productivity, particularly in those parts of our country whose economies are furthest behind, following our departure from the European Union. Further details on the allocation and operation of the UK Shared

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<sup>10</sup> <https://www.gov.uk/government/news/major-new-research-investment-set-to-provide-boost-for-uks-creative-industries>

Prosperity Fund will be made following a public consultation and the 2019 Comprehensive Spending Review.

### **Small business support**

10. Through the Industrial Strategy, government has committed to ensuring that businesses in every region have access to a Growth Hub. Government is funding Growth Hubs in the Thames Estuary via Local Enterprise Partnerships. The South East Growth Hub (and sub-Hubs) should remain the first port of call for small business support. Government has committed to allocating £24 million to Local Enterprise Partnerships for the provision of their Growth Hubs; the funding will be spread over two financial years ending in March 2020. Funding in future years will be agreed in discussion with Local Enterprise Partnerships. £520,000 has been awarded to London Economic Action Partnership in 2018/19 and the same for 2019/20, while £656,000 has been awarded to South East Local Enterprise Partnership in 2018/19 and the same for 2019/20.<sup>11</sup>
  
11. We are also supporting our digital offer to small businesses. In March 2018 we announced our country-wide Gigabit Broadband Voucher Scheme, for use by small businesses to contribute to the cost of a gigabit-capable connection.<sup>12</sup>

### **Inward investment in the Thames Estuary**

12. We will support continued collaborative working with our local partners to promote inward investment in the Estuary, working within our existing programmes for Exports and Inward Investment.
  
13. We will back this with a strategic communications campaign to promote the Estuary as an outstanding place to live, work and do business. We will work closely with partners to get a strong and exciting identity, meaningful for local people and credible for investors.

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<sup>11</sup> <https://www.lepnetwork.net/growth-hubs/>

<sup>12</sup> <https://gigabitvoucher.culture.gov.uk/>

## Skills

14. The government welcomes the Commission's recommendations to address long-term skills shortfalls and to reduce unemployment, underlined as significant contributors to deprivation in the Thames Estuary.
15. The government will work with the South East Local Enterprise Partnership and the Greater London Authority to establish Skills Advisory Panels. These aim to strengthen the links between employers and skills providers, helping local areas better coordinate skills provision and address employers' skills needs. The panels will use robust labour market analysis to understand local skills needs, identify and address priorities effectively, thus improving productivity and their local economy. With the robust evidence base provided by Skills Advisory Panels, the Thames Estuary will be well placed to overcome its long-term skills shortfall.<sup>13</sup>
16. The government is also introducing ground-breaking technical education reforms, including T Levels. These are two-year technical programmes designed with employers to give young people the skills that industry needs. T Levels will be introduced in a phased approach from the 2020 to 2021 academic year, with all T Levels available from 2023. Employers across the Thames Estuary will be pivotal to the success of these reforms by offering high quality industry placements to young people.
17. Moreover, the government will delegate responsibility for the adult education budget to the Mayor of London from the academic year 2019/20. This will give the Mayor the opportunity to shape adult education to best meet the needs of Londoners and, in part, address the challenges set out by the Commission's recommendations. The Mayor's recently published skills strategy sets out his strategic priorities and the vital role he can play in addressing London's skills challenges. This includes addressing specific sector challenges through the establishment of the London Construction Academy.
18. While these initiatives are helping, we recognise that there is still a long way to go with this challenge for the Estuary. We are therefore committing to continue to address skills in the Estuary over the coming months.
19. As a first step towards this, we are funding a regional labour market analysis which will cover the whole of the Estuary. The analysis will build on existing evidence to provide a pan-regional assessment of current skills challenges and help to identify priorities and areas for further work. We will work closely with local partners to establish the parameters for this work and will prioritise this alongside other regional growth areas including the Northern Powerhouse, Midlands Engine and Oxford-Cambridge Arc.

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<sup>13</sup> <https://www.gov.uk/government/publications/introduction-of-t-levels/introduction-of-t-levels>

## **Digital Skills**

The Digital Skills Partnership was launched in 2017 by the Department for Culture, Media and Sport. A key priority for the Digital Skills Partnership is to work with regional stakeholders who are best-placed to understand the skills needs of their local economies and communities. The Digital Skills Partnership is therefore supporting the formation of Local Digital Skills Partnerships as 'test and learn' pilots in six regions across England. The Local Digital Skills Partnerships bring together cross-sector partners to design, develop and deliver innovative digital skills programmes to increase digital inclusion and up-skill the current workforce. The Department for Culture, Media and Sport supports Local Digital Skills Partnerships by funding the employment of a coordinator in each region, and it acts as a chief convenor of national partners that can co-design and/or deliver digital skills programmes and innovations with Local Digital Skills Partnerships.<sup>14</sup>

The South East Local Enterprise Partnership submitted an Expression of Interest in receiving support from the Department for Culture, Media and Sport and the wider Digital Skills Partnership, to form a Local Digital Skills Partnership. It was successful in being selected by a cross-government panel and approved by the Minister for Digital and the Creative Industries.

The six pilot regions will test a six-step model for Local Digital Skills Partnerships: building the partnership, gathering and making effective use of data, matching provision to local needs, delivering training, monitoring and evaluating impact of training, and sharing best practice.

The Department for Culture, Media and Sport will work with all six regions with Local Digital Skills Partnerships to ensure they align with the development of their respective Local Industrial Strategies and Skills Advisory Panels.

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<sup>14</sup> <https://www.gov.uk/guidance/digital-skills-partnership>

# Placemaking and the environment

## **Our commitment to the Estuary**

- Government to award £37 million to the South East Local Enterprise Partnership as part of its £1.6 billion Stronger Towns Fund
- Government has awarded £590.8 million to the South East Local Enterprise Partnership through Growth Deal funding since 2014
- Government has awarded £48.7 million and £110 million across the South East Local Enterprise Partnership and the London Economic Action Partnership areas respectively, through its Growing Places Fund
- Government is delivering its Thames Estuary 2100 Plan, which sets out a comprehensive plan to address the future risks of tidal flooding
- Government to support a study to develop options and consult the local area on a Great Thames Park
- Government to support a 'Year of the Thames' – bringing to life the role the Thames Estuary has always played, and will continue to play, as a gateway to the rest of the world

1. We want to build on the Commission's vision to collectively build integrated communities which are economically and socially sustainable. We are committed to place-based, inclusive growth for all.

## Placemaking

### **Making the most of natural capital in the Estuary**

2. The government recognises that the Estuary is home to important natural assets which must be preserved and enhanced alongside proposed new developments. By using a 'natural capital approach', better and more efficient long-term decisions can be made that support environmental enhancements. This includes opportunities for improving flood defence and air quality, as well as increasing opportunities for local people to access natural greenspace.
3. There is certainly an opportunity to maximise the benefits of these environmental opportunities to not only encourage visitors to the area, but also to attract inward investment.

4. The government announced at Budget 2018 that it is supporting a study to develop options and consult the local area on a Great Thames Park.<sup>15</sup> This forthcoming natural capital analysis will assess the options to maximise the socio-economic and cultural value of the area's natural assets, including creating a park for communities to enjoy. We also recognise the importance of showcasing the many benefits of natural capital to the community and making sure that all developments deliver environmental net gain.
5. We are also committed to protecting and enhancing the social, cultural and commercial value of the River Thames and the surrounding area, beyond the concept of parkland. As such, our Thames Estuary 2100 Plan advocates planning for a future Thames riverside which delivers multiple benefits, whilst managing tidal flood risk.<sup>16</sup> This includes enabling a continuous Thames Path throughout the Estuary and providing suitable access to the riverside for local communities and river users. This will support sustainable growth for future generations to enjoy.

## **Celebrating the Thames**

6. The Commission's recommendation to create a programme of events to celebrate the area's assets chimes with the government's commitment to showcase and maximise the benefits of the unique places in the UK. In October 2018, the government committed £120 million to the Festival of Great Britain and Northern Ireland.<sup>17</sup> The Festival, to be held in 2022, will celebrate the UK's creativity and innovation, and deliver an exciting programme of events on arts, culture, design and technology across the country to help attract new inward investment. And indeed, Arts Council England considers the Thames Estuary to be a priority area, based on its great potential to deliver culturally-driven economic growth.
7. As set out above, the Cultural Development Fund has been launched by the government to provide funding to support transformative, culture-led economic growth and productivity strategies for towns and cities outside of London.<sup>18</sup> Funding decisions for 2018 applications have now been made and the Thames Estuary, Grimsby, Plymouth, Wakefield and Worcester have been successful in being awarded funding.<sup>19</sup>
8. We also encourage local partners to seek funding through the National Lottery and its funding programmes that remain open, including the National Lottery Community Fund and the National Lottery Heritage Fund.

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<sup>15</sup> <https://www.gov.uk/government/publications/budget-2018-documents/budget-2018#productivity> (section 5.18)

<sup>16</sup> <https://www.gov.uk/government/collections/thames-estuary-2100>

<sup>17</sup> <https://www.gov.uk/government/news/uk-festival-of-creativity-and-innovation-to-be-held-in-2022>

<sup>18</sup> <https://www.artscouncil.org.uk/funding-finder/cultural-development-fund>

<sup>19</sup> <https://www.gov.uk/government/news/five-areas-to-share-20-million-to-unleash-creativity-across-the-nation>

9. Finally, we commit to launching a 'Year of the Thames', a cultural programme which brings to life the role the Thames Estuary has always and will continue to play as a gateway to the rest of the world. This will build on and complement existing festivals, including the Thames Festival and the Festival of Great Britain and Northern Ireland. It will celebrate the Thames and help attract visitors to the area.

## **Digital connectivity**

10. We are pleased that our target to extend superfast broadband coverage to 95% of UK premises was achieved in December 2017, and it is expected to reach at least 97% by 2020.<sup>20</sup>
11. The Department for Culture Media and Sport's recently issued the Future Telecoms Infrastructure Review, which provides the national strategy that will create the right market and policy conditions to secure world-class connectivity for all.<sup>21</sup>
12. The aim is to provide world class digital connectivity that is gigabit-capable, reliable, long-lasting and widely available across the UK. Over the next decade the desire is to provide at least 10 million premises with access to full fibre, with a clear path to national coverage. There are ambitious targets for 15 million premises to be connected to full fibre by 2025, with nationwide coverage by 2033.<sup>22</sup>
13. We also believe the UK should be the world leader in the next generation of mobile technology, 5G. There should be deployment of 5G across the majority of the country by 2027 so that UK consumers and businesses, including in the Estuary, can take early advantage of the benefits. We would welcome the opportunity to work with local partners as they deliver digital strategies for their communities.

## **Local Growth**

14. In recent years, the Thames Estuary has been a beneficiary of a number of government initiatives to support regeneration. The government has invested a total of £590.8 million to the South East Local Enterprise Partnership through Growth Deal funding since 2014. Much of this funding has been used for town centre regeneration, public realm improvements, and access to opportunities for skills training, to ultimately enable community development.
15. In addition, the Growing Places Fund has awarded £48.7 million and £110 million across the South East Local Enterprise Partnership and the London Economic Action

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<sup>20</sup> <https://www.gov.uk/guidance/broadband-delivery-uk>

<sup>21</sup> <https://www.gov.uk/government/publications/future-telecoms-infrastructure-review>

<sup>22</sup> <https://www.gov.uk/government/news/forging-a-full-fibre-broadband-and-5g-future-for-all>

Partnership areas respectively to support key infrastructure projects designed to unlock wider economic growth.

16. In July 2018, the government set out to businesses, universities and local organisations that any funding they secure through EU programmes, from now until the end of 2020, will be guaranteed even in a no deal scenario. The guarantee will reflect this by underwriting the UK's full allocation for structural and investment fund projects, such as funding secured through the European Regional Development Fund, until the end of 2020.

## **Town centres**

17. The Commission's report has rightly highlighted the Estuary's poorly performing town centres. The government recognises that town centres, and in particular high streets, are still feeling the effects of the 2008 financial crisis and of changing consumer behaviours.

18. We recognise the importance of ensuring town centres across the Thames Estuary are fit for the future, including effective planning to manage how increasing use of automation and artificial intelligence could impact in the longer-term.

19. The government has launched a new £1.6 billion Stronger Towns Fund to boost growth and give communities a greater say in their future after UK's exit from the EU. The South East Local Enterprise Partnership will receive £37 million to create new jobs, upskill local people and boost economic activity with communities having a say on how the money is spent. Communities will be able to draw up job-boosting plans for their towns, with the support and advice of the South East Local Enterprise Partnership.

20. The government also announced at Budget 2018 a package of support for high streets, covering business rates, planning reform and a £675 million Future High Streets Fund. This fund will help local areas across the country to evolve and to make their high streets and town centres fit for the future. The fund will invest in improvements to town centre infrastructure, including increasing access to high streets, reducing congestion, supporting redevelopment around high streets and enabling housing development and new workplaces to be created.<sup>23</sup>

21. We will also be establishing a High Streets Taskforce, to support local leadership and sustainable placemaking by giving high streets and town centres access to expert advice to adapt and thrive. This will provide hands-on support to local areas to develop innovative strategies and connect local areas to relevant experts.

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<sup>23</sup> <https://www.gov.uk/government/publications/future-high-streets-fund>



## Environment

22. This government has pledged that we will be the first generation to leave the environment in a better state than that in which we inherited it. To this end, the government has published its flagship 25 Year Environment Plan for England – an ambitious blueprint for improving the environment based on a natural capital approach.<sup>24</sup>
23. We believe that a healthy environment supports a healthy economy. Ensuring that the Thames Estuary is cleaner and healthier than we found it for future generations underpins our response to the Commission’s vision. We support the Commission’s view that an integrated approach should be taken to the Estuary’s environmental assets, with opportunities to reduce flood risk and improve air quality integrated with the sensitive management of wildlife habitats and improved access for recreation and leisure. We recognise and support the Commission’s belief that the vision provides an opportunity to embed the principles of the government’s 25 Year Environment Plan, including environmental net gain, in the future of the area. Taking this approach will ensure the environment is at the heart of planning and development to create better places for people to live and work.
24. The use of a natural capital approach to support decision making presents the opportunity to deliver environmental enhancements for future generations. This approach can realise benefits such as reduced long-term flood risk, increases in wildlife, and a boost to long-term prosperity. If we can make the right natural capital interventions at this stage, we can improve the Estuary for future generations. We are determined to support the ambitions of the government’s 25 Year Environment Plan by increasing the natural capital of the Thames and enhancing the value of the river to society.
25. In keeping with our 25 Year Environment Plan, opportunities should be sought in the Thames Estuary to secure environmental net gains for biodiversity, as well as expanding this approach to include wider natural capital benefits, such as flood risk management, recreation, resource and waste management and improved water and air quality.
26. We support the Commission’s view that an integrated approach should be taken to the Estuary’s environmental assets, with opportunities to increase communities’ resilience to flood risk and climate change impacts, as well as improving air quality, integrated with the sensitive management of wildlife habitats and improved access for recreation and leisure.

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<sup>24</sup> <https://www.gov.uk/government/publications/25-year-environment-plan>

27. Environmental considerations are enmeshed in several of the housing and infrastructure issues in the next chapter. Nevertheless, the Commission raise some distinct environmental priorities concerning flooding. Clearly, protecting communities from tidal flooding is a crucial enabler for growth.

### **Flood risk is increasing but we are proactively planning to manage this**

28. The flood defence system in the Thames Estuary sets the standard for tidal flooding. But we are clear that increasing pressures, including climate change, mean that flood risk is increasing, and the Estuary must continue to adapt.

29. We are delivering our Thames Estuary 2100 Plan, which sets out a comprehensive plan to address the future risks of tidal flooding.<sup>25</sup> We fully support the Commission's recommendation for the delivery of integrated flood defence schemes along the Estuary. These opportunities should not be limited to the sites identified at Charlton, Thurrock and Purfleet, but should be considered throughout the Estuary as part of the requirement to manage tidal flood risk throughout the Estuary to 2050 and beyond.

30. The Environment Agency want to work with all partners with a planning remit to implement an integrated approach to flood defence throughout the Estuary, maximising economic, social, environmental and cultural benefits. This will ensure that all future riverside development is planned strategically, ensuring it can not only improve defences, but also deliver multiple benefits for its communities. The Environment Agency recognise the importance of an integrated approach and are currently at the preliminary stages of working with the Greater London Authority to assist us in reaching out to local planning authorities along the Estuary in London. In the coming year, the Environment Agency plan to offer to collaborate with these authorities to deliver this approach for their riverside.

31. We are pleased to see the Commission's recommendation for authorities to work together to safeguard land required for future flood defences along the Estuary. Defences all along the Estuary will need to be raised in order to continue to provide the required protection from tidal flooding throughout the remainder of the century.<sup>26</sup> This will involve refurbishing and replacing existing defences and setting future development back from the river, ensuring there is the space required for proper maintenance and potential further enhancements in the future. This includes ensuring the replacement of wildlife habitats lost through 'coastal squeeze' caused by rising sea levels.

32. We welcome all authorities working in partnership with the Environment Agency to deliver this recommendation and enable a resilient and thriving Thames Estuary.

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<sup>25</sup> <https://www.gov.uk/government/collections/thames-estuary-2100>

<sup>26</sup> <https://www.gov.uk/government/collections/thames-estuary-2100>

### ***Thames East Line***

The Commission set out how government should consider a multi-modal crossing as part of its planning for the next Thames Barrier.

We support maximising benefits from large-scale infrastructure and recognise that consideration of a multi-modal replacement Thames Barrier brings opportunities. However, the location proposed by the Commission is not one the Environment Agency would currently consider due to extensive investigations of navigation, flood risk, existing infrastructure, and environmental requirements which limit the feasible locations for a replacement barrier to two sites.

Based on current sea level rise estimates, the Environment Agency expect a future barrier would need to be operational by 2070. Delivering a replacement Thames Barrier by 2050 is significantly earlier than the timeframe set out in the Thames Estuary 2100 Plan and is not supported by the current business case for the Thames Estuary 2100 Plan. This remains subject to regular review by the Environment Agency.

# Housing and transport

## **Our commitment to the Estuary**

- Homes England has identified the Thames Estuary as a major growth area and stands by to offer tailored support to develop ambitious plans to increase the supply of new homes
- Government is committed to exploring the potential for at least two locally-led development corporations in the Thames Estuary.
- Government is committed to striking housing deals with groups of local authorities in the Thames Estuary in order to support ambitious and innovative plans for additional homes in high demand areas
- Government has increased the Housing Infrastructure Fund by £500 million to £5.5 billion. £291 million is already being investment in the Thames Estuary at the London Docklands to unlock up to 18,000 new homes
- Government has made nearly £300 million available to Ebbsfleet Development Corporation to drive forward the delivery of the garden city and to deliver key infrastructure by 2021
- Government is backing the multi-billion-pound Lower Thames Crossing, Britain's biggest road tunnel, which is set to nearly double road capacity across the Thames and free up the Dartford Crossing
- Government is establishing a cross-government group to realise the wider benefits including housing, employment opportunities and economic development of the Lower Thames Crossing
- Government has committed £200 million of Local Growth Fund to 2020/21 (via Local Enterprise Partnerships) to facilitate growth, including improvements to the A13 and A127 in Essex, and town centre regeneration schemes in Kent
- Government has committed £125 million to improve the A2 junctions at Bean and Ebbsfleet and £10 million to the existing Dartford Crossing
- Government is announcing £4.85 million to support local partners in developing the business case for enhancing transport links between Abbey Wood and Ebbsfleet

# Housing

## **New homes for the Estuary**

1. The Commission envisioned that at least 1 million new homes will be needed across the Estuary by 2050 to support forecasted growth. This vision is consistent with government's ambition to support local places and enable the housing market to deliver 300,000 homes a year, on average, by the mid-2020s.
2. We are supportive of housing growth in the Thames Estuary as part of a wider objective to increase economic growth in the area and will continue to support this level of development through existing and future programmes of investment in housing, such as the £5.5 billion Housing Infrastructure Fund alongside support from Homes England.
3. While government welcomes the overarching vision for the Thames Estuary, we recognise the challenges and considerations which will need to be taken into account in realising this vision. This includes planning for need, capacity to deliver and constrained land. We also recognise the significant opportunities inherent across this vibrant area.
4. We know that affordability, good design and appropriate infrastructure are integral parts of delivering transformational places. The government acknowledges that the outer Estuary's proximity to London offers beneficial access to skills and employment. Government is committed to work collectively with local partners across the Thames Estuary to ensure an integrated approach to delivering physical and social infrastructure before new homes are built.
5. In practice, this means forward planning; the provision of health and education services; ensuring that improvements to the strategic road and rail networks anticipate future demand and unlock new opportunities; utilities are forward funded and co-ordinated to promote housing at scale; and that opportunities for biodiversity net gain and supporting green and blue infrastructure are maximised by being planned in from the very start.
6. Government will continue to support local authorities in planning for and delivering significant additional homes, in order to support our ambition for 300,000 homes per year by the mid 2020s. Existing government programmes and funds will continue to support local places to achieve this ambition. Our land funds, the Housing Infrastructure Fund and housing deals, alongside the redefined and strengthened role of Homes England, will ensure that the Thames Estuary and wider South East remain a key priority for this government.
7. Government agrees with the Commission that the scale and pace of delivery will need to increase to meet demand for housing across the Estuary. We believe that this increase in pace should be primarily plan-led, through the development of ambitious

joint statutory spatial plans to support significant housing growth. Government is prepared to offer bespoke support through initiatives such as housing deals, to support those places willing to be ambitious in their approach to building more homes. Government would expect places across the region might want to go further in order to take account of higher demand and fully enable them to meet their economic growth ambitions.

8. The Commission also recognised the importance of housing delivery both in East London and within the wider Estuary. Government expects all local authorities to plan for the number of homes required to meet need in their area. We would encourage cooperation between the London boroughs and neighbouring authorities in Kent and Essex and welcome further engagement with those places, including with groups of London boroughs, in exploring how we might support them to plan for and deliver significant increases in the provision of homes.

### **Affordable homes for the Estuary**

9. Although housing affordability is a problem throughout England, it is particularly acute in the South East, where the ratio of average house price to average income reached 10:3 in 2018.<sup>27</sup> The Thames Estuary forms a crucial corridor within this region, and we recognise that some areas of the Estuary suffer from significant affordability pressures, in excess of the national average.
10. We are committed to driving up housing supply where homes are most needed, and we are supporting places to deliver more and better-designed homes, and to do so faster. Meeting the diverse needs of our communities, such as homes for first-time buyers, homes suitable and accessible for older people, high quality rental properties and well-designed social housing, is at the forefront of our programmes and policy reforms.
11. Government will continue to support places to deliver a diverse offer and has made £9 billion available through the Affordable Homes Programme; the aim is to deliver 250,000 new affordable homes of a wide range of tenures across the country by March 2022. We will continue to work with places, including across the Estuary. We have increased the size of the Affordable Homes Programme and re-introduced social rent. We have also announced that we are removing the Housing Revenue Account borrowing cap to enable councils to build more homes and are setting a long-term rent deal for councils and housing associations in England from 2020.<sup>28</sup>

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<sup>27</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/housingaffordabilityinenglandandwales/2017#house-prices-driving-worsening-affordability-in-the-south-east-and-east-of-england>

<sup>28</sup> <https://www.gov.uk/government/news/2-billion-boost-for-affordable-housing-and-long-term-deal-for-social-rent>

## Well-designed homes for the Estuary

12. We want new homes in the Estuary to be high-quality, popular and well-designed. Tools and techniques to achieve this include design aspirations in Local Plans in statutory and non-statutory documents such as design guides and design codes. These can be developed with community engagement through design workshops and charrettes. This should be supported by assessment processes such as Building for Life 12 and design review to assess quality of projects.<sup>29</sup>
13. We will support the Estuary to embed high-quality design in their growth plans, including promoting the use of Quality Panels, which are panels of experts from professional sectors. This will help maintain critical oversight of the quality of new developments delivered by local authorities in the Estuary.<sup>30</sup>
14. We also believe that the construction of new homes is an opportunity to deliver excellent digital connectivity, and that all new homes should be planned to enable future-proofed digital connectivity. All new homes should be consistent with our mission to halve the energy use of new buildings by 2030, announced last May as part of the Industrial Strategy. We want homes to be more energy efficient, to use clean heating, and drive lower cost, lower carbon and higher quality construction through innovative techniques. New homes could give consumers more control over how they use energy through smart technologies.

## Ambitious housing and infrastructure deals for the Estuary

15. Government is committed to driving up housing supply across the country and especially in areas of high unaffordability, like the Thames Estuary. This was a key theme in our White Paper, 'Fixing the broken housing market'.<sup>31</sup> We are committed to delivering the homes this country needs, in the places people want to live. This includes supplying homes to meet the diverse needs of our communities.
16. In order to achieve this ambition, we are progressing a range of reforms. We have introduced planning reform through the revised National Planning Policy Framework. This is a vital tool in ensuring that we get planning for the right homes built in the right places of the right quality while, at the same time, protecting our environment. Moreover, this is key in how we seek to increase the supply of land available for homes.<sup>32</sup> We are supporting communities through our £5.5 billion Housing Infrastructure Fund, designed to fund the right infrastructure that will unlock new homes in the areas with greatest housing demand. We are also working with places, striking

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<sup>29</sup> <https://www.designcouncil.org.uk/resources/guide/building-life-12-third-edition>

<sup>30</sup> <https://www.designreviewpanel.co.uk/>

<sup>31</sup> <https://www.gov.uk/government/publications/fixing-our-broken-housing-market>

<sup>32</sup> <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

bespoke housing deals to provide the tools and resources needed to support housing growth in excess of need and drive economic ambitions.

17. We recognise the Estuary as a major growth area and recognise the need to support housing ambitions with appropriate infrastructure. Government welcomes the Commission's support for the principle of housing deals, through which we can provide infrastructure investment and bespoke freedoms and flexibilities in exchange for ambitious housing growth numbers backed by statutory joint spatial plans.
18. Government is committed to striking housing deals with groups of local authorities in order to support ambitious and innovative plans for additional homes in high demand areas. Through these deals, we are seeking to support greater collaboration between councils, a more strategic approach to decision-making on housing and infrastructure, more innovation and high-quality design in new homes and creating the right conditions for new private investment. We are encouraged by early discussions with authorities in Kent and Medway on how government can support this ambitious plan, and how we can best work together to secure the infrastructure it needs to plan for and deliver more homes.
19. Housing growth is intrinsically linked with economic growth and we want to support places to build thriving communities where people want to live and work. Housing deals are just one way we can work collaboratively with places to really support them in achieving that goal; Homes England's role is another.
20. Homes England is the government's housing accelerator. They have recently launched a new five-year Strategic Plan outlining their new mission and strategic objectives. Their mission is to intervene in the market to ensure more homes are built in areas of greatest need, and to improve affordability. They are committed to working with partners across the sector, which show strong leadership and share their ambition to achieve this.
21. Moving forward, a key objective is to offer expert support for priority locations – for example, the Thames Estuary, which has already been identified as a major growth area. This would involve using a mix of investment, land and expertise to develop more ambitious plans to increase the supply of new homes.
22. Homes England has a strong track-record of place-based working and supporting places to deliver major housing projects. They are already working collaboratively with partners across the Thames Estuary at Chatham Maritime, Rochester Riverside, Basildon and Ebbsfleet – as well as across the wider South East. They are keen to build on this by working with more places, in a more strategic way – and identify how to tailor their investment, land and expertise in a way which best meets the needs of local markets. Where places across the Thames Estuary have ambition, potential for growth and a clear plan, Homes England will combine their tools to partner with them and support increased housing delivery.



### ***Housing Infrastructure Fund***

We know we cannot build the homes this country needs without delivering the right infrastructure first. In many cases, the private sector on its own is able to deliver. Where this is not possible due to market failure, we are committed to helping places build the right infrastructure for their needs - whether this be transport, education, health, utilities, land assembly, or other forms of infrastructure.

We are working with Homes England to bring communities, local authorities, departments across Whitehall, government agencies, and the private sector together to solve the problem. At Budget 2018 we increased the Housing Infrastructure Fund, part of the National Productivity Investment Fund, by £500 million to £5.5 billion to unlock up to 650,000 new homes.

We also announced the first successful Housing Infrastructure Fund bid, totalling £291 million worth of investment in the Thames Estuary to unlock up to 18,000 new homes in East London through improvements to the Docklands Light Railway.<sup>33</sup> This is our first successful Housing Infrastructure Fund Forward Funding project. We are continuing to work with places across the Estuary to develop their proposals and will be announcing further successful places over the coming months.

### **Joint spatial plans**

23. Government welcomes the Commission's recommendations in encouraging more joint planning between local authorities in Kent and in Essex. The government welcomes joint planning to help coordinate solutions to cross-boundary issues, to use strategic level planning to meet the national challenge of delivering more homes in a more integrated way, whilst also grasping the opportunity to use precious resources more efficiently in the process. To achieve this, we have strengthened the National Planning Policy Framework to emphasise greater cooperation between local authorities and outlined our ambitions to encourage more joint planning, particularly through work on housing deals.
  
24. We recognise that in some places across the Estuary, this is already happening and are encouraged by progress in South Essex, wherein six local planning authorities and Essex County Council have agreed to produce a Joint Statutory Spatial Plan. The joint planning work being undertaken by the Estuary partners in South Essex is moving forward at an ambitious pace, with a statement of common ground and revised Local Development Schemes for each of the authorities. The Joint Statutory Spatial Plan will set out the areas overarching spatial strategy, housing target and distribution, strategic development and employment opportunity areas and key transport and other infrastructure priorities. Along with housing and employment, the Joint Statutory Spatial

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<sup>33</sup> <https://www.gov.uk/government/publications/budget-2018-documents/budget-2018#housing>

Plan aims to plan for and deliver large scale infrastructure that will permit long term growth for the region.

25. Geography is not always easily defined across the area outlined in the Commission's report. Government supports joint planning arrangements as defined by local partners and stands ready to offer support to places seeking to engage in developing compelling proposals which support housing growth over the longer term. These proposals or joint working arrangements should not be limited by the geography of the Estuary and we would encourage cross boundary working.

### **Delivering large and complex sites**

26. Given the Commission's focus on accelerating housing delivery, it recommends the creation of further development corporations to drive this growth. The Commission proposes these are set-up with planning, and compulsory purchase powers to drive the delivery of homes and jobs aligned to major infrastructure investment.
27. The government considers that development corporations can be appropriate vehicles for delivering major housing and regeneration projects where there are complex delivery and co-ordination challenges. In line with our locally-led approach to garden communities, we have legislated to enable the creation of locally-led new town development corporations.
28. These bodies will support the creation of exceptional new garden towns that are supported by robust legacy and stewardship arrangements. Such corporations would be overseen by the local authorities covering the area rather than by the Secretary of State for Housing, Communities and Local Government.
29. The government is committed to exploring the potential for at least two new locally-led development corporations in the Thames Estuary. This is subject to suitable housing ambition from local authorities, and we encourage local areas in the Estuary to come forward with such proposals.
30. We announced at Budget 2018 that we will be consulting on the legal framework for development corporations to ensure they have the powers they need to deliver.<sup>34</sup> We also announced £10 million to support local areas that are delivering transformational housing and regeneration projects through innovative delivery vehicles such as development corporations.<sup>35</sup>

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<sup>34</sup> <https://www.gov.uk/government/publications/budget-2018-documents/budget-2018>

<sup>35</sup> <https://www.gov.uk/government/publications/budget-2018-documents/budget-2018#productivity> (section 5.13)

31. The government's Housing White Paper makes clear that well-planned, well-designed new communities have an important part to play in meeting our long-term housing needs. We published a prospectus in August 2018, inviting expressions of interest in ambitious, locally-supported proposals for high quality new Garden Communities at scale. We are currently assessing proposals received and will look forward to announcing new Garden Communities in due course.<sup>36</sup>
32. In line with the government's support for the use of development corporations in appropriate circumstances, it continues to be committed to the delivery of our first garden city for over 100 years at Ebbsfleet via the only extant urban development corporation in the country.

### ***Ebbsfleet Garden City***

The government's vision is for the creation of a new vibrant economic hub at Ebbsfleet, building on its high-speed links to London and the continent.

The government has established an urban development corporation, Ebbsfleet Development Corporation, to drive forward the delivery of the garden city. The government has made available nearly £300 million, via Ebbsfleet Development Corporation, to deliver key infrastructure by 2021. Ebbsfleet Development Corporation is already delivering over £100 million of key investment in road infrastructure, new public transport and utilities. This is helping to unlock private sector investment.

Over 1,400 new homes have so far been completed in the garden city and we expect in excess of 2,800 homes to be built by 2021. However, the government is now seeking to take a more interventionist role in the delivery of the garden city so as to further support delivery of homes and jobs at increased scale and pace.

The government and Ebbsfleet Development Corporation are working with partners to facilitate a viable solution to unlock development at Northfleet Riverside, the pivotal Central Area site by the international station which would be the location of the 'city centre', and the Swanscombe Peninsula.

### ***Accelerated delivery plan in the City Ribbon***

We support the principle of the recommendation to trial new delivery models to accelerate the scale and pace of delivery of homes. We are interested in new and innovative approaches to accelerate delivery across the Estuary. Increasingly, local authorities are using new models to get homes built in their areas.

We recognise that Housing Companies can be an effective way to deliver new homes

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<sup>36</sup> <https://www.gov.uk/government/publications/garden-communities-prospectus>

that the private sector is not delivering or that local authorities cannot deliver through their Housing Revenue Account. Where a local authority applies to us for consent to dispose of more than five council homes to a local housing company, we will want to see proposals which maximise the number of affordable homes and increase the overall level of housing supply. In these situations, a company might support bringing existing social homes back into use or be able to replace them with higher numbers, or a more appropriate mix of homes. Affordable housing should generally be delivered through the Housing Revenue Account. Where housing companies are delivering and retaining affordable homes, we would expect them to offer an opportunity for tenants to become homeowners.

The government also recognises that the community-led housing sector offers significant potential for helping to meet housing need across England. In addition to helping increase the rate of delivery of new housing, it will help deliver a range of benefits including diversifying the house building sector, improving design and construction quality, developing modern methods of construction, and sustaining local communities and local economies. The support and close involvement of the local community enables the community-led approach to secure planning permission and deliver housing that could not be brought forward through speculative development.

The Community Housing Fund aims to support an increase in housing supply in England by increasing the number of additional homes delivered by the community-led housing sector; to provide housing that is affordable at local income levels and remains so in perpetuity; and to deliver a lasting legacy for the community-led housing sector in the form of an effective and financially self-sustaining body of expertise within the house building industry in England.

The first tranche of funding from the Community Housing Fund was awarded in December 2016.<sup>37</sup> In July 2018, a new Homes England programme was launched to deliver the Community Housing Fund (outside London) from this year.<sup>38</sup> Community groups and local authorities in all parts of England outside London are now able to apply for capital and revenue funding to bring community-led housing schemes forward.<sup>39</sup>

We would encourage local authorities across the City Ribbon and wider Estuary to explore new and innovative approaches to accelerating housing delivery and welcome engagement with places on what government can do to support them in that.

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<sup>37</sup> <https://www.gov.uk/government/news/60-million-boost-for-communities-affected-by-second-homeownership>

<sup>38</sup> <https://www.gov.uk/government/collections/community-housing-fund>

<sup>39</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/721270/Community\\_Housing\\_Fund\\_Online\\_Guidance.FINAL.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/721270/Community_Housing_Fund_Online_Guidance.FINAL.pdf)

## Transport

33. Transport connectivity will play an important part in facilitating housing delivery and growth in the corridor. The Thames Estuary already benefits from connectivity with the A13, A2, M25 and rail links including the C2C, Thameslink, Southeastern and HS1 networks. The £6 billion HS1 network connects London and Kent, thus enabling journeys from Ebbsfleet to London St Pancras in just 17 minutes. And the Estuary is home to thriving international connections, from City Airport in London to a number of major ports. However, we recognise that existing networks can be congested in some places, and that this will need to be addressed in order to accommodate growth in the Estuary. We are committed to working with local partners to ensure the Estuary's transport infrastructure enables the growth potential of its people and places, as well as supporting environmental net gain.

### **Government is making significant investment to improve transport links in this part of the country**

34. Government has provided around £200 million of Local Growth Fund to 2020/21 (via Local Enterprise Partnerships) to facilitate growth. This includes improvements to the A13 and A127 in Essex, and town centre regeneration schemes in Dartford and Chatham in Kent. We have also committed to improvements to the strategic road network including the A2 junctions at Bean and Ebbsfleet (£125 million) and at the existing Dartford Crossing (£10 million).
35. The A13 corridor in Thurrock links the nationally significant ports of Tilbury and London Gateway with the M25 and London. The South East Local Enterprise Partnership has identified the A13 corridor as the largest single growth opportunity in their area.<sup>40</sup> The improvements to the A13 through this £71 million investment will help improve connectivity along this key route.
36. In addition, the Secretary of State for Transport recently announced, subject to business case development and approval, a vital new road improvement scheme in Thurrock for new slip roads to be created on the eastern side of the existing junction between the A13 and A126 at Lakeside. This will be one of the first schemes to benefit from Major Road Network funding and will alleviate congestion, reduce delays and make the area a more attractive place for investment - driving further growth in homes and jobs.
37. The A127 is a key route for Essex linking London with Basildon and Southend and Rochford. In Basildon, the A127 corridor is home to one of the largest single concentrations of advanced manufacturing companies in the South of England. The corridor makes substantial contributions to the prosperity of the South East Local

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<sup>40</sup> [https://www.southeastlep.com/app/uploads/2018/08/South\\_East\\_Growth\\_Deal\\_Round1.pdf](https://www.southeastlep.com/app/uploads/2018/08/South_East_Growth_Deal_Round1.pdf)

Enterprise Partnership area and offers considerable growth prospects. The South East Local Enterprise Partnership has secured over £41 million towards improvements to the road.

38. We know that the shores of the Thames Estuary will look very different across the next decade, with the Lower Thames Crossing set to open to traffic in 2027, and the Elizabeth line set to transform journeys between London and the Estuary.
39. Our focus is on ensuring that these existing multi-billion-pound projects are delivered in the most cost-effective way for taxpayers, while maximising the wider benefits for passengers and local communities. For example, we are working across government to ensure the Lower Thames Crossing is a catalyst for further growth, jobs and housing in the area, and to ensure maximum growth opportunities at Ebbsfleet. We are also working closely with a number of local authorities in the area to co-develop their bids into the government's Housing Infrastructure Fund for transport infrastructure to support new housing.
40. Given the scale of existing and planned transport infrastructure investment in the Estuary, looking further ahead, well-targeted local transport interventions are likely to be a more cost-effective means of delivering further growth. We believe that a holistic approach to investment in placemaking (skills, education, housing, environmental improvements, flood risk management and community projects) will be the biggest driver for further growth in the Estuary. In line with this, we must ensure that we make the best of our current and planned transport investment, with a particular focus on first and last mile links to ensure people across the Estuary can access transport links to education and employment opportunities, and on enabling new housing and development to come forward. We want to support local authorities and Local Enterprise Partnerships to identify and prioritise such schemes.

### ***Transport Innovation Zone in the Inner Estuary***

We welcome innovative thinking regarding clean technology in transportation, logistics and data systems. Through the Industrial Strategy, the government made a commitment to support UK science and technology with £7 billion in new public funding for science, research and innovation; the largest increase for 40 years.<sup>41</sup> This will include looking at new transport technologies and how these are driving profound changes in how we move people and goods around our cities and countries. This will help deliver clean growth and highlights the government's determination to address air pollution and climate change. We are keen to work with local partners in the Estuary as they take forward any proposals in this area.

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<sup>41</sup> <https://www.gov.uk/government/publications/industrial-strategy-sector-deals>

## Thames Crossings

41. The Lower Thames Crossing is on track to open to traffic in 2027. The largest road upgrade in the UK since the building of the M25, it will almost double capacity across the Thames and reduce northbound crossing times at the Dartford Crossing, helping to transform journeys, create new business opportunities in Kent and Essex, and unlock productivity across the UK.
42. At the scoping stage of the Lower Thames Crossing project, the Department for Transport re-examined the potential for a multi-modal crossing. We are confident that the project, as currently scoped, is taking forward the best overall option. Transport demands do change over time due to a number of factors such as growth and housing, and as part of normal planning, the Department for Transport continues to look at emerging future transport trends to ensure we have robust strategies and future investment plans in place.
43. The Commission has also suggested that a future Thames East flood barrier could provide the opportunity for a multi-modal transport crossing (see section above). Transport demands do change over time, and as part of normal planning, the Department for Transport would consider the opportunity for synergy with any identified transport investment needs at the appropriate time. However, the department's current focus remains on taking forward the Lower Thames Crossing, in line with Highways England's consultation launched in October 2018. The cost of a new rail link could be expected to be high and any new investment proposal would need to offer value for money and be technically feasible.
44. Other new crossings within London are primarily a matter for the London Mayor. In May 2018, the Department for Transport announced its decision to approve an application by Transport for London to construct a twin bore road tunnel providing a new connection between the A102 Blackwall Tunnel Approach on the Greenwich Peninsula in the Royal Borough of Greenwich and the Tidal basin roundabout junction on the A1020 Lower Lea Crossing/Silvertown Way in the London Borough of Newham. It is now for Transport for London to take forward this project.

### ***Realising wider benefits from the Lower Thames Crossing***

We want the Lower Thames Crossing to support sustainable local development and regional economic growth in the medium to long term, to minimise adverse impacts on health and the environment and to improve safety.

We are establishing a new officer-led cross-government Lower Thames Crossing group, chaired by the Ministry of Housing, Communities, to ensure a co-ordinated effort in promote the wider housing and local growth benefits of this essential part of the UK's transport infrastructure.

This will support and strengthen the existing cross government arrangements led by the

Department for Transport and Highways England to oversee ensuring that the Lower Thames Crossing delivers its full range of benefits, including improved connectivity for communities and businesses, increased economic growth and productivity as well as the creation of jobs and apprenticeships.

## **Connectivity to London**

45. When construction is complete, and the Elizabeth line is open for public use, it will transform journeys between London, Kent and Essex, adding an estimated £42 billion to the UK economy by creating jobs and making it easier to do business. Furthermore, the Elizabeth line will reduce congestion and help to drive regeneration along the route, supporting the delivery of over 90,000 new houses by 2021 and the development of 180,000 new homes by 2026.
46. The Commission supported extending the Elizabeth Line from Abbey Wood to Ebbsfleet. We recognise the significance of this corridor and the desire to use transport infrastructure to support plans for a garden city at Ebbsfleet and further housing growth in the south east. There has been extensive working from partners across the Estuary working together to improve housing and growth opportunities in this part of the country. At this crucial stage of the project, the government remains focused on the full delivery of the currently agreed scheme as its priority. We will need to ensure that any impacts on travel patterns in this area from the Elizabeth Line are fully accounted for in any future rail investment decisions in this area.
47. However, we recognise the desire to improve transport links in the area and are supporting local partners to look at potential low-cost options for enhancing transport connectivity between Abbey Wood and Ebbsfleet.

### ***Transport services from Abbey Wood to Ebbsfleet***

We are pleased to announce that we are supporting local partners to develop a business case for enhancing transport services between Abbey Wood and Ebbsfleet and the Ministry of Housing, Communities and Local Government will provide £4.85 million to support development of low-cost proposals, subject to suitable housing ambition. We are clear that this work should be undertaken with a view that any decision on future transport enhancements would be subject to consideration of a business case and would require a detailed evidence base that demonstrates that the scheme would be both technically feasible, offer value for money (including the identification of funding) and deliver ambitious new housing in the area.